

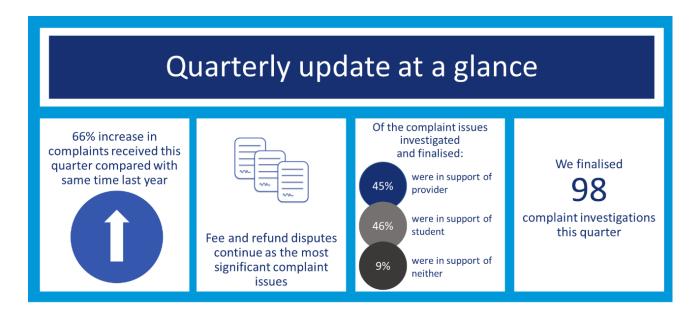
# Quarterly Update: 1 January–31 March 2019

## About the Commonwealth Ombudsman

The Office of the Commonwealth Ombudsman (the Office) has three main functions in its Overseas Students Ombudsman role. They are to:

- investigate complaints about actions taken by private registered education providers in connection with intending, current or former student visa holders
- give private registered providers advice and training about best practice complaint-handling for international student complaints
- report on trends and systemic issues arising from our complaint investigations.

This update sets out our activities for the 1 January–31 March 2019 period in relation to each of these functions.<sup>1</sup>

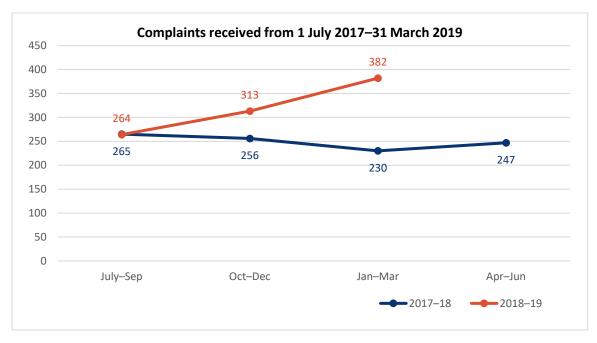


## **Complaints received**

During 1 January–31 March 2019, we received 382 complaints from international students studying with privately registered education providers, this is a 66 per cent increase when compared to the same time last year. While the increase in complaints is substantial, it is relatively small when compared to the 595,363 international students studying in Australia in March 2019<sup>2</sup>. The increase in complaints received by our Office is expected due to an increase in internationals students studying in Australia and an increase in the outreach activities undertaken by the Office during September 2018–March 2019. These activities included targeted engagement with providers and education agents to increase awareness about our services and how to refer student complaints to our Office.

<sup>&</sup>lt;sup>1</sup> Official statistics relating to the 2018–19 reporting year will be published in the 2018–19 Commonwealth Ombudsman Annual Report.

<sup>&</sup>lt;sup>2</sup> Total international students in Australia in March 2019 is up 12 per cent when compared to March 2018, <u>Australian Trade and</u> Investment Commission, monthly summary of international student data.



# Complaints and issues finalised

During 1 January–31 March 2019 we finalised 353 complaints which contained 397 issues. Some complaints finalised during this period were received during previous quarters. Of the 353 finalised complaints we:

- investigated 98 complaints, which included 123 issues. The most common issue complained about was provider refund refusals and fee disputes (written agreements)
- declined to investigate 255 complaints which included 274 issues. In most cases we referred the student back to their education provider to complete the provider's internal complaint-handling processes. In some cases, documents provided by the student at the time of the complaint allowed us to determine that the complaint did not require investigation.

Detailed data about complaint issues finalised during 1 January–31 March 2019, including comparisons with the previous quarter can be found in Table 2 on <u>page seven</u> of this update.

## Investigation outcomes

During 1 January–31 March 2019, we finalised 98 investigations which included 123 issues. Table 1 shows which party our investigation outcome supported for all complaints finalised during the period.

