

# States Grants (Schools)

No. 108 of 1972

An Act to grant Financial Assistance to the States in relation to Schools.

[Assented to 31 October 1972]

**B**E it enacted by the Queen's Most Excellent Majesty, the Senate, and the House of Representatives of the Commonwealth of Australia, as follows:—

## PART I.—PRELIMINARY.

Short title.

1. This Act may be cited as the *States Grants (Schools) Act 1972*.

Commencement.

2. This Act shall come into operation on the day on which it receives the Royal Assent.

Parts.

3. This Act is divided into Parts, as follows:—

Part I.—Preliminary (Sections 1–4).

Part II.—Grants for Capital Expenditure in respect of Government and Non-Government Schools (Sections 5–10).

Part III.—Grants for Recurrent Expenditure in respect of Non-Government Schools (Sections 11–15).

Part IV.—Miscellaneous (Sections 16–18).

4.—(1.) In this Act, unless the contrary intention appears—

Interpretation.

“ building project ” includes—

- (a) the purchase of land, with or without buildings;
- (b) the planning, erection, alteration or extension of a building or other facilities;
- (c) the development or preparation of land for building or other purposes;
- (d) the installation of water, electricity or other services; and
- (e) the provision of furniture or equipment for a building or other facility;

“ government school ” means a school conducted by a State at which full time education is provided for pupils in primary or secondary classes;

“ non-government school ” means a school in a State, other than a government school, at which primary education or secondary education is, or both are, provided, but does not include a school conducted for the profit, direct or indirect, of an individual or individuals;

“ primary education ”, in relation to a non-government school, means full time education provided for pupils at that school, being education of a kind similar to that provided for pupils in primary classes in government schools in the State concerned;

“ qualified accountant ”, in relation to the furnishing of a statement referred to in sub-paragraph (ii) of paragraph (b) of sub-section (2.) of section 9, or sub-paragraph (ii) of paragraph (b) of sub-section (1.) of section 14, of this Act, means—

- (a) a person who is registered as a company auditor or public accountant under the law of a State or Territory of the Commonwealth;
- (b) a member of The Institute of Chartered Accountants in Australia or of the Australian Society of Accountants; or
- (c) a person approved by the Minister as a person competent to furnish such statements;

“ recurrent expenditure ”, in relation to a non-government school, means expenditure, other than capital expenditure, incurred for purposes related to the provision of primary education or secondary education at the school;

“ school ” includes any institution similar to a school but does not include a school or similar institution at which education is provided only at a pre-school or kindergarten standard;

“ school authority ”, in relation to a non-government school, means the person or body conducting the school;

“secondary education”, in relation to a non-government school, means full time education provided for pupils at that school, being education of a kind similar to that provided for pupils in secondary classes in government schools in the State concerned;

“the schools census date”, in relation to schools in a State, means the date in the relevant year as at which the Commonwealth Statistician compiles statistics in relation to the numbers of pupils in schools in that State.

(2.) A reference in this Act to primary education or secondary education shall, in relation to pupils who, by reason of physical or mental handicap or for any other reason, require special educational treatment, be read as including a reference to such education of those pupils as, in the opinion of the Minister, should be treated as primary education or secondary education, as the case may be, for the purposes of this Act.

## PART II.—GRANTS FOR CAPITAL EXPENDITURE IN RESPECT OF GOVERNMENT AND NON-GOVERNMENT SCHOOLS.

Definition.

5. In this Part, “year” means a period of twelve months commencing on the first day of July.

Period to which Part II. applies.

6. This Part applies to the period commencing on the first day of July, One thousand nine hundred and seventy-three, and ending on the thirtieth day of June, One thousand nine hundred and seventy-eight.

Approval of building projects in connexion with non-government schools.

7.—(1.) The Minister may, subject to the next succeeding sub-section, approve building projects in connexion with non-government schools for the purposes of this Part and may revoke or vary any such approval.

(2.) A building project shall not be approved under this section if the purpose of the project is to—

- (a) provide residential accommodation for staff or students; or
- (b) provide facilities for use primarily or principally for or in connexion with religious worship.

(3.) The Minister may, either generally or otherwise as provided by the instrument of delegation, by writing under his hand, delegate to an officer of the Public Service of the Commonwealth his power to approve building projects under this section.

(4.) A power so delegated may be exercised by the delegate in accordance with the instrument of delegation.

(5.) A delegation under this section is revocable at will and does not prevent the exercise of a power by the Minister.

8.—(1.) The Minister may authorize the payment to a State, under this Part, during the period to which this Part applies, or, subject to the next succeeding sub-section, after that period, by way of financial assistance to the State, of such amounts in respect of building projects in connexion with government schools in the State, and such amounts in respect of approved building projects in connexion with non-government schools in the State, as, subject to this section, he determines.

