

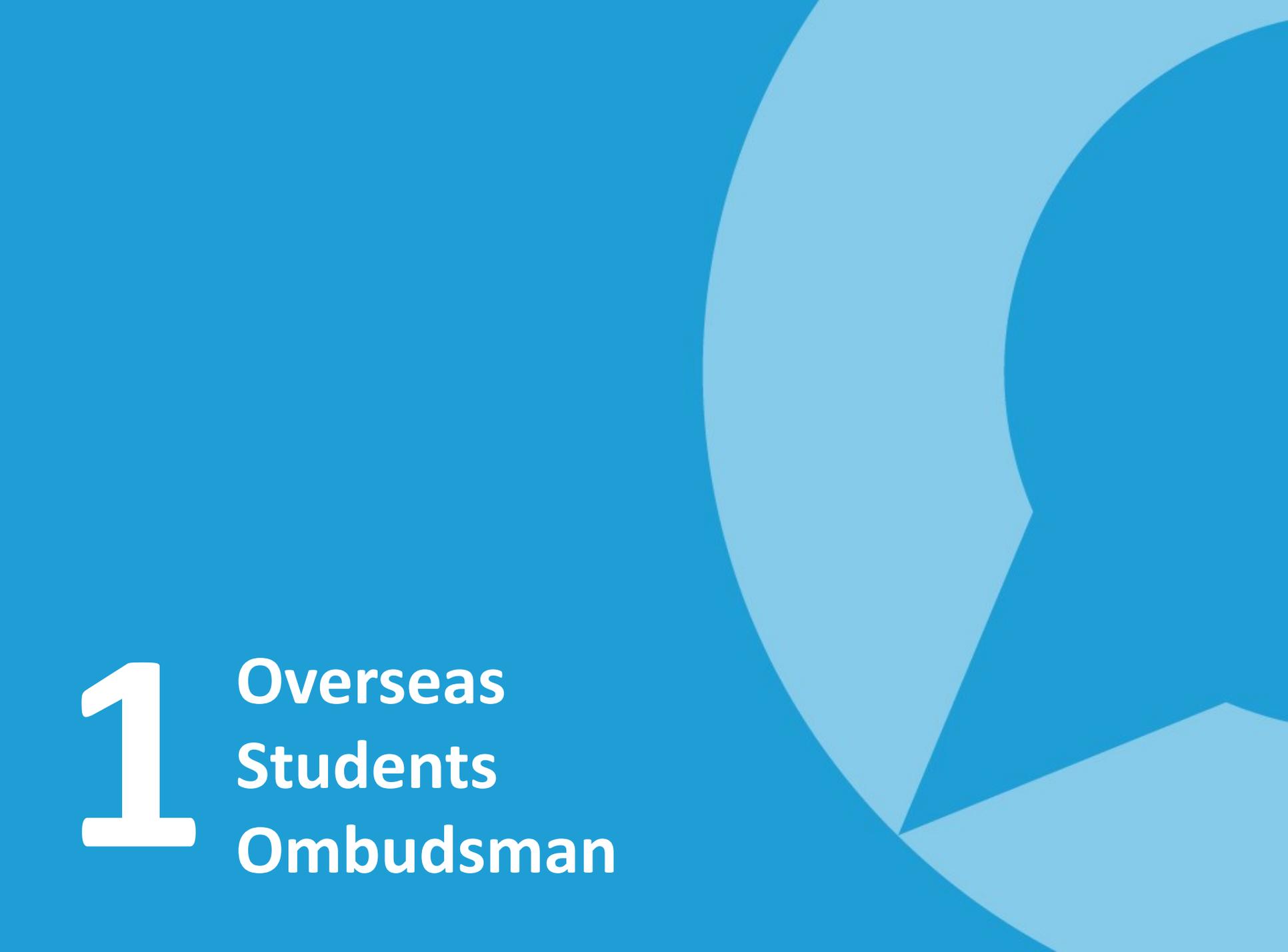


# When things go wrong – what we can learn from current issues in student complaints

Ron Colley, Director Overseas Students and Postal Industry

# Presentation outline

- Overseas Students Ombudsman
- Update: education agent issue
- Gaps in protections: transnational education
- Update: VET Student Loans Ombudsman



