

## **Senate Standing Committees on Education and Employment**

### **QUESTION ON NOTICE** **Date of hearing: 26 August 2024**

**Outcome: Australian Skills Quality Authority (ASQA)**

**Department of Employment and Workplace Relations Question No. IQ24-000040**

Senator Sarah Henderson on 26 August 2024, Proof Hansard page 58

#### ***ASQA | 26 August 2024 | College List***

##### **Question**

Senator HENDERSON: Could you please provide this committee, on notice, with a list of every one of those colleges that were shut down, the reason they were shut down, the operating features of those entities, including those that have been operating with non-genuine students—basically a fraudulent front for giving non-genuine students a backdoor entry into Australia—and how many of those colleges, as the minister refers to, were actually dormant entities? What I'm saying by that is that they've never operated. Could you tell me how many of those entities have never actually operated as providers of education?

Ms Rice: What I can tell you is that none of them have been operating for the last 12 months—

Senator HENDERSON: I understand that. But I'm asking you how many had never operated? In other words, in how many cases had someone just registered a company but had never actually started to operate? That is very different from running a ghost college—a fraudulent operation. Could you give me that information?

Ms Rice: I'll have to take that on notice to see what we can provide you—

Senator HENDERSON: I'm sorry. You're the regulator. This is front and centre of the minister's work. You're very well resourced to ask a member of your team here right now to go through that data and come back to me at the end of the session, please. I've looked at it. I can give you the website domain name, if you don't know where it is. Based on what I have seen, the vast majority of those colleges—in fact, more than a hundred—were dormant companies and were not ever providing any sorts of educational services.

Ms Rice: Senator, I'm not sure that I can answer any more than that it will be a manual process for us to go through each of those—

Senator HENDERSON: Well, could you get one of your team to do that now? I've just looked at the data myself, and I don't think it's that difficult to work out which colleges were operating. I would put to you that the minister's claim is misleading and that 150 ghost colleges have not been shut down. This minister's got a terrible record, frankly. He's just been sacked as the Minister for Immigration. He's come into this new portfolio, he's put out this claim and, based on what I have seen, it's not accurate. I'm asking for accurate information.

Ms Rice: I can certainly take that on notice.

Senator HENDERSON: Alright, so how many—

Ms Rice: Can I just also let you know that—

## Answer

On 29 March 2024, the *National Vocational Education and Training Regulator Amendment (Strengthening Quality and Integrity in Vocational Education and Training No.1) Act 2024* (the NVR Act) was enacted. A range of measures were introduced to address threats to integrity of VET, to protect vulnerable students and enable action against non-genuine providers.

The Act amends the NVR Act to ensure ASQA has the necessary regulatory tools to:

- address integrity risks posed by non-genuine or unscrupulous Registered Training Organisations (RTOs)
- ensure greater scrutiny of new RTOs
- promote a quality VET sector that provides for strengthened student protections and that benefits students, industry and the community as a whole.

This includes a new measure to address integrity risks posed by dormant NVR RTOs using their registration for non-genuine or fraudulent purposes, or those not demonstrating a genuine commitment to training delivery (as highlighted in the Braithwaite Review).

The effect of the new measure, (the “lapsing provision”) is that an RTO will lapse in registration if they have not delivered training and/or assessment for 12 months or more. Specifically, where an NVR RTO has not delivered training and/or assessments for a period of 12 consecutive months its registration will automatically lapse by force of law. However, to ensure procedural fairness, all NVR RTOs will be able to apply to the Regulator for an extension to this 12-month period ahead of their registration lapsing. In certain circumstances, ASQA is able to grant an extension for a maximum of 12 months, after which no further extensions are available.

Since 1 July 2024, a total of 162 providers have been issued with a notice advising them that their registration had lapsed. (Data reported as at 27 August 2024).

Of the 162 providers issued lapsing notices:

- 13 providers have submitted evidence that demonstrates delivery and/or subsequently had an application for an extension of the measurement period approved by ASQA, so their registration remains current and will continue to be closely monitored by ASQA.
- 26 providers have requested a review of ASQA’s decision not to extend the measurement period and these reviews are ongoing.

ASQA is also closely monitoring more than 140 RTOs that have been granted an extension up to 31 December 2024, to resume quality training or their registration will also lapse.

