

1995

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

THE SENATE

**STATES GRANTS (PRIMARY AND SECONDARY EDUCATION ASSISTANCE)
AMENDMENT BILL 1995**

REVISED EXPLANATORY MEMORANDUM

**THIS EXPLANATORY MEMORANDUM TAKES ACCOUNT OF
AMENDMENTS TO THE BILL MADE BY THE HOUSE OF
REPRESENTATIVES**

(Circulated by authority of the Minister for Schools, Vocational Education and Training,
the Honorable Ross Free, MP)



STATES GRANTS (PRIMARY AND SECONDARY EDUCATION ASSISTANCE) AMENDMENT BILL 1995

OUTLINE

This Bill amends the *States Grants (Primary and Secondary Education Assistance) Act 1992* to give effect to initiatives announced in the 1994-95 Budget:

\$8.7 million will be provided in 1995 to foster literacy development for children in the early years of schooling; and

\$4 million will be provided in 1995 to provide grants to school authorities to support the study of ten priority languages. This program will replace an existing program which supports eight languages in each State and Territory.

The Bill also gives effect to:

changes to strengthen the Commonwealth's New Schools Policy for funding new and changing non-government schools;

changes to simplify administrative arrangements for approving block grant authorities under the Capital Grants Program for schools;

changes to funding schedules for capital grants for government and non-government schools for 1995 and funding schedules for grants for community languages for 1995; and

vary the amounts of recurrent and capital grants as a result of 1994 supplementation and its flow on effects for 1995 and 1996 and provide for detailed 1995 allocations by State and sector for grants specified in the Schedules under the English as a Second Language, Special Education, Country Areas, Students at Risk, Disadvantaged Schools and Transitional Support Programs.

FINANCIAL IMPACT STATEMENT

Total grant levels for schools for the 1995 program year are estimated to be \$3.086 billion. Funds appropriated for the 1995 program year are estimated to be some \$2.459 billion for general recurrent grants to government and non-government schools, \$316.7 million for capital grants to government and non-government schools, \$289.1 million for national equity programs, \$14.7 million for the School Language Program and \$6.3 million for other programs.

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NOTES ON CLAUSES

Clause 1 - Short title

This clause provides for the Bill to be cited as the *States Grants (Primary and Secondary Education Assistance) Amendment Act 1995*. It also makes the *States Grants (Primary and Secondary Education Assistance) Act 1992* the 'Principal Act' for the purposes of this Act.

Clause 2 - Commencement

This clause provides that the provisions of the Bill commence on the various dates as specified.

Clause 2(3) and (4) give certain amendments a retrospective commencement. Those amendments update the Schedules setting out payment amounts and correct minor drafting defects such as typographical errors and would not cause any disadvantage to the rights of any person.

Clause 3 - Definitions

This clause defines terms used in the Bill.

Clause 4 - Repeal of sections 23 and 24 and substitution of new sections

23. Approved authority to give notice of change or proposal

23A. Approved authority must apply to make a change or proposal if change is to occur on or after 1 January 1998

24. Provisional approval when no significant change in clientele

This clause repeals sections 23 and 24 of the Principal Act and substitutes new sections 23, 23A and 24:

- Section 23 introduces a new, longer notification requirement for changes or proposals intended to occur on or after 1 January 1998 which means that notification of a change or proposal to be funded in 1998, will be required by 31 October 1995. It retains the 2 year notification requirement in relation to changes referred to in section 21 and proposals referred to in section 22, where those changes or proposals are intended to occur before 1 January 1998. It means that notification of a change or proposal to be funded in 1997, will still be required before 1 March 1995.

Section 23A requires that an application, in a form approved by the Minister, is to be lodged in relation to changes or proposals intended to occur on or after 1 January 1998. Where notification has been given by 31 October in the required year, the application will be required by 1 March of the next year. Section 23A also provides that where the Minister has accepted a late notification, the application must be lodged within 2 months.

Section 24 retains the power of the Minister to grant provisional approval to a change involving a non-significant change in clientele, without the need for further assessment. This applies to changes or proposals intended to occur before 1 January 1998 where the required notification has been given, and to changes or proposals intended to occur on or after 1 January 1998 where the required notification has been given and an application lodged.

Clause 5 - Provisional approval when significant change in clientele

This clause amends section 25 of the Principal Act so that it applies to changes or proposals intended to occur on or after 1 January 1998 where the required notification has been given and an application lodged, as well as to changes or proposals intended to occur before 1 January 1998 where the required notification has been given.

