

1980-81

THE PARLIAMENT OF THE
COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

States Grants (Tertiary Education Assistance)
Amendment Bill 1981

EXPLANATORY MEMORANDUM

(Circulated by authority of the
Minister for Education the Hon. Wal. Fife)

OUTLINE

*States Grants (Tertiary Education Assistance)
Amendment Bill 1981*

The primary purpose of this Bill is to supplement tertiary education grants to the States and the Northern Territory for cost increases by amending the States Grants (Tertiary Education Assistance) Act 1978 (the Principal Act). The Principal Act provides grants to the States and the Northern Territory for financial assistance to universities, colleges of advanced education and technical and further education for the triennium 1979-81.

The total amount of supplementation to be provided by this Bill is \$115m for a total program of tertiary education grants of \$4,193m for triennium 1979-81.

In addition, the Bill provides for minor amendments to the Principal Act; these amendments do not alter the conditions under which the grants are made.

DETAILED DESCRIPTION OF BILL AND

NOTES ON CLAUSES

States Grants (Tertiary Education Assistance)

Amendment Bill 1981

This Bill will:

- (a) in accordance with the Government's commitment to supplement for cost increases the programs of assistance to the States and the Northern Territory for tertiary education, supplement 1980 and 1981 grants to the following cost levels:

<u>Grants</u>	<u>Cost Levels</u>	
	<u>Salary Costs</u>	<u>Non-salary Costs</u>
. 1980 recurrent grants	Dec. Qtr '80	Dec. Qtr '79
. 1981 recurrent grants	end Mar. '81	Dec. Qtr '80
. 1981 capital grants*		Dec. '80
. 1981 equipment grants*		Dec. Qtr '80

(* final adjustment)

The total amount of supplementation to be provided by this Bill is \$115m for a total program of tertiary education grants of \$4,193m for triennium 1979-81;

- (b) provide for a deferral of an amount of \$117,000 from the 1980 program of specified building projects in advanced education sector to the 1981 capital program for the same sector (the replacement of Schedule 7A - 1980 capital programs, in this amendment, will also enable adjustments to be made to amounts in the Schedule which have been the subject of approved variations since the Schedule was enacted);
- (c) increase by \$6,500 both the 1980 and 1981 grants in respect of contributions to the National Institute of Dramatic Art to provide for rental increases incurred by that institution;
- (d) provide for the transfer of portions of the 1981 recurrent, capital and equipment grants currently available in the Principal Act for the Tasmanian College of Advanced Education (TCAE) to the University of Tasmania; the amendments implement agreed arrangements for the transfer of certain courses from the Mt Nelson campus of TCAE to the University of Tasmania;

- (e) adjust the per capita rate applicable to grants for non-government business colleges to allow payment of full supplementation in respect of these grants; anomalous wording in the Principal Act currently precludes final adjustments to be made on a retrospective basis;
- (f) provide for minor technical amendments to be made to certain provisions in the Principal Act (these minor amendments do not alter the intention of the original provisions); and
- (g) introduce a transitional provision to recognise the repeal of the State legislation which established the Victorian Institute of Colleges and State College of Victoria systems; responsibility for those systems is now vested in the Victorian Post-Secondary Education Commission.

The amendments made by this Bill involve additions by way of supplementation for cost increases to the money amounts appropriated by the Principal Act. The amendments do not alter the conditions under which the grants are made.

CLAUSES OF THE BILL

Notes on the clauses follow.

CLAUSES OF THE BILL

Preliminary

Clause 1 : Short title.

Clause 2 : Commencement date: In addition to the coming into force of the various provisions in this Bill, as from the date of Royal Assent, certain of the minor amendments are required to come into force on a retrospective basis; the retrospective effect of these amendments will not adversely affect recipients of the grants.

Clause 3 : Recurrent grants in respect of student residences and affiliated colleges (universities): This clause replaces, in full, the provisions relating to 1980 and 1981 grants for student residences and affiliated colleges to effect revised (i.e. increased) base and per capita amounts to take account of cost increases since the Act was previously amended in the 1980 Budget sittings.

Clause 4 : Additional grants in respect of cost increases for major building projects of Universities for 1981: This clause inserts a complete new section (11E) in the Principal Act. The new s.11E provides supplementation in the form of additional grants for the universities 1981 capital program to allow for recognised cost increases to December 1980.

Clause 5 : Interpretation (advanced education): This clause amends paragraph (c) of the definition in sub-section 12(1) relating to "college purposes" to recognise the additional columns in Schedule 8 which provide general purpose recurrent grants for triennium 1979-81. The current definition in the Principal Act limits the definition to 1979.