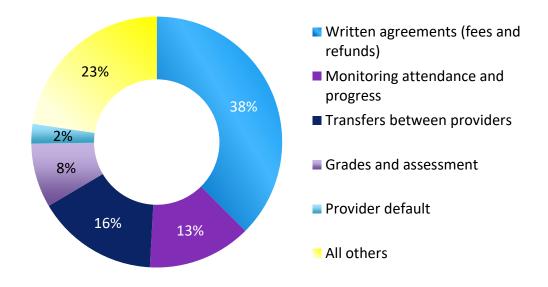
| Table 1: Issue outcomes for investigations finalised in 1 January–31 March 2019 |              |    |  |
|---|--------------|----|--|
| Party investigation outcome supported   | Total issues | %  |  |
| Student   | 57           | 46 |  |
| Provider  | 55           | 45 |  |
| Neither   | 11           | 9  |  |

Table 1 shows that nine per cent of issue investigation outcomes were found in support of neither the student nor the provider. This can be for the following reasons:

- the issue was not investigated, even though other issues complained about were investigated
- the issue was resolved between the student and provider during the course of the investigation
- the investigation of that issue was ceased before a determination could be made.

### **Complaint issues**

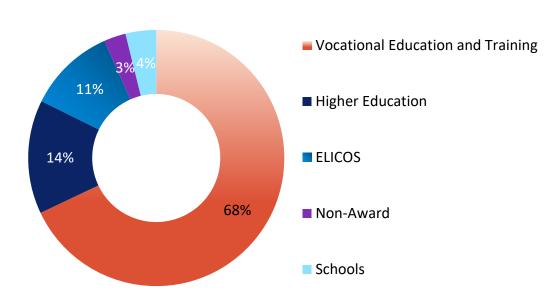
Written agreements (fees and refunds) continue as the number one complaint issue we receive from overseas students studying at private providers. They are commonly due to students seeking a refund of pre-paid tuition fees when they have ceased their study before finishing their course. Students' ability to seek this refund should be stated in their written agreement with the provider. Student attendance and course progress monitoring, and transfers between registered providers were the next most common issues raised in complaints to our Office.



#### Most common complaint issues: 1 January–31 March 2019

#### Complaints by education sector

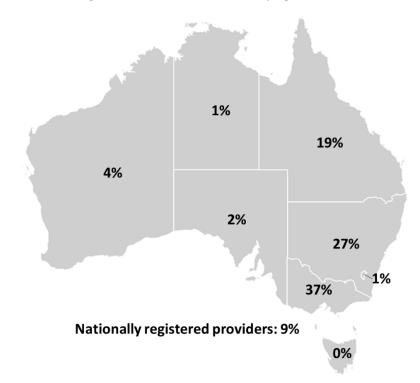
The Vocational Education and Training (VET) sector continues to be the most commonly complained about sector, however it also has the highest number of registered private providers.



## Complaints investigated by sector: 1 January–31 March 2019

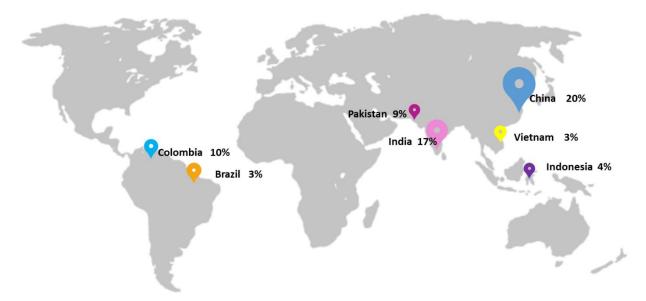
## Complaints by registered state or territory of providers

Providers registered in New South Wales and Victoria made up the two largest groups of complaints received by our Office. This is consistent with the higher number of students studying in these states.



## Complaints investigated by origin of complainant

The complainants whose cases we investigated and closed during 1 January–31 March 2019 originated from 30 different countries and administrative regions. The largest groups of complainants were from China, India and Colombia.



# Complexity

Some investigations take longer than others. The length of the investigation varies depending on the complexity of the case and the responsiveness of the student and education provider.

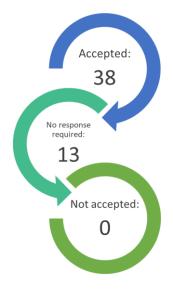
We continue to look for ways to reduce resolution times while maintaining best practice in complaint-handling.