When a RTOs registration lapses the status of registration is updated on the national register. [Training.gov.au](https://training.gov.au) is the official national register of information on VET in Australia.

The national register has a [searchable database](#) of providers registered to deliver nationally recognised training.

You can check a provider’s current registration status via the database.

If a provider’s registration has lapsed, it will be identifiable as a non-current provider. The registration end reason will state “Registration Lapsed”.

ASQA ensures that the national register is accurately recording the registration status of providers.

Refer also IQ24-000041.

## Senate Standing Committees on Education and Employment

### QUESTION ON NOTICE Date of hearing: 26 August 2024

**Outcome: Australian Skills Quality Authority (ASQA)**

**Department of Employment and Workplace Relations Question No. IQ24-000041**

Senator Sarah Henderson on 26 August 2024, Proof Hansard page 58-59

#### **ASQA | 26 August 2024 | Providers**

##### **Question**

Senator HENDERSON: On notice, and we would ask for this information very quickly, could you provide a breakdown and description of each of those 150 providers, those which were dormant and had never operated and those which had been operating but which had major integrity issues in relation to their operations. There's a very big difference.

Ms Rice: We can do our best to answer that on notice. It will just require the consideration of student data over multiple years to see whether or not they have delivered previously, but they certainly hadn't delivered training in the previous 12 months, which is what the legislation was—

Senator HENDERSON: What I'm asking for is not hard to obtain. I'm asking for dormant providers, meaning that they have never operated and are the shonks. We would like to know which ones are the shonky operators that you have shut down, because I'd say to you, very clearly, based on the data that I've looked at, it was not 150 ghost colleges.

Ms Rice: We'll absolutely take that on notice for you.

##### **Answer**

Refer to IQ24-000040.

Based on analysis of total VET activity data, 36 of the total of 162 providers that have been issued with a notice advising them that their registration had lapsed (due to non-delivery of training and/or assessments for a period of 12 consecutive months) have not reported delivery of training and/or assessment to students during their period of registration.

Of the 162 providers that have been issued with a notice advising them that their registration had lapsed, 108 sanctions have been issued to 74 of these providers since 1/7/2020.

Decision Type	No of Decisions
Cancellation of Registration or Rejection of Renewal	8
Enforceable Undertaking	1
Impose Condition	5
Suspension of Registration	5
Written Direction	89
<b>Total</b>	<b>108</b>

## **Background**

Delivery identification uses Total VET activity data. All providers must collect a range of data from their students and report all their delivery activity (known as Total VET activity) to the National Centre for Vocational Education Research (NCVER), at least annually. 2015 is the first year where reliable TVA data exists.

## **Senate Standing Committees on Education and Employment**

### **QUESTION ON NOTICE** **Date of hearing: 26 August 2024**

**Outcome: Australian Skills Quality Authority (ASQA)**

**Department of Employment and Workplace Relations Question No. IQ24-000042**

Senator Sarah Henderson on 26 August 2024, Proof Hansard page 59

#### **ASQA | 26 August 2024 | Provider Investigations**

##### **Question**

Senator HENDERSON: Of those 18 CRICOS providers, how many were actually operating as providers of education services?

Ms Rice: They certainly hadn't been delivering to students in the last 12 months—

Senator HENDERSON: I'm not asking that question.

Ms Rice: but I'll have to come back to you on notice with that.

Senator HENDERSON: How many were actually operating? How many were ghost colleges, meaning they were putting out their shingles saying, 'Come to Australia. We have a course for you,' but, in fact, the whole thing was a rort and they were a backdoor entry for international so-called students coming here to work?

Ms Rice: I'll have to take that on notice.

##### **Answer**

Refer to IQ24-000040.

18 of 162 providers that have been issued with a notice advising them that their NVR registration had lapsed since 1 July 2024 were CRICOS providers.

None of these 18 CRICOS providers had delivered training and/or assessment to VET students in the period 1 January 2023 to 31 December 2023.

Two of these CRICOS providers have not reported delivery of training and/or assessment, to either domestic or international students, during their period of registration.

Information about CRICOS providers can be found on the [CRICOS](#) register which is the responsibility of the Department of Education.

##### **Background**

Delivery identification uses Total VET activity data. All providers must collect a range of data from their students and report all their delivery activity (known as Total VET activity) to the National Centre for Vocational Education Research (NCVER), at least annually. 2015 is the first year where reliable TVA data exists.

