(1) **Govt (1) [Sheet GX160]**

Schedule 1, item 1, page 3 (line 9), after “year”, insert “for the school”.

(2) **Govt (2) [Sheet GX160]**

Schedule 1, page 3 (after line 10), after item 1, insert:

**1A Section 6**

Insert:

*6-year transitioning school* means a transitioning school whose starting Commonwealth share is less than its final Commonwealth share.

(3) **Govt (3) [Sheet GX160]**

Schedule 1, page 3 (after line 10), before item 2, insert:

**1B Section 6**

Insert:

*final Commonwealth share* has the meaning given by subsection 35B(6).

(4) **Govt (4) [Sheet GX160]**

Schedule 1, page 3 (after line 23), after item 5, insert:

**5A Section 6**

Insert:

*starting Commonwealth share* has the meaning given by subsection 35B(2).
(5) **Govt (5) [Sheet GX160]**

Schedule 1, item 6, page 4 (line 4), omit the definition of *transition year*, substitute:

*transition year* means:
(a) for a school other than a 6-year transitioning school—a year from 2018 to 2027 (inclusive); or
(b) for a 6-year transitioning school—a year from 2018 to 2023 (inclusive).

(6) **Govt (6) [Sheet GX160]**

Schedule 1, item 16, page 6 (line 24), after “year”, insert “for the school”.

(7) **Govt (2) [Sheet GX167]**

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.

(8) **Govt (7) [Sheet GX160]**

Schedule 1, item 16, page 8 (line 9), after “transition rate”, insert “for a school other than a 6-year transitioning school”.

(9) **Govt (8) [Sheet GX160]**

Schedule 1, item 16, page 8 (after line 12), after subsection 35B(7), insert:

(7A) Unless the regulations otherwise provide, the *transition rate* for a 6-year transitioning school:
   (a) for the transition year 2018 is 16.67%; and
   (b) for each transition year from 2019 to 2022 (inclusive) is the transition rate for the
       previous year increased by 16.67 percentage points; and
   (c) for the transition year 2023 is 100%.

(10) **Govt (9) [Sheet GX160]**

Schedule 1, item 16, page 8 (line 13), after “transition year”, insert “for a school”.

(11) **Govt (10) [Sheet GX160]**

Schedule 1, item 16, page 8 (line 16), after “subsection (7)”, insert “or (7A)”.

(12) **Govt (11) [Sheet GX160]**

Schedule 1, item 40, page 13 (line 1), omit “transition year”, substitute “year from 2018 to 2027 (inclusive)”.

2
(13) **Govt (12) [Sheet GX160]**

Schedule 1, item 47, page 17 (line 21), omit “10 transition”, substitute “6 to 10”.

(14) **Govt (13) [Sheet GX160]**

Schedule 1, item 47, page 17 (line 29), omit “transition”, substitute “6 to 10”.

(15) **Govt (14) [Sheet GX160]**

Schedule 1, item 71, page 22 (line 6), omit “10 transition”, substitute “6 to 10”.

(16) **Govt (15) [Sheet GX160]**

Schedule 1, item 82, page 24 (line 26), omit “transition years”, substitute “the years 2018 to 2027”.

**RICHARD PYE**

Clerk of the Senate

The Senate

22 June 2017
SCHEDULE B

Amendments made by the Senate

(1) **Govt (1) [Sheet GX167]**

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

<table>
<thead>
<tr>
<th>2. Schedule 1, items 1 to 105</th>
<th>1 January 2018.</th>
<th>1 January 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. Schedule 1, item 106</td>
<td>The day this Act receives the Royal Assent.</td>
<td></td>
</tr>
<tr>
<td>4. Schedule 1, item 108</td>
<td>1 January 2018.</td>
<td>1 January 2018</td>
</tr>
<tr>
<td>5. Schedule 1, item 109</td>
<td>The day this Act receives the Royal Assent.</td>
<td></td>
</tr>
<tr>
<td>6. Schedule 1, items 110 to 176</td>
<td>1 January 2018.</td>
<td>1 January 2018</td>
</tr>
</tbody>
</table>

(2) **Govt (3) [Sheet GX167]**

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).

(3) **Govt (4) [Sheet GX167]**

Schedule 1, item 48, page 18 (line 21), at the end of the item, add:

; (o) definition of student with disability.

