

NOTE FOR FINANCE COMMITTEE

Grant Rates under the School Textbook Assistance Scheme

INTRODUCTION

This Note informs Members of the rates of grants under the School Textbook Assistance Scheme (STAS) for the 2013/14 school year.

RATES OF TEXTBOOK AND FLAT RATE GRANTS

2. In accordance with the annual adjustment mechanism approved by the Finance Committee (FC), the Government has promulgated the following rates of textbook grant and flat rate grant for the 2013/14 school year –

Class Level	2012/13 school year (\$ maximum rate per student per annum)			2013/14 school year (\$ maximum rate per student per annum)		
	Textbook grant	Flat rate grant	Overall grant rate	Textbook grant	Flat rate grant	Overall grant rate
Primary 1 to 6	2,220	1,054	3,274	2,400	1,094	3,494
Secondary 1 to 3	2,390	1,054	3,444	2,778	1,094	3,872
Senior Secondary 1	2,686	1,054	3,740	3,100	1,094	4,194
Senior Secondary 2	2,342	1,054	3,396	2,548	1,094	3,642
Senior Secondary 3	926	1,054	1,980	956	1,094	2,050

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3. The STAS provides cash grants to eligible Primary 1 to Senior Secondary 3 students in government schools, aided schools, caput schools and local schools under the Direct Subsidy Scheme. The assistance comprises a textbook grant for purchasing essential textbooks and a flat rate grant to cover miscellaneous school-related expenses. Successful applicants receive full rate grant or half rate grant depending on the outcome of the means test.

4. For the textbook grant, FC has authorised the Administration to revise annually the grant rates, having regard to the average costs of textbooks for the various levels of studies. The grant rates for the 2013/14 school year are based on the results of the 2013 Textbook Expenditure Survey (TES) conducted by the Consumer Council (CC) before the start of the school year on the average actual costs of textbooks as required by the sampled schools at various levels of studies for the 2013/14 school year. The differences in the textbook grant rates for the 2013/14 school year at various levels of studies as compared to those in the 2012/13 school year reflect primarily the differences between the average costs of textbooks for the 2013/14 school year from the CC's 2013 TES and those for the 2012/13 school year from the CC's 2012 TES.

5. As regards the flat rate grant, it was introduced with the approval of FC on 26 May 2000 to replace the previous stationery grant under the STAS with effect from the 2000/01 school year. To provide greater support for needy students to meet school-related expenses, with the approval of FC vide FCR(2011-12)16 on 27 May 2011, the flat rate grant was increased from \$408 to \$1,000 per student per year for full-grant students and from \$204 to \$500 per student per year for half-grant students in the 2011/12 school year. The flat rate grant will continue to be revised annually thereafter according to the movement of the Composite Consumer Price Index (CCPI) as authorised by FC.

6. The CCPI increased by 3.7% on average between June 2012 and June 2013. In view of this increase, the flat rate grant for each full-grant and half-grant student has been increased from \$1,054 and \$527 in the 2012/13 school year to \$1,094 and \$547 respectively in the 2013/14 school year.

7. We undertook to inform Members annually of the revisions of the grant rates under the STAS approved under the delegated authority.