## [Council of Private Higher Education Inc – Paul O'Halloran and Adrian McComb]

Submission on the proposed Education Services for Overseas Students Amendment (Streamlining Regulation) Bill 2015 and Education Services for Overseas Students (Registration Charges) Amendment (Streamlining Regulation) Bill 2015

EDUCATION SERVICES FOR OVERSEAS STUDENTS AMENDMENT (STREAMLINING REGULATION) BILL 2015		
PROPOSED MEASURES	SUPPORT/DO NOT SUPPORT/NEUTRAL	COMMENTS (MAXIMUM 300 WORDS)
Schedule 1 – Streamlining the roles of government agencies	Support	We support proposals to streamline administrative functions and remove duplication.
Clearer roles for Commonwealth quality assurance agencies, and state and territory agencies through:		
<ul> <li>creation of the 'ESOS agency'</li> <li>redefining designated authority for schools as the 'designated State authority', including territory agencies</li> <li>revised definition of 'provider'.</li> </ul> Broader definition of 'provider'.	Neutral	The definitions of <i>provider</i> (6E) and <i>preparatory provider</i> include ELICOS only under the latter. We believe ELICOS should be listed as a separate <i>provider</i> type, to recognise standalone ELICOS courses. Department of Education and Training (Research Paper 2015/2) reports that 35% of ELICOS students who completed in 2013 did not undertake further study.  The HES Act 2003 uses a category <i>enabling</i> course to refer to Foundation and other preparatory courses.

PROPOSED MEASURES	SUPPORT/DO NOT SUPPORT/NEUTRAL	COMMENTS (MAXIMUM 300 WORDS)
Schedule 1 – Streamlining registration processes	Support	We support simplification of the processes for CRICOS registration, with clear roles for the relevant ESOS agency.
Providers will apply directly to their ESOS agency for:		
<ul> <li>initial registration</li> <li>renewal of registration</li> <li>adding courses at locations to an existing registration.</li> <li>The ESOS agency must use a risk management approach when making a decision.</li> </ul>		
Schedule 1 - Meeting registration requirements	Support	We support the enforcement of appropriate regulatory compliance requirements on providers to ensure ethical treatment of students, and the reputation of the industry.
The ESOS agency for a provider must be satisfied that the provider is complying, or will comply, with the ESOS Act and the National Code, and the ELICOS or Foundation Program Standards (as relevant).		
The ESOS agency should have no reason to believe the provider has not been providing or will not provide education of a satisfactory standard to overseas students.		

PROPOSED MEASURES	SUPPORT/DO NOT SUPPORT/NEUTRAL	COMMENTS (MAXIMUM 300 WORDS)
Schedule 1 – Imposing conditions on registration	Support	We support the ESOS agency's capacity to intervene as necessary at any point during a registration period.
An ESOS agency will decide whether to impose, vary or remove conditions on a provider's registration at any time during that registration.		
Schedule 1 - Use of other relevant information	Support	We support the use of all relevant information to manage risk in a measured and proportionate manner.
Use of relevant information by the ESOS agency to assess applications for registration or reregistration or adding courses at locations where information has been received for other purposes but is relevant to the application under ESOS, for example registration under the TEQSA Act or NVETR Act.		
Schedule 1 - Aligning registration periods  Remove the minimum registration period and extend the maximum registration period to 7 years.	Support	We support this proposal to align registration periods, and reduce red tape for providers.

