

AN ANALYSIS OF THE EDUCATIONAL EFFORT
OF A SINGLE ENTERPRISE COMMUNITY:
LYNN LAKE, MANITOBA

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ABSTRACT

The purpose of the study was to analyze the educational effort of Lynn Lake, Manitoba for the years 1961 to 1968.

Relevant district data including population, school enrolment, equalized assessment, personal income and gross educational expenditures were first presented. This was followed by statistics on net operating educational expenditures. Four indexes of effort were fashioned, comparing net operating school expenditures with municipal expenditures, equalized assessment and personal income in total and per capita. A final comparison, income elasticity of demand, concluded the statistical analysis.

The population of Lynn Lake for the period of the study increased from 2,045 to 2,384; school enrolment increased from 417 to 496 students. Equalized assessment per pupil increased 31 per cent. Personal income per capita increased 59.80 per cent from 1961 to 1967. Municipal expenditures increased 56.40 per cent while gross educational expenditures increased 103.18 per cent from 1961 to 1968. Net operating educational expenditures increased 105.13 per cent. The local contribution to these expenditures averaged 40.35 per cent. This local contribution included grants from Sherritt Gordon Mines Limited.

The first index of effort showed that net operating educational expenditures varied from 69.26 to 94.14 per cent of municipal expenditures. The second index demonstrated that net operating school expenditures varied from 7.30 per cent of equalized assessment in 1965 to 12.00 per cent in 1968. The third index established that net operating school expenditures ranged from 2.65 to 3.56 per cent of personal income with increases evident in the latter years of the study. The fourth index established similar conclusions. A greater Provincial contribution to educational expenditures was responsible for these increases. The final analysis in the study, the elasticity of demand for education, established that for the time period 1961 to 1967, each 1.00 per cent increase in total personal income was accompanied by a 0.75 per cent increase in educational expenditure.

In conclusion, educational expenditures increased at a greater rate than either municipal expenditures or equalized assessment, but the educational expenditures increased at a lower rate than personal income.

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CHAPTER I

INTRODUCTION

I. INTRODUCTION

Expenditures in education have been one of the major problems in Canada in the last quarter century. Total expenditures increased from \$290,000,000 in 1946 to \$3,179,600,000 in 1965.¹ During this same period, school enrolment increased from 2,106,000 to 4,719,000.²

The form of local support for education through property taxation was at one time fairly adequate for educational expenditures. In recent years, however, property tax has not been sufficient for the ever growing educational needs in the country. This problem has forced the provinces of Canada, which have been assuming a greater responsibility for educational expenditures, to search for new sources of revenue. Most provinces now use a sales tax, liquor and tobacco tax to help finance the huge expenditures.

Mounting enrolments, inflation and educational improvements have forced school administrators to study their school revenues and expenditures. These administrators have a distinct need for special information on price and quantity change in providing the variety of new services in their educational programs. These conditions have created a need for a

sophisticated examination of the efforts that communities make for the education of their young.

Educators have become concerned with index numbers as a means of analyzing more clearly the many facets of educational effort in a community. This information enables them to cope more adequately with the many new problems that they are encountering in these times of rapid progress in all sectors of the learning environment.

It was the intention of this study to utilize indexes of wealth, ability and effort to analyze the educational expenditures of Lynn Lake, Manitoba for the years 1961-1968.

II. THE PROBLEM

The purpose of this study was to measure the financial educational effort of a single enterprise community.

The proposed research sought to present and analyze relevant town statistics and to evolve four general indexes that would evaluate the educational effort of Lynn Lake, Manitoba. The fourth index, listed below, was selected for a further detailed analysis and developed into a composite index. This process consisted of the application of a series of sub-indexes selected to assess more closely the effort of the single enterprise community in particular areas of educational spending.

The four general indexes employed in this study

were:

1. educational expenditure as a percentage of municipal expenditure;
2. educational expenditure per pupil as a percentage of equalized assessment per pupil;
3. educational expenditure as a percentage of total personal income;
4. educational expenditure per pupil as a percentage of personal income per capita.

The composite index included sub-indexes relating to specific educational expenditure categories. These expenditure categories were:

1. instructional services (salaries)
2. administration
3. instructional supplies
4. maintenance

III. ASSUMPTIONS

This study is based on the following assumptions:

1. In considering all expenditures of a school system, current operating expenditures for salaries, maintenance, instructional supplies and administration bear the most direct relationship to the actual financial effort that the community is making.

