

**STANDING COMMITTEE ON
ENVIRONMENT AND PUBLIC AFFAIRS**

**PETITION NO 17 —
OPPOSING FEE FOR 457 VISA HOLDERS**

**TRANSCRIPT OF EVIDENCE
TAKEN AT PERTH
WEDNESDAY, 20 AUGUST 2014**

Members

**Hon Simon O'Brien (Chairman)
Hon Stephen Dawson (Deputy Chairman)
Hon Brian Ellis
Hon Paul Brown
Hon Samantha Rowe**

Hearing commenced at 10.17 am**Mr PETER COLLIER****Minister for Education, examined:****Ms KAREN HO****Executive Director, Service Delivery, Department of Training and Workforce Development, examined:****Mr LINDSAY HALE****Executive Director, Department of Education, examined:****Mr DAVID SMITH****Deputy Director General, Department of the Premier and Cabinet, examined:**

The CHAIRMAN: On behalf of the committee, I would like to welcome you to our hearing this morning. Mr Smith, Mr Hale and Ms Ho, you will have each signed a document entitled “Information for Witnesses”. Have you all read and understood that document?

The Witnesses: Yes.

The CHAIRMAN: These proceedings are being recorded by Hansard and a transcript of your evidence will be provided to you. If you could assist the committee and Hansard by quoting the full title of any document that you may refer to during our proceedings for the record. I remind you that your transcript will become a matter for the public record. If for some reason you wish to make a confidential statement during today’s proceedings, you should request that the evidence be taken in closed session. If the committee grants your request, any public and media in attendance will be excluded from the hearing. Please note that until such time as the transcript of your public evidence is finalised, it should not be made public. I advise you that the publication or disclosure of the uncorrected transcript of evidence may constitute a contempt of Parliament and may mean that the material published or disclosed is not subject to parliamentary privilege.

Minister, I was wondering if, at the outset, you could give the committee a brief update on the history of the 457 visa issue and where we are at at the moment.

[10.20 am]

Hon PETER COLLIER: Certainly, thank you, Chair. The original policy for 457 visa holders and the payment of school fees for the children of 457 visa holders was made in the budget of 2013–14. At that stage, it was anticipated that there were around 8 600 and that they would pay \$4 500 per child. That created quite a bit of—dare I say it—public discontent. So, as a government, we reviewed the situation and made a decision that we would allocate \$4 000 for the first child of each family, regardless of the number of children, and there would be a hardship provision for those who were having difficulty paying. It has now been ascertained that there are around 5 300—I think 5 380—in our schools, and that is up, actually, from 290 in 2005. There has been a massive increase in the number of 457 visa holders’ children in our schools in our public education system. Now it costs around anything from \$14 000 to \$19 000 per student per annum for a child to be educated in our public education system, so it is quite a considerable cost to the government. What we are asking in this instance is for the 457 visa holders, for one child, to pay \$4 000, which is around a quarter of the cost per annum for one child each year. At this stage, around 3 300 children will be affected of the 5 300. So about 3 300 will pay the fee—the \$4 000. As I said there will be a hardship category. That is being established at the moment and that will be made public very shortly.

The government is working on that. That will take into consideration such things as the income level of the family, the social circumstances of the family and perhaps the employment of the family. There may be some issues with regard to health, mental health et cetera and those things will be considered with regard to the hardship categorisation. Having said all of that, we have made a considerable amount of what I would regard as refinement in terms of the original policy. The original policy did call for \$4 500 for each child; we have now gone down to \$4 000 for one child per family and there will be a hardship provision. The development of that policy will be done through regulations, not through the act. Those regulations will be completed, I would imagine, by the end of September or early October. That is the time frame that we are working on as a government.

The CHAIRMAN: Will there be any legislative change necessary to the act?

Hon PETER COLLIER: No, there will not; it will not be necessary to change the act. It can be done through regulation.

The CHAIRMAN: So we will not be seeing a bill before the house.

Hon PETER COLLIER: No.

The CHAIRMAN: I understand the fee is to be implemented from the start of the school year 2015?

Hon PETER COLLIER: That is correct—next year.

The CHAIRMAN: Apparently, the regulations will need to be promulgated, and you previously advised the committee of that by letter back on 13 March. Those regulations, I believe you advised us, will, among other things, make provision for parents experiencing financial hardship. I am just wondering if you could describe what it is that the regulations will need to provide to enable this policy to be implemented that they do not already provide.

Hon PETER COLLIER: As I said, those considerations include such things as income and exceptional circumstances like illness, unemployment, family breakdown, physical incapacity. They will all be considered with regard to the hardship of a particular family and whether or not that family has the capacity to pay the fee. Have I missed anything?

Mr Smith: No, I think that is covered in terms of the changes that are being made.

The CHAIRMAN: Do the regulations themselves have to be changed to actually enable dependants of persons on 457 visas to be charged a fee?

Hon PETER COLLIER: I will ask Mr Hale to comment.

Mr Hale: There does need to be some adjustment to allow for these particular folk to be charged a fee. The reason for that is, at the moment, we have our local students who are not charged a fee and we have overseas fee-paying students who are charged a fee. These students that we are talking about do not fit neatly into either category. The reason they do not fit neatly into either category is that we want to retain—as these students already have—the opportunity or the allowance to enrol in a local school. Overseas fee-paying students do not have that opportunity; they can only enrol in nominated schools where there is space. On the other hand, unlike local students, the regs will have to allow for them to be charged. Also, in order for us to take into account hardship provisions, not only for them to be charged, but in some cases for that charge to be waived.

