THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

STATES GRANTS (SCHOOLS ASSISTANCE) AMENDMENT BILL 1990

EXPLANATORY MEMORANDUM

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

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GENERAL OUTLINE

This Bill, which amends the States Grants (Schools Assistance) Act 1988, supplements existing financial provisions relating to the 1990 program year to take into account increases in pric levels, and extends financial allocations in respect of annual programs to the 1991 program year. The Bill also gives effect to decisions announced in the August 1990 Budget by:-

- Providing additional funds for students with disabilities through a 20% loading on general recurrent grants for government schools in respect of these students. Where students with disabilities attend non-government schools which are not receiving Category 12 general recurrent rates a per capita supplement will be paid in respect of such students equal to the difference between Category 12 rates and the rates which apply for the funding category of the school attended.
- Providing additional funds to extend the coverage of the Disadvantaged Schools Program from the present 422,000 students to 500,000.
- Establishing a three year Literacy and Learning Program which will support professional development activities in connection with literacy and learning at the secondary level with a particular focus on teaching staff in schools serving populations with high concentrations of disadvantaged groups
- Providing funds under a new Award Restructuring Assistance Program to meet the Commonwealth's share of additional costs incurred by government and non-government school authorities who undertake approved measures arising from teacher salary award restructuring.
- Extending the Capital Grants Program by a new element to fund projects which support increased Secondary School retention rates in government schools and non-government schools.

The Bill also reduces from seven to four the number of programs or program elements which provide Commonwealth assistance for special education, while maintaining coverage of the current client groups, and achieving greater flexibility and simplification in administrative processes.

FINANCIAL IMPACT STATEMENT

The Bill appropriates an estimated \$2,440 million for schools programs in calendar year 1991, consisting of an estimated \$1,850 million for general recurrent grants, \$290 million for capital grants and \$300 million for targeted program grants.

The Bill also appropriates additional funds for 1990 programs as part of current cost supplementation arrangements to bring total funding for 1990 programs to an estimated \$2,220 million.

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NOTES ON CLAUSES

: Short title etc.: Provides for the Act to Clause 1 be cited as the States Grants (Schools

Assistance) Amendment Act 1990.

Clause 2 : Commencement: Provides that the Act comes

into operation upon Royal Assent.

Clause 3 : <u>Interpretation</u>: Amends certain definitions currently used in the Principal Act and adds

new definitions.

Paragraph (3)(a) : Omits the reference to 'rural student

hostel' from paragraph (h) in the definition

of 'capital project' as this was

inadvertently included in the last amending

Act.

Paragraph (3)(b) : Provides for changes to the definition of

'integration activities' to accord with new

program arrangements in 1991.

Paragraph (3)(c) : Changes the reference date for 'schools

census day' from 1 July to 1 August to accord with decisions taken by State

Ministers for Education.

Paragraph (3)(d) : Defines words and terms used for the payment

of grants under:

. new award restructuring program arrangements

set out in Clause 21.

amended program arrangements for special

education in 1991 set out in Clauses 8. 15

and 19.

amended program arrangements for ESL courses

for new arrivals set out in Clauses 6 and 13.

Paragraph (3)(e) : Makes subsection 3(4) consistent with

Sections 20 and 21 which include non-government centres (which provide special education) as eligible for capital

grants.

lause 4 : Grants for capital projects in connection

with government schools etc: Provides for Section 12 to apply to projects at secondary level which assist schools to meet pressures associated with increased secondary school

retention rates in government schools.

Clause 5

: Grants for general recurrent expenditure of government schools: Provides for Section 1: to provide in respect of students with disabilities a supplement equivalent to an additional 20% above general recurrent per capita rates.

Clause 6: Grants for recurrent expenditure on ESL

Clause 6 : Grants for recurrent expenditure on ESL courses in government schools: Allows grants in Section 14 for ESL new arrivals to be applied in ways which reflect the fact that ESL courses may span calendar years.

: Grants for expenditure in connection with

of support for integration activities while making it clear that these activities remaineligible for funding. The original section 16 is retained to cater for new schedules

Clause 7

special education at government schools
etc: Provides for changed references in
section 16 to schedules to reflect the
transition to new program arrangements for
1991 and subsequent years.

