

EDUCATION (CAPITAL ASSISTANCE) BILL 1993

EXPLANATORY NOTES

The objective of the Bill is to authorise the provision of capital assistance to eligible non-State schools on a needs basis, for capital projects that consist of the planning, construction, alteration, extension, renovation, relocation or upgrading of certain educational facilities.

Clause 1 specifies the short title of the proposed Act.

Clause 2 provides for the commencement of the proposed Act.

Clause 3 provides the definitions of certain terms used in the proposed Act.

Clause 4 defines the meaning of “capital project”.

Clause 5 defines the meaning of the term “granting of an application in part”.

Clause 6 provides that the Minister may determine that a person or body is the approved authority of an eligible non-State school and where applicable that a person or body is the approved authority of a number of eligible non-State schools (for the purpose of receiving applications and returns and making payments under the proposed Act).

Clause 7 provides that the Queensland Catholic Education Commission and the Association of Independent Schools of Queensland Inc. may each nominate a corporation to be a capital assistance authority (CAA).

Clause 8 provides that the Minister may pay amounts to each CAA to offset the whole or part of the administrative costs expected to be incurred by the CAA in performing its functions.

Clause 9 provides for the functions that each CAA is to perform.

Clause 10 provides that each non-State school that is categorised as “a school in receipt of a subsidy” has the responsibility to become affiliated with a CAA. (In order for such schools to be categorised as “eligible non-

State schools” under the proposed Act, they must be affiliated with a CAA).

Clause 11 provides that an eligible non-State school may change its affiliation from one CAA to the other CAA but only with the approval of the Minister.

Clause 12 provides that each CAA must establish a Capital Assistance Fund into which amounts, including interest, which are to be used to provide capital assistance are to be paid. This Clause provides that the amounts are held by each CAA on behalf of the State and may only be used by the CAA to provide capital assistance. This Clause also provides that each CAA must deposit the amounts with a bank or with another institution approved by the Treasurer.

Clause 13 provides that the Minister may provide amounts (in bulk payments) to the CAA’s for the CAA’s to provide capital assistance.

Clause 14 provides that capital assistance must not be provided for certain projects. This Clause also provides that capital assistance must not be provided if a contract for the capital project has been entered into, or site work or other building work for the project has commenced, prior to the Minister approving the application for capital assistance.

Clause 15 provides that the approved authority of the eligible non-State school may apply to the Minister (through the relevant CAA) for capital assistance.

Clause 16 provides that on receipt of an application for capital assistance, the CAA must assess it, having regard to prescribed criteria and recommend to the Minister whether it should be approved in whole or in part or refused.

Clause 17 provides that on receipt of the CAA’s recommendation and the related application, the Minister may approve the application in whole or part or refuse it. This Clause also provides that if the Minister approves the application in part or refuses the application, the Minister must advise the CAA in writing of the reasons.

Clause 18 provides that if an application for capital assistance is approved in whole or part, the approved authority of the school may apply to the Minister (through the CAA) to have the application reviewed, for the purpose of having the amount of capital assistance increased.

Clause 19 provides that the CAA must assess the application for an increase in the capital assistance, having regard to prescribed criteria, and recommend to the Minister whether the increase sought should be approved, a lesser amount should be approved or the application should be refused.

Clause 20 provides that on receipt of the CAA's recommendation on the application for an increase in capital assistance and the related application, the Minister may approve the increase sought or a lesser amount or refuse the application. This Clause also provides that if the Minister approves the increase but by less than the amount sought or refuses the application, the Minister must advise the CAA in writing of the reasons.

Clause 21 provides that a CAA in making a recommendation to the Minister in respect of an application (or review of an application) for capital assistance, must have regard to the amount of money that the Minister has advised is available to the eligible non-State schools affiliated with the CAA.

Clause 22 provides that if the Minister approves an application for capital assistance for an eligible non-State School, the CAA with which the school is affiliated must provide the approved authority of the school with the approved amount of assistance. This Clause also provides that the CAA must not provide the amount until the CAA and the approved authority of the school have entered into a written agreement for the project [in a form approved by the Minister] and at least 25% of the value of the works has been completed.

Clause 23 provides (for the purposes of accountability) that the approved authority of each school for which capital assistance is provided for a capital project, must submit a written return for the year which commenced on 1 April, to the CAA with which the school was affiliated when the assistance was provided, giving details of the capital project.

Clause 24 provides (for the purposes of accountability) that each CAA must submit a written return for the previous calendar year to the Minister. The return must contain an audited statement of the amounts received by it for administration purposes under the proposed Act, interest received on the amounts and the expenditure of the amounts and an audited statement of its Capital Assistance Fund. This Clause also provides that each CAA must include in the written return, details of the capital projects of which it has been advised under clause 23 of the Bill.

Clause 25 provides for the Governor in Council to make regulations under the proposed Act.

Clause 26 provides for the validation of payments made (and where commitments still exist at the commencement of the proposed Act, for payments to continue) under the scheme known as the Interest Assistance to Non-State Schools Scheme, as the scheme does not have a legislative base. This Clause also provides for the validation of payments which have been made under the Capital Assistance Scheme prior to the commencement of the proposed Act.

Clause 27 clarifies that the main provisions (Parts 2 to 6) of the proposed Act do not apply to an amount paid under Part 7 (*Validation of Certain Payments*) of the proposed Act.