The CHAIRMAN: In relation to existing fee-paying students, who are they?

Hon PETER COLLIER: International.

Mr Hale: Yes, they are international students who are here under visas for the purpose of taking part in education. So they obtain a visa, come to the country, pay what is moving towards the full fee; it is not quite the full fee. But they do pay a full fee, as we would describe it, for taking part in education. The maintenance of that visa class is dependent on them being engaged in education,

which is dependent on them having paid the fee. So, they are here under quite different circumstances.

The CHAIRMAN: Roughly, how many of those do we have?

Mr Hale: I am sorry, I will have to take that on notice. It is not a huge number, but it is obviously of some significance. Unless —

Ms Ho: About 2 000.

Hon PETER COLLIER: Yes, Education and Training International is actually coordinated through the Department of Training and Workforce Development. They have the jurisdiction over that. That is not for 457 visa holders; that is for international students on other visas.

The CHAIRMAN: Those are for international students who come here unaccompanied?

Ms Ho: If I can perhaps explain the role that the Department of Training and Workforce Development plays. The Department of Training and Workforce Development has an arm called Educational and Training International. That arm works on a commercial basis and recruits and manages international students that come to Western Australia to study on a student visa and attend government schools, as well as TAFE institutes. So, yes, because we have that role, we do collect fees from full-fee paying international students. We have been asked to be the fee collection agency for this initiative on the 457 visa.

The CHAIRMAN: Possibly, minister, if we could ask you to take on notice to provide information about this category of fee-paying students, just the number and some general information as to where they come from and their profile—for example, the age and the type of courses they do. I am guessing, but there are probably more of them involved, perhaps, in trade training in their teens rather than year 3 students in this category, but possibly if you could provide us with the information about this cohort.

Ms Ho: So that is the international students on the student visas?

The CHAIRMAN: Yes.

Ms Ho: You would like more information about that?

The CHAIRMAN: That is the fee-paying students on international visas.

[10.30 am]

Hon STEPHEN DAWSON: Chair, just on the same point, could we, for the same cohort, get the amount of fees they are paying, too? That would be helpful for the committee.

The CHAIRMAN: Yes.

Hon BRIAN ELLIS: Just a quick question on the same thing. Do they have any exemptions as well? Do they have any hardship exemptions or do they all pay?

Ms Ho: There are mechanisms for a payment schedule—that is, fees to be paid on a schedule. There are no hardship provisions. They are here on the basis that they can pay the fees.

Hon PETER COLLIER: It is their choice.

Ms Ho: Yes.

The CHAIRMAN: There is a range of categories of families that have children who would attend our government schools, no doubt. Obviously, there are Western Australian residents. There are families that have come here from other states and have just blended into the local community. Is there any proposal to charge fees for other residents; for example, children of New Zealand families that come here and reside here?

Hon PETER COLLIER: No.

The CHAIRMAN: What about the dependants of families who come here on temporary working visas who are not 457 visa holders?

Hon PETER COLLIER: No, there is not at this stage and there is no intent to go down that path.

The CHAIRMAN: So it is just this particular category of 457s.

Hon PETER COLLIER: That is correct, yes.

The CHAIRMAN: Again, this is the training and workforce development angle, I am aware that a few years ago, minister, I think you led a delegation to parts beyond the seas, including Ireland.

Hon PETER COLLIER: Ireland, England and Scotland.

The CHAIRMAN: Part of the purpose of that trip, I think was to attract skilled workers —

Hon PETER COLLIER: That is correct.

The CHAIRMAN: — to Western Australia. How did you seek to attract those workers?

Hon PETER COLLIER: That was a really good trip actually; it was sensational. We had a very interactive website. We met with dozens, literally, of various groups. We went to a number of employment forums of which there are numerous in Ireland, England and Scotland. We met with a lot of the big employer organisations, and it was relentless. They had—this is just from memory—I think like 42 000 hits on that website in a short space of time. I might get that clarified, but I am very confident that was the case.

The CHAIRMAN: Was the exercise successful?

Hon PETER COLLIER: Certainly, by the feedback that the department received. I actually answered a question to this effect about two years ago, so I can get some details. When I took a delegation of industry heads from the CCI and CME, I think there was about eight or 10 who came from various groups. Some from, I think, the MTA came. They were delighted; they were actually signing up workers. We went to a couple of these forums. Ireland was undergoing some serious economic issues at the time; I think they had something like 26 per cent unemployment. We did a huge forum there.

The CHAIRMAN: Yes, I recall. It was at a time when you had a receptive audience in that part of the world.

Hon PETER COLLIER: Yes, it was extraordinary. They were signing up workers on the day.

The CHAIRMAN: What encouragements were offered to prospective workers —

Hon PETER COLLIER: Jobs.

The CHAIRMAN: Presumably, also it was pointed out to them the other benefits of living in a Western Australian community —

Hon PETER COLLIER: Without a doubt.

The CHAIRMAN: — the climate, the quality of life. Would have that included the quality of education, if you bring your kids?

