

1996

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

**VOCATIONAL EDUCATION AND TRAINING FUNDING AMENDMENT BILL
1996**

EXPLANATORY MEMORANDUM

(Circulated by authority of the Minister for Schools, Vocational Education and Training, the
Hon Dr David Kemp MP)

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OUTLINE

The Australian National Training Authority (ANTA) was established by the *Australian National Training Authority Act 1992*. General funding for ANTA is provided for on a triennial basis by the *Vocational Education and Training Funding Act 1992* (the Act). The Act provides for a maximum amount of general funding to be provided to ANTA. The Minister determines the actual level of funding to be made to ANTA, up to the maximum amount set by the Act in any one year. Additional funding for eligible off-the-job training is also provided for by the Act on an annual basis, through a similar mechanism for general funding.

The Vocational Education and Training Funding Amendment Bill 1996 would amend the Act to give effect to the following:

- the provision of normal cost supplementation in 1996 to general funding for ANTA;
- the reduction of 1997 general funding and conditional off-the-job training funding for ANTA in line with Government decisions; and
- the appropriation of 1998 general funding and conditional off-the-job training funding for ANTA.

FINANCIAL IMPACT

The Bill would provide an increase of \$13.336 million in 1996 to the current legislated amount. It would reduce the legislated amount in 1997 by a total of \$58.555 million. The Bill would also provide a total of \$893.700 million in both general and conditional off-the-job training funding to ANTA in 1998.

NOTES ON CLAUSES

Clause 1 - Short Title

Clause 1 would set out the short title of the proposed Act.

Clause 2 - Commencement

Clause 2 would provide for the commencement of the proposed Act on the day it receives the Royal Assent.

Clause 3 - Schedule

Clause 3 would provide that each Act specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

SCHEDULE

Item 1 - Amendment of Section 9

This item would amend section 9 of the Act. It would increase maximum general funding to ANTA in 1996 to a total of \$858.057 million (an increase of \$13.336 million on the current legislated amount for 1996) to cover cost increases. The item would also decrease maximum general funding to ANTA in 1997 to a total of \$869.779 million (a decrease of \$57.421 million on the current legislated amount for 1997). The item would also allocate a maximum of \$872.154 million for general funding to ANTA for 1998.

Item 2 - Amendment of Section 9A

This item would amend section 9A of the Act by decreasing the allocation to ANTA in 1997 for eligible off-the-job training to a maximum of \$21.546 million (a decrease of \$1.134 million on the current legislated amount for 1997). This item would also amend the Act to allocate a maximum of \$21.546 million to ANTA in 1998 for eligible off-the-job training.