States Grants (Primary and Secondary Education Assistance) Amendment Bill (No. 2) 2002
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Purpose

The purpose of this Bill is to amend the *States Grants (Primary and Secondary Education Assistance) Act 2000* (the current Act) to make provision for capital funding for government and non-government schools for the years 2005 to 2007.

Background

Capital grants assist government and non-government school authorities with the provision and upgrading of capital infrastructure. This infrastructure includes land, buildings, water and electricity, equipment, library materials and cataloguing services, furniture, and residential accommodation for government school students.

According to the 1999 *National Report on Schooling in Australia* Commonwealth capital grants for schools represent about 7 per cent of total Commonwealth specific purpose payments for schools. The majority of capital grants is allocated to government schools. From 1996 to 2000 capital grants totalled approximately $1.5 billion of which $1 078 782 662 was granted to government schools and $454 117 000 to non-government schools. (Other organisations received $3 100 194.)

Schedule 5 of the current Act indicates from 2004 a reduction in non-government school capital grants from $87 401 000 to $76 940 000. This change represents a return to the base level of capital funding for non-government schools following a series of budget measures which have since the 1992-93 budget provided additional funding. The current budget measure relating to this extra provision of funds is due to expire in 2003.
The Bill amends the current Act to provide capital funding for schools totalling $897,783,000 over the years 2005 to 2007, of which $666,963,000 will be allocated to government schools and $230,820,000 to non-government schools. These amounts are subject to supplementation as a result of movements in the Building Price Index.

This Bill is a routine procedure according to standard program administrative arrangements whereby capital grants are approved up to three years in advance of the current calendar year. This is necessitated by the long-term nature of many capital works projects.

Main Provisions

Item 1 inserts into Column 2 of Schedule 3 the maximum capital grant funding amount of $222,321,000 for government schools for each of the years 2005 to 2007.

Item 4 inserts into Column 2 of Schedule 5 the maximum capital grant funding amount of $76,940,000 for non-government schools for each of the years 2005 to 2007.

Endnotes