Hon PETER COLLIER: Inevitably, it is going to. I mean, we talked about literally the generic quality of life in Western Australia. At the time it was quite an easy market to tap into because there was a very high unemployment rate in the United Kingdom and the associated isles. We had a very, very receptive audience wherever we —

The CHAIRMAN: Of those who responded positively, how many of them might have come here as 457 visa holders?

Hon PETER COLLIER: I could not give you the specific details. DTWD might have some details there.

Ms Ho: No, I cannot give you details today on that.

Hon PETER COLLIER: No, not today—we could look and see what we have there. When we went to these forums and employment seminars, you would have queues of people signing up to CCI or CME et cetera to get information. They would have their own details, obviously, in terms of the impact. In terms of the relevance of the website that we put out, as I said, they were literally inundated. But in terms of specifics, the department may have something—I do not know. Karen might check on that.

Ms Ho: The data would be most likely available from the Department of Immigration and Border Protection that controls the visa numbers.

The CHAIRMAN: I am sure you can realise the point that I am pursuing; that is, did we encourage people to come here, who subsequently did come here as 457 visa holders bringing their dependants with the expectation that they would be able to send their children to government schools here and that was one of the attractions in coming here?

Hon PETER COLLIER: Sure, that was certainly not in isolation at all. And there was never any mention—I can assure you, I went to every forum—we never ever talked about the education system as a motivating factor to come to Australia. The key point was that we were suffering, and we have a potential for, a shortage of skilled workers in the next couple of years; we were facing a very, very real possibility of having projects like Gorgon, Wheatstone, Pluto et cetera that were going to be short of skilled workers, and that was universally acknowledged in Western Australia. The point of the exercise was to go and to get skilled workers whether or not they had families or they had children or whatever. We did not go over there to promote our education system or our health system; we went over there to get skilled workers. So if a worker was going to come to Western Australia, he or she would have come to Western Australia for a job.

The CHAIRMAN: Obviously, at that stage, because the policy did not exist, the prospective workers would not have been told to expect an education charge.

Hon PETER COLLIER: No, not unless they were going to a private school.

The CHAIRMAN: Indeed. But I am just wondering: was there any advice given that they would have access to our public education system for their children —

Hon PETER COLLIER: No.

The CHAIRMAN: — and that that was a carrot?

Hon PETER COLLIER: Similarly, there was nothing that was, as I said, specific with regard to health or with regard to, you know, recreational facilities or whatever. It was very, very much a focus on attracting skilled workers.

Hon PAUL BROWN: If that is the case, you are saying that we went to Ireland, Scotland and England and we attracted people. We extolled the virtues of employment in Western Australia. We did not say to them, “You have limited opportunities in education; you must go to a private school.” We did not limit their inclusion in the state public school system.

Hon PETER COLLIER: No.

Hon PAUL BROWN: But we certainly did not tell them that when they do come, regardless of where you are working, whether you are working at a \$150 000 paid job on Gorgon or whether you are fixing a few tyres at the local tyre shop in Kalannie—because they cannot get labour because their workers are working in Gorgon or Wheatstone—that they would be required to pay, at that stage, \$4 000 per student?

Hon PETER COLLIER: No.

Hon PAUL BROWN: There was no information given to them whatsoever, so they had come out here completely uninformed.

Hon PETER COLLIER: With regard to education?

Hon PAUL BROWN: Yes?

Hon PETER COLLIER: Yes, similarly to health or whatever it might be, they came uninformed.

Hon PAUL BROWN: But with health they were required to have their own private health insurance.

Hon PETER COLLIER: What for?

Hon PAUL BROWN: Is that not one of the requirements, that they have their own private health insurance when they come on a 457 visa?

Hon PETER COLLIER: I am not sure.

[10.40 am]

Mr Smith: I do not know the answer to that either. I know they are required to pay. How they meet that, it is up to them, I guess.

Hon PAUL BROWN: My understanding is that they are required, as part of the visa process, to have private health insurance. They understand from the get-go that, "I am putting in an application. I will have to have private health insurance as part of my coverage and part of my visa requirements." But we did not actually say to them, "There may even be a possibility down the track that you may have an education fee apply to you." That is where I think, very rightly, the consternation within a lot of the families that have come to Western Australia under that program—whether they be from Ireland, England, Scotland, the Philippines, Indonesia or wherever—is from. Did we send a delegation to the Philippines or Indonesia?

Hon PETER COLLIER: No.

Hon PAUL BROWN: So, we targeted probably the top end of the employment, the skilled migration, but we did not go to the Philippines, Indonesia or Malaysia—anywhere like that—to target and inform that market either?

Hon PETER COLLIER: No.

Hon PAUL BROWN: So they were well and truly uninformed, other than the fact that they were applying for a visa.

Hon PETER COLLIER: Yes, but I think what needs to be remembered is, as I said, this was three or four years ago; this was 2011. There has been another election since that point. I understand the point you are making, but the simple fact of the matter is that there has been a significant increase in the number of 457 visa holders. That is fine, but, having said that, I am very pleased with where we have landed, because, quite frankly, the original policy framework was for \$4 500 for each child. We acknowledge the fact that that was going to have a serious impact, particularly on someone who might be a boilermaker from Meekatharra or wherever it might be; they are just simply not in the upper echelons of income and cannot afford, if he has got three children, \$12 000 or \$13 000 per annum to educate his children. So we did make those allowances. I think we have made quite a concession; they are still paying about a quarter of what it costs to educate their child; and, if they are genuinely in hardship, that will be considered.