(4) **Govt (1) [Sheet GX158]**

Schedule 1, page 18 (after line 23), after item 49, insert:

49A Section 6

Insert:

school education reform agreement has the meaning given by subsection 22A(6).

State-Territory contribution amount has the meaning given by subsection 22A(2).
Schedule 1, item 60, page 20 (lines 17 to 22), omit section 22A, substitute:

**22A Conditions of financial assistance—State-Territory contributions**

(1) A payment of financial assistance under this Act to a State or Territory is subject to the following conditions:

(a) the total amount of funding provided by the State or Territory for a year for government schools located in the State or Territory must equal or exceed the State-Territory contribution amount for government schools in the State or Territory for the year;

(b) the total amount of funding provided by the State or Territory for a year for non-government schools located in the State or Territory must equal or exceed the State-Territory contribution amount for non-government schools in the State or Territory for the year.

(2) The State-Territory contribution amount for government schools or non-government schools in a State or Territory for a year is the amount worked out using the following formula:

\[
\text{State-Territory share} \times \text{Total SRS amount for the State or Territory}
\]

(3) Unless the State or Territory’s school education reform agreement specifies otherwise, the State-Territory share for the State or Territory for a year from 2018 to 2023 (inclusive) is the amount worked out using the following formula:

\[
\text{Starting State-Territory share} + \left[ \frac{\text{Final State-Territory share} - \text{Starting State-Territory share}}{\text{Transition rate}} \right] \times \text{Transition rate}
\]

where:

*final State-Territory share* means the State-Territory share (within the meaning of subsection (4)) for government schools or non-government schools, as the case requires, for the State or Territory for a year after 2023.

*starting State-Territory share* means the percentage prescribed by the regulations for the year for government schools or non-government schools, as the case requires, in the State or Territory.

*transition rate* means:

(a) for 2018—0%; and

(b) for each later year—the transition rate for the previous year increased by 20 percentage points.

(4) Unless the State or Territory’s school education reform agreement specifies otherwise, the State-Territory share for the State or Territory for a year after 2023:

(a) for government schools is:

(i) if the starting State-Territory share (within the meaning of subsection (3)) for the State or Territory for government schools is 75% or less—75%; or

(ii) if the starting State-Territory share for the State or Territory for government schools is more than 75% but less than 80%—the starting State-Territory share; or

(iii) if the starting State-Territory share for the State or Territory for government schools is 80% or more—80%; and
(b) for non-government schools is:
(i) if the starting State-Territory share for the State or Territory for non-government schools is 15% or less—15%; or
(ii) if the starting State-Territory share for the State or Territory for non-government schools is more than 15% but less than 20%—the starting State-Territory share; or
(iii) if the starting State-Territory share for the State or Territory for non-government schools is 20% or more—20%.

(5) The total SRS amount for the State or Territory is:
(a) for government schools—the sum of the amounts worked out under Division 2 of Part 3 for the year for each government school located in the State or Territory, as if the Commonwealth share for the year were 100%; and
(b) for non-government schools—the sum of the amounts worked out under Division 2 of Part 3 for the year for each non-government school located in the State or Territory, as if the Commonwealth share for the year were 100%.

(6) The school education reform agreement for a State or Territory is the agreement between the State or Territory and the Commonwealth relating to implementation by the State or Territory of school education reform mentioned in paragraph 22(2)(b).

(6) **Govt (5) [Sheet GX167]**

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.

(7) **Govt (6) [Sheet GX167]**

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

(8) **Govt (7) [Sheet GX167]** (As amended by AG (1) and (2) [Sheet 8177] and AG (1) [Sheet 8179])

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) Independent reviews of the operation of this Act, and in particular of arrangements and requirements relating to funding for schools, are to be conducted by a review board (the National School Resourcing Board):

   (a) on request by the Minister; or

   (b) on its own initiative.

   **Review boards**

   (2) A review board must consist 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.

   (6A) An independent review of the matter mentioned in paragraph (7)(a) must be conducted at least annually.

   (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.
A review may also address the following:
(a) whether the Commonwealth, a State, a Territory or an approved authority has:
   (i) not distributed funding on a needs basis; or
   (ii) funded a school below its share for a year; or
   (iii) funded a school above its share for a year;
(b) measuring improved educational outcomes for students against the rate of school funding.

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

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.

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;
(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.

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

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

Richard Pye
Clerk of the Senate

The Senate
22 June 2017