

# IMMIGRATION NEWS

(Volume 62)

*"Absolute Power Corrupts Absolutely"*  
*A student's disturbing story about SICB*



## **“Absolute Power Corrupts Absolutely”**

This is a quotation from Lord Acton, in a letter to Bishop Mandell Creighton, 1887:

"Power tends to corrupt, and absolute power corrupts absolutely. Great men are almost always bad men."

Acton was preceded by William Pitt the Elder, who voiced a similar thought in a House of Lords speech in 1770:

"Unlimited power is apt to corrupt the minds of those who possess it; and this I know, my lords, that where laws end, tyranny begins."

At IMMIGRATION NEWS we have chosen these quotations as they seem appropriate way to express the manner in which some senior managers at certain Australian educational institutions abuse their power to threaten vulnerable international students. By no means are we referring these managers as “great men” but the overall analogy is fairly accurate. Many managers think they can treat international students any way they please for they have the power to effect the cancellation of their student visa's.

In this special edition we will shine some light on Sydney International College of Business (SICB) at their campus in Sydney. We'll begin with the direct statement from one of its former students who was forced out of her commercial cooking course by Mr. Hari Mundru, the Principle Executive Officer.

In the interest to protect this student's safety she has requested to keep her real name confidential. Her story and real details have been given to DEST for them to investigate.

We would like to thank this student for being brave enough to give us permission to print her words.

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### **Jane's Story**

***I would like to take this opportunity to describe my experience with the Sydney International College of Business (SICB).***

***I have been enrolled in a commercial cookery course at SIC from the 13<sup>th</sup> August 2007. My fees had been paid up to the end of November 2007 which covered the first half of the course.***

***Around the middle of October, SIC had its CRICOS registration suspended. I subsequently informed myself via ESOS of the situation I was now in. ESOS informed me that SIC would continue to operate normally, however, that they could not accept any new students, nor accept payment from any current students.***

***On the 8<sup>th</sup> of November I received a letter from SIC requesting payment by around the end of November, for the remainder of my course. This amount was to be paid in full. With the information provided to be by ESOS, I went to Harry, the SIC principal, to try and understand what was going on. I broached the subject of non-payment with him, however, he pretended or seemed to not have any knowledge of the ESOS requirement of non-payment. With this in mind I left the building, and sought further consultation with ESOS, and Karl Konrad, my migration agent, to gain a better understanding of the situation I was in.***

***My paid tuition with SIC expired at the end of November. Although I hadn't paid, on the 4<sup>th</sup> of December I attempted to attend school, but I was prohibited from entering the school by security at the front desk. I told the security officer that they weren't supposed to do this, and subsequently asked to speak with Harry.***

***I spoke again to Harry, and asked if I could pay once the situation with ESOS had been resolved. He declined, however, offered me two months holidays, which I declined. He then bluntly told me that if I didn't pay, I wouldn't be able to attend the school.***

***Since the suspension, Harry has been asking students of the college to trust him, yet I am not the only person from whom they have requested payment, with full knowledge of what they are doing. During the conversation with Harry, he appeared quite fearless and arrogant, and explained to me, that he already had another licence for a new school, should SIC be closed down.***

***21<sup>st</sup> December 2007***

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Jane called DEST and spoke to Ms .Belinda O'Connor from the compliance centre. She was informed that SICB is not allowed to be asking for any money under the conditions of the suspension and that she shouldn't be paying them any money. Belinda wanted Jane to send her the request of money letter from Mr. Mundru. Jane asked her if DEST could help her and what if SICB kicked her out of the school if she didn't pay could Belinda's department assist her to stay? At that stage Belinda is reported to have shied away from offering direct support to Jane.

Feeling uncertain and fairly vulnerable Jane came to my office to discuss her situation. DEST wanted her to send them information about what SICB was doing but when she asked how they could protect her if she came forward with information they seemed incapable of offering any support.

Jane wanted to pay her fees but wanted some sort of assurance from Mr. Mundru that the school would remain open long enough for her to finish her course. The remaining balance requested by Mr. Mundru was many thousand of dollars and was and she was scared she would not get it back if the school collapsed.

One of her main concerns was if the government was telling her that the school shouldn't be asking for money and how could she trust a place where they were obviously doing the wrong thing. This thought was fuelled by the fact they SICB had obviously done something wrong in the first place to have its registration suspended.

**By Mr. Mundru kicking Jane out of the school and effectively leaving her on the street without a course, this would have to rate as one of the lowest acts we could imagine from the manager of a registered school. Jane had raised legitimate concerns to him about why he was breaching the ESOS Act and he seemed well aware that under this provision she was not meant to pay him any money. The fact is he seemed he couldn't care less what DEST thought he just wanted his money or she was out the door. How could Jane possibly trust an individual with many thousands of dollars who didn't care what the law states?**

Jane has now made the sensible choice to find another course and school but it has cost her overall, more money. Our office is aware that Mr. Mundru has asked many students for money whilst on suspension and most of them have paid fearing the same result as what happened to Jane.

### **Why the secrecy?**

Readers of my newsletters and all the students at SICB understand that most of the schools CRICOS courses were suspended by Department of Education, Science and Training (DEST) on the 16<sup>th</sup> October 2007. The actual reason for this suspension remains a mystery. DEST says that they do not release information about why RTO's are suspended from the CRICOS registry. We have asked SICB why they were suspended and it was hardly surprising that they did not want to explain it either.

