### Australian Education Amendment Bill 2017

(Government)

1. Clause 2, page 2 (table items 2 to 4), omit the table items, substitute:

<table>
<thead>
<tr>
<th>Schedule 1,</th>
<th>1 January 2018.</th>
<th>1 January 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>item 1 to 105</td>
<td>The day this Act receives the Royal Assent.</td>
<td></td>
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<tr>
<td>item 106</td>
<td>1 January 2018.</td>
<td>1 January 2018</td>
</tr>
<tr>
<td>item 108</td>
<td>The day this Act receives the Royal Assent.</td>
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<tr>
<td>item 109</td>
<td>1 January 2018.</td>
<td>1 January 2018</td>
</tr>
<tr>
<td>items 110 to 176</td>
<td>The day this Act receives the Royal Assent.</td>
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</tbody>
</table>

[(independent reviews of arrangements and requirements relating to funding)](2)

2. Schedule 1, item 16, page 7 (line 26), omit paragraph 35B(4)(c), substitute:

(c) for the purposes of the operation of paragraphs (a) and (b) in relation to 2017:

(i) the Commonwealth share for each school were 100%; and
(ii) the SRS funding amount for a primary student were $10,576; and
(iii) the SRS funding amount for a secondary student were $13,290; and
(iv) the SES score for each school were the score for the school for 2018; and
(v) the maximum size loading for a primary school were $166,790; and
(vi) the maximum size loading for a secondary school were $266,864; and
(vii) the starting amount for a primary school were $11,119; and
(viii) the starting amount for a secondary school were $22,239.

[(adjusted SRS amount)](3)

3. Schedule 1, page 18 (after line 5), after item 47, insert:

47A Section 6

Insert:

approved system authority has the meaning given by subsection 78(6).

[(needs-based funding arrangements)]
(4) Schedule 1, item 48, page 18 (line 21), at the end of the item, add:

; (o) definition of student with disability.

[definition of student with disability]

(5) Schedule 1, item 89, page 25 (line 28) to page 26 (line 2), omit subsection 78(3), substitute:

(3) An ongoing funding requirement for an approved authority for more than one school is to distribute all financial assistance received in accordance with Division 2 of Part 3 in accordance with a needs-based funding arrangement determined by the approved authority that complies with subsection (4) or (5).

Funding arrangement based on Division 2 of Part 3

(4) A needs-based funding arrangement that complies with this subsection distributes to each school for which the authority is approved the amount of financial assistance worked out for the school under Division 2 of Part 3.

Funding arrangement based on other factors

(5) A needs-based funding arrangement that complies with this subsection:

(a) provides an amount per student that:

(i) represents the recurrent resources required to support a student with minimal educational disadvantage to achieve expected educational outcomes; and

(ii) takes account of efficiencies that can be realised while improving educational outcomes; and

(b) in addition to the amount per student mentioned in paragraph (a), provides loadings to students and schools with additional needs in order to support student achievement, including loadings for the following:

(i) students with disability;

(ii) Aboriginal and Torres Strait Islander students;

(iii) students with socio-educational disadvantage;

(iv) students who have low English proficiency;

(v) schools based on location;

(vi) schools based on size; and

(c) is publicly available and transparent.

(6) An approved authority that distributes financial assistance in accordance with subsection (5) is an approved system authority.

[needs-based funding arrangements]

(6) Schedule 1, item 103, page 27 (line 7), omit “for a school”, substitute “to an approved authority”.

[annual report by Minister]

(7) Schedule 1, items 106 and 107, page 27 (lines 13 to 18), omit the items, substitute:

106 Section 128

Repeal the section, substitute:
128 Independent reviews of arrangements and requirements relating to funding

(1) The Minister must cause to be conducted independent reviews of the operation of this Act, and in particular of arrangements and requirements relating to funding for schools.

Review boards

(2) An independent review must be conducted by a review board (the National School Resourcing Board) that consists of at least 6, but no more than 9, members who:
   (a) are appointed by the Minister; and
   (b) in the opinion of the Minister, have suitable experience and expertise in the matters to be addressed by the review.

(3) In appointing members, the Minister must consult with the following:
   (a) the Ministerial Council;
   (b) the national representative body for Catholic systemic schools;
   (c) the national representative body for independent schools.