2. Enrolment figures used by the Public Schools

Finance Board for the calculation of grants accurately depict the enrolment for the school year.

3. Population figures used by the local government district administrator for such municipal purposes as calculation of government grants are accurate.

4. Expenditures per pupil for instruction, administration, instructional supplies and maintenance compared with personal income per capita constitute a composite index of educational effort.

IV. IMPORTANCE OF THE STUDY

The measuring of educational effort can be an important guide to school district administrators. These measurements can assist them to analyze critically the financial aspects of school systems and can guide them to improved school programs.

If the knowledge of the educational effort of other communities is made available to district administrators, this again will help them assess their effort, especially in relation to efforts of other communities.

This study is one of six companion studies of educational effort in single enterprise communities in Manitoba and Ontario. It is anticipated that comparisons of educational effort among these communities could be made by any group studying single enterprise communities. It is further

anticipated that the composite index could be applied to other communities within the province. An important aspect of this application of the composite index could be the development of provincial or regional norms against which the educational effort of a particular community may be cast.

Data acquired in the utilization of the various indexes may also be used to advantage in studying problems related to educational effort such as pupil retention, pupil performance, teacher turnover and home environment.

When the educational administrators have a clear analysis of the efforts that their communities and other related communities have been making over the years, they can inform their general public. The enlightened general public would show more interest and give more support to their schools.

V. DEFINITION OF TERMS

Educational and financial terms that are used in this study will be used in the ways commonly accepted within these disciplines. Where there may be some doubt or variation, an explanation or footnote expands on the matter.

Terms, basic to the study however, and for which a search of existing literature was made, are herein defined as the writer wishes them to be accepted for the purpose of this study.

Educational burden is the relative number of children who must be educated. The actual educational burden consists of the enrolment in the public schools in relation to the population. Potential educational burden consists of the population between the ages of 5 and 19 in relation to the total population.

Wealth refers to the total community resources as they may be measured by personal income and property valuation. The property valuation has been estimated by equalized assessment.

Ability refers to the economic resources or wealth which a community may command in relation to its various needs. Examples of ability are: (a) the total income of a community in relation to its population; (b) equalized assessment of the community per pupil.

Effort in this study is a ratio of local expenditure to local wealth. This ratio is expressed in a percentage form.

VI. SOURCES OF DATA

The major sources of data for this study were the Dominion Bureau of Statistics, financial statements of the Lynn Lake school district, Manitoba Provincial Departments of Industry and Commerce, Education and Municipal Affairs, the provincial auditor for Lynn Lake, and the United Steelworkers Union.

VII. LIMITATIONS

Lack of certain statistics made it impossible to produce some meaningful comparisons in this study.

There are no population figures available for the 5-19 age group except for census years. As a result of this lack of information, potential burden was not calculated.

The Dominion Bureau of Statistics did not make yearly tabulations on personal income on a small district basis until 1965. Prior to that year, tabulations were made in census years only. As a result of this lack of data, the sub-indexes and composite index involving personal income were not calculated for the years 1962, 1963, 1964. The personal income tabulations for 1968 are not yet available.

Expenditures in this study were not calculated for elementary and secondary pupils separately because school districts and the Public Schools Finance Board do not make separate calculations for these expenditures.

Any measure of educational effort in a school district has serious limitations. On the one hand, the school district receives provincial grants for a large portion of its school expenditures and on the other hand, it pays taxes, such as a sales tax, into the provincial coffers for the provincial education expenditures. As a result it is impossible to measure accurately the effort that a district makes for all education purposes.

VIII. DELIMITATIONS

Statistics on population, equalized assessment, personal income, revenue and expenditures employed in the fashioning of the indexes were confined to the years 1961 through 1968.

The analysis of the educational effort in this study was restricted to the financial effort made on behalf of the public schools in Lynn Lake.

The proposed research limited itself to two major investigations:

1. A study of local education expenditures;
2. A study of local wealth.

It was assumed that the single enterprise community, by its singular insularity, while limiting the scope of a study of this type, simultaneously offered unusually good opportunities for collecting required data to study educational effort.

IX. ORGANIZATION

Chapter II gives a brief resumé of research that has been done on investment in education; this includes a study of financial effort, burden, wealth and ability. This chapter concludes with a section on index numbers, stating how they have been used to measure expenditures in education.

Chapter III presents a short history on the town of Lynn Lake. Statistics on labour force, ethnic groups, religious affiliations and population are presented.

Chapter IV gives a description of the data used in the study. The procedures of calculation, especially the development of the indexes, are described.

