EDUCATION, SCIENCE AND TRAINING

SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE
2003-2004 BUDGET ESTIMATES HEARING

Outcome: 1
Output Group: 1.1 – Funding for schools

DEST Question No. E277_04

Senator Carr asked on 5 June 2003, EWRE Hansard page 536

Question:

1. What is the number of properties sold or leased by non-government school authorities since 1996 and the amount of Commonwealth capital funding in those properties?

2. How many times has there been an actual sale to a non-school commercial entity?

3. Provide a list of the properties, the value of the properties and the real value of the Commonwealth funding.

4. Have there been any state or territory interest subsidies provided for these properties?

Answer:

Capital funding

1. The Australian Government supports non-government schools as a means of providing choice in education for Australian students and their parents. It provides significant funding for the building and refurbishment of non-government school facilities and in 2003 this will amount to more than $92 million.

While capital funding is provided to schools as grants, the Government retains a right of repayment over grants of more than $50,000 for 20 years should the facilities built with those grants be sold or used for purposes other than those agreed by the Australian Government.

The purpose of school capital grants is to provide school facilities for Australian students. Where a school or school property built with Australian Government grants is sold the Department will, as a matter of course, investigate whether recovery action is required. If the property is remaining as a school, the Department will consider transferring the repayment condition to the new owners. In that case recovery of funds would not be warranted. If the school is sold to a commercial entity and no longer used for educational purposes, recovery action will be taken.

The right of repayment is included in agreements covering school capital grants and has the force of law. It ensures that in the event a school is sold and the facilities not subsequently used for school purposes, Australian Government funds are protected and not converted into windfall profits for school authorities.

Properties of which we are aware, sold or leased
by non-government school authorities since 1996: 38
Commonwealth capital funding in those properties: $10,922,077

2. The Commonwealth does not routinely collect this information. From the information provided to the Department by Block Grant Authorities, there are seven cases where school properties have been sold to a non-school commercial entity.

3.

Property Value and Commonwealth Funding

Name	**Value**	**Commonwealth capital grant and year of grant***
Ascension College, Junortoun, Vic	Not known	$200,000 - 1993
Aurora Meander School for Rudolf Steiner Education, Yarramundi, NSW	Not known	$167,000 - 1991
Blue Mountains Special Education Centre, Hazelbrook, NSW	Not known	$ 500 – 1992 $165,100 – 1994
The Foothills School, Guildford, WA	Not known	$ 7,300 – 1985 $ 59,000 – 1986 $175,000 – 1990 $ 40,000 – 1998 $ 60,000 – 1999
Kooralbyn International School, Kooralbyn, Qld	Not known	$247,895 – 1993 $216,208 – 1994 $351,915 – 1995
Mackillop Catholic Primary School, South Lake, WA (now known as Mater Christi Catholic Primary School, Yangebup, WA)	Not known	$220,000 – 1989 $153,143 – 1990 $775,089 – 1993
Mullimbimby Christian Community School, Mullimbimby, NSW	Not known	$ 79,000 – 1995

*For capital grants over $50,000, the amount of the grant repayable is calculated by applying a five per cent reduction to the grant paid for each year the facility was used by the approved authority for the approved purpose.

4. This information is not collected by the Department.