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13 November 2025

Committee Secretary

Senate Education and Employment Committee

via email: eec.sen@aph.gov.au

Dear Secretary

Inquiry into the Education Legislation Amendment (Integrity and Other Measures) Bill 2025

Thank you for the opportunity to provide a submission to the Senate Education and Employment Committee regarding the Education Legislation Amendment (Integrity and Other Measures) Bill 2025 (**the Bill**).

The purpose of the Office of the Commonwealth Ombudsman (the Office) is to:

- provide assurance that the agencies and entities we oversee act with integrity and treat people fairly; and
- influence systemic improvement in government administration.

One way the Office achieves its purpose is by impartially and independently considering complaints about entities we oversee.

I note an object of the Bill is to improve education agent integrity and transparency. The Bill proposes that this could be achieved by requiring Education Services for Overseas Students (ESOS) agencies to have regard of any ownership or control a provider has with an education agent and vice versa, and also provides for the giving of education agent commission information to the Secretary of the Department of Education.

As the Overseas Students Ombudsman, I handle complaints from international students on a student visa who are currently studying, previously studied, or are

planning to study a course with a private education provider. Most of the time, these are Vocational Education and Training (VET) courses¹.

Observations about education agents

I have received complaints by international students claiming refunds are being paid by providers to agents, which are then not received by the students. While my position is generally that providers are responsible for the conduct of their agents and are therefore financially responsible, this has been challenged by providers.

There has also been an increase in complaints from students, or information furnished by providers, about fees allegedly being taken by a party other than a student. This is often, but not always, an education agent. I have received allegations of fraud, identity theft and/or people impersonating a student in order to obtain a refund intended for a student.

Observations about private education providers

In 2024–25, the Overseas Student Ombudsman received 1,341 complaints, 61 per cent of which relates to written agreements or fees and refunds, in particular delays in education providers paying refunds to students following student visa refusals.

Refunds are being made well outside of legislative timeframes, particularly in the case of student visa refusal, and often only once my Office becomes involved. These complaints are trending down but still remain significant. This may indicate that the financial viability of providers remains an issue.

While my Office has not seen complaints strictly about education agent commissions, complaints sometimes indirectly touch on this issue. For example, my Office has received complaints of education providers seeking to deduct agent commissions from a refund, or telling the student to approach the education agent directly for a refund of the commission. I am critical of this approach as agent commissions are rarely mentioned in the international student's written agreement with the education

¹ The Overseas Student Ombudsman can also handle complaints about non-VET courses, provided they are not higher education.

provider, and I consider the provider has ultimate responsibility for providing any required refund.

When my Office investigates complaints such as these, outcomes are mixed: providers sometimes offer discretionary remedies to students like partial refunds or fee credit, while other providers decline to take any responsibility.

The ESOS framework

While the Bill is not proposing wholesale amendment to the ESOS framework², I make some general observations on its operation.

In my view, the ESOS framework is unclear whether and when providers are financially responsible for their education agents. The National Code of Practice for Providers of Education and Training to Overseas Students 2018 does provide that refunds should be paid to the student or an authorised person but, given my observations above, it appears this requirement does not provide sufficient protection for students or lacks enforcement.

I further observe there is also a lack of guidance about what to do when an education agent goes into administration, liquidation or disappears.

Overall, my view is the risk of education agent misconduct is unfairly and disproportionately falling on international students.

Clarifications to the ESOS framework, or greater enforcement, may incentivise greater scrutiny of education agents by providers. If, for example, providers are made financially responsible for the conduct of their education agents, providers may take additional due diligence steps before engaging them, or monitor and audit education agent conduct. This would be consistent with an object of the Bill to improve education agent integrity and transparency.

² The elements of this framework are summarised at: <u>www.education.gov.au/esos-framework/esos-legislative-framework</u>

If you have any further questions, please contact Justine Westerbeek,

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Yours faithfully

Iain Anderson

Commonwealth Ombudsman