

EDUCATION, SCIENCE AND TRAINING

SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2004-2005 BUDGET ESTIMATES

Outcome: 3
Output Group: 3.3 – AEI Group

DEST Question No. E163_05

Senator Carr provided in writing.

Question:

- (a) The Australian College of Physical Education in Sydney (CRICOS No. 01822J) recently changed hands. Are you aware of that?
- (b) Are you aware that the College was formerly owned by Sydney Church of England Grammar School (SCEGGS)? And that its new owners included the former Principal of that school, Mr Peter Cornish, and the former school council member, Mr Robert Dunnett?
- (c) Have you examined claims that the College was sold by the School to the former Principal and council members for a sum that was unexpectedly low, compared to other comparable sales?
- (d) Have you examined claims by the School that the sale of the College netted the Grammar School \$3 million, although the college had been bought for \$6.35 million and was sold for only \$7.5 million?
- (e) Have you examined the credentials for either or both of these persons from the point of view of the ESOS Act's "fit and proper person" provisions?
- (f) Have you sought advice from VETAB NSW, or other NSW authorities, on this matter? If so, what was the advice you received?

Answer:

Australian College of Physical Education

- (a) The Department is aware that ACPE Redlands Ltd (01822J) has undergone a change of ownership during its period of registration on CRICOS.
- (b) The Department is aware of claims as reported in the *Sydney Morning Herald* on 15 May 2004 regarding the association between Sydney Church of England Grammar School (SCEGGS) and the Australian College of Physical Education (ACPE) and the alleged identity of the joint owners of ACPE.
- (c) and (d) No, the Department has not examined these claims. The Department confines itself to matters prescribed under the ESOS regulatory framework.
- (e) The Department has not examined the credentials of Mr Cornish and Mr Dunnett from the point of view of the *Education Services for Overseas Students (ESOS) Act 2000* (the Act).

Under the Act provider registration applies to the legal entity carrying on the business of providing an approved course to overseas students. If the legal entity changes the new operating entity must obtain its own CRICOS registration if it wishes to continue to recruit and provide courses for overseas students. CRICOS registration is not transferable.

The administrative arrangements which exist for the regulation of this industry accord with the ESOS Act, sub-section 9(2), which leaves no discretion for the Secretary to refuse registration of a provider that has been approved by a State designated authority, except where the Secretary has evidence to support a belief that the provider will not comply with the Act or the National Code [see subsection 9(2)(d)]. It is the State designated authority which must be satisfied that a provider is "fit and proper" and advise the Secretary of that fact [sub-section 9(ca)]. Sub-section 9(4) reinforces this arrangement and confirms that sub-section 9(2) does not create a "duty for the Secretary to seek any information about the matters mentioned" in that section.

(f) The Department has received advice from the NSW Department of Education and Training (DET) that they are still receiving and responding to advice about the change in ownership of ACPE Redlands Ltd (01822J). When the full range of information has been obtained, NSW DET has advised they will conduct an evaluation and audit to assess the compliance of the new legal entity with the ESOS Act and the National Code. The assessment will include completion of a new Statutory Declaration. The new entity and the Principal Executive Officer will need to complete the Declaration which addresses a declaration related to associates of the entity. "Associate" is defined in the ESOS Act.