

Senate Committee: Education and Employment

**QUESTION ON NOTICE
Additional Estimates 2015 - 2016**

Outcome: Skills and Training

Department of Education and Training Question No. SQ16-000590

Senator Carr, Kim provided in writing.

Collapse of Global Intellectual Holdings

Question

How many RTOs have ceased to operate as a result of the collapse of Global Intellectual Holdings?

Can the Department provide the amount of VET FEE-HELP funds paid to Global Intellectual Holdings and all companies and RTOs associated with or linked to with Global Intellectual Holdings?

Will the Government be seeking to recover funds from Global Intellectual Holdings or any other companies and RTOs associated or linked to Global Intellectual Holdings?

Answer

Global Intellectual Holdings is not a VET FEE-HELP approved provider in its own right. The VET FEE-HELP approved providers that it owned and that ceased to operate as a result of its collapse, are: the College of Creative Design and Arts Pty Ltd (Keystone College) and the Design Works College of Design Pty Ltd.

In 2015, \$26,042,491 was paid to the College of Creative Design and Arts Pty Ltd in VET FEE-HELP.

In 2015 and 2016, \$1,560,442 and \$150,101 in VET FEE-HELP was paid respectively to the Design Works College of Design Pty Ltd.

The department revoked the colleges' approval as VET FEE-HELP providers effective 12 July 2016.

Given that Global Intellectual Holdings was not a VET FEE-HELP provider in its own right, it received no VET FEE-HELP payments. However, the department is working with the administrators of the College of Creative Design and Arts Pty Ltd (Keystone College) and the Design Works College of Design Pty Ltd to conclude a financial reconciliation. The department will seek to recover VET FEE-HELP payments where appropriate.

Design Works College of Design and the College of Creative Design and Arts tuition assurance arrangements were held with the Australian Council for Private Education and Training (ACPET). Any VET FEE-HELP approved students who were studying with Design Works College of Design and the College of Creative Design and Arts are covered by the tuition assurance arrangements in respect of course assurance and VET tuition fee repayment which is being managed by ACPET.