Clause 6 - Variation to take account of change if there is no progressive provision of secondary education

This clause amends section 29 of the Principal Act so that it does not apply to cases involving a progressive provision of secondary education. If a school commences all years of junior or senior secondary education at the same time, the existing minimum enrolment requirements in section 29 continue to apply in the case of the following changes:

- . the provision of a new level of education
- . an amalgamation of 2 schools involving a new level of education
- . a separation of a school into 2 or more schools.

The school must meet minimum enrolment requirements by schools census day for the State in the second year of the provisional approval or, unless exceptional circumstances are shown to exist, the approval will lapse. Section 29 does not apply where a school only commences the first year of junior or senior secondary education, then the second year in the next year and so on until all of the years have been provided. In this case, section 29A will apply.

Clause 7 - Insertion of new section

29A. Variation to take account of change to which paragraph 26(c) or (d) applies if there is a progressive provision of secondary education

This clause inserts section 29A in the Principal Act. This new section applies to changes involving a progressive provision of junior or senior secondary education where the change is:

- the provision of a new level of education
- an amalgamation of 2 schools involving a new level of education
- a separation of a school into 2 or more schools.

The same minimum enrolment requirements as apply in section 29, will apply when the school first commences the progressive provision. The school must meet those requirements by schools census day for the State in the second year of the provisional approval or, unless exceptional circumstances are shown to exist, the approval will lapse. The school must meet those requirements in succeeding years by schools census day for the State in that year.

Clause 8 - Variation to take account of proposal if there is no progressive provision of secondary education

This clause amends section 30 of the Principal Act so that it does not apply to cases involving new schools progressively providing secondary education. If a school commences all years of junior or senior secondary education at the same time, the existing minimum enrolment requirements in section 30 will continue to apply in the case of the following changes:

- a new school or an existing school not in receipt of Commonwealth general recurrent funding; or
- an amalgamation of a school included in the list with a school not included in the list.

The school must meet minimum enrolment requirements by schools census day for the State in the second year of the provisional approval or, unless exceptional circumstances are shown to exist, the approval will lapse. Section 30 does not apply where a school only commences the first year of junior or senior secondary education, then the second year in the next year and so on until all of the years have been offered. In this case, section 30A will apply.

Clause 9 - Insertion of new section**30A. Variation to take account of proposal if there is a progressive provision of secondary education**

This clause inserts section 30A which applies to proposals involving the progressive provision of junior or senior secondary education. The same minimum enrolment requirements as apply in section 30, will apply when the school first commences the progressive provision. The school must meet those requirements by schools census day for the State in the second year of the provisional approval or, unless exceptional circumstances are shown to exist, the approval will lapse. The school must meet those requirements in succeeding years by schools census day for the State in that year.

Clause 10 - Repeal of section 39 and substitution of new section**39. Approved authority to give notice of change**

This clause repeals section 39 of the Principal Act and substitutes a new section 39 which allows for late notifications of changes set out in section 38 to be accepted in special circumstances. The normal requirement is for notification to be given by 1 July of the year before the change is intended to occur.

Clause 11 - Minister may change maximum number of students eligible for general recurrent funding

This clause amends section 44 of the Principal Act to reflect the insertion of new sections 23, 29A and 30A in the Principal Act.

Clause 12 - Insertion of new section**44A. Approved authority to give notice of variation of list if variation to occur on or after 1 January 1998**

This clause inserts section 44A in the Principal Act. This new section requires notification for variations to the maximum enrolment number intended to occur on or after 1 January 1998. It means that notification of a variation to be funded in 1998, will be required by 31 October 1995. If the current provisions were to continue to apply, only an application would be required before 1 March 1996. Under this section the Minister may accept a shorter period of notice in special circumstances.

Clause 13 - Approved authority must apply to Minister for a variation of list

This clause amends section 45 of the Principal Act to require an application, in a form approved by the Minister, for variations to the maximum enrolment number intended to occur on or after 1 January 1998 where the required notification under section 44A has been given. Where notification has been given by 31 October in the required year, the application will be required by 1 March of the next year. Section 45 now provides that, where the Minister has accepted a late notification, the application must be lodged within

2 months. The existing provisions will continue to apply to variations to the maximum enrolment number intended to occur before 1 January 1998. No notification is required but an application, in a form approved by the Minister, must continue to be lodged 2 years in advance.

Clause 14 - Insertion of new section

46A. Non-government schools - change if there is a failure, during the course of a progressive provision, to meet minimum enrolments

This clause inserts section 46A in the Principal Act. The new section sets out the process to be followed before a school can be removed from the list for a secondary level of education because, as part of a progressive provision of secondary education, it has failed to meet minimum enrolment requirements for a particular year by schools census day in the State in that year. As part of the process, the school must be given an opportunity to make a submission on the matter before a decision is made about continued funding for the level of education involved.