## **Senate Standing Committees on Education and Employment**

### **QUESTION ON NOTICE** **Date of hearing: 26 August 2024**

**Outcome: Australian Skills Quality Authority (ASQA)**

**Department of Employment and Workplace Relations Question No. IQ24-000043**

Senator Sarah Henderson on 26 August 2024, Proof Hansard page 64

**ASQA | 26 August 2024 | CRICOS Providers**

#### **Question**

Senator HENDERSON: I want to pick up on the 150 ghost colleges. I've just done the numbers myself on training.gov.au. There are 44 organisations which have had their registration cancelled since the beginning of 2023. They're obviously active organisations. Could you answer this question on notice: how many of those were CRICOS providers—meaning so-called ghost colleges—who are dodgy non-genuine student operators? For instance, I mentioned before that one of them is a disability services provider from Geelong. I'm concerned and want to understand how many of the organisations—the RTOs—that were actually operating were so-called ghost colleges or CRICOS providers. It looks to me as if very few, from the list that I can see of the 44, were even providing international education services

Ms Rice: I'm happy to take that on notice. I might liaise with you separately, Senator, to understand what search you're putting in there for that 44, because it just doesn't align with any of my data.

Senator HENDERSON: I'm looking at the cancellation data.

Ms Rice: That's right. For example, in the last financial year ASQA has undertaken 83 sanctions to cancel or not renew a provider's registration in full, and that relates to 52 CRICOS decisions in total. I'm wondering whether or not the full aspect of the lapsed providers is reflecting on TGA yet, because the number—

Senator HENDERSON: I'm looking at the organisations that have been cancelled—shut down.

Ms Rice: That's different to what the minister was referring to in his media release.

Senator HENDERSON: Could you provide that detail on notice in relation to the 44, and could we also get a detailed understanding of the 150 ghost colleges, including those which were just dormant companies and those which had previously operated with non-genuine international students? Thank you very much.

Ms Rice: Okay. If it's also of relevance, the minister referred to a number of providers whose return to delivery we are monitoring. There are approximately 140 of those providers. That relates to 45 CRICOS providers.

Senator HENDERSON: Alright. Could we get details of the 140 RTOs that have had a warning notice issued and the 44 CRICOS providers that have received a warning notice as well, please? Could you provide a list of each of those providers?

Ms Rice: We'll take that on notice. Thank you.

Senator HENDERSON: Thank you very much.

CHAIR: Thanks again for your evidence today. If you've taken any questions on notice, could you please return the answers to the secretariat by 30 August 2024.

## Answer

Refer to IQ24-000040.

ASQA's decisions to cancel the registration of a RTOs are recorded on the national register, Training.gov.au. Use of our enforcement powers to deter and disrupt fraudulent conduct and the exploitation of vulnerable students has led to increased number of sanctions imposed on providers. In the 2023-24 financial year ASQA made 83 decisions to cancel registration in full or not to renew registration. Of these there were 52 decisions related to CRICOS providers (Total Sanctions for 2022-23 and 23-24 appear at Table 1 below).

If a provider's registration has lapsed under the NVR Act, it will be identifiable on the national register as a non-current provider. The registration end reason will state "Registration Lapsed". This is not a cancellation decision. A provider's registration will automatically lapse by force of law if they have not delivered training and/or assessment for 12 months or more.

RTOs can seek merits review of reviewable decisions made by ASQA and once review rights are exhausted and/or decisions come into effect, the National Register ([training.gov.au](https://training.gov.au)) will be updated in relation to the RTO's registration.

ASQA is also closely monitoring more than 140 further RTOs that have been granted an extension up to 31 December 2024, to resume quality training or their registration will also lapse. It would not be appropriate to provide details of these providers who are currently under regulatory scrutiny.

TABLE 1: Sanctions (under NVETR and ESOS Acts for all providers):

Decision category	Decision type	2022-23	2023-24	June 2024	July 2024
*Sanction	Written Directions	94	345	1	
	Impose Condition	16	22	2	4
	Amend Scope of Registration	1	2		
	Suspension of Registration	19	20		1
	Varied period of Registration				
	Cancellation of Registration & Rejection of Renewal**	63	83	8	6
	Infringement notices		201	2	
	Civil Penalty				
	Criminal Prosecution		2	1	
		193	675	14	11