Last week the Commonwealth Government made one of the most important announcements regarding education in Australia with which I have been associated. Broadly, we unveiled a five-year plan for Government and independent school building assistance totalling $215 million, and a major change in our method of assisting independent schools with their running costs.

There were many reasons for it and it had involved months of detailed consideration, but basically we made the announcement for two reasons.

One is, it has become most apparent that one of the greatest deficiencies in education in Australia is the poor standard of so many Government school buildings, particularly in the inner suburban areas of our great cities. I personally inspected some of them in Melbourne last February. And the second reason is the need for Australia's schools systems, particularly the independent schools, to be able to have some certainty about the extent of finance available to them. At the moment, so far as Governments' contributions are concerned, they live virtually from budget to budget.

Last December the Prime Minister announced unmatched capital grants totalling $20 million for Government schools in the States over the eighteen months to June 1973. This was the first time such a specific allocation had been made. Now we have announced that from July next year the Commonwealth...
will provide $167 million over five years in unmatched capital grants for Government primary and secondary schools. The annual rate will be $31 million in the first two years, rising to $35 million in the three later years of the programme.

We have provided this increase in the annual rate from 1975 because the special funds we are setting aside for science laboratory construction will have run out by then. We know there will be outstanding demands for science laboratories for Government schools, and the Commonwealth intends to enable the construction of necessary science laboratories to continue within the framework of the new grants.

The unmatched grants will be divided amongst the States on the basis of school enrolments. Over the five years, for instance, Victoria will receive $46.1 million, or more than a quarter of the total Australian allocation.

The grants are intended to increase expenditure on school buildings and so we want to have an understanding with each State that it will maintain the present share of loan funds being devoted to schools construction. In other words, this is extra money.

We also want 70 per cent of the funds to be used for additional facilities rather than replacements. Otherwise, each State will be free to develop its own spending programme for the money.

Last December the Commonwealth also announced an increase in per capita grants, totalling nearly $10 million, to independent schools to assist with their running costs.
We consider it vital that parents should have retained for them a freedom of choice as to the kind of education they want for their children. At the same time we recognise that the independent schools educate 22 per cent of our children, and if large numbers of them were to close, the burden on the Government systems would be intolerable and educationally standards generally in Australia would suffer.

Therefore over the same five-year period from July 1973, the Commonwealth has decided to make grants available totalling $48 million to independent schools for the construction of classrooms and associated facilities, and to put its per capita grants for running costs from the beginning of 1973 on a regular and increased level related to costs in Government schools.

The capital grants will be at the rate of $9 million a year for the first two years rising to $10 million for the final three years, again in recognition of the fact that the special funds for science laboratories will run out in 1975.

Independent schools in Victoria can expect $15.5 million of this money, to which the Commonwealth will attach the same condition as for Government schools - that at least 70 per cent of the money be used for additional facilities rather than for replacements.

As for running costs for independent schools, the Commonwealth has decided to recommend to each State that it join with the Commonwealth in sharing equally the cost of making per capita grants to independent schools at a rate equivalent to 40 per cent of the cost of educating a child in the Government schools.
We hope all States will join with the Commonwealth in this, although we will contribute our full half share of 20 per cent of the cost from the outset.

To give you some idea of how much this involves, we would expect that for 1973 the Australian average of the combined Commonwealth and State per capita grants will be about $125 per primary pupil and $210 per secondary pupil. These are substantial increases, because at the moment the combined Commonwealth and State grants are around $92 per primary pupil and $119 per secondary pupil.

We can expect all these measures to have a profound affect on education in our country. Here in western Victoria we are already seeing the very real advantages of the $20 million Commonwealth grant for Government school building last December. I can point to Portland Technical School where progress on building has been advanced by more than twelve months as a result of the grant. Then there is the Warrnambool Technical School which has similarly benefited.

With gains such as these from the now relatively modest existing grant, we can get some idea of the impact the new $215 million proposals will have on the Government and independent schools systems, both here and throughout the entire nation.