The CHAIRMAN: Let me just ask one more about this and then we need to move on because other members have got questions, too. Clearly, a consideration which has just been raised for a prospective 457 worker coming to Western Australia would be to inquire, "What do I have to do about my health arrangements?" and they would find out that the answer was: "You're not covered by Medicare; you have to make your own arrangements." If they have got children of school age, presumably they would also have a question in their mind: "What do I do about my kids' schooling?" What would the answer normally be to that, or what would it have been on the occasion of this delegation?

Hon PETER COLLIER: If they asked—I can genuinely say I was never asked about that situation—they would be told they had a raft of options, whether it be in the public education system or the Catholic education system or the non-government education system. This was 2011. If they were 457 visa holders, which is up to four years, I think, they would be almost at the end of their tenure by now in terms of the visa. This was originally announced 12 months ago now. It will come into effect in 2015, which was originally going to be 12 months, so we actually delayed it for another 12 months. Anyone who is coming to Western Australia now who is already on a 457 visa will have been here for a year or two and, at the most, it will probably impact them for one year, unless they get that visa extended.

Hon STEPHEN DAWSON: Minister, just to go back to Hon Paul Brown's questions, you were on the public record at the time of your visit to Ireland, Scotland and England as saying that you wanted to spread the attributes of living and working in Western Australia—it is a wonderful place to live, with a wonderful quality of life—and to articulate the positive aspects of leaving. Neither you nor anyone in your delegation actually spoke to people about the education system in Western Australia and the quality of it?

Hon PETER COLLIER: No. We did not go and give a half-hour dissertation on education at all.

Hon STEPHEN DAWSON: But you never mentioned the fact that we have great schools in this state, and that is a selling point.

Hon PETER COLLIER: I am sure I probably did. I am sure I probably said we have a great education system, which we do. I can say, hand on heart, I cannot recall having any conversation with someone asking me specifically about school structure or the type of schools.

Hon STEPHEN DAWSON: So you might have spoken about schools and said we had good schools at the time you were there.

Hon PETER COLLIER: Yes. That is to my recollection; it was four years ago.

Hon STEPHEN DAWSON: Did you ever mention at the time that they could be charged a fee if they send their kids to school in the future? Was that ever mentioned at the time?

Hon PETER COLLIER: No. As I said previously, it was not considered three years ago.

Hon STEPHEN DAWSON: Minister, at the same time as you went, or a few days before, the state launched an online information portal about the jobs available and visa information. Did that website also include information about our educational facilities in the state?

Hon PETER COLLIER: It did.

Hon STEPHEN DAWSON: Again, did we have any mention then about possible fees or that we could be going to charge fees in the future?

Hon PETER COLLIER: No, because, as I have said, it was not considered back in 2011. This is a policy framework that was introduced last year, so it was not considered in 2011. As I said, a 457 visa holder has limited tenure in Australia, so they will be here for up to four years. Most of them do not stay for the four years. So, by that stage, at the very most, by now, if they had come out in 2012, they would have probably another year or two to go—max.

Hon STEPHEN DAWSON: Minister, do you not think it is unfair, though? You went overseas with open arms and said, “We need up to 150 000 workers in this state. Help us; help our economy here. Come over” and then once we have got those people here, we are going to hit them with a school fee. Granted some of those people might have left, but some people came with a set of rules and the rules have changed; the goalposts have been moved. Do you not think that is unfair to those people?

Hon PETER COLLIER: We are facing very serious financial challenges here in Western Australia. As I said, the number of 457 visa holders 10 years ago was 260; there are now 5 380. So,

in anyone's language, that has increased significantly. That has put a significant impost on the state in terms of the cost of providing education. As I said, the cost of education ranges from around \$14 000 to \$19 000 per student, so on average it is about \$15 000 to \$16 000. Someone who comes out might have three or four children, and that is \$15 000 or \$16 000. I personally thought that that was a bit much to ask and that is why we did have discussions within government to come to a decision where we said, "We do need to ask 457 visa holders to contribute something, but let's make it as fair as we possibly can." So we have made some considerable concessions, as I said; for one child per family, it is \$4 000, not \$4 500. In addition to that, there will be a hardship allowance, so if a family does have genuine hardship—that is in terms of the socioeconomic background of that family, the income of that family or the health of that family such as whether or not one of the parents is ill or something along those lines—those hardship requirements will be considered. If a family genuinely has difficulty in meeting the cost of that education, that will be considered.

Hon STEPHEN DAWSON: Minister, surely at the time you went overseas with open arms looking for 150 000 workers for this state, the state would have done some modelling about the implications of this workforce coming into the state and what would happen if you got your 150 000 workers, or, indeed, 10 000 workers, and what that would mean for the health system or the education system in particular. Did that modelling exist? Was that worked on or was it simply that the government just decided it wanted this workforce and it did not think through the consequences?