PROPOSED MEASURES	SUPPORT/DO NOT SUPPORT/NEUTRAL	COMMENTS (MAXIMUM 300 WORDS)
Schedule 1 - Extension of registration	Support	Ditto We believe an extension would be provided no more than once in any given registration
The ESOS agency may extend a provider's registration, using a risk management approach when making the decision, for the purpose of aligning domestic and international registrations.		period.
Schedule 1 – Exemptions for certain providers	Support	This really maintains the status quo.
Continue to exempt certain providers from some ESOS Act requirements (e.g. fit and proper person).		
Schedule 1 - Continuation of a provider's registration	Support	In the interests of student welfare and allowing providers to meet their obligations, we support these proposals.
Allow providers to continue to teach students who had enrolled in a course before the registration expired, but clarify that the provider cannot recruit or enrol new students after the expiry date of its registration.		
If a provider applies to renew its registration, the registration will continue until the ESOS agency has made a decision on an application to renew a provider's registration.		

Proposed Measures	SUPPORT/DO NOT SUPPORT/NEUTRAL	COMMENTS (MAXIMUM 300 WORDS)
Schedule 1 - Automatic suspension and cancellation of registration	Support	We support automatic suspension or cancellation of CRICOS registration in these instances.
If an ESOS agency is no longer satisfied a registered provider is fit and proper, the provider's registration is automatically suspended for all courses at all locations.		
Where a higher education or VET provider's registration under domestic frameworks is cancelled, the provider's CRICOS registered courses will automatically be cancelled.		
For schools, if approval of the school by a state or territory ceases, CRICOS registered courses are automatically cancelled.		
Schedule 1 – Authorised officer  'Authorised officer' replaces 'authorised employee' consistent with the TEQSA Act and NVETR Act.	Support	We support this alignment of terminology.

PROPOSED MEASURES	SUPPORT/DO NOT SUPPORT/NEUTRAL	COMMENTS (MAXIMUM 300 WORDS)
Schedule 1 - Breaches of ELICOS Standards or Foundation Program Standards	Support	We support the ability of an ESOS agency to take enforcement action, but expect any such action would be proportionate to the breach, and after any appropriate warning.
Enforcement action may be taken by an ESOS agency for a breach of the ELICOS Standards or Foundation Program Standards.		
Schedule 1 – Publication of enforcement actions	Support	We support such publication in the interests of transparency and consumer information.
An ESOS agency may publish results of enforcement and monitoring actions taken (in a way set out by legislative instrument).		

PROPOSED MEASURES	SUPPORT/DO NOT SUPPORT/NEUTRAL	COMMENTS (MAXIMUM 300 WORDS)
Schedule 2 – Internal review of certain decisions	Support	We support this intermediary step as a simpler and potentially faster process. We understand the provider retains the right to appeal to the AAT direct, or after any internal
Providers will be allowed to seek an internal review of some decisions made by the relevant ESOS agency where previously only appeal to the Administrative Appeals Tribunal was available.		review.
Appealable decisions include:		
<ul> <li>refusal of initial registration</li> <li>refusal of registration renewal</li> <li>refusal to add a new course at a location</li> <li>decision to take enforcement action against a registered provider under section 83 of the ESOS Act.</li> </ul>		

PROPOSED MEASURES	SUPPORT/DO NOT SUPPORT/NEUTRAL	COMMENTS (MAXIMUM 300 WORDS)
Schedule 3 – Ministerial directions	Support	We support the power of the Minister to direct an ESOS agency, but not in relation to a particular provider.
The Minister responsible for the administration of the ESOS Act will be able to direct an ESOS agency in the performance of its functions.		
The Minister must not, however, give a direction about or in relation to a particular provider or registered provider.		
Schedule 4 – TPS Director to issue production notices	Support	We support consistent powers across various ESOS agencies.
Allow the TPS Director to issue production notices, consistent with powers given to ESOS agencies.		
The TPS Director will be assisted by a 'TPS officer', who will have defined roles and responsibilities.		

