

THE PARLIAMENT OF THE  
COMMONWEALTH OF AUSTRALIA  
HOUSE OF REPRESENTATIVES

STATES GRANTS (TERTIARY EDUCATION ASSISTANCE)  
AMENDMENT BILL 1983

EXPLANATORY MEMORANDUM  
(Briefing Document)

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

## OUTLINE

### States Grants (Tertiary Education Assistance) Amendment Bill 1983

The primary purpose of this Bill is to appropriate grants of financial assistance to the States and the Northern Territory for tertiary education. The grants to be appropriated include:

- . the 1984 capital and equipment grants for all sectors of tertiary education; and
- . the 1984 TAFE recurrent grant.

These grants are additional to those already appropriated under the Principal Act and amendments.

In addition, the Bill adjusts grants already appropriated for 1983. The 1983 grants are adjusted to reflect savings arising from the wages pause, increases from the recent National Wage Case and other cost increases approved under the wages pause legislation (see notes on financial matters for details).

The Bill includes an additional amount of \$10.47m to assist universities and colleges of advanced education in meeting expenditure incurred in increasing enrolments in 1984.

In accordance with Government policy on enforced amalgamations, the Bill repeals that section of the Act which provided special funding arrangements for certain universities and colleges of advanced education pending amalgamation.

The Bill varies arrangements for the funding of advanced English for migrants in the TAFE sector. The grants for 1984 will be made from special purpose recurrent funds rather than from particular purpose recurrent funds as in 1983. Particular purpose recurrent grants enable States to undertake programs of quality improvement which reflect the particular priorities of individual States. Special purpose grants are directed to areas of national concern to TAFE where substantial action is required by all States.

## Notes on Financial Matters Concerning the Bill

### 1. Cost Levels

The 1983 grants were originally legislated as cash amounts which included a prospective allowance for estimated future cost increases. The previous Government announced that the level of recurrent grants would be reduced to reflect savings of \$32.7m due to the implementation of the wage pause. The current amendments to the 1983 grants take account of these savings but include an additional \$17.6m to provide for the recent National Wage Case decision and other wage and salary increases which occurred and which were consistent with the wage pause arrangements.

The 1984 grants will be adjusted in accordance with the Government's decision to reapply the retrospective cost supplementation arrangements applying in 1981. The program amounts which were approved in estimated December 1982 prices have been increased to take account of estimated cost increases to the end of December 1983 in the case of salary and wages and to the end of June 1983 in the case of non salary costs, equipment and building costs.

### 2. Total Program: Additional Appropriation

The table of figures set out below summarises the program of grants relevant to 1983 and 1984.

Sector/ Category of Grant	\$m Year 1983	1984	Explanation
Universities and CAEs			
. Recurrent			
- States Grants	1573.6	1580.4	already appropriated
		10.5	new appropriation (1)
	-14.3		cost adjustment (2)
		52.3	cost supplementation
- Other	143.8	150.5	(3)
Total Recurrent	1703.1	1793.7	
. Equipment			
- States Grants	60.7		already appropriated
		64.1	new appropriation
- Other	8.5	10.1	(3)
Total Equipment	69.2	74.2	
. Capital			
- States Grants	37.6		already appropriated
	0.8	46.0	new appropriation (4)
- Other	8.6	5.5	(3)
Total Capital	47.0	51.5	
TOTAL Universities and CAEs			
- States Grants	1671.9	1580.4	already appropriated
	0.8	120.5	new appropriation
	-14.3		cost adjustment
		52.7	cost supplementation
- Other	160.9	165.8	
TOTAL	1819.3	1919.4	
Technical and Further Education			
. Recurrent			
- States Grants	106.1		already appropriated
		112.6	new appropriation
	-0.8		cost adjustment (5)
-Other	26.4	28.9	(6)
Total Recurrent	131.7	141.5	
. Equipment			
	10.4		already appropriated
		11.1	new appropriation
. Capital			
	117.1		already appropriated
		127.3	new appropriation
Total TAFE			
- States Grants	233.6		already appropriated
		251.0	new appropriation
	-0.8		cost adjustment
- Other	26.4	28.9	(6)
TOTAL	259.2	279.9	
TOTAL TERTIARY	2079.1	2199.7	(7)

#### Footnotes

- (1) Special participation initiatives.
- (2) Consisting of savings of \$28.4m due to wage pause and provision of \$14.1m for National Wage Case decision.
- (3) Consisting of ANU, CCAE and Australian Maritime College which are directly funded out of the appropriation of the Department of Education and Youth Affairs.
- (4) Includes provision of \$0.8m in 1983 for the University of Melbourne Graduate School of Management.
- (5) Consisting of savings of \$4.3m due to wage pause and provision of \$3.5m for National Wage Case decision.
- (6) Participation and Equity Program.
- (7) Includes \$0.4m for evaluative studies in 1983 and 1984 and \$0.2m in 1983 for cultural awareness programs.