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**Overseas  
Students  
Ombudsman**

# Overseas Students Ombudsman

- independent, external complaint and appeal body
- Investigate complaints from intending, current and former international students about private registered education and training providers
- Over 1,000 private CRICOS providers in our jurisdiction
- provide information and training on best practice complaint-handling of international student complaints
- report on trends and broader issues that arise from complaint investigations

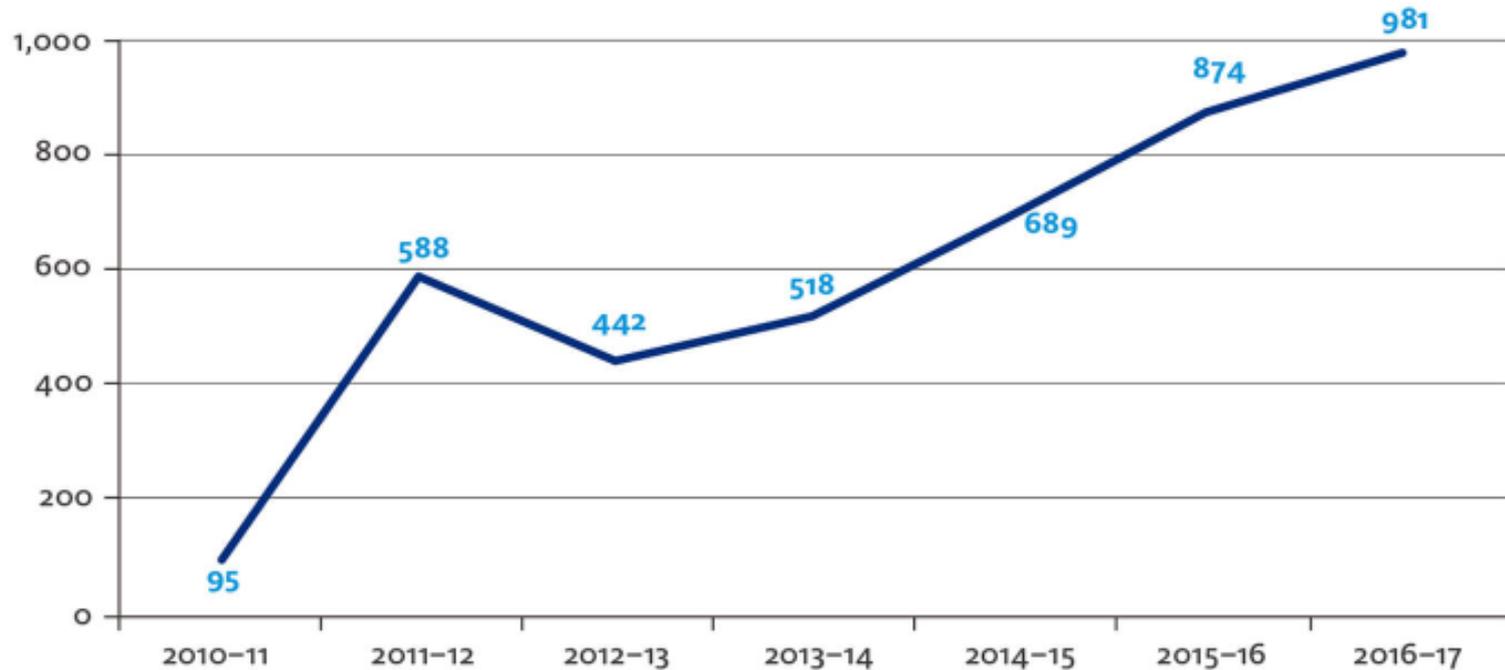
# Value of complaints

The Commonwealth Ombudsman Better Practice Guide to Complaint Handling provides the following guidance regarding the value of complaints:

