Date introduced: 22 October 1986
House: House of Representatives
Presented by: Hon. John Dawkins, M.P., Minister Representing the Minister for Education

DIGEST OF BILL

Purpose

To amend the States Grants (Schools Assistance) Act 1984 (the Principal Act) to adjust existing financial provisions as a result of increases in price levels; to restructure, and introduce a new basis for the distribution of funds for, special education programs for the handicapped; to provide funds for the English as a Second Language (ESL) General Support Program; to allocate funds for the Projects of National Significance Program; and to implement Government decisions on the operation of the Ethnic Schools Program.

Background

The Principal Act provides for the Federal Government to assist government and private schools in the States and the Northern Territory. Funding arrangements under the Act allow for grants to be adjusted retrospectively to compensate for cost increases. The Bill will appropriate a further $19 million for 1986 programs, bringing the total funding for 1986 programs to an estimated $1,584 million.

In the 1986-87 Budget, the Government estimated that general recurrent grants to the States for government schools in 1986-87 would rise by $43.1 million and those for non-government schools by $54.5 million. The decision to increase these grants in real terms followed negotiation of resource agreements with the States and non-government authorities based on the priority areas outlined by the
Quality of Education Review Committee's Report in April 1985[1]. The Bill will appropriate $1,241 million for these grants in 1987.

The proposed appropriation of $209 million for capital grants and $164 million for specific purpose grants in 1987 reflects the 1986-87 Budget decision to achieve savings in a number of areas.

It was announced in the Budget that the general support element of the ESL Program was to be reduced by $14.3 million in 1986-87 and $30.6 million in a full year[2]. However, on 11 September 1986, the Minister for Education announced that an additional $4 million would be made available for mainstream teachers to assist migrant students in the development of English language skills[3]. Negotiations with the N.S.W. Government have resulted in an extra $4.8 million of recurrent funding for ESL teaching in 1987, restoring ESL funding in NSW to the 1986 level. This amount is in addition to an extra $1.5 million provided by the Commonwealth to NSW since the Budget, and an additional $1 million promised by the NSW Government[4]. The Prime Minister stated on 29 October 1986 that negotiations with other State Governments on ESL funding were continuing[5].

The Ethnic Schools Program will not be expanded further in 1987. The maximum amount an ethnic schools authority may be allocated in 1987 will be the amount received in 1986. Capital grants to schools, the Education Centres Program and the Emergency Assistance Program will be reduced. The Multicultural Education and the Professional Development Programs will be discontinued and the three year Computer Education Program will not be renewed when it expires at the end of 1986[6].

The Special Education Program is to be reduced by $1.5 million in 1986-87 and $3.2 million in a full year[7]. In its Report for 1987, tabled in the Senate on 22 October 1986, the Commonwealth Schools Commission [CSC] proposed the restructuring of some special education programs for the handicapped[8], a proposal that has been accepted by the Government[9]. This will be achieved by integrating the national, government and non-government elements of the Early Special Education Program into a single joint government/non-government program. A single joint committee is to be established in each State and Territory for 1987 to advise on the administration and allocation of funds for the following elements: Special Education Services, Special Education Recurrent Grants (non-government), Early Special
Education, Severely Handicapped Children and Children in Residential Institutions. In addition, the CSC proposed a progressive change to the basis for distributing funds for the Early Special Education Program to achieve allocations based on State and Territory proportions of the 0-18 years population, starting in 1987[10]. The Government has accepted this proposal.

The Bill will appropriate $1.8 million for the Projects of National Significance Program in 1987 and will provide an additional $47 million for schools programs in 1988.

Main Provisions

Clause 5 will amend section 5 of the Principal Act to increase the limit on the annual amount payable to a newly arrived student of English as a second language to $979 in 1986 (an increase of $22) and $989 in 1987.

Clause 6 will amend section 6A of the Principal Act, which deals with new non-government systemic schools, to allow the Minister to provisionally approve a proposed amalgamation or separation of a school if the change does not result in a significantly greater or different clientele (substituted sub-section 6A(5)). Eligibility criteria for financial assistance will be prescribed for schools which have amalgamated (proposed sub-section 6A(7A)) or separated (proposed sub-section 6A(7B)). In general, all proposed changes are to be notified 2 years before 1 March in the year in which the change is to occur (proposed amendment to paragraph 6A(1)(c)). Clause 8 will amend section 7A of the Principal Act to provide corresponding provisions for non-systemic schools.

Clause 14 will insert a new sub-section 13A into the Principal Act to allow the Minister to make grants in 1987 for ESL for government schools (proposed sub-section 13A(1)). It will be a condition of the grant that the State provides an amount equal to that provided by the Commonwealth (proposed sub-section 13A(2)). Clause 15 will amend section 14 of the Principal Act to limit the total amount payable by the Commonwealth to $3 988 000.

Grants for Government Special Education and Special Education Services may be varied at the request of a State Education Minister so long as the total amount of the grant to the State under the Special Education Program is not
altered (new sub-sections 19(3A) and 19(3B) which will be inserted into the Principal Act by clause 19).

Clause 35 will amend section 41 of the Principal Act to reduce the grants for expenditure on special education at non-government schools in 1986 from $13,139,000 to $12,423,000. Proposed sub-section 41(3) will limit the total amount for 1987 to $12,346,000.

The Minister for Education will be given power to refuse to authorise a payment for building and equipment projects in schools serving predominantly Aboriginal communities until the Minister is satisfied that sufficient recognition is given to the extent of Commonwealth funding (clause 37 which will amend section 52 of the Principal Act).

Clauses 39 to 41 will amend sections 59 to 61 of the Principal Act to provide that, unless there are exceptional circumstances, grants for ethnic schools authorities and programs of ethnic education will be approved for 1987 only if they were approved for 1986. New sub-sections 60(2A) to 60(2C) will be inserted into the Principal Act to limit enrolments in approved programs for 1987 to the 1986 level unless there are exceptional circumstances.

Clause 47 will provide for total grants of up to $204,000 for approved special education projects of national significance (proposed sections 70A, 70B and 70C).

Clause 51 will substitute new financial Schedules into the Principal Act to extend programs to the end of 1987 and to provide for the supplementation of 1986 grants.

For further information, if required, contact the Education and Welfare Group.

10 December 1986

Bills Digest Service
LEGISLATIVE RESEARCH SERVICE
References

1. 1986-87 Budget Paper No.1, p.103.
2. Ibid., p.104.
4. Ibid., 27 October 1986.
5. As reported in the Sydney Morning Herald, 29 October 1986.
7. Ibid.

This Digest does not have any official legal status. Other sources should be consulted to determine the subsequent official status of the Bill.