3.           The amounts above exclude details of the appropriation for non-government business colleges. These grants are available on a monthly per capita basis; that is, there is no annual grant figure set in the legislation. The annual program for 1984 is expected to cost \$4.75m.

DETAILED DESCRIPTION OF BILL AND NOTES ON CLAUSES

States Grants (Tertiary Education Assistance)  
Amendment Bill 1983

This amending Bill inserts into the States Grants (Tertiary Education Assistance) Act 1981 the following new sections and schedules:

- . Capital grants for building projects in respect of the year 1984

Universities	S.13B)	
Advanced education	S.21B)	Schedule 7B
TAFE	S.34B)	

- . Additional recurrent grants to increase) participation in the universities and ) S.38B advanced education sectors. )

The Bill amends existing sections and schedules to insert the 1984 equipment grants for all sectors and recurrent grants for the TAFE sectors.

In addition, the Bill also includes the following amendments:

- . the grants for advanced English language training for adult migrants to be made from special purpose recurrent grants as opposed to the arrangement in 1983 where grants were made from particular purpose recurrent grants;

- . the removal of the national unallocated grants previously provided to fund those universities and colleges of advanced education for which amalgamation proposals were pending;
- . the reduction of 25% in recurrent grants for student residences;
- . the reduction in the total appropriation for Research Centres of Excellence following the closure of one centre;
- . the inclusion of national unallocated grants for 1984 for advanced English language training for adult migrants in TAFE and for data collection and processing.
- . the inclusion of an equal opportunity condition attached to financial assistance to a State.

Notes on clauses of the Bill follow.

## CLAUSES OF THE BILL

(Note: The references to sections are to the sections of the Principal Act).

Clause 1: Short title

Clause 2: Commencement Date: The amending Act will come into operation on the day on which it receives the Royal Assent.

Clause 3: Approval of, and directions relating to, building projects: This clause is a consequential amendment arising from the inclusion of a new Schedule 7B, Parts I to VI. These detail capital grants for 1984 for all sectors.

Clause 4: Research Centres of Excellence: This clause amends Section 9 to reduce the total grant payable to Research Centres of Excellence over the 1982-84 triennium to reflect the savings generated by the closure of one Centre following movement of key staff.

Clause 5: Grants for equipment: This clause inserts into Section 10 reference to grants for equipment for universities in 1984. The amounts of the grants are specified in Column 4 of the replacement Schedule 4.

Clause 6: Recurrent grants in respect of student residences and affiliated colleges of universities: In inserting new figures for 1984 in Section 11, this clause effects the Government's decision to reduce operating subsidies paid to collegiate residences at universities by 25% in 1984 pending a review by

the Commonwealth Tertiary Education Commission of future arrangements for support for student accommodation (see Clause 9 for complementary action on residences at colleges of advanced education).

Clause 7: Building projects in respect of the year 1984:

This clause introduces a consequential amendment to Section 13 arising from the inclusion of a new Schedule 7B which inserts figures for capital grants to universities in 1984.

Clause 8: Grants for equipment: This clause amends Section 19 to include grants for equipment for 1984 for colleges of advanced education. The amounts of grants are reflected in the revised Schedule 9.

Clause 9: Recurrent grants in respect of student residences at colleges of advanced education and non-government teachers colleges and affiliated colleges of colleges of advanced education: This clause inserts in Section 20 new figures for 1984 for recurrent grants for student residences. (See Clause 6 for the complementary provision for universities.)

Clause 10: Building projects in respect of the year 1984: This clause introduces a consequential amendment to Section 21 arising from the inclusion of a new Schedule 7B which inserts figures for capital grants for colleges of advanced education in 1984.

Clause 11: Grants for courses of teacher education provided by non-government teachers colleges: This clause inserts in Section 23 references to grants for 1984. The clause also provides adjustments for approved cost increases in 1983.

