



Australian Education Amendment (Direct Measure of Income) Act 2020

No. 36, 2020

**An Act to amend the *Australian Education Act 2013*,
and for related purposes**

Note: An electronic version of this Act is available on the Federal Register of Legislation
(<https://www.legislation.gov.au/>)

Contents

1	Short title.....	1
2	Commencement.....	2
3	Schedules.....	2
Schedule 1—Amendments		3
	<i>Australian Education Act 2013</i>	3



Australian Education Amendment (Direct Measure of Income) Act 2020

No. 36, 2020

**An Act to amend the *Australian Education Act 2013*,
and for related purposes**

[Assented to 26 March 2020]

The Parliament of Australia enacts:

1 Short title

This Act is the *Australian Education Amendment (Direct Measure of Income) Act 2020*.

2 Commencement

- (1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this Act	The day after this Act receives the Royal Assent.	27 March 2020

Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.

- (2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

3 Schedules

Legislation that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.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 1—Amendments

Australian Education Act 2013

1 Section 4 (paragraph beginning “The formula produces”)

Omit “(called transitioning schools) will move to that share over a period of 6 to 10 years”, substitute “will move to that share over a period of transition years”.

2 Section 4 (paragraph beginning “The Minister can determine”)

Omit “for transitioning schools for 6 to 10 years”, substitute “for schools for transition years for the schools”.

3 Section 6

Insert:

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

4 Section 6 (definition of *6-year transitioning school*)

Repeal the definition.

5 Section 6 (definition of *Commonwealth share*)

Repeal the definition, substitute:

Commonwealth share:

- (a) for a school not covered by paragraph (b) or (c)—has the meaning given by section 35A; and
- (b) for a transitioning government school for a transition year for the school—has the meaning given by subsection 35B(1); and
- (c) for a non-government school for a transition year for the school—has the meaning given by section 35C.

6 Section 6

Insert:

CTC score: a school's *CTC score* is the number determined by the Minister under subsection 52(1).

7 Section 6 (definition of majority Aboriginal and Torres Strait Islander school)

Omit "8(1) and (2)", substitute "8(1), (2) and (3)".

8 Section 6 (definition of SES score)

Repeal the definition.

9 Section 6

Insert:

transitioning government school means:

- (a) a government school for which financial assistance was payable under Part 3 or 4 of this Act for 2017; or
- (b) a government school prescribed by the regulations.

10 Section 6 (definition of transitioning school)

Repeal the definition.

11 Section 6 (paragraph (a) of the definition of transition year)

Omit "school other than a 6-year transitioning school", substitute "government school other than a 6-year transitioning government school".

12 Section 6 (paragraph (b) of the definition of transition year)

Omit "6-year transitioning school", substitute "6-year transitioning government school".

13 Section 6 (at the end of the definition of transition year)

Add:

; or (c) for a non-government school—a year from 2020 to a year, no later than 2029, prescribed by the regulations for the school.

14 Paragraphs 8(1)(b) and (2)(b)

After “the previous year were”, insert “, or for the year are,”.

15 At the end of section 8

Add:

- (3) The Minister may determine, in writing, that a school is also a *majority Aboriginal and Torres Strait Islander school* for a year if the Minister is satisfied that the school is likely to be a majority Aboriginal and Torres Strait Islander school under subsection (1) or (2) for the year.
- (4) A determination made under subsection (3) is not a legislative instrument.

16 Section 31 (paragraph beginning “Financial assistance for schools”)

Omit “(called transitioning schools) will move to that share over a period of 6 to 10 years”, substitute “will move to that share over a period of transition years”.

17 Section 35A

Omit “section 35B”, substitute “sections 35B and 35C”.

18 Section 35B (heading)

Omit “transitioning schools”, substitute “transitioning government schools”.

19 Subsection 35B(1)

Omit “transitioning school”, substitute “transitioning government school”.

20 At the end of subsection 35B(4)

Add:

Note: The expression *SES score* was defined in this Act as previously in force in relation to 2017.

21 Paragraphs 35B(5)(a) and (b)

Omit “transitioning school”, substitute “transitioning government school”.

22 Paragraph 35B(6)(a)

Omit “transitioning school”, substitute “transitioning government school”.

23 Subsection 35B(7)

Omit “6-year transitioning school”, substitute “6-year transitioning government school”.

