

MEDIA STATEMENT
15 July 2016

You can quote Gerard Benedet, Careers Australia, Executive General Manager Public Affairs.

RE: ABC claims

Allegations raised against Careers Australia by the ABC are false and misleading.

Allegations made by a disgruntled former employee who was with Careers Australia for just five weeks are not credible. Peter Jensen was being performance managed for non-compliance with Careers Australia's internal procedures with regard to enrolments before his resignation.

At no point during his short employment did Mr Jensen raise concerns or issues to his supervisors regarding any aspect of Careers Australia's processes.

The facts regarding the case Troy Hattrick are these:

- Mr Hattrick's details were provided to Careers Australia by a third party provider of lead generation data.
- When using the online website Jobify on June 30, Mr Hattrick opted in, agreeing to "...being contacted by or on behalf of Education groups to discuss potentially enrolling in education and training courses with third party education providers."
- Mr Hattrick had the option of 'opting out' and did not take this.
- When Mr Hattrick and his parents determined the course would not be suited to him and contacted Careers Australia on July 6, his enrolment was cancelled immediately.

A number of other important facts were also glossed over or omitted:

1. Loan laptops are NOT free laptops.

Careers Australia does offer students, who may otherwise be unable to study because they don't own a computer, the opportunity of a LOAN laptop, for the duration of their course. The laptop is returned to Careers Australia at the completion of their studies.

Students are required to sign a formal loan agreement and the computer is only offered once they complete their first unit of study. Careers Australia uses an external third party to supply the laptops and they don't supply a laptop unless they have a completed loan agreement.

Just 5% of newly enrolled students since January 2016 have taken up the loan laptop offer. This low percentage would clearly indicate it is not an incentive to enrol with Careers Australia.

Given the need to embrace new technology and be innovative in the face of a changing economy, Careers Australia believes assisting Vocational Education and Training students to complete their studies, through the provision of a technological aid, is fundamental and proper. Why should university students be given laptops upon enrolment and Vocational Students be denied the same level of service and opportunity?

2. The rate of student complaint at Careers Australia represents 0.3%.

The Australian Skills Quality Authority (ASQA) has received 68 complaints against Careers Australia since April 2015, **more than half of which have been dismissed**.

To date, Careers Australia has not been contacted by ASQA in relation to any remaining complaints being investigated. Careers Australia is committed to full co-operation should ASQA require further information or clarification.

With more than 22,000 students, a small number of complaints would be expected by any education provider. The complaints made since January represent just 0.3% of the student population, across 15 campuses nationally.

We take complaints from students very seriously. If students have concerns about their course or Careers Australia, we encourage them to come forward, either directly to Careers Australia or to ASQA. We investigate all complaints thoroughly and on a case by case basis.

3. We do not cold call.

Cold calling is unlawful and Careers Australia does not condone this practice. Instead, we purchase data from reputable, reliable suppliers who collect information on people who have indicated their willingness to explore education options.

This is a common approach to meeting demand in the market for vocational education courses. It is also a common approach for hundreds of other industries, from Telcos to travel, that seek to raise awareness of their products or services with potential customers who have expressed some interest in hearing more.

4. Compliance and co-operation with the ACCC.

While we acknowledge that we have made mistakes in the past, we take our responsibilities to our students and our stakeholders, including State and Federal Governments, very seriously. We have worked extremely hard over the past 12-18 months to improve our processes and procedures to ensure that we are fully compliant with government regulations.

We spend \$4 million each year on compliance and the ACCC itself acknowledges the robustness of our compliance program.

Our systems and processes stand in stark contrast to others within the VET sector – as evidenced by paragraph 20, in the recent Voluntary Undertaking signed with the ACCC which states: *“Careers Australia has worked cooperatively with the ACCC to resolve its concerns, including by providing this Undertaking. Careers Australia also took a range of remedial steps prior to ACCC intervention, including voluntarily repaying or re-crediting VET FEE-HELP amounts owing to the Commonwealth for a number of students, ceasing to use the relevant marketing agents and improving policies and procedures.”*

5. Student Outcomes.

91% of our graduates find employment within three months and we have had over 2000 students graduate in seven separate ceremonies across Australia in the first five months of 2016.

Our core focus remains on providing our students with the very best training, through a range a flexible learning options, and ensuring that the qualifications and skills we deliver to our students meet the needs of industry and the jobs market, now and into the future.

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For more information visit www.careersaustralia.edu.au