

**Economics Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
Industry Portfolio  
Budget Estimates Hearing 2014-15  
2-3 June 2014

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**AGENCY/DEPARTMENT:** Australian Skills Quality Authority

**TOPIC:** RTO Quality

**REFERENCE:** Written Question – Senator Rhiannon

**QUESTION No.:** BI-162

1. Submissions to the recent Senate Inquiry into TAFE, across interests and sectors, had a common theme of concern that a ‘race to the bottom’ is being forced in the competitive training market with continually reduced fees and reduced course times being marketed to students, with commensurate reduced training and delivery to cut costs: Does ASQA share these concerns?
2. The AWPA report stated that substandard quality of training is happening across sectors: May I please have a list of the courses, by state, where concerns about quality have been lodged or examined?
3. The AWPA report also found up to half of RTOs’ marketing practices are misleading, and on 30 May the Daily Telegraph reported that private providers are “spiralling out of control” by targeting disadvantaged students in Western Sydney to sign up to expensive diploma courses – costing up to \$25,000 in costs, with inducements such as laptops, ipads and \$1,000 shopping vouchers.
  - a. What does ASQA know about the Granville-based Unique International College’s promotional day at the Treagar Community Centre, where cash was being offered as inducement when the laptops ran out?
  - b. Is Unique International College a recipient of any public funding?
  - c. Does ASQA agree this is shonky practice – especially considering accounts that students didn’t even know what courses they were signing up for (huge debts & loss of once-only learning entitlements)
  - d. What consumer protection do students have given they are not giving informed consent?
  - e. What remedy do students have in this respect?
  - f. What sort of regulation exists to stop this happening? What sort of investigative/audit powers and resources are available in this regard/
  - g. Why are such unethical providers registered in the first place?
  - h. Is this an indication of what will happen increasingly as the VET market is opened up?

**ANSWER**

1. At the highest level ASQA does have concerns about some providers offering programs that are too short for students to gain competency or to be assessed properly.

ASQA recently completed a national strategic review of Training for Aged and Community Care in Australia. The review found that over one-third of providers offered the Certificate III in Aged Care in less than 15 weeks, even though the Australian Qualifications Framework suggested one to two years as being appropriate. All such providers struggled

with training and assessment. ASQA is working to progress initiatives aimed at addressing these issues.

2. As at 30 June 2014 ASQA had received complaints relating to 455 different training courses. There have been 1,022 complaints logged against these different deliver of courses. The complaints have been assigned to the State/Territory of the providers head office where this information is available (see Attachment A).

3.

- a. ASQA is aware of media reports surrounding Unique College International.

ASQA's records show that Unique International College was the subject of a compliance monitoring (complaints) audit and a Vocational Education and Training and Commonwealth Register of Institutions and Courses for Overseas Students renewal audit in October 2012.

In response to non-compliances identified at these audits Unique International College submitted rectification evidence which demonstrated the capacity of the provider to comply with the relevant Acts and standards.

ASQA also received two complaints about Unique International College which were closed without investigation in the second half of 2013. Both complaints were made anonymously and due to this ASQA was unable to obtain the additional evidence and/or clarification required to pursue the matters.

- b. ASQA does not play a role in the funding of training providers.

- c. ASQA Regulated RTOs must at all times comply with the *Standards for NVR Registered Training Organisations 2012* (the Standards), which require that providers demonstrate that their "...marketing and advertising of AQF and VET qualifications to prospective clients is ethical, accurate and consistent with its scope of registration" (SNR 13/24). Further, providers must also adhere to *Australian Consumer Law (ACL)* requirements detailed in the *Competition and Consumer Act 2010*.

The offering of incentives to students to enrol in a course is not prohibited under the Standards or the ACL.

- d. ASQA can take action if it believes a provider is misleading in its advertising or acting unethically in its marketing practices. There are also general and specific provisions within the ACL relating to misleading conduct and/or representations that an individual could pursue.
- e. There are general and specific provisions within the ACL relating to misleading conduct and/or representations that an individual could pursue.
- f. ASQA Regulated RTOs must at all times comply with the Standards.

ASQA has recently sought information from Unique International College in relation to enrolment and course details, and is continuing to monitor the provider.

- g. The offering of incentives to students to enrol in a course is not prohibited under the Standards or the ACL. ASQA can take action if it believes a provider is misleading in its advertising or acting unethically in its marketing practices.
- h. ASQA does not collect data relating to whether or not incentives were offered as part of a student enrolment.