(4) A review board must include members nominated by the bodies mentioned in paragraphs (3)(a) to (c).

(5) The Minister must appoint one member to be the Chair of a review board, and another to be the Deputy Chair of the board.

Reviews to be conducted periodically

(6) The independent reviews must be conducted periodically.

(7) A review must address at least one of the following:
   (a) compliance by States and Territories with section 22A;
   (b) compliance by approved authorities with section 78;
   (c) the matters set out in written terms of reference given to the review board by the Minister.

(8) In developing the terms of reference for a review, the Minister must:
   (a) consider the matters (if any) prescribed by regulations for the purposes of this paragraph; and
   (b) consult the following:
      (i) the Ministerial Council;
      (ii) the national representative body for Catholic systemic schools;
      (iii) the national representative body for independent schools.

Reports of reviews

(9) The Chair of a review board must give to the Minister a report of a review as soon as practicable after the review is completed. A review board must use its best efforts to provide a consensus report.

(10) The Minister must:
   (a) give a copy of the report to the following:
      (i) the Ministerial Council;
      (ii) the national representative body for Catholic systemic schools;
      (iii) the national representative body for independent schools; and
(b) cause a copy of the report to be tabled in each House of the Parliament within 15 sitting days of that House after the report is given to the Ministerial Council.

(11) The Minister:
(a) may have regard to reports of reviews in deciding:
   (i) whether to take action in relation to a State or Territory or approved system authority under this Act; and
   (ii) what action to take; and
(b) must consider the results of reviews and any impact of reviews on this Act.

Minister may undertake other reviews and investigations

(12) This section does not prevent the Minister from undertaking any other review or investigation in relation to the operation of this Act.

[independent reviews of arrangements and requirements relating to funding]
Australian Education Amendment Bill 2017
GX160, GX167

Statement of reasons: why certain amendments should be moved as requests

Section 53 of the Constitution is as follows:

Powers of the Houses in respect of legislation

53. Proposed laws appropriating revenue or moneys, or imposing taxation, shall not originate in the Senate. But a proposed law shall not be taken to appropriate revenue or moneys, or to impose taxation, by reason only of its containing provisions for the imposition or appropriation of fines or other pecuniary penalties, or for the demand or payment or appropriation of fees for licences, or fees for services under the proposed law.

The Senate may not amend proposed laws imposing taxation, or proposed laws appropriating revenue or moneys for the ordinary annual services of the Government.

The Senate may not amend any proposed law so as to increase any proposed charge or burden on the people.

The Senate may at any stage return to the House of Representatives any proposed law which the Senate may not amend, requesting, by message, the omission or amendment of any items or provisions therein. And the House of Representatives may, if it thinks fit, make any of such omissions or amendments, with or without modifications.

Except as provided in this section, the Senate shall have equal power with the House of Representatives in respect of all proposed laws.

GX160, amendment (8)

The effect of this amendment is to change the basis for calculating funding for certain schools under the Australian Education Act 2013. It is covered by section 53 because this will increase the amount of expenditure out of the Consolidated Revenue Fund under the standing appropriation in section 126 of the Act.

Consequential amendments

The following amendments on GX160 are consequential on the amendment mentioned above: (1) to (7), (9) to (15).

GX167, amendment (2)

The effect of this amendment is to change the basis for calculating funding for certain schools under the Australian Education Act 2013. It is covered by section 53 because this will increase the amount of expenditure out of the Consolidated Revenue Fund under the standing appropriation in section 126 of the Act.
Consequential amendments

There are no amendments on GX167 that are consequential on the amendment mentioned above.
Amendment (2)

This amendment will change the basis for calculating funding for certain schools under the *Australian Education Act 2013*, having the effect of increasing expenditure under the Act. This will increase the amount of expenditure out of the Consolidated Revenue Fund under the standing appropriation in section 126 of the Act.

The Senate has long followed the practice that an amendment which “clearly, necessarily and directly” increases expenditure under an appropriation is regarded as an increase in a charge or burden on the people within the meaning of section 53 of the Constitution (*Odgers’ Australian Senate Practice*, 14th edition, p. 412). On the basis that this amendment would result in increased expenditure under the standing appropriation in the Act, it is in accordance with the precedents of the Senate that this amendment be moved as a request.