



Rivercity Training and  
Development

## Submission to the Senate Education and Employment Committees

The Operation, Regulation and Funding  
of the Private Vocational Education and  
Training (VET) providers in Australia



## TERMS OF REFERENCE

The following matter be referred to the Education and Employment References Committee for inquiry and report by 10 August 2015:

The operation, regulation and funding of private vocational education and training (VET) providers in Australia, including:

- (i) the access private VET providers have to Commonwealth and state public funding,
- (ii) the cost of education at private VET providers,
- (iii) the regulatory regime private VET providers operate within,
- (iv) the operation of VET-FEE-HELP,
- (v) the quality of education provided by private VET providers, volume of learning requirements and graduate outcomes,
- (vi) marketing and promotional techniques employed by private VET providers and education brokers both domestic and international,
- (vii) any incidents or allegations of non-compliance with regulation and funding arrangements at private VET providers,
- (viii) political donations made by private VET providers,
- (ix) international comparisons to the Australian funding and regulatory regime,
- (x) the operation, regulation and funding of private VET providers specifically offering courses in aged care and early childhood education and their labour market outcomes, and
- (xi) any related matters;

This submission has been drafted using a number of sources within the VET sector, including the use of market research undertaken by Rivercity Training and Development (RCTD) during the past 12 months.

It should be noted that Rivercity Training and Development is not a Registered Training Organisation, but have contractually partnered with a Registered Training Organization to provide Nationally Accredited courses to students both nationally and internationally.

The Submission is drafted addressing only certain aspects of the above Terms of Reference, that Rivercity Training and Development feel should be actively reformed as a matter of priority. In addition the submission includes other factors (external 3<sup>rd</sup> parties) that influence the operation of providers within the VET Sector.



## **(ii) the cost of education at private providers,**

During the course of 12 months of market research prior to commencing operations, RCTD representatives attended a variety of training organisations (both registered and not registered) and documented the fee structures across the organisations for similar courses claiming to provide almost identical outcomes and ability to seek employment in particular jobs within employers.

The difference from the cheapest to the most expensive courses ranged from as little as \$35 to a staggering \$15,000.

Drawing deeper into the detail of the differences it is evident that the course costs are impacted substantively by the overarching operational costs of the provider. This however, in order for the students to receive quality training outcomes and “value for money”, should not be a factor that influences the cost of the course, regardless of the size of the provider. Students are unlikely to be aware of the contributing factors of why courses are in some instances significantly differing in cost, therefore will likely chose a cheaper course option, only to be disadvantaged by the lack of adherence by the RTO to a high standard of course material and delivery, which in turn affects the quality of training provided to the student.

It is this issue that I believe is having a significant detrimental effect on the sector.

Why? Because the primary concern of the provider should be ensuring that the student is receiving the best possible training, support (both during and after) to ensure that they are truly “competent” in applying the knowledge in their workplace.

Conducting Internet Research will show a number of high profile training providers advertising CERT IV and Diploma level qualifications at ridiculously low costs. This is unsustainable not simply from a business perspective, but from the industry as a whole.

This practice taints the image of all training providers and disadvantages the students.

### **Recommendations:**

- The cost structure requires immediate reform. Through meaningful consultation with providers (Registered and Non-Registered) a fee structure that reflects realistic course costs, with prime focus on minimum course costs detailed for each qualification be established, adopted by all providers, and monitored for compliance by ASQA. Structure to also provide a maximum cost per course.
- The abolishment of incentive programs for the enrollment of students, specifically the provision of free mobile devices (ipad), laptops and any and all other electronic devices. Incentives such as payment plans, course discounts etc to remain.



## **(v) the quality of education provided by private VET providers, volume of learning requirements, and graduate outcomes.**

The quality of education from most providers is adequate, but there are aspects of this that could be reformed substantively. As I stated above, the providers focus should at all times be the students. I have personally witnessed instances of disgraceful trainer/student engagement and interaction, trainers dictating answers to the students in class, and trainers who clearly do not have an adequate level of industry knowledge of the qualification they are teaching.

Training providers such as ourselves should focus strongly on ensuring that the students that attend courses are truly “competent” and leaving no doubt in the trainers and assessor’s mind that they will be able to effectively apply the knowledge gained in the course, in the workplace.

The standards required to be deemed competent must be lifted across a number of qualifications. Each unit (module) of training should be a thorough and detailed 40 hours inclusive of face to face, on line and assessments.

Some providers have stated this is unworkable and will disadvantage students.... I believe this to be incorrect and only being rejected due to the inability of some providers to attract professional, competent trainers.

### **Recommendations:**

- Increase in the auditing of trainers and assessors by ASQA.
- Establishment of student feedback/complaint program within ASQA with complaints dealt with by third party. Current system is inadequate and viewed by students as not being independent.
- Increase in hours to 40hours per unit of training as a minimum. This should be reflected in the volume and detail within the resources required, detail in assessments and hours should be logged for each student.
- Trainers required to be licensed. Whilst a Certificate IV in Training and Assessment will still be required, a register of Licensed Trainers must be maintained by ASQA.
- Place a maximum number of courses allowed on scope by RTO’s. There are currently some providers with high double figure courses. Whilst this may be justified as a business decision in order to ensure maximum revenue intake, I personally believe they become a “jack of all trades master of none” and reflect poorly on the sector.



## **(xi) related matters**

There are two related matters that we feel have an impact on some Private Vocational Education providers. These are listed below and will be addressed individually:

- The requirement for Police and Department of Fair Trading (Qld) licensing in regards to Security Officers
- Inadequate Human Resources and Industrial Relations support

The quality of training of security guards, particularly in Qld, is appalling. The content of training resources, the experience of some trainers, and the providers' lack of accountability after completion shows that the courses should be scrapped in favor of a more detailed academy style format.

Currently once courses are completed and the students deemed competent, they are required to apply to Fair Trading for a Security Guards license under the Security Providers Act 1993. Accompanying this application must be proof of the successful completion of the course, criminal history check and fingerprints taken by the Queensland Police. Pay the prescribed fees, and some days to weeks later you receive your license.

There is no requirement for evidence of current or potential employment. There is no requirement to provide any evidence of assessment outcomes.

It is this aspect of the process that I believe is exploited by training providers solely focused on revenue intake as opposed to quality training outcomes, and providing students to the industry who truly are "competent".

## **Recommendations:**

- The complete scrapping of the current system of training and licensing.
- The requirement for providers who wish to have the qualification on scope to establish a proper academy style-training format. Minimum training requirements to be significantly increased in terms of unit hours (40hrs min), course content and assessments etc.
- The licensing (except firearms and police specific requirements) is the responsibility of the training provider. This will ensure the provider is delivering a higher standard of training and training outcomes than currently provided.
- As part of the licensing renewal process the guard must undertake minimal refresher training with the training provider and assessment to ensure continued competency. (This included armed and unarmed guards)
- All aspects of the training (including weapons) must be audited by ASQA, the Queensland Police Service and specified industry experts as part of an overarching Committee.

Whilst the matters addressed above are only a small portion of the Terms of Reference, I do hope that it is taken into full consideration should any reforms to the sector be required or generated from this or any other submission.



As Director and CEO of the company I am happy to have this submission listed openly and any details contained within it to be used at the discretion of the Committee.

Should the Committee require any further information or clarification please feel free to contact me at any time.

Regards,

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CEO  
Rivercity Training and Development

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