During 1 January–31 March 2019, the average completion time for all complaints was 29 days. 72 per cent of all complaints were closed within 30 days, 15 per cent from 31–60 days and the remaining 13 per cent in 61 days or more.

## **Comments and suggestions**

At the conclusion of an investigation, we can make comments and suggestions to providers in relation to specific remedies and to the provider's policies or processes.

During 1 January–31 March 2019, we made 51 comments to providers for improvements or reconsideration of an earlier decision.



If we finalise our investigation in support of the student and we suggest that a provider takes specific action to benefit the student, providers are obliged by the *National Code of Practice for Providers of Education and Training to Overseas Students 2018* (National Code)<sup>3</sup> to implement our decision or recommendation immediately. If a provider does not agree to implement our suggestion, we may disclose this refusal to the appropriate regulator.

#### Case study: John's attendance

John<sup>4</sup> approached our Office following a notification from his provider that he would be reported to the Department of Home Affairs (Home Affairs) for unsatisfactory attendance. John had missed an intervention strategy meeting with his provider, and they cancelled his Confirmations of Enrolment (CoEs). John asked for a letter of release from his provider, but they only provided some details of the course package he had been enrolled in.

John contacted us to lodge an external complaint about his provider's decision. In response to our enquiries, his provider explained that John had not accessed its internal appeals process nor lodged a formal request for release. The provider requested that we allow them time to assess an internal appeal and request for release from John.

The provider agreed to check whether John's CoEs had been cancelled too soon, in breach of its policies and the National Code. If so, the provider would notify Home Affairs of its error.

We considered this an appropriate course of action and obtained John's permission to transfer his complaint back to his provider for action and closed the complaint. We advised John that if he was unhappy with the outcome of the provider's complaint-handling process, he is able to return to us and access our external complaint-handling process service. Two weeks later, we contacted John to ask if his complaint was being managed by his education provider. He said that his provider had issued a new CoE and he was studying again. John was satisfied with his provider's response, and said he will be careful not to miss any more classes.

## Disclosures to regulatory bodies

Under s 35A of the *Ombudsman Act 1976*, the Ombudsman may make disclosures to regulatory bodies or public authorities where it is in the public interest to do so.

We made no disclosures under s 35A during the 1 January–31 March 2019 period.

## **Submissions**

Occasionally the Ombudsman may make submissions to government departments or parliamentary inquiries to inform development of new legislation and policy.

On 25 January 2019 we made a submission to the Expert Review of Australia's Vocational Education and Training System. You can read the submission, and previous submissions, on our <u>website</u>.

Keep up to date with the latest news from the Ombudsman by signing up to our Provider e-newsletter here

<sup>3</sup> Standard 10

<sup>&</sup>lt;sup>4</sup> Name and other details changed to protect privacy

# Detailed data regarding finalised complaints

# Complaint issues closed, compared to previous quarter

| Table 2: Complaint issues for complaints finalised during 1 October –31 December 2018 and 1 January –31 |
|---|
| March 2019.   |

| lssues   | Oct-Dec 2018 | Jan–Mar 2019 |
|--|--------------|--------------|
| Formalisation of enrolment (written agreement)       | 117          | 149          |
| Transfers between registered providers               | 48           | 62           |
| Progress, attendance and course duration             | 47           | 53           |
| Grades/assessment                                    | 34           | 33           |
| Education agents                                     | 1            | 21           |
| Deferring, suspending or cancelling enrolment        | 7            | 15           |
| Academic Transcript                                  | 2            | 12           |
| Out of jurisdiction to investigate (OOJ)             | 24           | 11           |
| Provider default                                     | 10           | 10           |
| Overseas Student Health Cover                        | 13           | 6            |
| Complaints and appeals                               | 7            | 6            |
| Recruitment of overseas student                      | 1            | 5            |
| Graduation Completion Certificate                    | 11           | 4            |
| Marketing information and practices                  | 1            | 3            |
| Records management                                   | 0            | 3            |
| Student support services                             | 3            | 2            |
| Bullying or harassment                               | 7            | 1            |
| Younger students                                     | 0            | 1            |
| Discipline   | 3            | 0            |
| Staff capability, educational resources and premises | 0            | 0            |
| TOTAL  | 336          | 397          |

