

1986

THE PARLIAMENT OF THE
COMMONWEALTH OF AUSTRALIA

SENATE

Overseas Students Charge Collection Amendment Bill 1986

EXPLANATORY MEMORANDUM

(Circulated by the authority of the
Minister for Education Senator the Hon. Susan Ryan)

November 1986

This memorandum takes account of amendments made by the
House of Representatives to the Bill as introduced.

OVERSEAS STUDENTS CHARGE COLLECTION AMENDMENT BILL 1986
GENERAL OUTLINE

Purpose of the Bill

The purpose of the Bill is to amend the Overseas Students Charge Collection Act 1979 to:-

- . insert in the Principal Act those categories of students exempt from the charge;
- . restrict the application of the provision for the discharge of liability to the charge.

Financial Impact

The proposed extension of the charge, as from 1 January 1987, to postgraduate students who are awarded a scholarship by an Australian institution on or after 1 January 1987, and to Australian-American Educational Foundation scholarship holders, is expected to raise approximately \$1.2m in 1986/87.

It is estimated that the proposed exemption from the charge for reciprocal secondary exchange students will amount to a loss of approximately \$300,000 per annum in revenue, based on the estimate of 1000 secondary reciprocal exchange students presently in Australia and the proposed secondary education course charge of \$300 per annum. It should be noted that these exchanges are fully reciprocal and at least an equal number of Australian students are benefiting from these reciprocal secondary exchange arrangements in overseas countries.

NOTES ON CLAUSES

Clause 1: Short Title.

Clause 2: Commencement: Sets the commencement date of this Act as on the day on which the Overseas Students Charge Amendment Act 1986 comes into operation.

Clause 3: Exemption From Charge: Inserts in the Principal Act those categories of students exempt from the charge and by so doing:

- (a) restrict the application of the charge exemption provision relating to a postgraduate student, who is the holder of a scholarship to the value of at least \$3,500 per annum, awarded by an institution for study at that institution, to a person who has been granted such a scholarship and commenced study before 1 January 1987;
- (b) withdraw the charge exemption provision for a postgraduate student, who is the holder of a scholarship awarded by the Australian-American Educational foundation;
- (c) provide exemption from the secondary education course charge, for those overseas students who attend secondary schools in Australia, as a result of a reciprocal exchange agreement between Australian and overseas secondary schools or organisations.

Clause 4: Special Arrangements for Discharge of Liability:

Restricts the application of the provision for the discharge of liability to the charge of a holder of a scholarship or like award, granted by a Department or authority of the Commonwealth, to a person who has been granted a postgraduate scholarship and commenced study before 1 January 1987.