

RTO Marketing and Naming

**FOR THE REVIEW OF THE NATIONAL VOCATIONAL
EDUCATION AND TRAINING REGULATOR (NVETR) ACT 2011**

BY COMMUNITY COLLEGES AUSTRALIA

3 AUGUST 2017



RTO Marketing and Naming

Community Colleges Australia (CCA) expresses high concern with respect to:

1. The choice of names that are currently allowed for private RTOs:

See the Appendix pages of this document for details of a number of RTOs that have potentially misleading names. CCA is particularly concerned with the use of the words “community”, “Australia”, “Australian”, “Aboriginal”, “Indigenous” and other means whereby words are placed together to imply that the RTO is either a not-for-profit community-owned and managed RTO or a TAFE college. CCA believes that certain words in RTO naming should be “restricted”.

2. The lack of transparency of a large number of RTOs regarding their ownership and management

ASQA regulations (see following two pages) do not appear to require any specific details regarding ownership structures. CCA has great concerns that many RTOs pretend to be community-based through this lack of transparency. A large majority of the websites of RTOs that CCA has examined do not include details of:

- Who owns the RTO, including any company directors
- Where the owner/s are domiciled
- Who the key staff are, and their qualifications

Given the low respect that the Australian VET sector now holds in Australia – in part because of VET FEE-HELP malpractices and the recent collapse of a number of large private providers – CCA believes that now is the time to:

- Empower ASQA to closely supervise marketing practices
- Commence a review of the proper naming of RTOs in Australia
- Develop proper advertising and promotion guidelines that require certain minimum standards of business transparency.



ASQA Standards - 1

The ASQA Standards for Registered Training Organisations (RTOs) 2015 states:

The RTO is ultimately responsible for ensuring transparent and accurate information about RTO services and performance is accessible to prospective and current learners and clients of the RTO, regardless of any arrangements to have this information distributed on behalf of the RTO.

Transparent and accurate information about RTO services and performance enables prospective and current learners and clients to make informed decisions regarding their training and/or assessment needs.

The information about RTO services and performance provided by the RTO must be relevant to and reflect the needs of the client which will vary from RTO to RTO.

See <https://www.legislation.gov.au/Details/F2014L01377>

ASQA Standards - 2

To be compliant with Standard 4 the RTO must meet the following:

4.1. Information, whether disseminated directly by the RTO or on its behalf, is both accurate and factual, and:

- a) accurately represents the services it provides and the training products on its scope of registration;
- b) includes its RTO Code;
- c) refers to another person or organisation in its marketing material only if the consent of that person or organisation has been obtained;
- d) uses the NRT Logo only in accordance with the conditions of use specified in Schedule 4;
- e) makes clear where a third party is recruiting prospective learners for the RTO on its behalf;
- f) distinguishes where it is delivering training and assessment on behalf of another RTO or where training and assessment is being delivered on its behalf by a third party;
- g) distinguishes between nationally recognised training and assessment leading to the issuance of AQF certification documentation from any other training or assessment delivered by the RTO;
- h) includes the code and title of any training product, as published on the National Register, referred to in that information;
- i) only advertises or markets a non-current training product while it remains on the RTO's scope of registration;
- j) only advertises or markets that a training product it delivers will enable learners to obtain a licensed or regulated outcome where this has been confirmed by the industry regulator in the jurisdiction in which it is being advertised;
- k) includes details about any VET FEE-HELP, government funded subsidy or other financial support arrangements associated with the RTO's provision of training and assessment; and
- l) does not guarantee that:
 - i) a learner will successfully complete a training product on its scope of registration; or
 - ii) a training product can be completed in a manner which does not meet the requirements of Clause 1.1 and 1.2; or
 - iii) a learner will obtain a particular employment outcome where this is outside the control of the RTO.



ASQA Research

In September 2013, ASQA published its report entitled *Marketing and Advertising Practices of Australia's Registered Training Organisations* (see http://www.asqa.gov.au/verve/resources/Strategic_Reviews_2013_Marketing_and_Advertising_Report.pdf).

Key Messages of that report (p. iii) were:

- Marketing practices of up to half of registered training organisations are potentially misleading to consumers
- Some marketing is also in breach of the national standards governing registered training organisations
- Organisations that are not registered training organisations are acting as brokers, with such arrangements potentially misleading consumers
- The national training standards relating to consumer protection need to be strengthened

CCA believes that it is time to re-examine the outcomes of this report and subsequent actions. CCA requests consideration of how the findings of this report can be incorporated into updated legislation: how for-profit RTOs market themselves (including requirements for transparency of ownership), to complement the responsibilities of the Australian Securities and Investments Commission (ASIC) and other organisations on proper RTO naming protocols.