| Table 3: Complaints investigated and closed during 1 October–31 December 2018 and 1 January–31 March 2019 by education sector |                     |                |                 |     |                 |     |
|---|---------------------|----------------|-----------------|-----|-----------------|-----|
| Sector  | No. of<br>students⁵ | % <sup>6</sup> | Oct–Dec<br>2018 | %   | Jan–Mar<br>2019 | %   |
| VET   | 145,981             | 71%            | 37              | 51% | 63              | 65% |
| Schools   | 6,641               | 3%             | 1               | 1%  | 4               | 4%  |
| ELICOS 7  | 20,805              | 10%            | 15              | 21% | 14              | 14% |
| Higher Education  | 32,071              | 16%            | 15              | 21% | 12              | 12% |
| Non-Award   | 1,309               | 1%             | 4               | 6%  | 5               | 5%  |
| TOTAL   | 206,807             |                | 72              |     | 98              |     |

#### Complaints investigated and closed by education sector

#### Top three issues investigated and closed by sector

| Table 4: Most common complaint issues for complaints investigated and closed during 1 January–31 March 2019 |                    |                                   |                                   |  |
|---|--------------------|-----------------------------------|-----------------------------------|--|
| Sector  | Issue 1            | Issue 2                           | Issue 3                           |  |
| VET   | Written agreements | Transfers                         | Progress, attendance and duration |  |
| Higher<br>Education   | Written agreements | Progress, attendance and duration | Transfers                         |  |
| ELICOS  | Written agreements | Progress, attendance and duration | Transfers                         |  |
| Non-award   | Written agreements | Overseas Student Health Cover     | Progress, attendance and duration |  |
| Schools   | Written agreements | Progress, attendance and duration | Transfers                         |  |

<sup>&</sup>lt;sup>5</sup> Number of 'studying Confirmation of Enrolment' (CoEs) in Overseas Students Ombudsman jurisdiction by 'main course sector'. Excludes South Australian (SA) providers as, while they are in jurisdiction, we transfer complaints about SA providers to the Office of the Training Advocate. Provider Registration and International Student Management System (PRISMS) report as at 13 March 2019.

<sup>&</sup>lt;sup>6</sup> Sum is greater than 100% due to rounding.

<sup>&</sup>lt;sup>7</sup> English Language Intensive Courses for Overseas Students.

# Complaints closed by registered state or territory of providers

| Table 5: Registered state or territory of providers for complaints closed during 1 October–31 December 2018 and 1 January–31 March 2019 |              |   |              |   |  |
|---|--------------|---|--------------|---|--|
| State/Territory   | Oct-Dec 2018 | Number of<br>registered<br>providers <sup>8</sup> | Jan–Mar 2019 | Number of<br>registered<br>providers <sup>9</sup> |  |
| New South Wales   | 86           | 323   | 96           | 329   |  |
| Victoria  | 103          | 294   | 129          | 297   |  |
| Queensland  | 45           | 282   | 66           | 276   |  |
| Western Australia   | 24           | 82  | 16           | 80  |  |
| National  | 17           | 28  | 32           | 28  |  |
| Australian Capital Territory  | 2            | 16  | 3            | 16  |  |
| South Australia   | 10           | 74  | 8            | 76  |  |
| Northern Territory  | 24           | 6   | 2            | 6   |  |
| Tasmania  | 0            | 11  | 0            | 9   |  |
| Not recorded (provider or issue out of jurisdiction)  | 15           | 0   | 1            | 0   |  |
| Total   | 302          | 1,116   | 353          | 1,117   |  |

More information is available at ombudsman.gov.au

<sup>&</sup>lt;sup>8</sup> Number of providers in jurisdiction, per PRISMS data. Includes SA providers, noting that we transfer complaints about SA providers to the Office of the Training Advocate, as at 3 December 2018.
<sup>9</sup>As above, as at 13 March 2019.