

Joint Standing Committee on Migration

EFFICACY OF CURRENT REGULATION OF AUSTRALIAN MIGRATION AGENTS RGIT Australia Submission

The Royal Gurkhas Institute of Technology (RGIT) Australia is a Registered Training Organisation (RTO) that delivers Vocational Education and Training (VET) courses to more than 1000 international students, at its Melbourne and Hobart campuses. RGIT Australia currently delivers qualifications in Hospitality, Information Technology, Business and Management, English, Community Services, Early Childhood Education and Care, and Nursing.

RGIT Australia has been operating for over 10 years and is an established operator in Australia's burgeoning international education market.

We strongly believe that we meet a niche demand that supports the valuable International student market, so integral to the health of the Australian economy, especially in the two states in which they operate.

We seek to make a submission to the **Inquiry into the efficacy of current regulation of Australian migration agents.**

Commissions paid to education agents

Education agents play an essential role in the industry and operations of education institutions. They are the major source of our students and are a key component in delivering messages to our prospective students. Over the years, like many providers of quality education to International students, RGIT Australia has had both positive and negative interactions with our diverse groups of agents.

Without doubt, the one issue we seek to bring to the forefront of the Inquiry's Parliamentary representatives is the unregulated commission fee payments our industry is now paying agents. The industry rate for commission to education agents ranges between 30% and 40% of paid tuition fees for each student enrolment. This impost is no longer sustainable by small to mid-sized institutes. The subjectivity of the commission rate also plays an influential role in directing students to specific institutions by the agent.

Recommendation

We recommend that a cap of between 20% and 25%, be placed on commissions paid to education agents. Universities pay agents up to 10% of an international student's first year fees, we therefore propose this or around this number to be a practical figure, and by setting a cap on commission rates it would also enhance the competition between education institutions and eradicate unhealthy competition that has been created by the agents with no limitation to commission structure.

Risk rating - fraudulent documents

Another matter to bring to your attention is the criteria which determines the Risk Rating of each Institution imposed by the Department of Home Affairs. Currently, a weighting of 40% applies for Visa refusals when such a refusal is a result of a prospective student submitting a fraudulent document. RGIT Australia acknowledges the importance and mitigation of fraudulent documentation and understands it is the responsibility of the provider to ensure fraudulent documents are not submitted in support of a Visa application. However, RGIT Australia's ability to check all submitted documents, especially those related to financial capacity of students, is greatly impeded by a lack of information, transparency and resources.

Recommendation

The Australian Government agencies examine the development of tools to assist educational institutions in assessing the veracity of (financial) documents tendered in support of enrolment applications. This could be facilitated by a sharing of information by agencies to educational organisations where they identify and encounter fraudulent documents from a certain source. Such instances could be logged and recorded in a common, accessible database or online platform such as an email communication or memo.

This could, for example, involve a registry of the most common financial institutions that are cited in fraudulent documents, and therefore allow education institutions with the ability to filter at the application stage documentation from valid and reliable sources, thus enhancing the credibility of submitted applications.

We thank you for your consideration of our submission and we look forward to learning of the Inquiry's recommendations into this very important matter.

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