Hon PETER COLLIER: No, not specific modelling, because you might have a 457 worker who comes out as a single man or a single woman, and that is very common. One of the biggest issues we have is in hospitality; it is a very transient workforce. That 150 000 was by 2017–18; that is what we were looking at. I think it has been refined somewhat since then. The economic circumstances or the challenges in the Western Australian budget from that time have changed significantly. We have to take that into consideration; we simply must as a government. As I said, where we have landed, I think, is quite fair. I think where we have landed now—pertaining to a situation if you have a 457 visa holder paying a quarter of the fee in the public system—is, I think, probably fair, certainly in comparison with what was originally asked, which I thought was probably a little harsh.

Hon STEPHEN DAWSON: So, minister, earlier you mentioned the fact that the fee had been delayed from 2014 to 2015. Is that an admission that the government did think it was unfair so let us push it back a year so an extra cohort of people would not be caught by it? Why is the fee commencing in 2015 instead of 2014?

[10.50 am]

Hon PETER COLLIER: As I said, we made a concession. I think that is due credit to the government. I was supportive of that. I thought that to give 457 visa holders a matter of months was probably a bit too difficult.

Hon STEPHEN DAWSON: It was a bit harsh, minister.

Hon PETER COLLIER: It was a bit harsh. So, as I said, we made that concession and I think that is credit to the government that we have acknowledged the fact that it was going to impact too negatively on a number of families, and that is why we made that concession. I do not apologise for that; I think it is a credit to the government.

Hon SAMANTHA ROWE: Minister, how will the fees be collected?

Hon PETER COLLIER: I might get Ms Ho to comment.

Hon SAMANTHA ROWE: Will it be by invoice?

Ms Ho: Yes. There will be some data on enrolments transferred from the Department of Education to Education and Training International and there will be an invoice to the families.

The CHAIRMAN: When will the bill be sent out?

Ms Ho: Prior to enrolment for the new school year, as soon as the regulations are in place.

Hon PAUL BROWN: How do you know that those kids are going to be enrolled prior to their enrolment? Will you not be sending invoices to kids that might not be there?

Ms Ho: They are usually enrolled by about August, the previous year—is that correct?

Mr Hale: Yes, although there will be parents who continue to seek to enrol their children. As those emerge, they will be referred to ETI. All the arrangements will be put in place and if everything is satisfactory, they will be enrolled.

Hon SAMANTHA ROWE: What will happen to the children whose parents do not pay the fee? Will they then be barred from the school? What will happen? What will be the consequences?

Ms Ho: I will refer that to the Department of Education to answer.

Mr Hale: As I understand it, we would be expecting an agreement to pay as part of the enrolment process. I think we probably need to recognise that that is new enrolments; a number of these children are already enrolled in our schools, so also there will be invoices for those folk as well. If circumstances are that people have not paid, then they will be followed up, requesting that payment and seeking to understand if there is some problem that is preventing people from paying. I think I am correct in saying the intention is to spread that payment term by term and also to try to reduce the burden of a sudden impact of the total payment.

Hon SAMANTHA ROWE: Will the child be barred from the school?

Mr Hale: No.

Hon STEPHEN DAWSON: So the state will not issue a letter or direct principals to remove that child from classes and not let them attend school?

The CHAIRMAN: In effect, it will be treated as an invoice issued and that becomes a debt which is due and payable. As with other debts, collection mechanisms will be employed if people do not pay the bill on time. Is that the case?

Hon PETER COLLIER: That is what will happen. We do not want to make it more difficult than it is for some people; and, if they are having difficulty, we will ensure that we make it as seamless a process as possible. As I said, it might be a term payment or a quarterly payment—whatever it might be.

Ms Ho: Yes, so there will be reminder notices and people would be advised of the hardship provisions or the option to pay over a period of time.

The CHAIRMAN: We have touched on those sorts of elements already, such as the hardship criteria, and a definition of exceptional circumstances will be dealt with by the regulations.

Hon PETER COLLIER: That is correct.

The CHAIRMAN: When do we expect the regulations to see the light of day?

Hon PETER COLLIER: My latest advice was that it is in September or October.

Hon PAUL BROWN: Who is determining that?

Hon PETER COLLIER: I apologise; I missed that question. The regulations deal specifically with the payment, the capacity to pay. Hardship will be a policy decision and that will be determined; that is being worked out with the Department of Education and DPC at the moment.

The CHAIRMAN: How long has that been worked on so far, because this has been a hot issue since budget day last year?

Hon PETER COLLIER: It has. As I said, it is really important that we acknowledge specific issues of hardship that are identifiable with 457 visa holders. Ideally, it will be within the next month or two, I imagine.

Mr Hale: I would imagine the fees will have been finalised in that time. Certainly, I think we are hoping that there will be clarity for schools and for parents as we go into the fourth term of this school year.

Hon STEPHEN DAWSON: I am sure those parents and those schools are hopeful of having that clarity, too.

Mr Hale: Yes, indeed.

Hon PAUL BROWN: Previously, through questions and answers in estimates, the minister said that the Department of Education has had nothing to do with the developing this policy and, basically, it is a collection agency. Why now is the minister saying that the hardship provisions and its criteria are being negotiated or determined by the Department of Education and DPC when previously he said this policy and the development of this policy had nothing to do with the Department of Education?