Clause 15 - Approval of block grant authorities and maintenance of lists of participating schools and hostels

This clause amends section 51 of the Principal Act by removing the requirement to re-approve a block grant authority (BGA) every time a school or hostel joins or leaves a BGA. It was never intended that BGAs should have to be re-approved in this way and it is therefore an unnecessary administrative burden to retain the requirement. The requirement is replaced with provision for a list of schools and hostels which will be maintained by the Department and updated upon notification of changes by a BGA.

Clause 16 - Grants for special projects in connection with non-government rural student hostels

This clause amends section 60A of the Principal Act to clarify that under these projects community liaison is with persons running these facilities. It also clarifies that payments are made to the approved authority where a project is conducted by a body other than the State.

Clause 17 - Additional conditions - if agreement between Commonwealth and body other than a State

This clause amends section 60C of the Principal Act. It clarifies that an agreement is to be made with the approved authority of a hostel or of another body and that payment is to be made to the approved authority rather than to a body.

Clause 18 - Grants for recurrent expenditure on general education in English as a second language in government schools

This clause would insert a new Clause 17A into the Bill which amends subsection 62(2) of the Act. Section 62 makes provision for grants for recurrent expenditure on general education in English as a second language in government schools.

The new clause would ensure that the upper limit on the amounts that the Minister may authorise to be paid to a State or States under this program during a program year is consistent with the relevant Schedules which specify that amount on a State by State, rather than national, basis.

Clause 19 - Grants for recurrent expenditure on general education in English as a second language in non-government schools - program year 1993

This clause would insert a new Clause 17B into the Bill which amends subsection 64(2) of the Act. Section 64 makes provision for grants for recurrent expenditure on general education in English as a second language in non-government schools during the program year 1993.

The new Clause would ensure that the upper limit on the amounts that the Minister may authorise to be paid to a State or States under this program during a program year is consistent with the relevant Schedules which specify that amount on a State by State, rather than national, basis.

Clause 20 - Grants for recurrent expenditure on general education in English as a second language in non-government schools - program years 1994, 1995 and 1996

This clause would insert a new Clause 17C into the Bill which amends subsection 65A(4) of the Act. Section 65A makes provision for grants for recurrent expenditure on general education in English as a second language in non-government schools for the program years 1994, 1995 and 1996.

The new Clause would ensure that the upper limit on the amounts that the Minister may authorise to be paid to a State or States under this program during a program year is consistent with the relevant Schedules which specify that amount on a State by State, rather than national, basis.

Clause 21 - Grants for recurrent expenditure on intervention support - program years 1994, 1995 and 1996

This clause amends section 68A of the Principal Act to enable payments to be made to State government centres in connection with special education programs and special education activities.

Clause 22 - Grants for primary or secondary education in prescribed country areas - program year 1993

This clause would insert a new Clause 18A into the Bill which amends subsection 72(2) of the Act. Section 72 makes provision for primary or secondary education in prescribed country areas for the program year 1993

The new Clause would ensure that the upper limit on the amounts that the Minister may authorise to be paid to a State or States under this program during a program year is consistent with the relevant Schedules which specify that amount on a State by State, rather than national, basis.

Clause 23 - Grants for primary and secondary education provided in government schools in prescribed country areas or geographically isolated areas - program years 1994, 1995 and 1996

This clause would insert a new Clause 18B into the Bill which amends subsection 72A(2) of the Act. Section 72A makes provision for primary and secondary education provided in government schools in prescribed areas or geographically isolated areas during the years 1994, 1995 and 1996.

The new Clause would ensure that the upper limit on the amounts that the Minister may authorise to be paid to a State or States under this program during a program year is consistent with the relevant Schedules which specify that amount on a State by State, rather than national, basis.

Clause 24 - Grants for national projects enhancing literacy and learning

This clause amends section 75 of the Principal Act to provide a simpler administrative mechanism for grants to be paid to the Curriculum Corporation from 1995 onwards for the purpose of conducting national projects under this section.

Clause 25 - Insertion of new sections

- 77A. Grants for projects in connection with government primary schools to foster literacy in the early years of schooling**
- 77B. Grants for projects in connection with non-government primary schools to foster literacy in the early years of schooling**
- 77C. Grants for national projects to foster literacy in the early years of schooling**

This clause inserts new sections 77A, 77B and 77C in the Principal Act to provide for a new component fostering literacy in the early years of schooling (kindergarten to year 3). The Minister is enabled to approve projects and make grants to the government sector under Section 77A, and to the non-government sector under Section 77B. Section 77C

allows the Minister to approve national projects, for example, encompassing the conduct of a conference or publication of a report summarising the outcomes of projects funded under sections 77A and 77B.