Grants to States for building projects in connexion with schools.

(2.) The Minister shall not authorize the payment of an amount to a State under this section after the period to which this Act applies unless he is satisfied that the amount will be applied for the purpose of meeting commitments undertaken during that period.

(3.) The Minister shall not authorize payments to a State under this Part that exceed, in the aggregate—

- (a) in the case of payments in respect of building projects in connexion with government schools in the State—the amount set out in the second column of the Schedule to this Act opposite to the name of the State; and
- (b) in the case of payments in respect of building projects in connexion with non-government schools in the State—the amount set out in the third column of that Schedule opposite to the name of the State.

(4.) The Minister shall not authorize payments to the States under this Part, in respect of building projects in connexion with government schools, that—

- (a) in the case of payments authorized on or before the thirtieth day of June, One thousand nine hundred and seventy-four—exceed, in the aggregate, Thirty-one million dollars;
- (b) in the case of payments authorized on or before the thirtieth day of June, One thousand nine hundred and seventy-five—exceed, in the aggregate, Sixty-two million dollars;
- (c) in the case of payments authorized on or before the thirtieth day of June, One thousand nine hundred and seventy-six—exceed, in the aggregate, Ninety-seven million dollars; or
- (d) in the case of payments authorized on or before the thirtieth day of June, One thousand nine hundred and seventy-seven—exceed, in the aggregate, One hundred and thirty-two million dollars.

(5.) The Minister shall not authorize payments to the States under this Part, in respect of building projects in connexion with non-government schools, that—

- (a) in the case of payments authorized on or before the thirtieth day of June, One thousand nine hundred and seventy-four—exceed, in the aggregate, Nine million dollars;
- (b) in the case of payments authorized on or before the thirtieth day of June, One thousand nine hundred and seventy-five—exceed, in the aggregate, Eighteen million dollars;

- (c) in the case of payments authorized on or before the thirtieth day of June, One thousand nine hundred and seventy-six—exceed, in the aggregate, Twenty-eight million dollars; or
- (d) in the case of payments authorized on or before the thirtieth day of June, One thousand nine hundred and seventy-seven—exceed, in the aggregate, Thirty-eight million dollars.

(6.) In authorizing payments to a State under this Part, the Minister shall ensure that not less than seventy per centum of the aggregate of the payments authorized in respect of building projects in connexion with government schools in that State and not less than seventy per centum of the aggregate of the payments authorized in respect of building projects in connexion with non-government schools in that State are made in respect of the provision of facilities at those schools that are in addition to, and not in replacement of, existing facilities at those schools.

Conditions of payments.

9.—(1.) The financial assistance to a State constituted by a payment of moneys under this Part to the State in connexion with government schools, or by a payment of an advance of moneys under section 16 of this Act on account of such a payment of moneys under this Part, is granted on the conditions that—

- (a) the moneys will be applied by the State, as approved by the Minister, for the purpose of the carrying out of building projects in connexion with government schools in the State; and
- (b) if the State does not fulfil the condition to be observed by the State in relation to the payment under the last preceding paragraph, the State will repay to the Commonwealth an amount equal to the payment.

(2.) The financial assistance to a State constituted by a payment of moneys under this Part to the State in respect of an approved building project in connexion with a non-government school, or by a payment of an advance of moneys under section 16 of this Act on account of such a payment of moneys under this Part, is granted on the conditions that—

- (a) subject to the next succeeding paragraph, the State will pay to the school authority, without undue delay, an amount equal to the moneys so paid to the State and will describe the amount as a payment in respect of that building project out of moneys provided to the State by the Commonwealth;
- (b) the payment to the school authority will not be made unless the school authority agrees with the State, before or at the time of accepting that payment, to be bound by the following conditions:—
  - (i) the school authority will ensure that an amount equal to the amount of the payment is applied, not later than six months after the date of the payment, as approved by the Minister, for the purpose of the carrying out of that building project; and

- (ii) the school authority will cause to be furnished to the Minister, not later than nine months after the date of completion of that building project, a statement in writing signed by a qualified accountant to the effect that he has satisfied himself that the condition referred to in the last preceding sub-paragraph has been complied with and specifying the amount, or, if there is more than one amount, the total of the amounts, paid to the school authority in respect of that building project in that year;
- (c) if the State does not fulfil the conditions to be observed by the State in relation to the payment under the preceding paragraphs of this sub-section, or the school authority does not agree to be bound by the conditions referred to in sub-paragraphs (i) and (ii) of the last preceding paragraph, the State will repay to the Commonwealth an amount equal to the payment; and
- (d) the State will repay to the Commonwealth amounts equal to so much of any amounts paid by the State to the school authority in accordance with this sub-section as are repaid to the State by, or recovered by the State from, the school authority.

