

Bills Digest
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States Grants (Primary and Secondary Education Assistance) Legislation Amendment Bill 2004

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Contents

Purpose.	1
Background.	1
Tutorial Credit Initiative	1
Phasing in arrangements for SES funding of non-government schools	3
Main Provisions	3
Endnotes.	3

States Grants (Primary and Secondary Education Assistance) Legislation Amendment Bill 2004

Date Introduced: 23 June 2004

House: House of Representatives

Portfolio: Education, Science and Training

Commencement: For Schedule 1, Royal Assent; for Schedule 2, the day on which the *Schools Assistance (Learning Together–Achievement Through Choice and Opportunity) Act 2004* receives Royal Assent or 1 January 2005, whichever is the later date.¹

Purpose

The purpose of this bill is to amend the *States Grants (Primary and Secondary Education Assistance) Act 2000* (the current Act) to provide funding for the Tutorial Credit Initiative in 2004, and to correct a technical defect in the current Act which will enable non-government schools to receive their correct 2004 general recurrent funding entitlement.

The bill also repeals the *States Grants (Primary and Secondary Education Assistance) Act 1992* and the *States Grants (Primary and Secondary Education Assistance) Act 1996* which are now redundant.

Background

Tutorial Credit Initiative

On 19 May 2004 the Minister for Education, Science and Training, Dr Brendan Nelson, announced funding of up to \$6.85 million for a pilot Tutorial Credit Initiative.² Under this scheme parents who have received information that their child did not achieve the Year 3 minimum national reading benchmark in 2003 will receive a \$700 voucher to purchase additional reading assistance for their child. The Initiative will operate in terms 3 and 4 of 2004.³ This bill provides additional funding of \$11 million which is now necessary following the extension of the Initiative to all states and territories, except Tasmania.

Warning:

This Digest was prepared for debate. It reflects the legislation as introduced and does not canvass subsequent amendments.

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

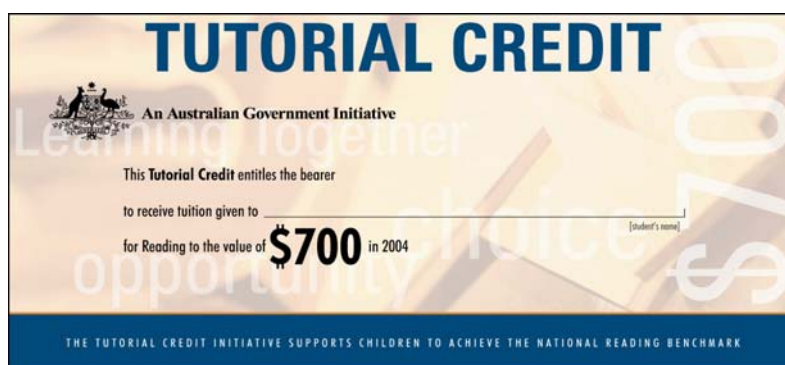
At the time of the announcement the tutorial credits were only to be offered in Victoria, Western Australia, the Northern Territory and the ACT because these jurisdictions were currently reporting to parents their child's performance against the national benchmarks. The announcement attracted criticism from the other states partly because it disregarded the decision made in 2003 by all education ministers that children's progress against the national benchmarks would begin to be reported to parents by the end of 2004.⁴

Dr Nelson subsequently wrote to the state education ministers in NSW, Queensland, South Australia and Tasmania and extended the offer to their states provided they reported to parents by 30 June.⁵ All of these states except Tasmania agreed to do this and are now included in the Initiative. Parents of non-government school students in Tasmania will be eligible for the vouchers because non-government schools in that state do report to parents their child's performance against the national benchmarks.

Other criticisms of the Initiative have focused on logistical and pedagogical matters, such as the availability of suitable qualified tutors in all regions, the capacity of some parents to seek assistance for their children, the relationship to school learning generally and the inadequate resourcing of existing remedial reading programs in schools.⁶ There have been calls that the money would be better utilised by being directed to schools. The Australian Education Union National Principals Committee (NPC) for instance argued that the money should be provided to schools to support existing intensive remedial programs such as Reading Recovery which take account of the student's total learning program.⁷

The Australian Labor Party has welcomed the Initiative although critical of the initial process and calling for increased support to schools with high numbers of children with reading difficulties.⁸

The Department of Education, Science and Training (DEST) is now in the process of calling for tenders for brokers to administer the Initiative. These brokers will contract the tutors, issue vouchers, and provide advice to parents. Further information about the operation of the Initiative is available on DEST's [Tutorial Credit Initiative website](#).