Proposed Measures	SUPPORT/DO NOT SUPPORT/NEUTRAL	COMMENTS (MAXIMUM 300 WORDS)
Schedule 4 - TPS Director recommendation to ESOS agency	Support	We support closer liaison between different ESOS agencies in enforcing ESOS.
The TPS Director can make a recommendation to an ESOS agency that the agency take enforcement action under section 83(1A) of the ESOS Act.		
The ESOS agency must consider the TPS Director's recommendation when deciding to take action against a provider.		
Schedule 5 – Student default reporting Remove the requirement on providers under section 47C of the ESOS Act to report a student default to the Secretary and the TPS Director.	Support	We support removing the current requirement for providers to report student defaults; we support also the removal of the requirement to report student refunds, except under section 47E (visa refusal or no written agreement).
Where there has been a student default, providers must still report that they have met their obligations to students in cases of visa refusal or where there is no compliant written agreement between the provider and the student.		

PROPOSED MEASURES	SUPPORT/DO NOT SUPPORT/NEUTRAL	COMMENTS (MAXIMUM 300 WORDS)
Schedule 5 - Information about accepted students (including student course variation)	Support	We support the general extension of the reporting period, which reduces administrative red tape when genuine students enrol late.
Reporting period extended to be within 31 days, except where the student is under 18 years of age, which requires reporting within 14 days.		
Schedule 5 - Changes to the collection of tuition fees  Students or third parties will be allowed to pay more than 50 per cent of tuition fees up front if:  • a request is made to do so (by the student or a third party), or  • the course has a duration of 24 weeks or less (is a short course).	Support  Do not support	We support these proposals, except the requirement that only 50% of the fees can be collected before the course start of courses of 24 weeks or less.  This creates unnecessary red tape (double invoicing, chasing students) for some providers, especially ELICOS, where 30 and 40 weeks are common ELICOS periods for many students in a higher education package.  We appreciate the concerns in the Regulation Impact Statement regarding removal of all restrictions on fee collection. If the constraint is to be a limit on pre-payment based on course duration (rather than other options), we recommend (subject to some further modelling) extending the course duration where the total fee can be collected upfront to at least 30 weeks, and preferably longer. We do not expect this would greatly increase risk of excessive calls on the TPS, while reducing the administrative burden for many providers.
Removal of the restriction on the subsequent collection of fees (which also relates to a study period).	Support	

Proposed Measures	SUPPORT/DO NOT SUPPORT/NEUTRAL	COMMENTS (MAXIMUM 300 WORDS)
Schedule 5 - Removal of designated account requirement	Support	We support removal of the requirement for a designated account, as it provided little real protection against provider default.
Remove the specific provisions requiring a designated account in which all non-exempt providers must hold tuition fees paid by students prior to commencement of a course.		
Schedule 5 – Removal of the definition of 'study period'	Support	The concept of a "study period" is no longer required in the legislation. In higher education, most providers will continue to operate on a semester or trimester calendar, and collect fees on a similar basis.
Remove the definition of and references to a 'study period' and associated requirements.		
Schedule 5 – Reminder notices for late payments of charges	Support	We support consistent processes, and a reminder in cases of a payment oversight.
Providers to be sent reminder notices for the annual registration charge where they have failed to pay by the due date and automatic suspension would occur.		
New provisions are consistent with current arrangements for late payments of the TPS Levy.		

Additional Comments on the Bill (maximum 500 words)
Overall the Bill goes a long way in aligning legislation, simplifying provider reporting and administration, and strengthening regulatory powers. We support these objectives. The consultation process has been open and exhaustive; this is much appreciated by COPHE and our members.

## EDUCATION SERVICES FOR OVERSEAS STUDENTS (REGISTRATION CHARGES) AMENDMENT (STREAMLINING REGULATION) BILL 2015

PROPOSED MEASURES	SUPPORT/DO NOT SUPPORT/NEUTRAL	COMMENTS (MAXIMUM 300 WORDS)
Schedule 1 - Charging arrangements	Support	We support; a provider should not be charged twice in such a short time period.
As a result of removing the two- year minimum registration period, the entry to market arrangements are clarified to ensure a new provider is not charged twice if its initial registration period is less than two years and it seeks renewal.		