(3.) An amount repayable by a State to the Commonwealth in accordance with the condition contained in paragraph (b) of sub-section (1.), or paragraph (c) or (d) of sub-section (2.), of this section is a debt due by the State to the Commonwealth.

10.—(1.) The Minister shall cause a statement to be laid before each House of the Parliament as soon as practicable after each thirtieth day of June during the period to which this Part applies describing the arrangements in accordance with which payments under this Part have been authorized in the year that ended on that day and specifying in respect of each State—

Annual  
statement by  
Minister.

- (a) in relation to non-government schools in the State—
  - (i) the total of the amounts paid to the State under this Part in that year; and
  - (ii) the names of the schools in respect of which approvals for the application of moneys included in that total have been given, the building projects in respect of which the moneys were to be applied and, in respect of each such school, the amount approved for expenditure in respect of building projects other than the provision of furniture and equipment and the amount approved for expenditure in respect of the provision of furniture and equipment; and
- (b) in relation to government schools in the State—
  - (i) the total of the amounts paid to the State under this Part in that year; and

- (ii) the names of the schools in respect of which the State has, during that year, applied amounts paid to the State under this Part, the building projects in respect of which the amounts were applied, the amount applied by the State in respect of building projects (other than the provision of furniture and equipment) in respect of each such school and the total of the amounts applied by the State in respect of the provision of furniture and equipment.

(2.) For the purposes of the last preceding sub-section, any payment made to a State under this Part after the period to which this Part applies shall be deemed to have been made during the year that ended on the thirtieth day of June, One thousand nine hundred and seventy-eight.

### PART III.—GRANTS FOR RECURRENT EXPENDITURE IN RESPECT OF NON-GOVERNMENT SCHOOLS.

Definition.

11. In this Part, “ year ” means a period of twelve months commencing on the first day of January.

Years to which Part III. applies.

12. This Part applies to the year commencing on the first day of January, One thousand nine hundred and seventy-three, and to each of the next four succeeding years.

Grants to States for recurrent expenditure in respect of non-government schools.

13.—(1.) There is payable to each State, in respect of each year to which this Part applies, by way of financial assistance to the State, an amount in respect of each non-government school in the State, being an amount equal to the sum of—

- (a) one-fifth of the amount prescribed by the regulations to be the estimated average cost of educating a child in the period of twelve months that ended on the thirtieth day of June in that year in primary classes in government schools in Australia multiplied by the number of pupils receiving primary education at the school on the schools census date; and
- (b) one-fifth of the amount prescribed by the regulations to be the estimated average cost of educating a child in the period of twelve months that ended on the thirtieth day of June in that year in secondary classes in government schools in Australia multiplied by the number of pupils receiving secondary education at the school on the schools census date.

(2.) Payments to a State under this section shall be made at such times, and in such instalments, as the Minister determines.

(3.) In this section, “ government school ” includes a school conducted by the Commonwealth at which full time education is provided for pupils in primary or secondary classes.

14.—(1.) The financial assistance to a State constituted by a payment of moneys under this Part to the State in respect of a non-government school in respect of a year to which this Part applies, or by a payment of an advance of moneys under section 16 of this Act on account of such a payment of moneys under this Part, is granted on the conditions that—

Conditions  
of payments.

- (a) subject to the next succeeding paragraph, the State will pay to the school authority, without undue delay, an amount equal to the moneys so paid to the State and will describe the amount as a payment in respect of that school in respect of that year out of moneys provided to the State by the Commonwealth;
- (b) the payment to the school authority (in this paragraph referred to as “the relevant payment”) will not be made unless the school authority agrees with the State, before or at the time of accepting that payment, to be bound by the following conditions:—
  - (i) the school authority will ensure that amounts equal to the total of all payments made by the State to the school authority in respect of the school in accordance with this section in the year in which the relevant payment is made (less any amount that has become repayable to the State by the school authority in respect of those payments) are applied, in that year or not later than three months after the end of that year, for the purposes of recurrent expenditure in respect of the school;
  - (ii) the school authority will cause to be furnished to the Minister, not later than six months after the end of the year in which the relevant payment is made, a statement in writing signed by a qualified accountant to the effect that he has satisfied himself that the condition referred to in the last preceding sub-paragraph has been complied with and specifying the amount, or, if there is more than one amount, the total of the amounts, paid to the school authority in respect of that year;
  - (iii) the school authority will cause to be furnished to the Minister, not later than six months after the end of the year in which the relevant payment is made, a statement in writing specifying the total income derived, and the total expenditure incurred, by the school authority in respect of primary and secondary education at that school in respect of that year and also specifying, in respect of each class of income or class of expenditure determined by the Minister, the total amount of income of that class derived, or the total amount of expenditure of that class incurred, by the school authority in respect of primary and secondary education at that school in respect of that year;