Clause 26 - Additional conditions - if agreement between Commonwealth and body other than a State

This clause amends section 83 of the Principal Act to take into account the simpler administrative mechanism proposed for making payments to the Curriculum Corporation to conduct approved projects under subsection 75(1).

Clause 27 - Nominated authority

This clause extends Section 84 of the Principal Act so that it applies to the new Division 2A (inserted by clause 34) which provides for grants for priority languages in a program year after program year 1994. It also provides that, for the purposes of sections 89, 93 and new section 93G, an aggregation of schools is limited to non-systemic schools.

Clause 28 - Priority languages before Division 2A comes into force

This clause has the effect of curtailing the operations of the Priority Languages Incentive Element to the program years 1993 and 1994.

**Clause 29 - Insertion of new section in Division 1
85A. Priority languages for grants under Division 2A**

This clause inserts a new section in Division 1 which lists ten languages which are priority languages for the purposes of the new Division 2A.

Clause 30 - Amendment of heading to Division 2

This clause amends the heading of Division 2 to reflect the curtailment of the operation of the Priority Languages Incentive Element to the Program years 1993 and 1994.

Clause 31 - Grants - Government schools and educational institutions

This clause has the effect of curtailing the operation of the Priority Languages Incentive Element in relation to grants for government schools and educational institutions to the program years 1993 and 1994.

Clause 32 - Grants - approved school systems

This clause has the effect of curtailing the operation of the Priority Languages Incentive Element in relation to approved school systems to the program years 1993 and 1994.

Clause 33 - Grants - non-systemic schools

This clause provides that, for the purposes of the Priority Languages Incentive Element, an aggregation of schools is limited to non-systemic schools. This clause also has the effect of curtailing the operations of the Priority Languages Incentive Element in relation to grants for non-systemic schools to the program years 1993 and 1994.

Clause 34 - Insertion of new Division

Division 2A - Grants for priority languages in a program year after program year 1994

93A. Grants in respect of government schools and educational institutions

93B. Grants in respect of non-government schools

93C. Ceiling for grants under sections 93A and 93B

93D. Agreements relating to conditions

93E. Conditions - government schools and educational institutions

93F. Conditions - approved school systems

93G. Conditions - non-systemic schools

This clause inserts a new Division in Part 7 of the Principal Act to give effect to a new program to replace the Priority Languages Incentive Element from the beginning of program year 1995. The new program will provide grants to government and non-government education authorities to support the study of ten priority languages.

Clause 35 - Further minor amendments

This clause provides for various minor amendments as listed in Schedule 1 of the Bill. These amendments correct errors and update terms used in the Principal Act.

Clause 36 - Amendments of Schedules

This Clause amends the financial schedules set out at the end of the Act by inserting new Schedules 1 - 11 into the Act. It includes in the schedules funding amounts for capital grants for government and non-government schools in 1995 and revised funding amounts for grants for community languages in 1995. It also amends Part 1 of Schedule 6 of the Principal Act to reflect actual payments to States made in 1993.

This Clause also revises the amounts of recurrent and capital grants as a result of 1994 supplementation and its flow on effect for 1995 and 1996 and provides detailed allocation by State and sector for grants specified in the Schedules under the English as a Second Language, Special Education, Country Areas, Students at Risk, Disadvantaged Schools and Transitional Support Programs.

Clause 37 - Payments made before 1 January 1995 in respect of capital projects

This clause confirms the participation of schools and hostels in their BGA under the relevant Acts following the initial approval of BGAs under the *States Grants (Schools Assistance) Act 1984* in cases where the BGA was not approved at the time of their joining. This removes any doubt about grants and payments made to those schools and hostels. This clause is a necessary corollary to clause 15 which sets out new administrative arrangements for approval of block grant authorities.

Clause 38 - Payments made on national projects relating to literacy and learning

This clause clarifies the validity of payments to the Curriculum Corporation made under Section 39A in 1991 and Section 39F in 1992 of the *States Grants (Schools Assistance) Act 1988*. It also clarifies the validity of payments made to the Curriculum Corporation under Section 75 of the *States Grants (Primary and Secondary Education Assistance) Act 1992* for the 1993 program year.

Schedule 1 - Further amendments of the Principal Act

Schedule 1 sets out the minor technical amendments to the Act to be made by Clause 35.

Schedule 2 - Substitution of New Part 1 in Schedule 6 to the Principal Act

Schedule 2 sets out the new Part 1 in Schedule 6 of the Principal Act to be substituted by Clause 36(1).

Schedule 3 - Substitution of new Schedules 1, 2, 3, 4, 5, 5A, 6, 7, 8, 9, 10 and 11 to the Principal Act and of the Notes to those Schedules

Schedule 3 sets out the new Schedules 1 - 11 of the Principal Act to be substituted by Clause 36(2).