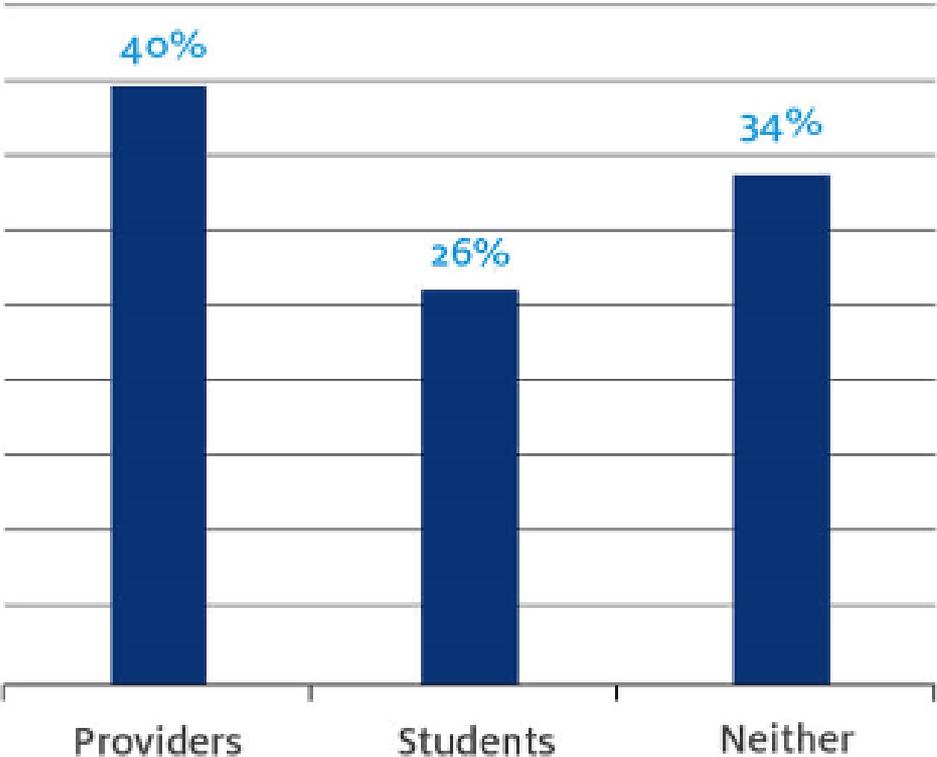
*Complaint handling can be effective in resolving a problem before it becomes worse, providing a remedy to a client who has suffered disadvantage, and nurturing good relations between organisations and their clients. Complaints also provide an organisation information about its program weaknesses and service delivery faults. Good administration involves regular review of existing programs, and the lessons learnt from complaints can feed into that process.*

- Informs
- Highlights trends and broader issues
- Helps compare your organisation with the sector

# Overseas Students complaints received by year



# Outcomes in support of





2

Update:  
Education  
agents issue

“

**Education agents...activities and ethics are important to Australia's reputation as a desirable destination for students, and registered providers have an interest in ensuring education agents act ethically and appropriately.**

”

National Code 2007 Part D

# Recent challenge to Australia's protections for international students

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Complaints from international students about an education agent which allegedly defrauded them of tuition and other fees

Total unconfirmed financial loss (before remedies) is almost \$500,000

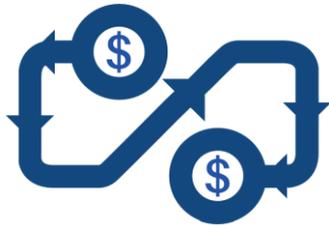


Over 100 intending international students appear to have been affected

# What the agency did



Failed to enrol some students



Failed to pass some or all fees to the education provider



Lodged poor quality visa applications which resulted in visa refusals



Failed to pass on provider's refunds to students



# Agent compliance

- Code of Ethics for International Education Agents
  - voluntary
- Contractual relationship with education providers
  - relies on providers to establish a system of accountability
  - relies on providers to manage and support their agents
- National Code Standard 4
  - providers must enter into a written agreement with each agent
  - providers must monitor activities of agents
  - providers must take corrective action or terminate if agent engages in certain behaviours
  - NEW for 2018: providers must maintain agent details in PRISMS

