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THE PARLIAMENT OF THE

COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

States Grants (Tertiary Education Assistance) Amendment Bill (No 2) 1987

EXPLANATORY MEMORANDUM

(circulated by authority of the Minister for Employment, Education and Training, the Hon J. S. Dawkins MP)

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OUTLINE

The purpose of this Bill is to amend the States Grants (Tertiary Education Assistance) Act 1984 to adjust for cost movements in tertiary education grants to the States and the Northern Territory. The Principal Act provides grants to the States and the Northern Territory for universities, colleges of advanced education, institutes of tertiary education and technical and further education for the 1985-87 triennium.

The Bill will adjust recurrent grants from preliminary end March 1987 prices for university academic salaries and actual end March 1987 cost levels for the advanced education and TAFE sectors to end of June quarter 1987 prices in accordance with the Government's agreed procedures to make retrospective adjustments for cost variations.

The total amount of supplementation to be provided by this Bill is \$3.0 million.

The adjustments are provided by way of amendments to the relevant sections of the Act for recurrent grants for promotion of equality of opportunity, special assistance for students, key centres of teaching and research, assistance to institutions to meet certain superannuation costs, special research centres, and traineeship grants. In the case of other grants, adjustments are provided by way of replacement schedules of grants (see Schedule 1 of the Bill).

The Bill also accommodates changes necessary to transfer responsibility for administration of the Act from the Commonwealth Tertiary Education Commission to the Department of Employment, Education and Training.

NOTES ON CLAUSES

- <u>Clause 1 : Short title</u>.
- <u>Clause 2</u> : <u>Commencement</u>: provides for legislation to come into operation on the day on which it receives Royal Assent.
- <u>Clauses 3.</u>: <u>4 and 13</u> These clauses provide for references to the Commonwealth Tertiary Education Commission to be a reference to the Minister and reflect the Government's decision to transfer administrative responsibility for tertiary education programs from the Commission to the Department of Employment, Education and Training.
- <u>Clauses 5</u>: These clauses amend specified Sections of the <u>to_10</u> Principal Act to adjust for cost movements.
- <u>Clause 11</u>: <u>Delegation</u>: This clause enables the Minister to extend the delegation of powers under the Principal Act to a Departmental officer as part of the transfer of administrative responsibility.
- <u>Clause 12</u>: <u>Substitution of Schedules</u>: This clause provides for the substitution of specified schedules as a result of adjustments for cost movements and variations made under relevant Sections of the Principal Act.
- <u>Clause 14</u>: <u>Payments made before Royal Assent</u>: This clause ensures that payments for grants under the Principal Act are not duplicated by payments under the Principal Act as amended.