24 Subsection 35B(7A)

Omit “6-year transitioning school”, substitute “6-year transitioning government school”.

25 At the end of Division 2 of Part 3

Add:

35C Commonwealth share for transitioning non-government schools

The regulations may prescribe a percentage, or a method to work out a percentage, for a non-government school for a transition year for the school that is the *Commonwealth share* for the school for the transition year.

26 Section 52 (heading)

Omit “SES scores”, substitute “CTC scores”.

27 Subsection 52(1)

Repeal the subsection (not including the note), substitute:

- (1) The Minister must (subject to subsection (6)) determine, in writing, the *CTC score* for a school.

28 Subsection 52(4)

Omit “an SES score that does not accurately reflect the general socioeconomic circumstances of the persons responsible for students at the school”, substitute “a CTC score that does not accurately reflect the capacity of the persons responsible for students at the school to contribute financially to the operation of the school”.

29 Subsection 52(5)

Omit “SES score” (wherever occurring), substitute “CTC score”.

30 Subsections 53(1) and (2)

Omit “SES score”, substitute “CTC score”.

31 Subsection 54(2)

Omit “SES score”, substitute “CTC score”.

32 Subsection 54(3)

Omit “SES score”, substitute “CTC score”.

33 Subsection 54(3) (table, heading to column 1)

Omit “SES score”, substitute “CTC score”.

34 Section 66 (paragraph beginning with “The Minister may also determine”)

Omit “transitioning schools for the years 2018 to 2027”, substitute “schools for transition years for the schools”.

35 Subsection 69B(1)

Omit “transitioning school for a year from 2018 to 2027 (inclusive)”, substitute “school for a transition year for the school”.

36 Subsection 118(1) (before table item 2)

Insert:

1	To determine a school is also a majority Aboriginal and Torres Strait	Subsection 8(3)	The approved authority for the school
---	---	-----------------	---------------------------------------

Islander school for a
year

37 Subsection 118(1) (table item 4, column 1)

Omit “SES score”, substitute “CTC score”.

38 After section 125

Insert:

125A GST-inclusive payments

(1) If:

- (a) an amount is payable to a State or Territory in accordance with a determination made under:
 - (i) section 25 (timing and amounts of recurrent funding); or
 - (ii) paragraph 28(1)(b) (capital funding for block grant authorities); or
 - (iii) paragraph 29(1)(aa) (funding in prescribed circumstances); and
- (b) the amount is payable in relation to an acquisition (within the meaning of the *A New Tax System (Goods and Services Tax) Act 1999*); and
- (c) either:
 - (i) an input tax credit (within the meaning of that Act) would arise for that acquisition; or
 - (ii) a decreasing adjustment (within the meaning of that Act) would arise for that acquisition;

the amount is to be increased by the amount of the input tax credit or the amount of the decreasing adjustment, as the case requires.

Example: If an amount of \$10 is payable to a State or Territory in accordance with a determination made under section 25 in relation to an acquisition (within the meaning of the *A New Tax System (Goods and Services Tax) Act 1999*) for which an input tax credit (within the meaning of that Act) would arise, the amount payable is to be increased to \$11. The amount of \$11 reflects an increase of \$1 on the amount determined, since \$1 is the amount of the input tax credit that would arise.

-
- (2) An increase under subsection (1) is to be disregarded for the purposes of applying any limit in this Act.
 - (3) An increase under subsection (1) is to be disregarded for the purposes of section 9 (definition of overpayment).

39 Section 126

Before “The Consolidated Revenue Fund”, insert “(1)”.

40 At the end of section 126

Add:

- (2) The Consolidated Revenue Fund is appropriated for the purposes of paying an increase under subsection 125A(1).

41 Application provision—funding for 2020 and later years

The amendments of the *Australian Education Act 2013* made by this Schedule (other than items 38, 39 and 40) apply in relation to financial assistance for the 2020 year and later years.

42 Transitional—transition adjustment funding

A determination made under subsection 69B(1) of the *Australian Education Act 2013* that is in force immediately before the commencement of this Schedule continues in force as if it had been made under that subsection as amended by this Act.

[Minister’s second reading speech made in—
House of Representatives on 26 February 2020
Senate on 23 March 2020]

(9/20)