## Remedies obtained



Full or partial refund directly to student  
Covering cost of OSHC premium



Discounted or free replacement course  
Assistance finding an alternative agent



No remedy

# Gaps in framework

Students who have not obtained a CoE can't be compensated by TPS

Explicit guidance for Providers about how to monitor the behaviour of their agents

Inconsistent understanding of 'intending student' across ESOS agencies

Agents operating outside Australia are beyond legislative jurisdiction



# Agent Governance

- the National Code 2017 and National Code 2018 intentionally only provides broad guidance for providers
- Education providers require guidance on the requirements for compliance with Standard 4 to establish and maintain governance of their agents



# Where to next?

- DET is developing an agent reporting function in PRISMS, which will give education providers data on the performance of their agents, linked to the outcomes of students they recruit
- Education Agent association with code of conduct and active disciplinary committee
- As for the Ombudsman, we haven't received any new complaints since July 2017

The background is a solid blue color. On the right side, there are several overlapping circles of different shades of blue, creating a layered effect. On the left side, a large, white, bold number '3' is positioned vertically.

**3**

**Possible gaps  
in protections:  
Transnational  
Education**

# What is transnational education ?

Provision of education to international students located outside Australia, by Australian educational institutions<sup>1</sup>

- Program is taught partly or wholly offshore<sup>2</sup>
- Leads to qualification recognised under AQF
- May evolve to include less formal training, e.g. specific competency based training, rather than formal qualifications<sup>3</sup>

*“When I visited India earlier this year...I heard all about the potential for skills training of some 400 million of its citizens by 2022. Australia stands ready and willing to work alongside our partners in India to achieve those goals.”*

Senator the Hon. Simon Birmingham

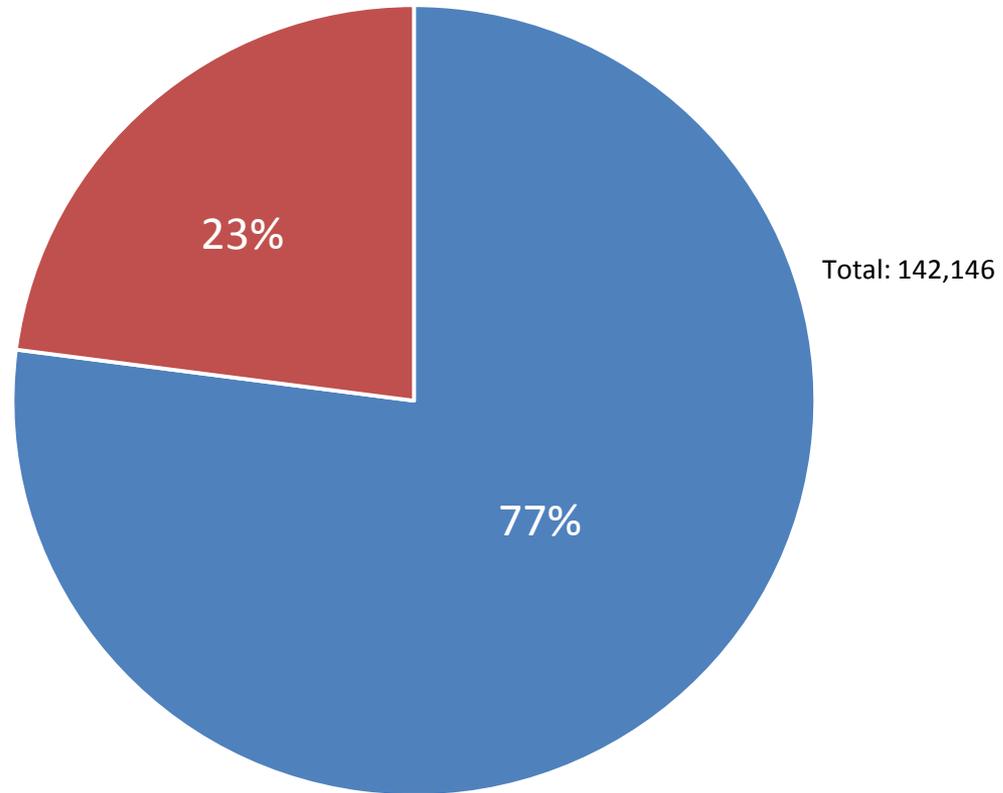
Address to the Australian International Education Conference, Hobart, 12 October 2017

