

Senate Committee: Education and Employment

QUESTION ON NOTICE Budget Estimates 2017 - 2018

Outcome: Skills and Training

Department of Education and Training Question No. SQ17-000981

Senator Cameron, Doug provided in writing

Provider concerns

Question

Please provide a record of every instance where the minister was briefed on concerns about a provider in 2014 and 2015 and 2016 and what action was taken by the Minister or the Department.

Answer

The department became concerned about the volume and nature of specific complaints about VFH in mid to late 2014 and has advised the relevant minister of the circumstances of specific providers since that time.

The department regularly briefs the Minister on matters relating to providers.

Decisions to take certain compliance actions, including revoking a provider's VET FEE-HELP approval, are made by senior departmental officers acting as delegate of the Minister for Education and Training on advice from compliance officers.

The department has undertaken the following compliance action:

- In 2016 the department revoked the approval, as a VET provider, of seven providers, including Phoenix. In 2017, the department revoked the approval of a further four providers.
- In 2016, the department suspended the VET FEE-HELP approval of seven providers for poor performance.
- 28 audits were conducted by the department in 2016 and a further four commenced in 2017 on providers not previously audited.
- To date in 2017, eight VET providers have paid a total of 64 infringement notices for alleged breaches of the Higher Education Support Act 2003 or the VET Student Loans Act 2016 (total value of \$691,200).

The Australian Competition and Consumer Commission and the department are currently taking action in the Federal Court against four providers that are alleged to have breached the Australian Consumer Law by engaging in misleading and unconscionable conduct when enrolling students into eligible VET FEE-HELP courses.