Hon PETER COLLIER: No; I am obviously talking about the initial policy framework. From the time that it was originally suggested, the department has been involved. This was 12 months ago, and that was for the origination of the policy. From that time, the Department of Education has been directly involved. It is important. The Department of Education understands intimately its students; it understands the concerns of the students and the welfare of the child so it is absolutely imperative that the Department of Education is involved. The Department of Education has been involved intimately with the further development, in terms of the establishment of the criteria of hardship.

Hon PAUL BROWN: The 3 300 children, which I suppose means 3 300 families because the fee is being applied to only one child, the first child. Can you give the committee a breakdown of where, through their visa stay, those children will be? What implications does that have for your budget, because some of them obviously will be —

Hon PETER COLLIER: Well —

Hon PAUL BROWN: If I can just finish my question, please.

Hon PETER COLLIER: I am listening.

Hon PAUL BROWN: Obviously, there will be some through six months, 12 months and 18 months, so I would like to understand exactly how long those 3 300 students will have this fee applied to them.

Hon PETER COLLIER: The department of immigration will have the details of their visas. I do not know whether we can provide that.

Hon PAUL BROWN: If you are budgeting that those children are going to pay—basically, you are saying that those 3 300 students will pay the full fee for two years.

Hon PETER COLLIER: That is for next year.

Hon PAUL BROWN: But some of them, if their visa is upgraded or if they go home through that 12-month period, that will be either a \$2 000 fee or a \$1 000 —

Hon PETER COLLIER: That will be refunded.

Hon PAUL BROWN: — and that will have budget implications.

Hon PETER COLLIER: If their visa class changes in that period or they leave or gain permanency, their fee will be adjusted accordingly.

Hon PAUL BROWN: So it does have budget implications?

Hon PETER COLLIER: In terms of the longevity of the visas that is information we do not have. The department of immigration would have that information.

Hon PAUL BROWN: That is what I am saying: there are budget implications for those families leaving the 457 visa space.

Hon PETER COLLIER: Yes.

Hon PAUL BROWN: Your current modelling is on all those students staying for the full 12 months?

Hon PETER COLLIER: Yes, and also the fact that there will be others arriving, of course.

Hon SAMANTHA ROWE: I just wanted to find out where the \$4 000 fee will go? Will it go back into the Department of Education or the school?

Hon PETER COLLIER: No, that goes to the consolidated fund.

Hon SAMANTHA ROWE: To Treasury?

Hon PETER COLLIER: Yes.

Hon STEPHEN DAWSON: Earlier today the minister quoted figures—the 5 380 figure, the number of students in schools, and then 3 350, which is one child per family. They were from the census date of semester 1. Do you have updated figures from semester 2 that you can provide the committee?

Hon PETER COLLIER: We probably can, but I do not know if Mr Hale has some data.

Mr Hale: Minister, I am sorry, I am not sure whether that data is available. It certainly has been collected and the work has been done on it. If it is not available now, it will be quite soon, I am sure.

Hon PETER COLLIER: The next census is October, is it not?

Mr Hale: No; the next census will be the beginning of next year.

Hon PETER COLLIER: I am just talking about enrolments.

Mr Hale: No.

[11.00 am]

Hon STEPHEN DAWSON: Minister, by way of supplementary, if you could provide that to the committee.

Hon PETER COLLIER: The most up to date?

Hon STEPHEN DAWSON: Yes, particularly semester 2 at the earliest opportunity, or if we can have it now; and, if not, as soon as it is finished.

Hon PETER COLLIER: We cannot give it to you now, but we can provide that as supplementary information.

Hon STEPHEN DAWSON: Sure; if you can provide it quickly or once it is finished. Does the minister have a sense—the department may—of how many children of 457 visa holders have actually left schools since the policy was announced? The policy was announced last year and obviously families started to take that into consideration straightaway.

Hon PETER COLLIER: Do you mean as a result of the policy?

Hon STEPHEN DAWSON: Not as a result of the policy, but those who have left in the same period.

Hon PETER COLLIER: I do not know if you can determine that they left because of the policy.

Hon STEPHEN DAWSON: The minister might not. I could do that, but that would be unfair. I am just asking how many families might have left at the same time.

Hon PETER COLLIER: The original estimate was just over 8 000; I think it was 8 600. It is now 5 000, but I will tell the member that that was based on best estimate. That was a very crude assessment, because that meant some of those visa class holders had actually gained permanency and some had changed their visa classes. DOE did a very, very precise analysis of those classes and the latest figure is 5 380. That is the latest that I have got, but as I said we will update that later. That is the most recent I have been provided with, and that is very accurate.

Hon STEPHEN DAWSON: Minister, certainly on the record it has been suggested that the Department of the Premier and Cabinet was the lead agency or the agency that might have dreamed up this policy. Am I wrong in that sense?

Hon PETER COLLIER: I am not sure of that.

Mr Smith: No, I am not sure I can claim that either. We have been involved, as we often are on issues that involve agencies—coordination across agencies in this case. I think the other role that we have played in this is that we all saw a conduit in a sense between the commonwealth immigration policies and impact on the state. We have been able to bring to the table some of the general information around commonwealth visa information and policy. So, those are two reasons for the extent of our involvement.

Hon STEPHEN DAWSON: Mr Smith, are you able to provide the committee—or minister, whoever you think is most appropriate—with the figures on what the government thought this fee would bring in so that the revenue —

Hon PETER COLLIER: It is in the budget papers from last year.

