



**THE HON ANDREW GILES MP
MINISTER FOR SKILLS AND TRAINING**

MS25-000361

Ms Natalie James
Secretary
Department of Employment and Workplace Relations
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Dear Secretary

As the responsible Minister for the administration of the *VET Student Loans Act 2016* and the *VET Student Loans (Charges) Act 2016* and exercising powers under regulation 2.26B of the *Migration Regulations 1994*, I am writing to provide you with strategic direction in the form of the attached Statement of Expectations.

As outlined in the Department of Finance's *Regulator Performance (RMG128)* guidance, Statements of Expectations should be issued or refreshed every 2 years for all Commonwealth entities with regulatory functions, or earlier if there is a change in Minister, change in regulator leadership, or significant change in Commonwealth policy. While noting your operational independence, clear expectations from government to regulators can help drive better regulator performance, providing an enabling environment that support the implementation of best practice.

I would appreciate your response in the form of a Statement of Intent, outlining how you intend to meet the expectations. To ensure transparency and accountability, the Statements of Expectations and Intent should be published and made available on your website. These statements should also be incorporated into *Public Governance, Performance and Accountability Act 2013* processes for best practice, for example by including a link to the published documents in relevant corporate documents.

Thank you for your timely assistance with this matter. I look forward to your response.

Yours sincerely

ANDREW GILES

17 / 8 / 2025

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STATEMENT OF EXPECTATIONS

Department of Employment and Workplace Relations (DEWR)

Vocational Education and Training Student Loans and Skills Assessing Authorities

This Statement sets out the Australian Government's expectations for DEWR's regulation of:

- VET Student Loans under the *VET Student Loans Act 2016* (VSL Act) and the *VET Student Loans (Charges) Act 2016* (VSL Charges Act)
- skills assessing authorities under regulation 2.26B of the Migration Regulations 1994 (Migration Regulations).

The VSL Act sets the requirements for providers to be approved as VSL providers, outlines the compliance framework for the ongoing monitoring and regulation of VSL providers and establishes a tuition protection service for students, where providers default on course delivery.

The Migration Regulations outline the powers of the Skills Minister (referred to as the Skills Assessment Minister in the Regulations) regarding the approval of Assessing Authorities that deliver skills assessments for the purpose of migration. From December 2024, the Skills Minister's regulatory powers were expanded to include the power to set, vary, or remove conditions for approval, revoke the approval of an Assessing Authority, and reconsider revocation decisions. The Skills Minister may also delegate powers under Regulation 2.26B (other than the power to revoke approval as an Assessing Authority) to the Skills Assessment Secretary and certain SES employees.

Building a skilled and adaptable workforce is one of the 5 pillars of the productivity agenda. Ensuring a fit-for-purpose skills assessment sector will better support migrants to find jobs that reflect their skills, qualifications, and experience, help employers to meet their workforce needs, and deliver economic and social benefits to the nation.

DEWR's role

Under the VSL Act, and the VET Charges Act, in relation to course providers, the Secretary may:

- approve a body as an approved course provider (s25), and by legislative instrument, prescribe fees for applications for approval as an approved course provider (s31)
- levy annual and renewal charges on VSL providers
- impose conditions on that approval, or vary conditions of the approval (s34)
- revoke or suspend the approval of an approved course provider (s36)
- give, vary, or revoke compliance notices (s43 and s44)
- require a course provider to be audited (s45)
- by notice in writing require an approved course provider to give the Secretary information or documents that relate to vocational education and training by the provider or provider's compliance with the VSL Act (s53).

Under the Migration Regulations, the functions of DEWR are to support the Skills Minister in exercising powers related to Assessing Authorities by:

- recommending the approval of assessing authorities, conditions to the approval, and revocation of assessing authorities
- monitoring assessing authorities
- developing and providing policy advice to support the operationalisation of the Minister's regulatory functions in relation to skills assessments.

The government's policy priorities

The government is focussed on supporting eligible students to access quality training that meets workplace needs in areas of national skills priority and improves their employment outcomes through the provision of income contingent loans. In parallel, the government is committed to improving productivity through improved skills assessment processes for migrants as part of the Government's Migration Strategy. This includes long-term strategies to reduce skills assessment inefficiencies in order to unlock significant productivity gains. The government expects DEWR to identify and pursue opportunities to contribute to this objective. In doing so, the government also expects DEWR to:

- support access to skills and training to deliver employment and economic prosperity, including building a strong high-quality VET sector
- ensure changes are informed by stakeholder needs through early, frequent, and meaningful engagement. This includes consulting to understand user experiences and providing timely, tailored information. DEWR will also strengthen collaboration and information sharing across internal and government stakeholders to proactively address risks and support sustainable implementation
- collaborate with VSL providers to understand and improve the VSL provider and student experience, and Assessing Authorities to encourage voluntary compliance
- tailor its regulatory approach to the diverse needs of VSL providers
- take proactive steps to ensure VSL providers and Assessing Authorities are compliant with relevant regulations and operate within the law
- use the investigation and enforcement powers of the relevant Legislation to address non-compliance and conditions on approval for VSL providers, this includes standard and bespoke conditions to limit the risk to the department and student
- use intelligence and data to inform a risk based approach to regulatory engagement, including proportional targeting of industries or activities of concern
- draw on evidence and stakeholder experience to identify and address systemic non-compliance
- monitor their operating environment to ensure regulatory approaches keep pace with changes in technology, industry practices and community expectations
- respond appropriately to the changing context and operating environment of VSL providers and Assessing Authorities
- act in accordance with, and strive for continuous improvement against, the principles of regulator best practice as set out in Resource Management Guide 128 Regulator Performance
- be transparent in their operations, policies and decision-making processes including by publishing formal regulatory decisions, performance results and updates on emerging issues.

Relationship with stakeholders

Regarding relationships with stakeholders, the government expects DEWR to:

- ensure that its actions are consistent with the policies of the government, in accordance with section 21 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act)
- consult with and provide appropriate guidance to VSL providers and Assessing Authorities, so they have clarity about how DEWR will exercise its powers
- coordinate regulatory activities with other regulatory agencies to avoid duplication, including through sharing information and undertaking joint education activities where possible
- work collaboratively with relevant agencies across government to support VSL providers and Assessing Authorities.

The government will provide an enabling environment for DEWR to consistently implement best practice by ensuring it is well informed of the government's policy direction, as specific initiatives and strategies are being considered.

Organisational Matters

Regarding organisational matters, the government expects DEWR to:

- implement appropriate controls to manage the risk of unauthorised disclosure of protected or sensitive information
- uphold and promote the Australian Public Service Values and Code of Conduct
- comply with the requirements under the PGPA Act and associated instruments and policies
- hold itself to account through internal accountability processes that foster a culture of continuous improvement and reflection.