

1980-81

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA  
HOUSE OF REPRESENTATIVES

---

Presented and read a first time, 15 October 1981

*(Minister for Education)*

## A BILL

FOR

### **An Act to amend the *Non-government Schools (Loans Guarantee) Act 1977*, and for related purposes**

BE IT ENACTED by the Queen, and the Senate and the House of Representatives of the Commonwealth of Australia, as follows:

#### **Short title, &c.**

5     **1. (1)** This Act may be cited as the *Non-government Schools (Loans Guarantee) Amendment Act 1981*.

**(2)** The *Non-government Schools (Loans Guarantee) Act 1977*<sup>1</sup> is in this Act referred to as the Principal Act.

#### **Commencement**

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

**Interpretation**

3. Section 3 of the Principal Act is amended—

- (a) by inserting “, or proposed to be conducted,” after “conducted” (wherever occurring) in the definition of “non-government school”; 5
- (b) by omitting “an institution” from the definition of “school” and substituting “a proposed school, or an institution or proposed institution”; and
- (c) by omitting paragraph (a) of the definition of “school” and substituting the following paragraph:
  - “(a) a school or institution at which education is provided at a standard (however described) that is pre-school standard only or a proposed school or institution at which it is proposed that education be provided at a standard (however described) that is pre-school standard only; or”.10

4. (1) Sections 5 and 6 of the Principal Act are repealed and the following section is substituted: 15

**Guarantees**

“5. (1) Subject to sub-section (2), the Treasurer may, on behalf of the Commonwealth, give to a person a guarantee of—

- (a) the due payment of— 20
  - (i) the whole or a specified part of the repayments of principal moneys required to be made under an agreement for the loan of moneys by the person to the school authority of a non-government school, being principal moneys required, in whole or in part, for the purpose of expenditure on an approved project of the school; and 25
  - (ii) the whole or a specified part of any interest required to be paid under the agreement on those principal moneys; or
- (b) the due payment of the whole or a specified part of the repayments of principal moneys of the kind referred to in sub-paragraph (a) (i). 30

“(2) The Treasurer shall not give a guarantee under this section in relation to an agreement of the kind referred to in sub-paragraph (1) (a) (i) unless the Minister has certified that—

- (a) he considers that the terms and conditions of the agreement are satisfactory; 35
- (b) he is satisfied that, in the absence of the guarantee, the school authority would not be able to obtain a loan of moneys, or to obtain a loan of moneys on satisfactory terms and conditions, for the purpose of expenditure on the approved project in relation to which the guarantee is to be given; and 40
- (c) he considers that there will not be made available to the school authority, out of moneys provided, or to be provided, by the Commonwealth to the State in which the school is situated under any

Act that provides for the granting of financial assistance to the States, or to the States and the Northern Territory, for or in relation to schools, moneys that will be expended in the payment of—

- (i) any part of the repayments of the principal moneys, or of the part of the repayments of principal moneys, as the case may be, in relation to which the guarantee is to be given; or
- (ii) if the guarantee is also to be given in relation to the payment of interest, any part of the payments of interest, or of the part of the payments of interest, as the case may be, in relation to which the guarantee is to be given.

“(3) A guarantee under this section shall apply only in relation to principal moneys required by the school authority for the purpose of expenditure on the approved project in relation to which the guarantee is given and, if the guarantee is to apply in relation to the payment of interest, interest on such moneys.”.

(2) Notwithstanding the repeal of sections 5 and 6 of the Principal Act effected by sub-section (1), the provisions of sections 5 and 6 of the Principal Act continue to apply, after the commencement of this Act, to and in relation to a building project of a non-government school that was, before the commencement of this Act, approved under section 4 of the Principal Act for the purposes of that Act.

**Recovery of any moneys paid by Commonwealth under a guarantee**

5. Section 8 of the Principal Act is amended—

- (a) by inserting in sub-section (1) “or pays any interest owing on such moneys” after “lent to a school authority”; and
- (b) by inserting in sub-section (1) “or that interest, as the case may be,” after “the amount of those moneys”.

---

**NOTE**

- 1. No. 106, 1977, as amended. For previous amendments, see No. 61, 1981.