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Phasing in arrangements for SES funding of non-government schools

The Australian Government's socioeconomic status (SES) system for providing general recurrent grants to non-government schools was introduced in 2001.⁹ The implementation arrangements for the new system allowed for the funding increases to schools to be phased in from 2001 to 2004 at the rate of 25 per cent of the increase each year, with schools being fully funded at their new SES funding level by 2004. Another purpose of this bill is to correct a technical fault in the current Act which prevents schools receiving their correct entitlement in 2004. As the current Act stands schools will receive 100 per cent of their SES funding increase added to their indexed base amount which would be due to them if the previous Education Resources Index (ERI) system of general recurrent funding for non-government schools still applied. This amount is less than their full entitlement under the SES system. According to the Minister's second reading speech on the bill, 'over 700 non-government schools' are affected.¹⁰

This measure has no financial impact as the funds are already committed.

Main Provisions

Items 1 to 6 of Schedule 1 correct the technical fault in the current Act relating to the phasing in of the general recurrent funding increases for non-government schools.

Item 7 of Schedule 1 amends Column 4 of Part 1 of Schedule 8 of the current Act and increases grants to foster literacy and numeracy in 2004 from \$7 414 000 to \$18 433 000, providing the additional funding necessary for the Tutorial Credit Initiative.

Items 1 and 2 of Schedule 2 repeal the *States Grants (Primary and Secondary Education Assistance) Act 1992* and the *States Grants (Primary and Secondary Education Assistance) Act 1996* which are now redundant.

Endnotes

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- 1 The provisions do not commence at all if the *Schools Assistance (Learning Together–Achievement Through Choice and Opportunity) Act 2004* does not receive Royal Assent.
 - 2 B. Nelson (Minister for Education, Science and Training), '\$700 for parents of students falling behind in reading', *Media Release*, 19 May 2004, <http://www.dest.gov.au/Ministers/Media/Nelson/2004/05/n708190504.asp>, accessed on 12 July 2004.

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- 3 National benchmarks in literacy and numeracy for years 3, 5 and 7 had been agreed to in 1998 and 2000. For further information about national literacy and numeracy policy, including the benchmarks, and Australia's literacy and numeracy performance, see Marilyn Harrington, 'States Grants (Primary and Secondary Education Assistance) Amendment Bill 2003', *Bills Digest*, no. 25, Department of the Parliamentary Library, Canberra, 2003–04, <http://www.aph.gov.au/library/pubs/bd/2003-04/04bd025.pdf>, accessed on 12 July 2004.
- 4 Ministerial Council on Education, Employment, Training and Youth Affairs, *Information Statement*, 15th MCEETYA Meeting, Perth, 10-11 July 2003, <http://www.mceetya.edu.au/meetings/meet15.htm>, accessed on 12 July 2004.
- 5 See, for example, B. Nelson (Minister for Education, Science and Training), '\$700 for parents of NSW students falling behind in reading', *Media Release*, 28 May 2004, <http://www.dest.gov.au/Ministers/Media/Nelson/2004/05/nNSW715280504.asp>, accessed on 12 July 2004.
- 6 See, for example, J. Calvert, 'Literacy fears spelt out: tutors may not be qualified', *Herald Sun*, 20 May 2004, http://parlinfoweb.parl.net/parlinfo/view_document.aspx?id=627317&table=PRESSCLP, accessed on 12 July 2004.
- 7 Australian Education Union, 'Principals slam Minister's reading voucher', *Media Release*, 29 May 2004, <http://www.aeufederal.org.au/Media/MediaReleases/2004/2805.pdf>, accessed on 12 July 2004.
- 8 J. Macklin (Shadow Minister for Employment, Education and Training), 'Howard Government follows Labor's lead on children's literacy', media release, 19 May 2004, http://parlinfoweb.parl.net/parlinfo/view_document.aspx?id=90516&table=PRESSREL, accessed on 12 July 2004.
- 9 For an explanation of the Australian Government's system of general recurrent funding for schools see Marilyn Harrington, *Commonwealth General Recurrent Grants for Schools – A Brief Explanation*, Parliamentary Library, Canberra, [2004], http://libiis1/Library_Services/electoralatlas/SchoolGrants/Explanation.htm, accessed on 12 July 2004.
- 10 Brendan Nelson, Minister for Education, Science and Training, 'Second reading speech: States Grants (Primary and Secondary Education Assistance) Legislation Amendment Bill 2004', House of Representatives, *Debates*, 23 June 2004, p. 30394.

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