Hon STEPHEN DAWSON: I am just asking on behalf of the committee if you are able to provide to the committee what income you initially thought would come in to government to consolidated revenue at that stage, but also if you can provide now what you think the likely revenue will be.

Hon PETER COLLIER: Sure. It is significantly lower. It is actually in last year's budget papers. We can provide that, but it is in last year's budget papers. I think it was \$120 million.

Mr Smith: From memory, the original estimate, which as the minister has said, is based on a different policy setting. It was about \$120 million over the four years of then forward estimates. I think the latest budget, with the revised structure, has just under \$50 million.

Hon PETER COLLIER: Over four years.

Mr Smith: Over the four years, 2014–15 and 2017–18.

Hon STEPHEN DAWSON: Mr Smith, did you say \$50 million?

Hon PETER COLLIER: Yes; \$50 million over four years. It was \$120 million originally in last year's budget papers, and it is \$50 million this year in this year's budget papers.

The CHAIRMAN: About \$46 million to \$47 million at a quick glance. That is over four years or —

Hon PETER COLLIER: Over four years.

Mr Smith: That is \$6.7 million for 2014–15 and \$13.4 million in each of the subsequent forward estimates.

The CHAIRMAN: In effect that is over three and a half years; nonetheless, it is a significant amount less. What is the admin budget just for the Department of Education? Forget the others, it is over \$200 million a year, is it?

Hon PETER COLLIER: Five per cent. It would be DTWD, but the admin is five per cent of the budget.

Mr Hale: The cost to make this change actually relates to the collection of administration of the fees and so on.

The CHAIRMAN: Sorry, Mr Hale, you get me wrong. The proportion of our education budget applied to central admin is over \$200 million. The education department must be sitting back wondering what on earth all this pain is for. I would not ask you to comment on that.

Mr Hale: I beg your pardon.

The CHAIRMAN: It is an observation that committee members might feel they can make. I think that is the point that is being made here. We have gone from \$120 million of revenue to less than \$50 million of revenue for a tiny proportion of the school population; a very tiny proportion of the education budget. We still do not know where we are going to land. I am sorry I interrupted, Steve.

Hon STEPHEN DAWSON: That is all right, Chair. I have one other question. It relates to how the proactive this state has been since the policy announcement to ensure that families who are considering taking up 457 visas and to ensure that they are aware of these fees.

Hon PETER COLLIER: Sure. I do not know whether Premier and Cabinet—perhaps David might speak or Karen. I do not know what DTWD has done with regard to their website.

Ms Ho: There is an information page on the Education and Training International website which outlines the policy initiative to commence on 1 January 2015.

Hon STEPHEN DAWSON: Is that all we have done?

Mr Smith: I believe that overseas offices of the WA government have also been informed of that policy and promulgated that. The commonwealth immigration department has also been informed. I understand that includes that information in a pack of information they provide to prospective 457 visa holders.

Hon STEPHEN DAWSON: The online information portal that I raised earlier on—it may be outstanding. Have we ensured that the relevant information is posted on that website so that if people are looking at coming to Western Australia as a destination that it is up-front that you are now going to be hit with this fee?

Ms Ho: I do not believe that portal has been adjusted, but I am not 100 per cent sure.

Hon PETER COLLIER: If not, it needs to be. We will follow up on that.

Hon STEPHEN DAWSON: That might be one of the positive outcomes of today's hearing, that we can ensure that that information is updated.

Mr Hale: In terms of the communication, we have also recently met with Education and recently met with the new executive director of the Office of Multicultural Interests, and on this matter and a number of other matters we are going to work with them to assist to make sure at a community level there is access to the information. For instance, people in local government who might normally be front-line advisers to people in the community, we are going to do some work there, too.

Hon STEPHEN DAWSON: I am pleased to hear that. Unfortunately, though, Mr Hale, Irish, Scottish and English people are not considered under the Office of Multicultural Interests' remit, so given it is these people who want to try to get into the country, I would encourage you to have conversations with other people, perhaps embassies and high commissions, to ensure that they also know.

Mr Hale: I am sure that that is the case. I am sorry, I should have probably been clearer. The Office of Multicultural Interests was for those people who may not speak English or may not have good English. Certainly, other strategies would need to be in place for other folk.

Hon PAUL BROWN: I am not going to attack the student-centred funding model or anything like that, but in regard to the student-centred funding model, do the 457 visas fall under the same funding proposal?

Hon PETER COLLIER: Yes.

Hon PAUL BROWN: They are fully funded through that. With the funding through K–12, are students at kindergarten and preprimary school having this fee applied to them or is it only once they get into primary school as such?

Hon PETER COLLIER: No, it is right through, kindergarten to year 12.

Hon PAUL BROWN: So there is quite a varied amount of funds being applied differently at K versus all the way through to 12?

Hon PETER COLLIER: Yes.

Hon PAUL BROWN: I have not even been able to find it quickly. Can Mr Hale or the minister remind me of what the student fee funding is for K?

Hon PETER COLLIER: Kindergarten is just over \$4 000.

Mr Hale: It might be a bit over that, but bear in mind it is because it is a reduced time. They are not full-time students. That is part of the —

Hon PETER COLLIER: That is just the base.