Chapter V begins by giving a brief statistical survey of the town, including population, assessment, income, municipal expenditures and gross educational expenditures. The second part of this chapter presents the analysis of educational effort of the town by showing the net operating expenditures in general and the indexes of effort specifically.

A general summary of the study, including major findings, a discussion of conclusions and inferences, as well as recommendations and implications for further research, complete this study in Chapter VI.

FOOTNOTES

¹Canadian Teachers' Federation, Financing Education in
Canada (Ottawa: Canadian Teachers' Federation, 1967), p. 12.

²Ibid., p. 2.

CHAPTER II

REVIEW OF THE LITERATURE

I. INTRODUCTION

In recent years, educators have increased their interest in educational expenditures. Increase in population, greater retention of students in schools, differentiated school programs and inflation have all placed a severe financial strain on the citizens of the country. These factors have caused educators to find means to analyze expenditures for education and to compare them with expenditures on consumer goods, other governmental expenditures, property valuations and income. Because the human resources of a nation are such an important asset and because the cost of developing these resources is increasing so rapidly, close examination and continuing re-evaluation of these expenditures is imperative.

Many economists and educators have considered the importance of education to the development of a nation. The view that emerges time and again is that education is vital to both the individual and the nation. It is an excellent investment for the individual himself. It is also an excellent investment for communities and nations. Levels of education of populations are strong indicators of their social and economic progress. A publication of the American

Association of School Administrators summed up the situation in this way:

The schools are not economic parasites, draining off national income into some non-productive enterprise. On the contrary, education (a) provides the intelligence and skill essential to modern industry; (b) contributes to health and safety; (c) results in better conservation of natural resources; (d) leads to personal thrift and development of capital resources; (e) is the basis of efficiency in business management; (f) increases the volume and lifts the level of consumer demands; (g) improves the earning power and spending power of the people; and (h) through the purchase of building equipment, and materials, and through the salaries of its employees, turns its expenditures quite directly back into the economic life-stream of the nation.¹

If education is so important to the nation, then educators must be able to make qualitative and quantitative measures of it; they must be able to analyze the efforts that the communities, the provinces and the nation are making for this investment.

In studying the cost of the educational program, the educator must know the percentages of the budget that each expenditure category assumes. He must know where the greatest needs are; where the deficiencies are; where the increases in costs are. A report of the Canadian Teachers' Federation estimates that for the period 1953-63, 29 per cent of the increase in costs is due to growth in enrolment, 19 per cent is due to inflation, and 52 per cent is due to improvement of educational services.²

II. WEALTH AND ABILITY

The concepts of wealth and ability are both important in assessing the educational effort of a community. A community needs some base of wealth from which to draw if it is to educate its young citizens. A wealthy community is able to provide quite easily for the basic needs of education, whereas a less wealthy area can face definite hardship in attempting to fulfill the standards that are necessary. If a study is to be made on the educational effort of a community, some consideration must be given to the concept of ability. There is no single accepted way to measure this concept. Some writers prefer to base ability to pay for education on equalized assessment. Some prefer income for the base while others prefer to use retail sales as their base. The variation in ability between communities has led to variations in expenditures. However, it is not only the variation in ability, but it is also, as Mort and Reusser point out, "variations in vigor of local support,"³ that have led to variations in expenditure. That is, communities with a given ability vary in effort. These differences

. . . make it possible for communities having better than average ability and better than average vigor of support to create laboratories for shaping better education. They provide the pilot plants, the light-houses.⁴

Personal income appears to be the favourite base upon which to calculate ability today. When total income of the people of an area is known, along with total population figures, it is possible to determine the per capita income. From this, it is also possible to derive the income per child of school age, or the income per pupil in average daily attendance.

Disposable income is an interesting concept in determining ability, but a difficult figure to obtain for the individuals who make up a community. Bellan describes disposable income as, "the aggregate of money income which people have left after paying their personal income taxes. . . ."5

There are several basic problems associated with the use of any criterion as a measure of ability which are recognized by many economists and experts on finance. If income is used as a measure of ability, it is necessary to define it carefully. For instance, it may include the nonmonetary income such as the value of the labour of a wife. This is a definite step beyond consideration of wages, salaries, or rents.6

In studying ability at the provincial level, the Canadian Teachers' Federation is of the following opinion:

In education, comparisons between provinces are always made whenever statistics are released on per pupil costs, teachers' salaries, and other educational expenditures.