<sup>1</sup> DET research snapshot: Transnational education in the higher education sector, September 2015

<sup>2</sup> Universities Australia: Link survey outcomes, Offshore programs, 2014

<sup>3</sup> *National Strategy for International Education 2025*, “Looking to the future” p5

## Students studying offshore with Australian providers, 2015<sup>6</sup>



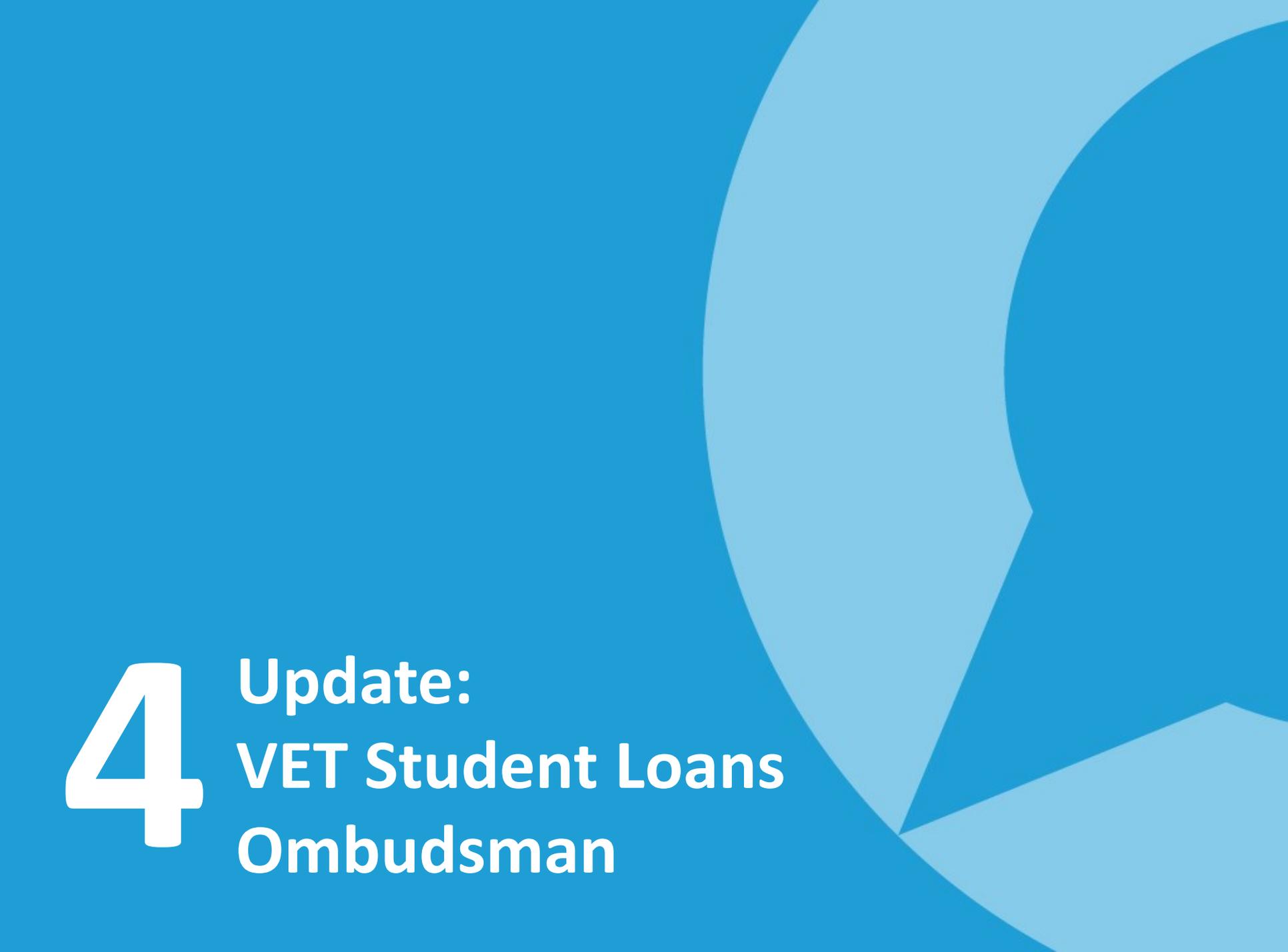
<sup>6</sup>Higher education sector data from Higher Education Statistics Collection (HESC) 2015, DET; VET sector data from NCVET: Total VET students and courses 2015.

