

## 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 for the 2003/04 school year.

#### RATES OF TEXTBOOK AND FLAT RATE GRANTS

2. In accordance with the annual adjustment mechanism approved by the Finance Committee, the Government has promulgated the following rates of textbook grant and the flat rate grant for the 2003/04 school year -

Class Level	2002 / 03 school year (\$ per student per annum)			2003 / 04 school year (\$ per student per annum)		
	Textbook grant	Flat rate grant	Overall grant rate	Textbook grant	Flat rate grant	Overall grant rate
Primary 1 to 6	1,516	384	1,900	1,458	374	1,832
Secondary 1 to 3	2,100	384	2,484	2,108	374	2,482
Secondary 4	2,102	384	2,486	2,156	374	2,530
Secondary 5	1,086	384	1,470	1,058	374	1,432
Secondary 6	1,792	384	2,176	1,780	374	2,154
Secondary 7	586	384	970	570	374	944

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3. The School Textbook Assistance Scheme (STAS) provides cash grants to eligible Primary 1 to Secondary 7 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, Members have authorised the Administration to revise annually the grant rates, having regard to the average costs of textbooks for the various levels of studies. The average costs are based on a survey (conducted in the summer preceding the start of the school year) of the actual costs of textbooks required by sample schools. In accordance with the established mechanism, the grant rates will be adjusted according to any changes in actual costs reflected in the survey.

5. As regards the flat rate grant, it was introduced with the approval of Members on 26 May 2000, to replace the previous stationery grant under the STAS with effect from the 2000/01 school year. On the same occasion, Members authorised the Administration to approve future revisions of the flat rate grant according to the movement of the Composite Consumer Price Index (CCPI). The CCPI has dropped 2.7% on average between the 12 months ended June 2002 and the 12 months ended June 2003.

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

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