



MEDIA RELEASE

ASQA to conduct VET Student Loans audits

21 December 2017

The Australian Skills Quality Authority (ASQA) will audit VET Student Loans (VSL) providers under an enhancement of its partnership with the Australian Government Department of Education and Training (DET).

Chief Commissioner Mark Paterson said ASQA, the national regulator for vocational education and training (VET), has been commissioned by DET to undertake at least 12 compliance audit activities in relation to VSL providers in the 2017-2018 financial year.

“In undertaking audit activities of VSL-approved training providers, ASQA will be conducting these activities, as a representative of DET, under section 45 of the VET Student Loans Act 2016 (VSL Act),” Mr Paterson said.

“The compliance audit activities will focus on a provider’s obligations under the VSL Act, including the VET Student Loans Rules 2016.

“In consultation with ASQA, DET will nominate the training providers to be the subject of regulatory scrutiny. After undertaking this scrutiny, ASQA will issue the Department with an audit report outlining the audit findings.”

Where non-compliance is found, the Department may take regulatory action including:

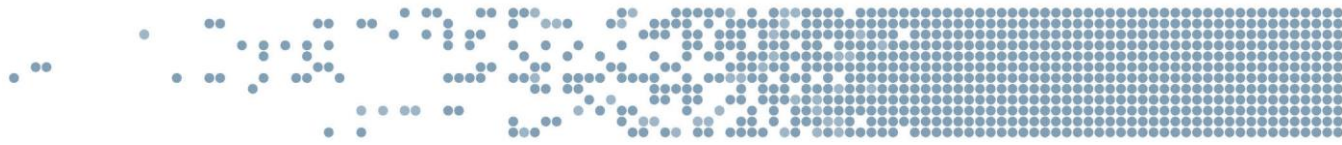
- issuing infringement notices
- imposing civil penalties
- suspending or revoking a provider’s VSL approval
- withholding payments, and
- remitting student debts, in appropriate circumstances.

Changes made to the National Vocational Education and Training Regulator Act (NVR Act) in January 2017 made compliance with the VSL Act a condition of registration for VSL-approved RTOs. This means ASQA could take regulatory action under the NVR Act should a VSL-approved RTO be found to be non-compliant with its requirements under the VSL Act.

The VSL program provides better protection for students through a more stringent assessment of potential providers and a stronger compliance regime. The new program also ensures greater control and oversight of the growth in provider access to student loans.

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VET FEE-HELP

While the VET FEE-HELP (VFH) scheme was closed in December 2016, approved providers have been able to teach-out students previously enrolled in the program. ASQA has continued to devote significant resources to the regulatory scrutiny of VFH-approved RTOs.

Since 2015 ASQA has conducted two dedicated audit projects in relation to VFH-approved providers. These projects involved:

- using data and intelligence to target RTOs accessing public funding and engaging in conduct which disadvantaged students and did not deliver acceptable outcomes
- undertaking enhanced compliance audits of RTOs approved and operating as VET FEE-HELP approved providers
- conducting interviews and surveys of learners that were enrolled in the VET FEE-HELP scheme by audited RTOs, and
- implementing processes to liaise and collaborate with other relevant authorities, including the Department and the Australian Competition and Consumer Commission, to share relevant information as a means to inform ASQA's provider risk model.

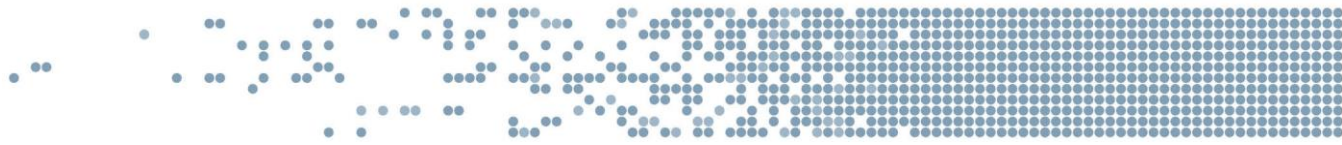
As a result of its regulatory activity ASQA has made decisions to cancel the registration of 20 VFH-approved RTOs since 2015. These RTOs are:

2015 VET FEE-HELP Targeted Audit Project

- Australian Institute of Professional Education Pty Ltd (RTO number 91437)
- Cornerstone Investment Aust Pty Ltd (RTO number 5500)
- Phoenix Institute of Australia Pty Ltd (RTO number 21582)
- Unique International College Pty Ltd (RTO number 91350).

2016 VET FEE-HELP Regulatory Strategy

- ACT Education Group Pty Ltd (RTO number 40264)
- ASCET Institute of Technology (RTO number 20770)
- Asia Pacific Training Institute Pty Ltd (RTO number 21378)
- Australian Vocational Learning Institute Pty Ltd (RTO number 21289)
- Careers Australia Education Institute Pty Ltd (RTO number 22479)
- Conwal and Associates Pty Ltd (RTO number 31190)
- Gurkhas Institute of Technology (RTO number 22088)
- MHM Australasia (RTO number 6980)
- Productivity Partners Pty Ltd (RTO number 30169)
- Smart City Vocational College Pty Ltd (RTO number 6494).



Other regulatory activities

- Australian Careers Institute Pty Ltd (Sage) (RTO number 110070)
- Beauty & Hair Academy of Australia Pty Ltd (RTO number 21573)
- Bruce Hartwig Flying School Pty Ltd (RTO number 4439)
- Community Training Australia Pty Ltd (RTO number 31905)
- Impel Solutions Pty Ltd as Trustee for The Hall Investment Trust (RTO number 22486)
- NQ Powertrain Pty Ltd (RTO number 32302).

Gurkhas Institute of Technology sought a review of ASQA's decision in the Administrative Appeals Tribunal (AAT). The RTO submitted new evidence which was reviewed by ASQA as part of the AAT process. As a result, the decision to cancel Gurkhas' registration has been lifted and the RTO has had conditions placed on its registration. The RTO is currently registered until 1 September 2018.

Bruce Hartwig Flying School Pty Ltd sought a review of ASQA's decision in the AAT. The RTO submitted additional evidence as part of the AAT process and, as a result, the decision to cancel registration was set aside. The RTO is currently registered until 28 September 2019.

Unique International College and Productivity Partners Pty Ltd have each sought a review of ASQA's decisions in the AAT, and these matters are ongoing.

ASQA has also allowed a further eighteen RTOs that were approved VET FEE-HELP providers to voluntarily withdraw their registration.

There are a number of regulatory processes yet to be completed and ASQA will release further information on any additional cancellation decisions.