These comparisons are usually made without regard to the differences in wealth which exist between provinces. It is suggested, therefore, that in order to make valid comparisons, ability should be taken into account.

"Ability consists of a comparison between the amount of money a province has (wealth) and the number of children (load) it must provide for. The best indicator of provincial wealth available at the present time is personal income. Either student population or potential student population (children 5-19) may be used for load.⁷

While it may be accepted that income is the best indicator of provincial wealth, it may not necessarily be possible to use this criterion as a measure of wealth in a small community. The Dominion Bureau of Statistics has not, until very recent years, made available such statistics. In such a situation, it may be necessary to employ equalized assessment as the measure.

A perusal of Canadian Teachers' Federation literature leads the reader to believe that some provinces cannot afford to spend as much on education as others, simply because they do not have the wealth and therefore the ability to do so. For the same reason, most rural districts cannot afford to spend as much as the cities. These problems must be kept in mind when educators are analyzing the efforts of these different school systems.

Jerry Miner has many suggestions for determining ability. He found:

The most appropriate measure of ability to pay for education is probably the total income of the community in relation to its population. The distribution of income and wealth is also important, as is the amount and form of wealth. . . .⁸

Miner suggests several possibilities in determining ability. Personal income per capita, equalized value of property per capita and size of grants-in-aid would merely head a long list of criteria. Even net production value might be used if it could be determined. Retail sales could be itemized to see what percentage the luxury items constituted in proportion to the total sales. Passenger cars would have to be counted, along with pleasure boats and camper trailers. Jewels, furs and television sets would also have to be included.

In his paper delivered to the Eighth National Conference on School Finance, Roe L. Johns stated that:

An adequate treatment of local ability to support schools would involve a comprehensive treatment of the effects of all programs of federal, state, and local taxes on public school financing.⁹

He brings into focus indirect measures of local ability to support schools but, in so doing, offers some valid arguments against the use of property tax as a base for ability. The extra municipal costs in large cities are blamed for a reduction in ability of taxpayers to support schools. The variation from one area to another in the ratio of school costs to municipal costs is also attacked, and the continuous availability of an equalized value of property is questioned.

In his book, Investment in Canadian Youth, J. E. Cheal

employs net personal disposable income per "weighted" school age child as his index of ability.¹⁰ That is, the relationship between the need and the financial resources available to meet it constitutes the variable of ability.

There are some writers who would tend to agree that the derivation of a valid index for taxpaying ability is not for amateurs. However some attempts at simplifying procedures have been made. For those who prefer to use the method of equalized property tax, Sorenson reports the use of a "sales ratio" on assessments in Colorado.¹¹ The assessed value of a piece of property is always set at a standard percentage of the current sale price or market value. The assessment then rises or falls immediately, and proportionally, with the market value of the property.

Further on the matter of simplification, Roe L. Johns prefers income tax to property tax for a measure of fiscal capacity, because the national income from property in the United States dropped from 20 per cent in 1929, to 10 per cent in 1963.¹²

Marvin C. Alkin suggests:

An illuminating index of capacity of a state to support education is the income left to its people after payments for personal taxes and for the basic necessities for food, clothing, and shelter. This residual income may be divided by the number of school-age children in the state in order to find the total personal income available per child for all additional expenditures of every kind, public and private.¹³

(The National Education Association suggests subtracting \$800 per person for food, clothing and shelter.)

J. P. Francis, writing in School Progress emphasizes that:

The major factor in the country's ability to meet the financial needs of education in the 1970's is the rate of economic growth achieved, priority given to educational expenditures by various levels of government and the willingness of individuals and business to forego other expenditures.¹⁴

This is another example of the concern for the costs of education and the ability of the country to pay.

H. P. Moffat concluded his study Educational Finance in Canada in 1957 with these remarks:

. . . The task in educational finance is not to find the money, or to devise methods of distributing and spending it. The task is to develop in people attitudes and opinions that will lead to effective support for our schools.

To do this we must first of all have more reliable and complete information on the financing of our schools and on public finance in general. Much of this information must come from research, conducted in Canada and applied to Canadian conditions.¹⁵

III. BURDEN AND EFFORT

According to the Canadian Teachers' Federation, "technically, the educational burden is the relative number of children who must be educated."¹⁶ "The potential educational load is indicated by the number of school age children (5-19 years) resident in the nation."¹⁷ A base of 5-17 years would have been preferable but is not available from census data.

