

1998

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

**AUSTRALIAN NATIONAL TRAINING AUTHORITY AMENDMENT BILL
1998**

EXPLANATORY MEMORANDUM

(Circulated by authority of the Minister for Employment, Education, Training and Youth Affairs the
Hon Dr David Kemp MP)

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EXPLANATORY MEMORANDUM

OUTLINE

The Australian National Training Authority (ANTA) was established by the *Australian National Training Authority Act 1992* (the Act).

The Australian National Training Authority Amendment Bill 1998 would amend the Act to reflect a new Agreement between the Commonwealth, States and Territories on vocational education and training, setting out planning, accountability and funding arrangements for the three years 1998 to 2000.

By way of consequential amendments, the Bill also updates the *Vocational Education and Training Funding Act 1992* to incorporate into the general allocation the funding previously set aside specifically to support off-the-job training for traineeships and to supplement the amounts appropriated for 1998 and 1999 in accordance with real price movements reflected in Treasury indices.

The Bill also rectifies an omission made in the original *Australian National Training Authority Act* by making it clear that the Australian National Training Authority is exempt from State and Territory taxes.

FINANCIAL IMPACT

The impact of the proposed supplementation of the amounts appropriated under section 9 of the *Vocational Education and Training Funding Act 1992* will be to increase the vocational education and training funding for the States and Territories in 1998 and 1999 by \$13,559,000 in each year (after allowing for funds previously appropriated under section 9A of the *Vocational Education and Training Funding Act 1992* which will now be incorporated into the general funds appropriated under section 9). There is no financial impact from the other measures contained in the Bill.

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NOTES ON CLAUSES

Clause 1 - Short Title

Clause 1 provides for this Act to be cited as the *Australian National Training Authority Amendment Act 1998*.

Clause 2 - Commencement

Clause 2 provides for this Act (other than item 17) to commence on the day on which it receives the Royal Assent.

Item 17 in Schedule 1 will be deemed to have commenced on 21 December 1992, immediately after the commencement of the *Australian National Training Authority Act 1992*.

Clause 3 - Schedule(s)

Clause 3 provides that each Act that is specified in a Schedule is amended as set out in the applicable Schedule.

SCHEDULE 1

AMENDMENT OF THE *AUSTRALIAN NATIONAL TRAINING AUTHORITY ACT 1992*

Item 1

Substitutes references to the new ANTA Agreement in place of references to the previous 1992 agreement by substituting the term 'Agreement' in place of the term 'Statement' as part of the objects of the Act.

Items 2 to 9

Amends subsection 4(1) of the Act by inserting new definitions of "Agreement", "annual VET plan" and "national strategy"; amending the definitions of "industry training advisory body", "Ministerial Council" and "Statement"; and repealing the definitions of "national strategic plan" and "State training profile". These changes reflect terminology used in the new Australian National Training Authority Agreement.

Items 10 and 11

Reflects the new Agreement by substituting the term 'Agreement' in place of the term 'Statement' in subsection 4(2) and paragraph 6(1)(a) of the Act respectively.

Item 12

Amends paragraph 6(2)(a) of the Act to reflect changes to defined terms as a consequence of the new Agreement and as set out in items 6 and 7. The national strategy will be a medium term strategic document focussing on the operation of the national training framework, national objectives, policies, priorities and initiatives.

A draft national strategy will be developed by ANTA for consideration and approval by the Ministerial Council.

Items 13 and 14

Amends paragraph 6(2)(e) and subsection 6(4) of the Act to reflect terminology used in the new Agreement.

Item 15

Minor consequential amendment to subsection 14(1) of the Act to reflect the repeal of subsection 14(5) of the Act by item 16.

Item 16

Repeals subsections 14(3), (4) and (5) of the Act and substitutes a new subsection 14(3) to reflect the fact that under the new Agreement there will no longer be provision for growth funding.

Item 17

Inserts a new section 23A to the Act to provide that ANTA is not liable to pay tax under any law of a State. The definition of "State" in subsection 4(1) of the Act includes a Territory.

Commonwealth statutory authorities such as ANTA normally have immunity from State and Territory taxes. The *Australian National Training Authority Act 1992* did not expressly confer such immunity on ANTA.

For these reasons this item will be deemed to have commenced on 21 December 1992 immediately after the commencement of the *Australian National Training Authority Act 1992* (see subsection 2(2) of this Act).

Item 18

Savings provision in relation to all acts done in relation to the Ministerial Council or by, or by authority of, the Ministerial Council or the Chairperson of that Council under the Act before the commencement of this Act.

Item 19

This item repeals the current Schedule to the Act (the Statement) and inserts a new Schedule containing the new Agreement.

SCHEDULE 2

AMENDMENT OF THE *VOCATIONAL EDUCATION AND TRAINING FUNDING ACT* 1992

Item 1

Amends the Table in section 9 of the Act by increasing the amounts appropriated for 1998 and 1999 to incorporate into the general allocation the funding previously set aside specifically to support off-the-job training for traineeships (appropriated under section 9A of the Act) and to supplement the amounts appropriated for 1998 and 1999 in accordance with real price movements reflected in Treasury indices.

Section 9 of the Act appropriates general funds for ANTA whereas section 9A appropriates funds payable to ANTA where the Minister is satisfied that there has been an increase in the numbers of trainees receiving eligible off-the-job training.

The new Agreement does not provide for separate funds for traineeships for allocation by ANTA. The funds formerly appropriated under section 9A for 1998 and 1999 will form part of the pool of general funds under section 9 for those funding years.

Item 2

Omits appropriations for 1998 and 1999 in the table to section 9A of the Act to reflect the fact that these appropriations have been rolled into section 9 appropriations as amended by item 1.