Clause 6 : Recurrent grants in respect of student residences and affiliated colleges (advanced education): This clause replaces, in full, the provisions relating to 1980 and 1981 grants for student residences and affiliated colleges to effect revised (i.e. increased) base and per capita amounts to take account of cost increases since the Act was previously amended in the 1980 Budget sittings. The clause also effects minor technical amendments to section 17 of the Principal Act; these amendments have a retrospective effect but do not alter the intention of the original provisions.

Clause 7 : Grants for courses of teacher education provided by non-government teachers colleges: This clause supplements for cost movements the amount available for assistance to non-government teachers colleges in the States in respect of recurrent expenditure in connection with the provision of teacher education courses.

- Clause 8 : Grants in respect of contributions to National Institute of Dramatic Art: This clause supplements for cost increases the amounts payable to New South Wales in respect of the years 1980 and 1981 to enable the New South Wales Higher Education Board to contribute towards costs incurred by the National Institute of Dramatic Art (NIDA) in providing courses. The clause also increases by \$6,500 (within the total amounts shown) the annual grant available for 1980 and 1981 to take account of rental increases incurred by NIDA.
- Clause 9 : Building projects in respect of the year 1980, &c.: This clause amends certain sub-sections in section 21B of the Principal Act to recognise amounts approved during 1980 for payment in respect of two separate design projects for colleges of advanced education. In the original schedule 7A, as enacted, a single amount was appropriated for two design projects pending finalisation of financial requirements for each project.
- Clause 10 : Additional grants in respect of cost increases for major building projects of colleges of advanced education for 1980: This clause remedies a minor drafting error in the Principal Act.
- Clause 11 : Additional grants in respect of cost increases for major building projects of colleges of advanced education for 1981: This clause inserts a complete new section (21E) in the Principal Act. The new s.21E provides supplementation in the form of additional grants for the advanced education 1981 capital program to allow for recognised cost increases to December 1980.
- Clause 12 : Additional grants in respect of cost increases for major building projects of technical and further education institutions for 1981: This clause inserts a complete new section (29E) in the Principal Act. The new s.29E provides supplementation in the form of additional grants for the TAFE 1981 capital program to allow for recognised cost increases to December 1980.
- Clause 13 : Grants for approved courses provided by non-government business colleges: This clause supplements for cost increases the per capita rate payable for assistance to non-government business colleges to take account of cost movements since September 1980, the level at which the last adjustment to the rate was made. The clause also provides a necessary amendment to the Principal Act to enable final adjustments, resulting from variations to the per capita rate from supplementation, to be made on a retrospective basis. The current provisions in the Principal Act preclude retrospective adjustments.
- Clause 14 : Grants for special teacher training initiatives: This clause amends the amounts provided for projects related to the training of technical and further education teachers to take account of cost increases since the Act

was previously amended in the 1980 Budget sittings. In addition, the total amounts available for 1980 and 1981 have been reduced to take account of payments to the Canberra College of Advanced Education (CCAЕ) for proposals approved in respect of those years. The total amount originally provided in the Principal Act included provision for both the States and Commonwealth institutions (i.e. within overall funding guidelines for tertiary education).

Clause 15 : Variation of building grants in respect of schedules 7A and 7B: This clause amends the Principal Act to take into account the new sections to be inserted by the Bill in respect of additional grants for the 1981 capital program for supplementation purpose. The clause also effects a transfer of \$117,000 from the total amount available for the 1980 program to the 1981 capital program. A minor technical amendment is also provided to omit references to section 11C in the Principal Act. This minor amendment does not adversely affect the amounts available for specified building projects.

Clauses

16 to 19 : Financial Machinery Provisions.

Clause 20 : Substitution of schedules - (Supplementation for cost increases): This clause provides for the replacement of schedules in the Principal Act to effect revision of the amounts of the grants to take into account supplementation for cost increases. The replacement schedules also contain adjustments to certain grants to reflect the transfer of courses from the Tasmanian College of Advanced Education to the University of Tasmania. The clause also provides a new schedule 15 which sets out the maximum per capita rate applicable to grants for non-government business colleges for the triennium 1979-81.

Clause 21 : Certain directions to cease to have effect - (Directions under the Principal Act): This clause cancels directions made by the Minister or by the Tertiary Education Commission which have been invalidated by the insertion of new schedules in the Principal Act.

Clause 22 : Payments made before Royal Assent: This clause ensures that payments for grants under the Principal Act are not duplicated by payments under the Principal Act as amended.

Clause 23 : Transitional: This clause recognises the repeal of State legislation in Victoria which established the Victorian Institute of Colleges and State College of Victoria systems; the responsibility for these systems is now vested in the Victorian Post-Secondary Education Commission.

