

1994

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

EMPLOYMENT, EDUCATION AND TRAINING LEGISLATION AMENDMENT BILL 1994

EXPLANATORY MEMORANDUM

(Circulated by authority of the  
Minister for Employment, Education and Training,  
the Honourable Simon Crean MP)





### OUTLINE

The purpose of this Bill is to make minor amendments to the Higher Education Funding Act 1988 and the Maritime College Act 1978, and to repeal other Acts relating to employment, education and training.

The Bill amends the Higher Education Funding Act 1988 to provide for minor adjustments to financial amounts flowing from the transfer of responsibilities for funding the Institute of the Arts of the Australian National University from the ACT Government to the Commonwealth. The Bill also provides for funding adjustments as a result of amendments made to the Higher Education Funding Legislation Amendment Bill 1993 which removed provisions which would have doubled the rate of the Higher Education Contribution Scheme (HECS) liabilities for undergraduate students undertaking a second degree at the same or lower level.

The Bill amends the Maritime College Act 1978 to provide for a minor change to appointments to the Council. The amendments will make the Chairperson of the Academic Board of the College an ex officio member of the Council of the College. The Bill also amends a number of gender references in the Act to reflect modern drafting practice.

The Bill provides for the repeal of three Acts relating to employment, education and training, which are no longer required.

### FINANCIAL IMPACT

The Bill amends the Higher Education Funding Act 1988 to provide additional outlays of \$26.135 million in 1994, \$30.955 million in 1995 and \$30.197 million in 1996. The increase in outlays will be partly offset by a reduction in payments from the Higher Education Contribution Scheme Trust Account of \$20.9 million in 1994, \$20.5 million in 1995 and \$18.9 million in 1996. In the longer term, Commonwealth outlays will increase by approximately \$27 million each year due to the removal of the double HECS provisions. In addition, a reduction in general revenue payments to the ACT Government of \$3.3 million in 1995 and 1996 will be made to fully offset the payments for the Institute of the Arts.

The other amendments in the Bill have no impact on Commonwealth expenditure or revenue.

NOTES ON CLAUSES

PART 1 - PRELIMINARY

Clause 1 - Short title

Clause 2 - Commencement

1. This clause provides that the Act shall come into operation on the day it receives the Royal Assent.

PART 2 - REPEALS

Clause 3 - Repeals

2. This clause repeals the following Acts:

- States Grants (Advanced Education Assistance) Act 1976
- States Grants (Tertiary Education Assistance) Act 1987
- States Grants (Technical and Further Education Assistance) Act 1989

These Acts are spent and can accordingly be removed from the statute books.

PART 3 HIGHER EDUCATION FUNDING ACT 1988

Clause 4 - Principal Act

3. This clause facilitates reference to the Higher Education Funding Act 1988 which in this Part is referred to as the "Principal Act".

Clause 5 - Maximum grants

4. This clause increases the maximum amount of grants that can be made to specified institutions for operating and limited operating purposes in certain years. The variations to the existing legislated maximum amounts are set out below:

	1994	1995	1996
	\$m	\$m	\$m
Transfer of funding of Institute of the Arts to the Commonwealth		3.290	3.290
Increase in level due to removal of double HECS	26.135	27.665	26.907
<b>TOTAL</b>	<b>26.135</b>	<b>30.955</b>	<b>30.197</b>

PART 4 - MARITIME COLLEGE ACT 1978

Clause 6 - Principal Act

5. This clause facilitates reference to the Maritime College Act 1978 which in this Part is referred to as the "Principal Act".

## **Clause 7 - Interpretation**

6. Clause 7(a) amends the definition of "ex officio member" by deleting "chairman" and substituting "the Chairperson or the Chairperson of the Academic Board of the College".

8. In clause 7(b), the definition of "teaching staff member" is amended by deleting "a" and substituting "the".

9. The definitions of "Chairman" and "Deputy Chairman" are deleted and new definitions for "Chairperson" and Deputy Chairperson" are substituted by clauses 7(c) and (d).

## **Clause 8 - Constitution of Council**

10. This clause deletes paragraph 11(c) and inserts two new paragraphs into the Principal Act to make the Chairperson of the Academic Board of the College a member of the Council and to provide for one member of the teaching staff of the College to be elected to the Council.

11. Clause 8(2) is an application provision which stops the current teaching staff member elected by the senior teaching staff continuing as a teaching staff member when the section commences. The person occupying this position is the current Chairperson of the Academic Board. The person will continue as a member of the Council by virtue of the ex officio position.

12. Clause 8(3) preserves the membership of the Council of the other teaching staff member.

## **Clause 9 - Repeal of section 12**

13. This clause repeals section 12 of the Principal Act as a consequence of the amendment in clause 8.

## **Clause 10 - Term of office**

14. This clause inserts a new subsection 13(4) into the Principal Act to ensure that the Chairperson of the Academic Board holds office as a member of the Council while holding the office of Chairperson of the Academic Board.

## **Clause 11 - Chairperson and Deputy Chairperson**

15. This clause amends section 15 of the Principal Act by deleting all references to "Chairman" and substituting "Chairperson".

## **Clause 12 - Removal from office**

16. This clause amends the Principal Act by ensuring that the provisions in section 17 for removing members of the Council do not apply to the Chairperson of the Academic Board of the College, who, as an ex officio member, remains on the Council while remaining Chairperson of the Academic Board (see clause 10).

**Clause 13 - Members to cease to hold office in certain circumstances**

17. This clause amends the Principal Act by ensuring that the provision in subsection 19(1) for members of the Council to resign does not apply to the Chairperson of the Academic Board of the College, who, as an ex officio member, remains on the Council while remaining Chairperson of the Academic Board (see clause 10).

**Clause 14 - Statutes**

18. Paragraph 24(1)(c) is amended consequential to the amendment in clause 8.

**Clause 15 - Further amendments**

19. This clause provides for further amendments to the Principal Act set out in the Schedule. These amendments modify gender references in line with current drafting practices.



