



Senator the Hon Simon Birmingham

Assistant Minister for Education and Training

Liberal Senator for South Australia

MEDIA RELEASE

2 April 2015

Dodgy providers will be fined

For the first time Registered Training Organisations (RTOs) breaching standards could be issued with an immediate fine under the new infringement notice scheme starting today.

Assistant Minister for Education and Training, Senator Simon Birmingham, said that up until now the national regulator, the Australian Skills Quality Authority (ASQA) could only write warning letters, or take regulatory action such as cancelling or suspending a provider's registration.

"The new scheme will come in to effect tomorrow, and along with tough new standards and new laws to crack down on dodgy marketing practices by RTOs and third parties/brokers, will give ASQA a full suite of powers to act on rogue operators, something that didn't exist under Labor," Senator Birmingham said.

"Penalties for the fines range from a couple of thousand dollars to ten thousand for a single breach, and for multiple breaches there is the potential for the ultimate fine to be hundreds of thousands of dollars.

"ASQA can still take RTOs to court for serious breaches, including where an RTO breaches a condition of its registration, and can suspend or revoke registration of an RTO.

"New laws recently passed in the Senate require anyone, including brokers and other third parties, who is marketing a vocational education and training (VET) course to clearly identify which RTO is providing the qualification.

"The infringement notice scheme complements the new laws and allows ASQA to take action against an RTO, where they, or their marketing agent, fail to provide clear information to a prospective student about the qualification they are signing up for, where the training will be undertaken, how long the course will take, what support services are available and the costs associated with them.

"This includes any debt that may be incurred, when repayment is required and under what conditions, in line with the requirements of the government's tough new national *Standards for RTOs 2015*.

"Labor failed to safeguard quality standards and allowed dodgy providers to operate unfettered.

"Our Government is undertaking significant reforms across the VET sector, including significant improvements to the VET FEE-HELP scheme, a national VET complaints hotline (13 38 37), improved data reporting, \$68 million to strengthen ASQA, new trade support loans and tough new standards.

"Further penalties in relation to breaches of VET FEE-HELP guidelines are also being developed and will be in place by next year," Senator Birmingham said.

Media Contact: Caitlin Keage 0427 729 987