■ Higher education ■ VET



# Regulation

- For qualifications recognised under AQF, courses must meet ASQA and TEQSA requirements
- Not generally under *Education Services for Overseas Students (ESOS) Act 2000*:
  - **accepted student** of a registered provider means a student (whether within or outside Australia):
    - (a) who is accepted for enrolment, or enrolled, in a course provided by the provider; and
    - (b) who is, or will be, required to **hold a student visa** to undertake or continue the course.
  - Students enrolled in a program which involves both offshore and onshore study components could come under the protections of the ESOS Act.
- Students enrolled with public providers can access state/territory ombudsman or training advocate complaint-handling services
- No external complaint-handling services for students enrolled with private providers, except if based in South Australia (Training Advocate)



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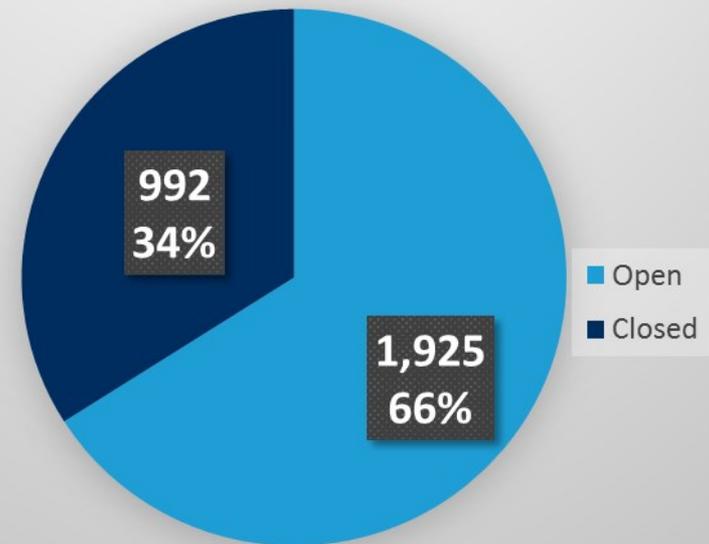
**Update:  
VET Student Loans  
Ombudsman**

# VET STUDENT LOANS

## Quarter One

- 2,917 complaints received
- In the first eight weeks of operation we received an average of 275 complaints a week
- In the last four weeks of the reporting period, this had reduced by almost 50 per cent.

Total complaints received –  
open and closed  
1 July 2017 to 30 September  
2017



# VET STUDENT LOANS

## Themes and Issues

- Consistent themes with those identified by the Department of Education and Training and the Australian National Audit Office
- These themes relate to the enrolment behavior of providers and their brokers and include:
  - Unknown debts
  - Unsolicited approaches
  - Use of inducements
  - Misinformation about the nature of VET FEE-HELP loan assistance
  - Lack of academic capability or provider support

# VET STUDENT LOANS

## Issues and Outcomes – Closed Complaints

- Key issues and outcomes identified by us from closed complaints are:
  - Unknown debts
  - Out of jurisdiction
  - Debt cancellation requests including special circumstances
  - Pre-census withdrawals not actioned by provider
  - Course cancellation due to provider closure

# Want to know more? Contact us



[ombudsman.gov.au](http://ombudsman.gov.au)

1300 362 072

Thank you!

OVERSEAS STUDENTS OMBUDSMAN 

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