

Senate Committee: Education and Employment

**QUESTION ON NOTICE
Additional Estimates 2014 - 2015**

Outcome: Agency: ASQA

Department of Education and Training Question No. SQ15-000090

Senator Xenophon, Nick provided in writing

ASQA - "spruikers"

Question

I refer to an ABC Report from October 2014 in which chief executive of Adult Learning Australia Sally Thompson raised the issue of "spruikers" recruiting disadvantaged students to training companies outside of her local Centrelink office.

She told the ABC the promoted courses were often not appropriate for long-term unemployed people with high needs and the advertising was often misleading with regards to the debts that could be incurred by students. Furthermore, she raised concerns about the claims about jobs that could arise after completion of course.

I understand she made a formal complaint to ASQA in July. Can you advise of what investigations took place into Ms Thompson's reports and of any outcomes?

Answer

The Australian Skills Quality Authority provided the following response.

A complaint was received from Ms Thompson on 23 July 2014. The complaint advised that a brokerage service was approaching clients outside of Centrelink, with misleading marketing material, which offered incentives for enrolling in a "free" Diploma qualification with unnamed Registered Training Organisations.

The complaint was analysed and evidence collected and reviewed from the Provider and third party related entities. The Australian Skills Quality Authority also contacted the provider and advised that monitoring of third parties was a requirement under the new standards (2015) and for the need to rectify their marketing non-compliances.

ASQA can confirm the company in question updated their marketing material and processes in January 2015. This compliance was again tested in May 2015, and the provider and third party both acknowledged that their compliance obligations were understood.

The information presented on the company's website clearly states the training organisations involved in the delivery of training and assessment, as well as the requirements and obligations of VET FEE-HELP funding arrangements. No incentives for study are mentioned.

The three RTOs associated with the company have all been requested to confirm they have processes in place that ensure any third party conducting marketing on their behalf are acting in line with the requirements of the NVR Standards and Act. A compliance monitoring audit of one of the RTOs is currently occurring.

The new RTO standards provide a far greater level of detail when compared to the previous standards and now require RTOs to provide learners with more comprehensive information, including about:

- any schemes, such as VET FEE HELP, and their implications
- the training including estimated duration; location, delivery mode and any work placement arrangements
- the provision of training and assessment and related education and support services via a third party and contact details should the third party cease to provide the training
- the implications of government funded training subsidies and entitlements as they relate to the training.