Clause 12: Grants for equipment for non-government teachers colleges: This clause inserts into Section 24 reference to the 1984 grants for equipment for non-government teachers colleges. The total amount of grants available in 1984 is \$84,000.

Clause 13: Grants for minor building projects of non-government teachers colleges: This clause inserts in Section 25 references to the 1984 grants for minor building projects. The total amount of grants available in 1984 is \$44,000.

Clause 14: Interpretation: This clause amends Section 27 to include 1984 in the definition of the years to which this part applies.

Clause 15: Proposals for expenditure on staff training, data collection and processing and advanced courses of instruction in English language for migrants: This clause inserts in Section 29 reference to special purpose recurrent grants for advanced English language courses for migrants. The allocated grants are listed in Column 4 of Part 5 of Schedule 12 and unallocated grants are listed in a new Part VIII of Schedule 12. Provision for grants for advanced English language courses for migrants in 1983 was made under Section 31(1)(f), which covered particular purpose grants. The total amount of grants available in 1984 (allocated and unallocated) is \$3.53 million.

The clause also inserts reference to the 1984 grants for staff training and data collection and processing, which are listed in Columns 2 and 3 of Part V of Schedule 12, and to a new unallocated grant for data collection and processing in 1984 which is listed in Part VII of Schedule 12. Technical amendments have been made to include the unallocated grants for advanced English language courses for migrants and data collection and processing referred to above.

Clause 16: Variations of amounts in Schedule 12: This clause amends Section 30 to include reference to the 1984 year and to revised parts of Schedule 12.

Clause 17: Other recurrent grants: This clause inserts references in Section 31 to revised parts of Schedule 12 and repeals provisions for grants for advanced English language courses for migrants which are now included under Section 29 (Clause 15).

Clause 18: Building Projects in Respect of the year 1983: This clause changes the reference in sub-section 34(2) to Part VI rather than Part VII as presently shown.

Clause 19: Building projects in respect of the year 1984: This clause inserts a new Section 34B which provides capital grants for 1984 for technical and further education. The grants are listed in Part VI of Schedule 7B.

Clause 20: Grants for community language courses: This clause adjusts 1983 and 1984 grants in Section 38 for approved cost increases.

Clause 21: Recurrent grants may be increased to assist institutions in meeting certain superannuation expenses: This clause adjusts 1983 and 1984 grants in Section 38A for approved cost increases.

Clause 22: Recurrent grants may be increased to assist institutions in meeting expenses due to increased enrolments: This clause inserts a new Section 38B which provides an additional recurrent grant of \$10.47 million which can be allocated to meet additional costs incurred in taking steps to increase enrolments in 1984 in universities and colleges of advanced education.

Clause 23: Repeal of Sections 39 and 39A: This clause repeals Sections 39 and 39A. These sections contained provisions relating to the amalgamation of certain universities and colleges of advanced education.

Clause 24: Conditions attaching to building grants: This clause inserts in Section 40 references to the new Sections 13B, 21B and 34B detailing capital grants for all sectors for 1984. This is a consequential amendment only.

Clause 25: Variations of building grants in Schedule 7, 7A or 7B: As per clause 23 above. This clause is a consequential amendment which inserts in Section 41 references to the new sections and schedules applicable to 1984 capital grants.

Clause 26: Benefits of, and opportunities created by, grants to be equally available to male students and female students: This clause inserts a new Section 41A to introduce as a condition of grant that, as far as practicable, the benefits and opportunities created by expenditure under the

Act should be made available equally to male and female students. The condition does not apply in relation to payments to student residences or affiliated colleges, to single-sex non-government business colleges or to special assistance provided to students of one sex in order to ensure they have equal opportunities with people of the other sex.

Clauses      Financial provisions:      Consequential amendments  
27-30: only.

Clause 31: Consolidation of colleges of advanced education:  
This clause repeals Section 51 of the Principal Act which no longer has relevance.

Clause 32: Repeal of Schedules: This clause provides for the replacement of schedules in the Principal Act for the following reasons:

- . to insert grants for 1984 capital and equipment programs (all sectors);
- . to insert recurrent grants for 1984 in the technical and further education sector;
- . to adjust some 1983 grants for approved cost increases;
- . to amend the lists of institutions to take account of name changes.