- (iv) if the total of the amounts paid by the State to the school authority and described as payments in respect of that school, in respect of the year in which the relevant payment is made, out of moneys provided to the State by the Commonwealth exceeds the amount payable in respect of the school in respect of that year in accordance with section 13 of this Act, the school authority will repay to the State the amount of the excess;
  - (c) if the State does not fulfil the conditions to be observed by the State in relation to the payment under the preceding paragraphs of this sub-section, or the school authority does not agree to be bound by the conditions referred to in sub-paragraphs (i), (ii), (iii) and (iv) of the last preceding paragraph, the State will repay to the Commonwealth an amount equal to the payment; and
  - (d) the State will repay to the Commonwealth amounts equal to so much of any amounts paid by the State to the school authority in accordance with this section as are repaid to the State by, or recovered by the State from, the school authority.
- (2.) If the Minister is satisfied that a school authority has failed to fulfil a condition applicable to a payment made by a State to the school authority in accordance with this Part in respect of any year to which this Part applies, the Minister may direct that an amount equal to the whole or a part of the payments made by the State to the school authority in accordance with this Part in respect of that year shall be deducted from further amounts becoming payable to the State under this Part in respect of that school.
- (3.) Where—
- (a) the last preceding sub-section is applicable in relation to a school authority (whether or not a direction is given under that sub-section); or
  - (b) a school authority has failed to accept the conditions upon which, in accordance with paragraph (b) of sub-section (1.) of this section, a payment to the school authority was proposed to be made by a State,
- the Minister may direct that further payments to the State under this Part in respect of that school shall not be made until the Minister is satisfied that the school authority will accept and observe the conditions upon which payments to the school authority by the State in accordance with this section are required to be made.
- (4.) An amount repayable by a State to the Commonwealth in accordance with the condition contained in paragraph (c) or (d) of sub-section (1.) of this section is a debt due by the State to the Commonwealth.
- (5.) If a school authority adopts, in relation to a school, an accounting period ending on a day other than the thirty-first day of December, any reference in sub-paragraph (iii) of paragraph (b) of sub-section (1.) of this

section to the year in which a payment is made shall, in the application of that sub-paragraph in relation to that school authority, be read as a reference to the accounting period in which that payment is made.

(6.) Where a school authority causes to be furnished to the Minister a statement referred to in sub-paragraph (iii) of paragraph (b) of subsection (1.) of this section, the Minister may cause any of the information contained in the statement to be made public in such manner as he thinks fit.

**15.** As soon as practicable after the end of each year to which this Part applies, the Minister shall cause a statement to be laid before each House of the Parliament setting out—

Annual statement by Minister.

- (a) the names of the schools in each State in respect of which payments to the State have been made under this Part in respect of that year and, in respect of each school, the amount paid by reference to pupils receiving primary education and the amount paid by reference to pupils receiving secondary education; and
- (b) the totals of the amounts paid to each State under this Part in respect of that year by reference to pupils receiving primary education and by reference to pupils receiving secondary education, respectively.

#### PART IV.—MISCELLANEOUS.

**16.** The Minister and the Treasurer may make arrangements for the making by the Treasurer to a State, by way of financial assistance to the State, of advances of specified amounts on account of the respective amounts that are expected to become payable to the State under this Act.

Advances.

**17.** Amounts payable to a State under this Act are payable out of the Consolidated Revenue Fund, which is appropriated accordingly.

Appropriation.

**18.** The Governor-General may make regulations, not inconsistent with this Act, prescribing all matters required or permitted by this Act to be prescribed, or necessary or convenient to be prescribed for carrying out or giving effect to this Act.

Regulations.



## THE SCHEDULE

Section 8.

## LIMITS OF GRANTS FOR CAPITAL EXPENDITURE

| First Column              | Second Column<br>Maximum Grants<br>for Capital<br>Expenditure for<br>Government<br>Schools | Third Column<br>Maximum Grants<br>for Capital<br>Expenditure for<br>Non-Government<br>Schools | Fourth Column<br><br>Total<br>Maximum Grants |
|---------------------------|--|---|--|
|                           | \$   | \$  | \$   |
| New South Wales .. .. .   | 59,800,000   | 17,700,000  | 77,500,000                                   |
| Victoria .. .. .          | 46,100,000   | 15,500,000  | 61,600,000                                   |
| Queensland .. .. .        | 23,300,000   | 7,200,000   | 30,500,000                                   |
| South Australia .. .. .   | 18,000,000   | 3,000,000   | 21,000,000                                   |
| Western Australia .. .. . | 13,700,000   | 3,500,000   | 17,200,000                                   |
| Tasmania .. .. .          | 6,100,000  | 1,100,000   | 7,200,000                                    |
|                           | 167,000,000  | 48,000,000  | 215,000,000                                  |