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THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

AUSTRALIAN NATIONAL TRAINING AUTHORITY AMENDMENT BILL (No.2)
1993

EXPLANATORY MEMORANDUM

(Circulated by the authority of the
Minister for Employment, Education and Training,
the Honourable Kim C. Beazley MP)



**AUSTRALIAN NATIONAL TRAINING AUTHORITY AMENDMENT BILL (No.2)
1993**

OUTLINE

This Bill amends the *Australian National Training Authority Act 1992* to provide for the transfer from the Commonwealth to the Authority of responsibility for agreements in respect of certain Commonwealth programs which will become National Programs of the Authority from 1 January 1994.

The Bill provides for relevant agreements to be declared by the Minister or the Secretary of the Department, as delegate of the Minister. A declaration will not have effect until a copy of it is provided to the other party to the agreement.

The Bill also corrects a drafting oversight in the Principal Act by excluding the application of the definition of 'year' in the Act from Section 27 which deals with the term of appointment of Authority members. It was not intended that the definition, which applies to the Authority's planning, funding and reporting responsibilities, should apply to the appointment of members.

FINANCIAL IMPACT STATEMENT

It is expected that there will be minor administrative costs involved in processing declarations for agreements and transferring the agreement documentation to the Authority. The mechanism which the Bill provides for the transfer of agreements to the Authority is expected to be more cost-effective than the alternative of renegotiating or varying each individual agreement.

NOTES ON CLAUSES

Clause 1 - Short Title, etc

1. Provides for the Act to be cited as the *Australian National Training Authority Amendment Act (No. 2) 1993*. Provides that the words 'Principal Act' in the Act mean the *Australian National Training Authority Act 1992*.

Clause 2 - Commencement

2. Provides that the Act shall come into operation on the day it receives the Royal Assent.

Clause 3 - Interpretation

3. Provides that the definition of 'year' in the Principal Act does not apply to Section 27, which relates to the term of appointment of Authority members.

Clause 4 - Transfer of administration of certain national programs to the Authority

4. This clause inserts a new Section 47(A).

5. Under the Commonwealth-State agreement on the establishment of the Authority, which is a Schedule to the Principal Act, the Authority will assume responsibility from 1 January 1994 for certain national programs currently administered by the Commonwealth. Generally the programs involve the granting of financial assistance for specified purposes under the terms of agreements between the Commonwealth and program clients.

6. The new Section provides a mechanism for the transfer from the Commonwealth to the Authority of responsibility for agreements with program clients which remain current when the Authority assumes administration of the programs.

7. The Minister may declare in writing those agreements to be affected by the new Section. A declaration will not take effect until a copy is given to the other party to the agreement, or a day specified in the declaration, whichever is the later. The Minister may delegate the power to declare agreements to the Secretary of the Department.

8. From the date of effect of a declaration, the Authority will replace the Commonwealth as a party to the specified agreement. References in the agreement to the Commonwealth or the Department will become references to the Authority. References to officers of the Department will become references to the Authority's Chief Executive Officer.

9. The parties to a declared agreement would not be required to redo anything that had already been done under the agreement.