[11.10 am]

Hon PAUL BROWN: As a 457 visa holder, if I have a child in kindergarten, I am basically paying the full fee.

Hon PETER COLLIER: Yes.

Hon PAUL BROWN: Whereas if I have a child in year 10, year 11 or year 12, I am only paying a very small portion of the total fee.

Hon PETER COLLIER: Yes. It is worked on an average per student.

Hon PAUL BROWN: I understand that. You have just said quite clearly that they are paying a very small proportion of the funding amount applied to educate kids, but that is actually not the case, as an average. The guys in kindergarten are paying their full fee. You are saying it is \$4 000 to educate a kindergarten student —

Hon PETER COLLIER: No, it is more than that. It is about \$4 500 for the base. Then they get, on top of that, the loading, so it is going to be a lot more than \$4 500.

Hon PAUL BROWN: But there is not 25 or 30 or 40 per cent—the fee is nearly the full fee.

Mr Hale: There is also a slight difference between the total cost of education for each child and the student-centred funding. The total cost takes into account the total cost of administering the department. It is not a great variation, because 95 per cent of it actually goes to students.

Hon PAUL BROWN: The point I am trying to make is that if you are in kindergarten, you are paying a much, much greater proportion of the total fee than someone in year 9, 10, 11 or 12. They are paying a very small portion when you consider what students in K or preprimary are paying.

Hon PETER COLLIER: Yes, that is correct.

Hon PAUL BROWN: Is there any consideration to, perhaps, do it proportionally as you go up?

Hon PETER COLLIER: No. We wanted the simplest system that we could have, because you will always have little idiosyncrasies in whichever system you create. We felt that the fairest system across the board was that each child would pay that \$4 000. That was the same for every child, but

only one child. In addition to that, as I said, the hardship allowance would make an allowance for the fact that there may be specific circumstances in a particular family.

Hon PAUL BROWN: Sorry, I just find it very disturbing. It would be quite easy, I would have thought, through the Department of Training and Workforce Development, with their Education and Training International, to set a scaled model whereby you say you will take 25 per cent or 30 per cent or 40 per cent. If you put it that way, the guys in kindergarten or preprimary are not paying virtually the full amount. To me, it just seems that that is extremely harsh for the parents.

Hon PETER COLLIER: But then if you did it that way, a high school student would potentially pay \$7 000 or \$8 000.

Hon PAUL BROWN: It just seems to me that the people that are paying for kindergarten seem to be paying nearly the full fee.

Hon PETER COLLIER: But, ultimately, if you did take it off the kindergarten kids, you would have to put it on the other kids. While someone in kindergarten might pay \$2 000, then someone in year 7 might pay —

Hon PAUL BROWN: I do not want to see a fee at all. That is my position. I think we are diametrically opposed on this position. One final question: one per cent of Bakers Hill Primary School is on 457 visas and you said earlier that there is an additional cost to have those students in the school—obviously, those schools use more resources—will the school receive any extra or is it all going to stay in consolidated revenue?

Hon PETER COLLIER: No, that will not get, but this is going to —

Hon PAUL BROWN: This is purely on the student-centred funding model. They are not going to receive any extra for additional resources or anything like that.

Hon PETER COLLIER: What, because they are 457 visa holders?

Hon PAUL BROWN: Yes.

Hon PETER COLLIER: If those 457 visa holders are from a low-socioeconomic background, have English as a second language, have a disability they would be considered. Like every child in the state, they would be considered.

Hon PAUL BROWN: Okay, that is fine. I just wanted to clarify that to make sure that the normal allowances under that model were going to be applied.

The CHAIRMAN: We are at the point where we need to draw our hearing to a close. There is probably one final outstanding issue I want to raise with the minister. The committee has had some real problems chasing this down and we still have not got it resolved: it comes back to the question of the formulation of the hardship provisions, which will be considered and advertised as an article of policy from the Department of Education, is that the case?

Hon PETER COLLIER: That is correct.

The CHAIRMAN: Who is contemplating those provisions at this time?

Hon PETER COLLIER: It is with both DPC and DOE at the moment. Specifically, Mr Hale can you —

Mr Hale: I have been involved. I have had a slight change in my role, so I am not sure that I will continue, but, if not me, one of my colleagues. ETI is also involved in that discussion.

The CHAIRMAN: When might they see the light of day, because there are a lot of people that are concerned about it?

Mr Hale: I think we are hoping for the beginning of term 4 following the approval of the promulgation of the regulations—not the promulgation, we do not have to actually promulgate

them, do we?—until the regulations are agreed. Then in term 4, we would follow as quickly as we could.

The CHAIRMAN: That raises the final question of when will we see the regulations gazetted.

Hon PETER COLLIER: I might have mentioned this earlier, the end of September, early October. Is that correct?

Mr Smith: Yes.

The CHAIRMAN: Thank you for clarifying that, it seemed a bit uncertain earlier.

This has been a valuable session for the committee. I would like to thank you, minister, in your role, covering as it does several portfolios. It is an interesting position that you find yourself in. Thank you for your assistance. To each of the departmental officers that are here today, thank you for lending us your advice during this hearing. With all of that done, I will bid you good day.

Hon PETER COLLIER: Thank you, Mr Chair. Thank you, committee.

Hearing concluded at 11.17 am
