

**IEU Submission to the Senate Standing Committee
on Employment Education and Training re ESOS Regulations**

The Independent Education Union of Australia is a federally registered union with a membership of approximately 37,000 members. The union's coverage includes teachers and education officers in non government schools, early childhood centres, Life Education Centres and providers of private training, including ELICOS Colleges and Business Colleges.

The Union appreciates the opportunity to make this submission as part of the Senate Committee's enquiry and report on the latest Regulations of the Education Services for Overseas Students (Registration of Providers and Financial Regulation) Act 1991.

1. The IEUA strongly advocates the regulation of education export activities by federal legislation. The IEUA supports the strengthening of the regulatory provisions of the ESOS Act to ensure as far as is possible, that the operators in the industry are genuine and are committed to the provision of high quality education.
2. The IEU believes the Commonwealth has a responsibility to facilitate an orderly secure and fair framework for the education export industry in order to safeguard the interests of overseas students, to maintain the stability and quality of the industry, and to preserve the professional and industrial interests of those who work within the industry.
3. It is important to recall that the ESOS Act was introduced following the collapse of a number of ELICOS colleges in the early 1990s which resulted in serious negative publicity, and a consequent loss of confidence in the reputation of Australian education providers.

A very large number of students lost fees they had paid in advance which resulted in the Commonwealth government having to reimburse students and taking steps to recover the lost funds. Another serious consequence was the loss of jobs for a large number of teachers in the industry, as well as the incapacity of failed colleges to pay out entitlements to teachers such as wages, leave, leave loading and superannuation. The union believes that a strong regulatory framework provides safeguards for all within the industry and establishes a context for the industry parties to negotiate an appropriate code of practice for the industry.

4. The IEU recognises that a number of these problems have been overcome by arrangements negotiated and agreed by providers who are members of the industry associations such as ACPET and the ELICOS Association. However, not all providers within the education export industry are members of such organisations, and it is the view of the IEU that mechanisms should be in place to cover providers who stand outside.

The IEU is aware that the issue of cost has been advanced by providers in their opposition to the regulatory provisions of the ESOS Act. It is the view of the union that the costs incurred to the industry as a whole when a college fails, outweighs the small costs required in the TAS arrangements and insurance costs.

5. National Consultative Committee on International Education and Training Services (NACCIETS)

The IEU believes that the established industry forum NACCIETS should have met to discuss the range of matters which arise from this current Senate enquiry into the ESOS regulations. It is unfortunate that NACCIETS has not met since approximately October 1993. Such a forum might have facilitated an outcome supported by all parties.