

SELECTION OF BILLS COMMITTEE

REPORT NO. 14 of 2007

16 August 2007

MEMBERS OF THE COMMITTEE

Senator Stephen Parry (Government Whip, Chair)

Senator George Campbell (Opposition Whip)

Senator Andrew Bartlett (Australian Democrats Whip)

Senator Fiona Nash (The Nationals Whip)

Senator Rachel Siewert (The Australian Greens Whip)

Senator Steve Fielding (The Family First Whip)

Senator the Hon. Eric Abetz

Senator Joe Ludwig

Senator Julian McGauran

Senator Ruth Webber

Secretary: Richard Pye
 6277 3020

SELECTION OF BILLS COMMITTEE

REPORT NO. 14 OF 2007

1. The committee met in private session on Thursday, 16 August 2007 at 11.07 am.
2. The committee resolved to recommend—That—
 - (a) the *provisions* of the Tax Laws Amendment (2007 Measures No. 5) Bill 2007 be *referred immediately* to the Economics Committee for inquiry and report by 5 September 2007 (see appendix 1 for statements of reasons for referral);
 - (b) the *provisions* of the Indigenous Education (Targeted Assistance) Amendment (Cape York Measures) Bill 2007 be *referred immediately* to the Employment, Workplace Relations and Education Committee for inquiry and report by 5 September 2007 (see appendix 2 for statements of reasons for referral);
 - (c) the *provisions* of the Higher Education Endowment Fund Bill 2007 and the Higher Education Endowment Fund (Consequential Amendments) Bill 2007 be *referred immediately* to the Employment, Workplace Relations and Education Committee for inquiry and report by 5 September 2007 (see appendix 3 for statements of reasons for referral);
 - (d) the *provisions* of the Health Insurance Amendment (Medicare Dental Services) Bill 2007 be *referred immediately* to the Community Affairs Committee for inquiry and report by 5 September 2007 (see appendix 4 for statements of reasons for referral); and
 - (e) the *provisions* of the Commonwealth Electoral Amendment (Democratic Plebiscites) Bill 2007 be *referred immediately* to the Finance and Public Administration Committee for inquiry and report by 4 September 2007 (see appendix 5 for statements of reasons for referral).

The committee recommends accordingly.

(Stephen Parry)
Chair
16 August 2007



THE SENATE
CANBERRA ACT 2600

SELECTION OF BILLS COMMITTEE

Proposal to refer a bill to a committee

Name of bill: Tax Laws Amendment (2007 Measures No.5) Bill 2007

Reasons for referral/principal issues for consideration: Consideration of the bill as necessary. See attached

Possible submissions or evidence from:

Committee to which bill is to be referred: Economics

Possible hearing date (s):

Possible reporting date: 5 September 2007

(signed)


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Whip/Selection of Bills Committee member

Tax Laws Amendment (2007 Measures No. 5) Bill 2007

The bills measures are as follows:

- modifies the tax treatment of leasing and similar arrangements between taxable entities and tax-exempt entities for the financing and provision of infrastructure and other assets (RBT reforms);
- thin capitalisation - changes to the definition of 'excluded equity interest';
- thin capitalisation - modifies the rules applying to authorised deposit taking institutions to take account of the special prudential rules applying to specialist credit card institutions;
- extends the capital gains tax (CGT) marriage breakdown rollover to transfers of personal superannuation interests from a small super fund to another complying fund (2007 Budget measure);
- exempt from income tax, the PM's prizes from Australian history and science in the unusual circumstances in which they would be considered taxable;
- amends the CGT rules to provide a rollover for holders of statutory licences where a statutory licence ends and is replaced with one or more new licences;
- to facilitate the restructure of stapled entities - provides a CGT roll-over and amendments to the trust rules;
- lists nine new deductible gift recipients and extends the listing of another (all previously announced);
- introduces new tax incentives for the Australian film industry (2007 Budget measure);
- extends the premium 175% research and development tax concession to multinational corporate groups; and
- establishes a new board (Innovation Australia) to administer and oversight the Industry portfolio's innovation and venture capital programmes.



THE SENATE
CANBERRA ACT 2600

SELECTION OF BILLS COMMITTEE

Proposal to refer a bill to a committee

Name of bill: Indigenous Education (Targeted Assistance) Amendment (Cape York Measures) Bill 2007

Reasons for referral/principal issues for consideration: Consideration of the bill as necessary. See attached

Possible submissions or evidence from:

Committee to which bill is to be referred:

Employment, Workplace Relations and Education

Possible hearing date (s):

Possible reporting date: 5 September 2007

(signed)


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Whip/Selection of Bills Committee member

INDIGENOUS EDUCATION (TARGETED ASSISTANCE) AMENDMENT (CAPE YORK MEASURES) BILL 2007

OUTLINE

The purpose of the Bill is to amend the *Indigenous Education (Targeted Assistance) Act 2000* to appropriate additional funding to facilitate the provision of improving opportunities for Indigenous students in the communities of Coen, Hope Vale, Aurukun and Mossman Gorge in the Cape York region of Queensland through:

- The embedding of the MULTILIT (Making Up for Lost Time in Literacy) teaching methodology in classrooms and in MULTILIT Tutorial Centres to enhance literacy teaching and improve the literacy levels of Indigenous students identified as requiring additional support; and
- Student Education Trusts (SETs), individual trust accounts which will enable parents/guardians and members of a child's extended family to save to support their child's education costs.

