

Australian Education (Consequential and Transitional Provisions) Bill 2013

- 1.1 On 5 June 2013 the House of Representatives Selection Committee referred the Australian Education (Consequential and Transitional Provisions) Bill 2013 (the Bill) to the Committee for inquiry and report. The reason for the referral was
 - To ensure scrutiny of legislation associated with the Australian Education Bill.¹
- 1.2 The Bill amends certain Commonwealth laws and contains transitional arrangements consequential to the enactment of the Australian Education Bill 2012 (AEB 2012).²
- 1.3 The Committee received 10 submissions to this inquiry, which are listed at Appendix A.
- 1.4 The majority of these submissions focussed on the policy and provisions of the AEB 2012. Although the current Bill contains transitional and consequential amendments to the AEB 2012, the primary bill is not the subject of this inquiry, and therefore the issues raised by these stakeholders are not discussed in this report.

1 House of Representatives Selection Committee, *Report 84, Committee and delegation business; private Members' business; and Consideration of bills*, p. 12.

2 Hon Peter Garrett MP, Minister for School Education, Early Childhood and Youth, *House of Representatives Hansard*, Canberra, 5 June 2013, p. 3.

Background to the inquiry

- 1.5 This Committee conducted an inquiry into the AEB 2012 and reported back to the House on 29 May 2013. During that inquiry, the Committee held public hearings in Canberra, Sydney, Brisbane and Melbourne throughout February and March 2013. The inquiry also received 53 submissions.
- 1.6 A week after the Committee's advisory report was presented to the House, the AEB 2012 was passed, with amendments, by the House on 5 June 2013.
- 1.7 The current Bill amends certain Commonwealth laws and contains transitional arrangements consequential to the enactment of the AEB 2012, as passed by the House on 5 June 2013.

Overview of the bill

- 1.8 The AEB 2012 as amended by the House, provides that Commonwealth recurrent and capital funding for all Australian schools, including funding for schools participating in the reform arrangements ('participating schools') and government schools in states and territories choosing not to participate ('non-participating schools'), will be provided under the proposed Australian Education Act 2013 from 1 January 2014.³
- 1.9 Currently, Commonwealth funding of Australian schools is provided under the following Acts:
- the *Federal Financial Relations Act 2009* provides for funding to government schools; and
 - the *Schools Assistance Act 2008* provides for funding to non-government schools.
- 1.10 To allow for the legislative consolidation where participating and non-participating schools are both funded under the proposed Australian Education Act 2013, the Bill repeals certain aspects of the *Federal Financial Relations Act 2009* and the *Schools Assistance Act 2008*.
- 1.11 Specifically, the Bill repeals section 11 of the *Federal Financial Relations Act 2009* in relation to national specific purpose payments for schools and provides transitional provisions to enable a smooth transition for appropriation and management of these payments from a financial year

3 Australian Education (Consequential and Transitional Provisions) Bill 2013, *Explanatory Memorandum*, p. 2.

(under the *Federal Financial Relations Act 2009*) to a calendar year appropriation (under the proposed Australian Education Act 2013).⁴

1.12 The Bill also amends the *Schools Assistance Act 2008* to cease calendar year funding for non-government schools for capital purposes under that Act from the end of the 2013 calendar year.⁵

1.13 The Bill provides transitional arrangements, including:

- approvals for existing approved authorities for schools;
- timing for the requirement for an approved authority to be a body corporate;
- applications for approved authorities not dealt with by 31 December 2013;
- approvals for existing block grant authorities;
- notice of approvals deemed to have been made under Schedule 2;
- timing for implementation plans and school improvement plans;
- definition of a majority Aboriginal and Torres Strait Islander school for 2014; and
- a school's SES score.⁶

Stakeholder comments

1.14 The primary stakeholder concerns with the bill centred on the need for early advice to schools around future funding arrangements and funding certainty. The Independent Schools Council of Australia noted that the broader issues of complexity and short time-frames are of greater concern than the Bill itself:

While the transitional arrangements set out in the Australian Education (Consequential and Transitional Provisions) Bill 2013 are not issues of concern for independent schools per se, a number of aspects of the transition arrangements in the broader context of the new funding model are of concern to the independent sector.⁷

4 Australian Education (Consequential and Transitional Provisions) Bill 2013, *Explanatory Memorandum*, p. 2.

5 Australian Education (Consequential and Transitional Provisions) Bill 2013, *Explanatory Memorandum*, p. 3.

6 Australian Education (Consequential and Transitional Provisions) Bill 2013, *Explanatory Memorandum*, p. 3.

7 Independent Schools Council of Australia, *Submission 1*, p. 6.

- 1.15 The Independent Education Union of Australia echoed these concerns and noted the need for greater discussion with the independent sector.⁸
- 1.16 Some of the concerns raised about transitional arrangements and funding certainty are addressed in the Department of Education, Employment and Workplace Relations submission, which contains a detailed explanation of the provisions at Schedule 2. The submission states that these provisions will 'ensure a smooth transition and reduce the administrative burden for schools and government associated with moving to the new arrangements.'⁹

Committee comment and recommendation

- 1.17 This Bill amends certain Commonwealth laws and contains transitional arrangements consequential to the enactment of the AEB 2012, as passed by the House on 5 June 2013. The Bill's clauses give effect to the AEB 2012 as amended and agreed to by the House on 5 June 2013.
- 1.18 Given that the proposed Bill gives effect to a decision already taken by the House, the Committee recommends that the Bill be passed.

Recommendation 1

The Committee recommends that the House of Representatives pass the Australian Education (Consequential and Transitional Provisions) Bill 2013.

Mike Symon MP
Chair
17 June 2013

⁸ Independent Education Union of Australia, *Submission 7*.

⁹ Department of Education, Employment and Workplace Relations, *Submission 10*, p. 19.