1991

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

STATES GRANTS (GENERAL PURPOSES) BILL 1991

SUPPLEMENTARY EXPLANATORY MEMORANDUM

Amendment to be Moved on Behalf of the Government

(Circulated by authority of the Treasurer the Hon John Kerin MP)



29769/91 Cat. No. 91 4352 6



STATES GRANTS (GENERAL PURPOSES) BILL 1991

Amendment to be moved on behalf of the Government

OUTLINE

The purpose of the amendment is to reduce the financial assistance grants, in the case of the State of Victoria, by the amount of \$2.428 million. This will enable the transfer from the State to the Commonwealth of the full responsibility for funding the higher education program at the Victorian College of Agriculture and Horticulture. The amendment complements a financial adjustment as part of the Higher Education Funding Amendment Bill (No.2) 1991 to provide for the College's higher education program to be funded through the Higher Education Funding Act 1988 as from 1 January 1992.

The change in funding arrangements for the Victorian College of Agriculture and Horticulture is made at the request, and with the agreement, of the Victorian State Government. Details of the changed arrangements have been negotiated by the Department of Employment, Education and Training with the Victorian Post-Secondary Education Commission.

FINANCIAL IMPACT

The amendment reduces the financial assistance grants, in the case of the State of Victoria, by the amount of \$2.428 million. In conjunction with an adjustment to the maximum grants to the States via the <u>Higher Education Funding Act 1988</u>, by way of the Higher Education Funding Amendment Bill (No.2) 1991, the amendment means no net change to total Commonwealth outlays.

Note on the amendment

<u>Clause 6</u>: <u>Financial assistance grants</u>: The amendment reduces the financial assistance grants, in the case of Victoria, determined by the existing formula in clause 6 by the amount of \$2.428 million.