

ARTHUR ROBINSON & HEDDERWICKS
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1993

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

SENATE

HIGHER EDUCATION FUNDING LEGISLATION
AMENDMENT BILL 1993

SUPPLEMENTARY EXPLANATORY MEMORANDUM

Amendments and New Clause to be Moved on Behalf of the
Government

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



Higher Education Funding Legislation Amendment Bill 1993

OUTLINE

The purpose of the amendments is to remedy some minor technical deficiencies arising from amendments made by the House of Representatives to the Bill to remove the provisions relating to one and a half times the standard rate of HECS. A new clause is included which amends the Principal Act and allows institutions to refund overpayments of contributions to students paying twice the standard rate of HECS.

FINANCIAL IMPACT

The amendments and new clause have no financial impact.

DETAILED DESCRIPTION OF THE AMENDMENTS

Paragraphs (1) (2) & (3): It is proposed to amend Clause 14 of the Bill to correct some technical problems arising from the amendments by the House of Representatives to remove the provisions relating to the payment of 1.5 HECS by student taking longer than minimum time. In addition to the minor amendments outlined in paragraphs (1) and (2) it is proposed to reinstate subclause (2) which was inadvertently removed by the amendments in the House of Representatives. The subclause will exempt students undertaking a summer school course from the 2 HECS provisions. This is an interim arrangement covering the period between the final semester in 1993 and the commencement of the first semester in 1994. It is recognised that the new arrangements would have placed an unreasonable administrative burden on institutions in determining which students would be subject to the 2 HECS provisions.

Paragraph (4): A new clause is proposed which will allow institutions to refund contributions to students, contributing at twice the standard rate of HECS, where an overpayment is detected. This will put those students in the same position as students contributing at the standard rate of HECS. This was an oversight in the original Bill.

Paragraph (5): The Schedule to the Bill is being amended to omit subsection 2(2) from the Principal Act. The provision relates to the commencement of Chapter 5 which was to be fixed by Proclamation. The Chapter was removed from the legislation in 1992 and the subsection is therefore redundant. The Bill includes a new chapter 5 and there is an anomalous situation with two possible commencement dates for Chapter 5.

NOTES ON AMENDMENTS TO THE BILL

- Clause 14 - (1): Requirement to pay contributions: This amendment removes "and" from sub-clause 3(a) as a consequence of the removal of sub-clause 3(b) in the following amendment.
- Clause 14 - (2): Requirement to pay contributions: The amendment removes sub-clause 3(b) which is redundant following amendments by the House of Representatives to remove the provisions for the proposed 1.5 times the standard rate of HECS.
- Clause 14 - (3): Requirement to pay contributions: The purpose of this amendment is to add a sub-clause which exempts students enrolled in courses, that are not a basic course of study, from the payment of a course contribution at twice the standard rate of HECS. The exemption is to apply to summer school courses conducted by institutions during the period commencing after the last semester in 1993 and before the commencement of the first semester in 1994.
- Schedule - (5): Commencement: The purpose of the amendment is to omit from the Principal Act, a commencement provision that was to be fixed by Proclamation. The Chapter to which this provision related was removed by an amendment in 1992 and the sub-section is therefore redundant.

NOTES ON NEW CLAUSE TO THE BILL

- Clause 15A - (4): Overpayment of contribution: The purpose of the clause is to enable institutions to provide a refund to a student, subject to the twice the standard rate of HECS, where the student has made an incorrect contribution. This will provide students subject to 2 HECS with the same rights as students contributing at the standard rate of HECS.