

SECOND READING SPEECH BY THE PRIME MINISTER
RT. HON. R. G. MENZIES, C.H., Q.C., M.P.)

Tuesday, 4th December, 1962

STATES GRANTS (UNIVERSITIES) BILL (NO. 2) 1962

The purpose of the Bill before the House is to authorise the Commonwealth to offer to the States of New South Wales, Victoria and South Australia grants for the University of New South Wales, Monash University and Adelaide University respectively, which are supplementary to those already offered for the years 1961, 1962 and 1963 by the existing State Grants (Universities) Act 1960-62.

Honourable Members are aware that since the Government's acceptance of the Murray Report of 1957, Commonwealth grants to the States for their universities have been on a triennial basis. The grants for the years 1958-1960 were those recommended by the Murray Committee, and those for the current triennium, 1961-1963, are those recommended in the first report to the Government by the Australian Universities Commission established in 1959.

Grants for a period three years ahead have advantages both for the universities receiving them and for the Governments responsible for providing them. The former have an assured income for the period, and so can plan with a large measure of certainty, while the latter know, broadly, the level of finance required of them by the universities. My Government's policy is to offer, for a period of three years in advance, specified sums of money for the university purposes which have been recommended to us by the Commission. In general, our view is that if a State university requires additional money during that period it must obtain it from other than Commonwealth sources. In fact, this usually means State Government grants and private benefactions. The State Governments recognise that they have a special responsibility for their own universities.

On the other hand, we know that the judgments on which the Commission's recommendations for the years 1961 to 1963 were based had to be made on evidence presented by the universities as long ago as 1959. Accurate forecasting of needs and costs for such a long period ahead is difficult, and we recognise that in certain circumstances exceptions to the principle of fixed offers by the Commonwealth for a triennium are justified. For this reason, in 1960 we agreed to increase our grant to Victoria for the early stages of the planning and development of Monash University. Again, in May this year, we amended the Act to permit increased Commonwealth grants so that the Commonwealth and States would share the cost of providing higher salaries to university academic staffs.

In recent months, the Commission has received many requests that it should recommend to the Government increased grants for the present triennium. After close and painstaking examination of the various proposals, the Commission recommended to me that the special problems involved in establishing two rapidly growing new universities - the University of New South Wales and Monash University - and in planning a new constituent part of the University of Adelaide on a new site at Bedford Park justified supplementary grants of the amounts indicated in Sections 3 and 4 of the Bill for the purposes mentioned there. These are :

University of New South Wales

Building for Medical and Biological Sciences: £242,500

Monash University

Recurrent expenditure £114,000

University of Adelaide

Bedford Park College Capital Expenditure £37,500

Recurrent expenditure £26,000

These amounts mean a total Commonwealth grant of : £420,000

The Commission had discussions with the appropriate State Government authorities and was able to assure me that the State Governments concerned would match the recommended Commonwealth grants on the customary basis, that is to say £ for £ for capital expenditure and £1.85 to £1 for recurrent costs. In these circumstances, my colleagues and I, knowing how thoroughly the Commission had considered the claims put to them, were prepared to accept the recommendation. The result is the present Bill, which I commend to the House.