Confusing Private RTO Names 1



AUSTRALIAN COMMUNITY
Education College

● Early Childhood Training Solutions



Community Education Australia



Confusing RTO Names 2



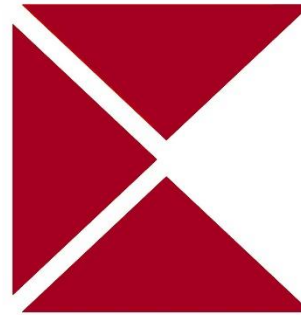
Confusing RTO Names 3



Confusing RTO Names 4



CRICOS No :03134F



AELC

AUSTRALIAN ENGLISH
LANGUAGE CENTRE



SYDNEY COLLEGE
OF ENGLISH



Confusing RTO Names 5



Confusing RTO Names 6



Confusing RTO Names 7



Confusing RTO Names 8



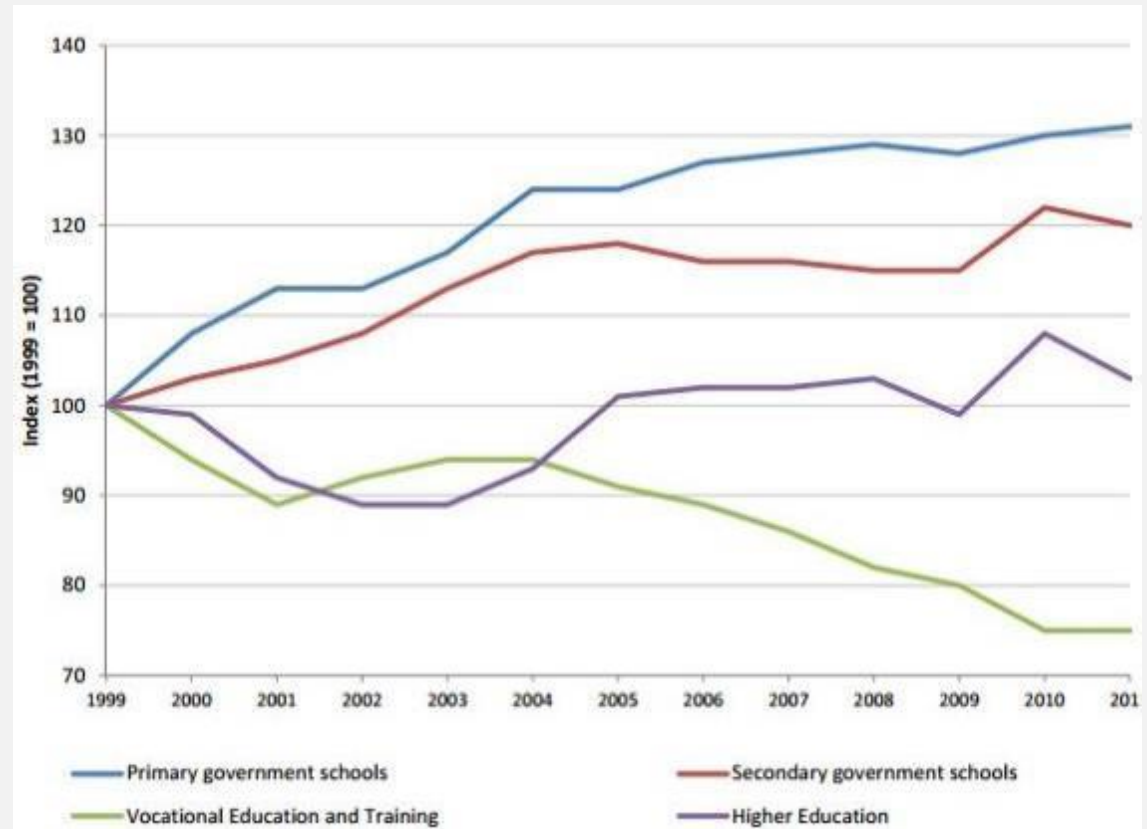
The “Forgotten Middle Child”

“Like a forgotten middle child, squeezed between schools - which tend to get a lot of policy attention, like the youngest child - and universities, which tend to get the prestige and status, like the oldest child. There is no doubt that the VET sector has a lower status in Australia.”

- Sarah-Jane Derby, CEDA

“Middle children are open to new ideas, patient, great innovators and team leaders, and excellent negotiators.”

- Dr Damian Oliver



Australian government education funding FTE
Indexed to 1999



Regional and Rural VET

VET is important in rural and regional Australia: economic structures. Participation rates are at least 50% higher in rural and regional NSW:

- 6.3% metro
- 11.9% inner regional
- 14.6% outer regional
- 15.4% remote
- 18.5% very remote

A larger percentage of regional and rural VET students study lower level qualifications: Certificate III and below, *just those qualifications offered by community colleges.*

Regional and rural VET delivery by community providers at least 10% nationally and more than 20% in Victoria, making community providers a significant national force in non-metropolitan Australia.

See [The Role of Community Education Providers in Regional and Rural Economic Development](#) (CCA, February 2017)





Why Community Providers

Community sector is characterised by:

1. Strategic in flexibility to employ a wide range of tools;
2. Not bound by government structures in the way that TAFEs;
3. Ability to complement state and national policies that develop job skills, encourage economic development, enable citizen participation and increase human and social capital;
4. Not beholden to private shareholders to make profit in the way of for-profit providers; and
5. Freedom to take considered risks.

Our strategic influence because of historic commitment to:

- investing in local communities;
- responding to the needs of vulnerable and disadvantaged Australians; and
- Small class sizes, personal support focus, and collaborations with social service agencies.





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