FINANCIAL IMPACT

The Bill will increase the appropriation under section 14A of the *Indigenous Education (Targeted Assistance) Act 2000* by a net \$2.0 million over the 2008 programme year (in initial 2005 prices) to support the expansion of MULTILIT and Student Education Trusts in selected Cape York communities.

Additional funding of \$8.1 million approved for the years 2009-2012 will be appropriated through the legislation for the 2009-2012 Indigenous Education Quadrennium.

These amounts are subject to supplementation as prescribed in the Act.



THE SENATE
CANBERRA ACT 2600

SELECTION OF BILLS COMMITTEE

Proposal to refer a bill to a committee

Name of bill: Higher Education Endowment Fund Bill 2007
Higher Education Endowment Fund (Consequential Amendments) 2007

Reasons for referral/principal issues for consideration: Consideration of the bills as necessary. See attached

Possible submissions or evidence from:

Committee to which bill is to be referred:

Employment, Workplace Relations and Education

Possible hearing date (s):

Possible reporting date: 5 September 2007

(signed)


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Whip/Selection of Bills Committee member

Higher Education Endowment Fund Bill 2007

The Higher Education Endowment Fund Bill 2007 (the Bill) gives effect to the Government's announcement, made in the 2007-08 Budget, to establish a perpetual endowment fund to generate earnings for capital expenditure and research facilities in higher education institutions.

The Bill:

- Establishes the Higher Education Endowment Fund (HEEF) which, like the Future Fund, is a financial asset fund consisting of cash and investments.
- Grants the Treasurer and the Finance Minister, as the responsible Ministers, the power to credit cash amounts to the HEEF through a Special Account (also established by the Bill).
- Grants the Future Fund Board of Guardians (the Board) statutory responsibility for managing the investments of the HEEF. These powers are the same as provided for in the *Future Fund Act 2006* (Future Fund Act).
- Expands the Future Fund Management Agency's (the Agency) operational activities to include its functions under the Bill but its role will remain the same – to provide executive support for the Board and will be responsible for the operational activities associated with the investment of the HEEF.
- Requires responsible Ministers to issue an Investment Mandate -- a collection of Ministerial directions – to the Board regarding the investment of the HEEF. The purpose of the Investment Mandate is the same as provided for in the Future Fund Act.
- Requires the responsible Ministers to determine rules for the maximum level of payments from the HEEF. The Education Minister is responsible for authorising grants of financial assistance to eligible higher education institutions consistent with these rules.
- Establishes the Higher Education Endowment Fund Advisory Board to advise the Education Minister on matters related to the making of grants to eligible higher education institutions.



THE SENATE
CANBERRA ACT 2600

SELECTION OF BILLS COMMITTEE

Proposal to refer a bill to a committee

Name of bill: Health Insurance Amendment (Medicare Dental Services) Bill 2007

Reasons for referral/principal issues for consideration: Consideration of the bill as necessary.

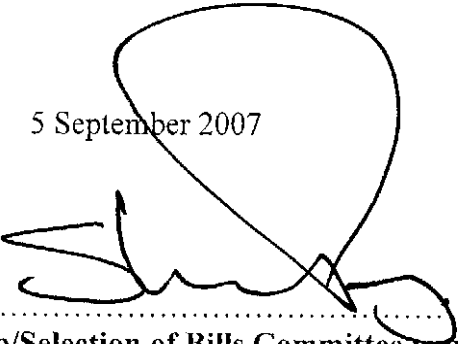
Possible submissions or evidence from:

Committee to which bill is to be referred: Community Affairs

Possible hearing date (s):

Possible reporting date: 5 September 2007

(signed)


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Whip/Selection of Bills Committee member



THE SENATE

CANBERRA ACT 2600

SELECTION OF BILLS COMMITTEE

Proposal to refer a bill to a committee

Name of bill: Commonwealth Electoral Amendment (Democratic Plebiscites) Bill 2007

Reasons for referral/principal issues for consideration: Examination of the bill as necessary.

Possible submissions or evidence from:

Committee to which bill is to be referred: Finance and Public Administration

Possible hearing date (s):

Possible reporting date: 4 September 2007

(signed)

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Whip/Selection of Bills Committee member

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