I am sure our readers would like to know why it has to be such a secret. Surely the students and the Australian public have a right to know why an education provider has been severely sanctioned. The only obligation both DEST and SICB have is to tell students that the registration has been suspended, and that's it!

**It seems to us that DEST is more concerned about protecting the schools**

than they are the students even though they are often the ones who end up the victims and suffer significant financial loss. In recent history many owners of closed RTO's haven taken the money of international students and then run.

On the 9<sup>th</sup> of November the DEST's Assistant Director of the ESOS Provider Support and Compliance Unit had this to say to IMMIGRATION NEWS;

*DEST has given instructions to SICB, as is standard practice when a provider's registration for some or all courses is suspended, that SICB must inform students of its obligations under section 95 of the ESOS Act to provide full refunds of pre-paid tuition fees to all accepted students of the provider who had not yet commenced study with SICB in Sydney at the date of suspension of those courses. SICB is also obligated to continue to teach those students who had already commenced study, but must not solicit or accept any monies from any of it students while its courses are under suspension.*

*DEST has been informed by SICB (and by some students) its students have been advised that the courses in question have been suspended.*

*SICB has also provided DEST with assurances and supporting information that indicates that it is complying with the conditions of suspension of its courses. DEST is closely monitoring the situation and if SICB proves unable to meet its obligations, the interests of the affected students will be protected under the tuition assurance provisions of the ESOS Act.*

The last sentence of the first paragraph makes it perfectly clear that SICB is not to take money or request money from any international student.

The legal power comes from the 2007 ESOS Act, Section 95 which states;

#### **95 Effect of suspension**

(1) A provider whose registration is suspended for a course for a State under this Division must not:

(a) do any thing for the purpose of recruiting or enrolling overseas students or intending overseas students for the course for the State; or

(b) solicit or accept any money from an overseas student or an intending overseas student for the course for the State; or

(c) if an accepted student of the provider has not begun the course—permit the student to begin the course for the State.

(2) The provider is still registered for the course for the State for all other purposes.

**overseas student** means a person (whether within or outside Australia) who holds a student visa, but does not include students of

*a kind prescribed in the regulations.*

#### **Section 4: Criminal Code applies**

The *Criminal Code* applies to all offences against this Act.

#### **What are Mr. Mundru's Next Plans?**

On the 4<sup>th</sup> of January our office attempted to contact Mr. Mundru but he did not return our call. We also sent him a fax outlining the details of Jane's story but he has also not responded nor has anyone from his office made an attempt to inform us that he has any intention of responding or if he is not actually in a position to respond by the deadline of our story.

I will let you, the readers, come to their own conclusion regarding the facts outlined above. After taking some time to investigate all this I am concerned that there seems to be no government body out there that is prepared to assist international students like Jane.

We have concerns that how can someone like Mr. Mundru who is prepared to blatantly ignore the ESOS ACT be involved in the making of another school for international students?

I wrote again to DEST about what they are doing to return the money to the international students who have paid SICB money whilst they have been on suspension? This is their response on the 12<sup>th</sup> of December 2007;

.....  
*The following information is supplied in respect to your specific questions about the Sydney International College of Business Pty Ltd (CRICOS provider 01475A).*

#### **1) What has DEST done to investigate the allegations of the breach of the suspension conditions?**

*DEEWR will investigate all claims or allegations of breaches of the ESOS Act and ensure that education providers fulfil their obligations under the Act. The Department does not comment on whether it is undertaking investigations into particular providers.*

#### **2) Are students able to be given a refund for the monies they have paid when it seems they should have not had to pay in the first place?**

*Student refunds are governed by the provisions of the ESOS Act which specify the circumstances in which a provider must make a refund and the time limits on making such a refund. Should an education provider be in breach of the refund provisions of the Act, the Department would investigate the breach and take action to ensure that the provider fulfilled its obligations under the Act.*

#### **3) What are the penalties towards a RTO which blatantly breaches the suspension provisions?**

*The ESOS Act makes available a range of sanctions which can be imposed on*

*education providers in order to ensure compliance with the provisions of the Act. Penalties include suspension of a providers registration on CRICOS, imposition of conditions on registration and cancellation of a provider's CRICOS registration. Actual sanctions imposed are determined by the severity of the breach and the requirement for the provider to rectify the breach.*

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So there it is. We judge this response from DEST as being fairly pathetic so far but let's see if this article prompts them into actually doing something.

We encourage all students at SICB who paid money to the school after the 16<sup>th</sup> October 2007 to ask Mr. Mundru for their money to be returned.

We would also like to hear from any other students who have story to tell about their school. Like the student in this story, your identity will remain confidential if you wish. We know that SICB is not an isolated case and our office is currently investigating a complaint made by a student at another college. We will cover the results of this investigation in a future edition.

You may also contact DEST using the following details as they have informed our office;

*For information or to ask for assistance, students or members of the public can contact the Department through the ESOS Helpline 02 6240 5069 or through the ESOS Mailbox at [esosmailbox@dest.gov.au](mailto:esosmailbox@dest.gov.au). All information is treated confidentially.*

**Our readers can be assured that this story is not over yet. Forward this e-mail to your friends and keep tuned for future editions.**

Next week I will describe the difference in being an Accountant, Bookkeeper and Accounts Clerk if you are looking for the 10 points for Australian work experience.

### **Subscription to IMMIGRATION NEWS?**

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Kind regards

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