

1987

**THE PARLIAMENT OF THE
COMMONWEALTH OF AUSTRALIA**

HOUSE OF REPRESENTATIVES

**STATES GRANTS (SCHOOLS ASSISTANCE)
AMENDMENT BILL (NO. 2) 1987**

EXPLANATORY MEMORANDUM

**(Circulated by authority of the Minister
for Employment, Education and Training,
the Hon John Dawkins, MP)**

STATES GRANTS (SCHOOLS ASSISTANCE) AMENDMENT BILL (NO 2) 1987

GENERAL OUTLINE OF BILL

The purpose of the Bill, which amends the States Grants (Schools Assistance) Act 1984, is to -

1. Extend annual programs to the 1988 calendar year and provide financial allocations in respect of those programs in 1988.
2. Supplement existing financial provisions relating to the 1987 and 1988 calendar years to take into account increases in price levels.
3. Provide for the doubling of the per capita amount for the new arrivals element of the English as a Second Language Program.
4. Fully implement block grant funding arrangements under the non-government schools element of the Capital Grants Program.
5. Insert a definition of a "full fee paying private overseas secondary student" in the Act.
6. Exclude persons who do not have permanent residency status in Australia from the calculation of entitlement to grants under the English as a Second Language Program and the Ethnic Schools Program.

Financial Impact

The Bill appropriates an estimated \$1739 million for schools programs in calendar year 1988, consisting of \$1339 million for general recurrent grants, \$222 million for capital grants and \$178 million for specific purpose grants.

The Bill also appropriates a further \$9 million for 1987 programs for price increases in line with retrospective cost supplementation arrangements. This brings total funding for 1987 programs to an estimated \$1638 million.

NOTES ON CLAUSES

Clause 1: **Short title**

Clause 2: **Commencement**

Act commences upon Royal Assent

Clause 3: **Interpretation**

Sub-clause 3(a)

Amends the definition of student in Section 3 of the Principal Act so as to restrict benefits available under the Ethnic Schools Program to students having permanent resident status in Australia.

Sub-clause 3(b)

- Substitutes definition of "eligible new arrival" in Section 3 of the Principal Act to restrict entitlement of benefits to persons who are permanent residents.
- Substitutes definition of "full fee paying private overseas secondary student", in Section 3 of the Principal Act as contained in States Grants (Schools Assistance) Regulation (Statutory Rule No 189 of 1987) for the existing definition.

Sub-clause 3(c)

Inserts definition of "permanent resident status" in Section 3 of the Principal Act so that benefits under Sections 15, 35, 36, 60 and 61 may be restricted to persons of such status.

Clauses 4-15: **Limits on grants and grants for expenditure in relation to a number of schools programs**

Extends existing programs to 1988 and amends financial provisions.

Clause 16: **Approval of building projects and equipment projects in connection with non-government schools and non-government centres for 1988 and subsequent years.**

Amends Section 25B of the Act in respect of the non-government schools element of the Capital Grants Program as follows:

- . Inserts new sub-section (3A) which duplicates for block grant authorities the provisions applying in sub-section (2) for schools not covered by block grant authorities.
- . Inserts new sub-section (3B) to enable the Minister to vary the maximum amount payable in respect of a project after being requested to do so by a block grant authority.
- . Inserts new sub-section (3C) and (3D) to enable a block grant authority to vary the amount approved by the Minister as payable in respect of a project providing that the variation is not greater than 10%, and that it does not have the effect of increasing the total amount payable to the block grant authority.
- . Inserts new sub-section (3E) which is of a procedural nature.

Clause 17:

Grants for building projects and equipment projects in connection with non-government schools and non-government centres

Sub-clauses (a) - (c)

Procedural to reflect changes made by Clause 16.

Sub-clause (d)

Extends existing programs to 1988.

Sub-clause (e)

Inserts new sub-sections (2A), (2B), (2C) and (2D) to Section 26 of the Act to provide for conditions upon which financial assistance may be granted to States in respect of block grant authorities. Funds can be applied for the purpose of an administration fee (to assist block grant authorities to meet the costs associated with block grant funding arrangements) and to cover the cost of legal proceedings instituted by the authority and arising from protection of the Commonwealth's interest, provided that such proceedings have been authorised by the Minister. The Commonwealth's interest in a project is to be enforceable against another BGA or the school in its own right where a school changes BGAs or ceases to belong to any BGA as the case may be.

Sub-clause (f)

Extends the effect of the existing sub-section to include the whole of the section as amended.

Sub-clause (g)

Extends the coverage of Section 26 to 1988.

Clauses 18-44: Limits of grants and grants for expenditure in relation to a number of schools programs

Extends existing programs to 1988 and amends financial provisions.

Clause 45: Amendment of Schedules

Substitutes new financial schedules to extend programs to 1988 and to provide for increases in price levels.

Clause 46: Payments made before Royal Assent

Provides that payments (including advances) of grants under the Principal Act are not duplicated by payments under the Principal Act as amended.