As an indicator of the national burden the Economic Council of Canada reports:

Canada now has, in relation to its total population, one of the largest school populations in the world. The great post-war baby boom in Canada, which was relatively larger than that in the United States or elsewhere, has been a very rapidly rising proportion, over the past decade and a half, of those of secondary school and post secondary school age who are in school. Although these enrolment ratios are still significantly lower than in the United States, they have been rising faster in Canada since the mid 1950's and particularly since the beginning of the 1960's.¹⁸

Here we see that both need and burden are large and are increasing rapidly.

The general consensus among several leading researchers is that tax burdens are high and political resistance to applying increased local resources to education is on the rise. It is also felt that the Federal Government should compensate for provinces with lower income and higher educational burdens. This would help such a province as Newfoundland which, in 1966, had nearly twice as many children to educate per 1000 of its labour force (1,133) than did Manitoba (581), British Columbia (587) or Ontario (589).¹⁹

Knowing the educational effort and having an effective means by which it can be measured are vital to an understanding of a community's commitments in education. There are several definitions of effort, but they all seem to suggest a ratio of some measure of expenditure compared with

some measure of ability to spend. Perhaps the most commonly used measure of effort, as suggested by Johns and Morphet, is the percentage of income of the people represented by gross expenditures for schools.²⁰ It is quite possible that communities with the least ability have been making as great an effort to support schools as communities with the greatest ability.

The method of measuring effort to be employed is dependent on the availability of data. Cheal shows three measures which can be used to advantage:

1. The total school board revenues as a percentage of personal disposable income minus a basic \$500 for necessities;
2. The total provincial and local expenditures per pupil in average daily attendance as a percentage of personal disposable income per pupil in average daily attendance;
3. Total school board expenditures on a weighted-school-age-child basis as a percentage of personal disposable income per weighted-school-age-child.²¹

Commonly used measuring guides according to P. L. Maltby are:

1. Educational expenditures per pupil or per capita;
2. Educational expenditure as a percentage of gross national product, total personal income or personal

- disposable income;
3. Educational expenditure as a percentage of total government expenditures;
 4. Income elasticity of demand for education;
 5. Other measures using the time factor.²²

The last measuring guide mentioned refers to calculations of percentages of change over a period of time.

H. P. Moffat, referring to the relationship between educational expenditure and gross national product, shows that from the years 1931 to 1954, the educational effort in Canada has actually been decreasing:

A more significant index of effort has been devised to include both the number of pupils enrolled and the total wealth available. This index is the number of cents per enrolled pupil for each million dollars of gross national product. In 1931 we spent \$1.40 of each million dollars of the gross national product for each child educated. In 1954, the corresponding figure was 81 cents.²³

The Canadian Teachers' Federation reasons in the following way:

The principal measure of effort . . . is the percent that expenditure for education is of personal income. This relationship is equivalent to the per cent that per capita expenditure is of per capita personal income or that per pupil expenditure is of personal income per pupil. By this method, ability to support education is taken into account and effort alone is compared. Personal income has been used most frequently because it is the only available measure of wealth which is distributed by provinces. The preferable base, gross national product, has been used for comparisons at the national level. Personal income is quite satisfactory, however, since it is a major component of gross national product.²⁴

In discussing foundation programs and local effort, Morphet, Johns, and Reller suggest that:

Each school district should be expected and required to make the same minimum local effort towards financing the foundation program . . . and . . . the citizens of each local school system should be authorized and encouraged to provide and finance such educational opportunities beyond the foundation program as they desire.²⁵

This is a very idealistic statement which seems to ignore the reality of the marked variations in ability among districts, and communities within districts. What is more, the cost of a given level of education service is not the same in all communities.

An element of coercion seems to exist in the relationship between the United States Government and the states to which it gives grants-in-aid. There is federal legislation which requires states to continue making "satisfactory effort" to support their schools. There is a penalty factor to be placed in effect if a state falls below a certain level of effort.²⁶

To insure that matters such as the above be fair and above reproach when handled, it would be imperative that a reliable index of effort become an integral part of federal aid programs. This would have to be continually revised, or replaced by alternate effort indexes in order to maintain a satisfactory level of validity and reliability.

