

## UNIVERSITIES (FINANCIAL ASSISTANCE) BILL 1965

Second Reading Speech by the Prime Minister,  
the Rt.Hon. Sir Robert Menzies, K.T., C.H., Q.C., M.P.  
House of Representatives - 18th November, 1965

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This is the third occasion on which the Government has proposed amendments to the Universities (Financial Assistance) Act in order to provide additional funds for State universities during the 1964-1966 triennium. With this Bill we are recommending Commonwealth grants for capital works at medical teaching hospitals of £1,555,850 and further grants of £184,900 for the recurrent costs of those hospitals which are directly attributable to the instruction of undergraduate students in teaching hospitals. This sum of £1,740,750 will raise the total amount of Commonwealth financial assistance to State universities during the present triennium to approximately £73million. In addition the Commonwealth will find £24million for the Australian National University.

The Government provided grants for certain capital projects at medical teaching hospitals during the 1961-1963 triennium. Earlier this year the second report of the Universities Commission's Committee on the Teaching Costs of Medical Hospitals became available. It recommended further capital grants and, in addition, assistance with some elements of the recurrent costs of medical teaching hospitals.

I remind Honourable Members that the Government's decisions on that report were announced on 5th August last during the Parliamentary recess. The report itself was tabled in both Houses on 24th August.

The Government did not accept all the recommendations of the Committee, but did agree to support, pound for pound, such of the capital projects recommended by the Committee for various medical teaching hospitals as the States thought could be completed, or nearly completed, by 31st December, 1966, the end of the present triennium. We also agreed to support from 1st July, 1965, on the usual £1 to £1.85 basis, certain items of the recurrent costs of teaching hospitals which are directly attributable to the clinical teaching of undergraduate medical students. The items with which we will assist are:-

- . The cost of the administration concerned solely with the planning, organization and supervision of teaching programmes within the hospital.
- . Maintenance and service costs of the areas and of activities used by clinical students and university staff.
- . The costs of providing books and periodicals for undergraduate students in teaching hospital libraries.

Particulars of the grants to individual universities with teaching hospitals are set out in the schedules to the Bill.

As the Bill provides only for those capital projects which the States have indicated can be completed or nearly completed by 31st December, 1966, there are several variations from the amounts recommended in the Report of the Committee on Teaching Costs of Medical Hospitals. I would emphasise that these variations have been made on the basis of information received from each State after each had been told of the

Commonwealth's willingness to support the whole of the programme recommended by the Committee subject to each State's views on what it would be practicable to construct in the time available. I have little doubt that subject to changes because of revised priorities, the teaching hospital projects now deleted will find places in the 1967-1969 programme. This, however, is a matter for decisions which will be taken on the recommendations yet to be made by the Universities Commission for the 1967-1969 triennium.

So far as the recurrent grants are concerned, our share of the cost of the items accepted for grant purposes will be a maximum of £184,900 for the period 1st July, 1965, to 31st December, 1966, of which up to £123,000 will be required during this financial year 1965/66. The allocation of this sum among the States concerned is set out in the Sixth Schedule.

But I wish to emphasise that the amounts for recurrent grants listed in that Schedule are, in each case, maximum amounts so far as the Commonwealth is concerned and are payable only on certification by the States to the satisfaction of the Minister that the amounts claimed have been legitimately incurred in respect of the three elements of cost approved by the Commonwealth and are within the limits of the sums set out in Table 7 of the Committee's report for those elements of cost. These amounts are provided on the basis of estimates by the Committee only and I emphasise that the Commonwealth Minister will need to be satisfied that the amounts claimed in respect of the various elements of recurrent expenditure are reasonable. The amounts set down in the Schedule are not to be regarded as an automatic entitlement.

Honourable Members will note the Repatriation General Hospital, Concord, among the capital works in the Fifth Schedule to the Bill. Provision has been made for Concord also in the recurrent expenses of the University of Sydney in the Sixth Schedule. For many years Concord has served as a teaching hospital for the University of Sydney and the Commonwealth has met all the costs incurred. However, under the new arrangements universities will accept responsibility for certain capital and recurrent costs directly attributable to teaching, and it is appropriate therefore that the Commonwealth and State Governments shall share responsibility for those costs at Concord just as they will for State teaching hospitals.

This Bill also provides for a minor amendment to the main Act to allow the University of Melbourne to attract a Commonwealth capital grant of £15,000 for an animal breeding unit which it wishes to build at Werribee instead of Mt. Derrimut where it was originally intended to be and which is the location given to it in the Principal Act. The change has been approved by the Universities Commission. Funds are not affected.

I commend the Bill to the House.