Clause 8: Special education schools support government element: Provides for new
arrangements for the former government
special education recurrent and integration
program in 1991; the main effect is to
remove the specification of minimum levels

under Clause 23 in respect of 1990 providing for cost supplementation.

Clause 9: Variations of Schedule 5: Provides for updating for new program arrangements of the provisions in Section 17 which allow for transfer of funds across special education programs and program elements as a result of emerging circumstances during a program year Clause 10: Approval of capital projects for

Paragraph (10)(a): Corrects wording of subsection 20(2) which inadvertently excluded funding of projects for children with disabilities in Block Grant Authority (BGA) schools.

non-government schools etc:

Paragraphs (10)(b),
(10)(c), (10)(d): Amend subsections 20(5), 20(7) and 20(8) to provide that where the same project is approved over two or more program years, the 10% discretion given to BGAs to vary original approvals may be applied to the total of amounts granted for the project, rather than the amount for one program year

Clause 11

: Grants for capital projects for non-qovernment schools etc: Aligns definitions in relation to capital projects for special education purposes with new program arrangements for children and students with disabilities; provides for changed references to schedules to reflect the transition to new program arrangements for 1991 and subsequent years; and provides for Section 21 to apply to projects at secondary level which assist schools to meet pressures associated with increased secondary school retention rates in non-government schools.

Clause 12

: Grants for general recurrent expenditure of non-government schools: Provides for Section 22 to allow non-government schools or school systems in funding levels other than Category 12 to receive additional payments in respect of students with disabilities at a per capita rate equivalent to the difference between Category 12 rates and those applying to those schools or systems.

Clause 13

: Recurrent expenditure grants: ESL courses in non-government schools for new arrivals: Provides for Section 26 to allow grants for ESL new arrivals to be applied in ways which reflect the fact that these courses may span calendar years.

Clause 14

: Grants for recurrent expenditure on special education at non-government schools etc: Provides for changed references in section 28 to schedules to reflect the transition to new program arrangements for 1991 and subsequent years.

Clause 15

: Special education schools support non-qovernment element: Provides for new
arrangements which combine the former
special education recurrent grants
(Subsection 28(1)) and the special education
services (Subsection 28(2)) programs for
1991 and future years. The original
sections are retained to cater for new
schedules in respect of 1990 under Clause 23
providing for cost supplementation.

Clause 16

: Additional conditions of grants under Part: Amends Section 29 to correct an erroneous reference to 'non-government schools' instead of 'non-government centres' in Section 9 of Amendment Act (No 2) 1989. Clause 17: Grants for programs for children with severe disabilities: Provides for changed references in Section 36 to schedules to

reflect the transition to new program arrangements for 1991 and subsequent years.

Clause 18 : Grants for early special education
programs: Provides for changed references
in Section 37 to schedules to reflect the
transition to new program arrangements for

1991 and subsequent years.

Clause 19

: Special education - intervention support:
Provides for the former grants for children
in residential institutions (Section 35),
for children with severe disabilities
(Section 36), and for early special
education (Section 37), to be combined for
1991. The original sections are retained to
cater for new schedules in respect of 1990
under Clause 23 providing for cost
supplementation.

Clause 20

: Literacy and learning projects - national element: Provides for a new Literacy and Learning program administered on a joint basis with a national element providing for collaborative developmental projects in connection with literacy and learning at the secondary level. Literacy and learning projects - general element: Provides for a general element providing allocations to the States and Northern Territory for the implementation of professional development programs in this area.

Clause 21 : PART VIIB - GRANTS FOR AWARD RESTRUCTURING:

Provides for financial assistance towards the additional costs incurred by government and non-government school authorities in undertaking approved measures for award restructuring occurring in 1990 and subsequent years, and for regular information on the application of these grants to be published in the Gazette.

Clause 22 : Minor amendments of Principal Act: Corrects minor errors in usage and grammar in existing provisions.

Clause 23

Repeal of Schedules and Substitution of new Schedules: Provides for new schedules to accommodate adjustments and variations in the price levels of the 1990 financial allocations and initial financial allocations for the 1991 program year. These include additional allocations for Disadvantaged Schools in 1991 not elsewhere referred to in these clause notes.

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