Unfortunately there are weaknesses inherent in the

concept of educational effort. The same may be said for the statistical tools that have been devised to measure it. Effort is usually interpreted as financial support, but accounting for the source and final disposition of all parts of every dollar spent is often impossible. For example, a measure of effort might involve a comparison of the amount spent on education with the amount spent on such goods and services as liquor or tobacco. This is a crude measure at best, because seldom is account taken of the high rates of tax on these goods and the proportion of that tax which eventually becomes educational revenue.²⁷

IV. INDEX NUMBERS IN EDUCATION

Index numbers have been in use for over two hundred years. It has not been until this century, however, that they have been used to any great extent. They were first used by economists to measure price changes of commodities. Inman, a Canadian economist, refers to the value and use of index numbers in this way:

Fortunately, statisticians have developed methods of estimating the degree of price level fluctuation from one period to another. The instrument utilized to find the amount of price level rise or fall is known as an index number. An index number is a statistical device used to measure quantitative changes in groups of data.²⁸

The expanding need for special information on price and quantity changes has led to the compilation of a wide

variety of index numbers by economists in both governmental and private agencies. Economists and statisticians in the last few years have devised indexes on such items as export-import prices, construction prices, consumer prices and transportation rates. Index number techniques have also been used in such fields as accounting and engineering, as well as education.

Several studies, utilizing index numbers, have been compiled in the field of education, especially in the last fifty years. The index numbers have basically been of two types:

1. Actual amount and/or per cent of increase or decrease in expenditures over a period of two or more years,
2. Percentage of increase or decrease in costs as they are influenced by rising or declining costs of living.²⁹

Indexes on teachers' salaries, primarily for the purpose of comparison with the cost of living, were computed very early in this century. Leonard P. Ayres, as reported by Carter, was among the first to develop a simple index of educational expenditures as early as 1910.³⁰ He compiled ten sets of data, all related to public day schools, and used them in a final index number. Each index was brought into a relationship with a common basis of 100. The ten were then added and averaged and this became his composite index.

This method utilized a simple average with equal

weights for all components. No ratios were computed to indicate relative importance. There were no criteria for the selection of the ten items except that each of the ten were interrelated and interdependent.

In 1938, the Research Division of the National Education Association compiled an index that compared school costs between 1914 and 1918.³¹ The general procedure was to base all the measurements of changing costs upon the cost of the school program in any single selected year and to calculate what the same program would have cost in other years.

The most recent "Cost of Education Index" was compiled by Dr. Orlando P. Furno for School Management Magazine. This index consists of a set of data on per pupil expenditures and related averages in standard budget categories in school districts. These school districts were classified by geographic region and size. Wasserman³² states that these data constitute an index only in the sense that they have been compiled in the form of ratios and averages and that they may be used to compare the district's own expenditures. However, Wasserman also states that these data do not constitute a cost or price index in the statistical sense of the term.

Furno's Index is designed to help experienced administrators and school board members find and use significant figures for their own areas that will permit a comparison of a district's overall costs with those of other districts

in its own geographic region and size group. A comparison of expenditures for specific items such as transportation, teachers' salaries, administration, food service, etc., may help in the preparation of a budget. These comparisons can help administrators present a balanced pattern of expenditures, so that no one area of school costs is unduly favoured.

The Furno approach could be used in school divisions in Manitoba for a comparison and evaluation of the efforts local taxpayers are making for the education of their children, and it could be used for a comparison of spending with districts whose wealth--or ability to pay--is similar.

Some writers feel it is essential that statistical procedures be employed that utilize economic factors.³³ Among these are listed sales tax receipts, amount of passenger automobile licence tax paid, value of farm products, number of gainfully employed workers for each community, or measures which might predict the relative proportion of the true value of property in each community, since most school districts can levy taxes only on property.

Per capita figures have usually been used in preparing comparative data for index numbers because such figures are the most easily understood and the most universally accepted.

The validity of using property as an index or measure of tax-paying capacity has been questioned. Some economists³⁴

prefer inferring fiscal capacity from income estimates, in spite of limitations of income estimates. H. P. Moffat states that:

Almost without exception, students of public finance reject the property tax in principle and accept it as inevitable. It has the benefits of directness and certainty but is only indirectly related to the basic principle of ability to pay.²⁵

It has been the experience in the past that assessments on real estate, however unreliable they are, have been comparatively easier to obtain than personal income figures, especially in small communities. It is for this reason that economists in educational finance have had to resort to using property valuations as indicators of wealth in a community.

V. CONCLUSION

From the foregoing review of the literature, it is evident that a great deal of research has been carried out to ascertain some of the ratios and relationships that are found in studies of educational finance. It is also apparent that these studies, in the main, have been done at national, provincial, or state levels. It is probable that more analytical research can and should be done at the local community level.

In Canada, much of the educational load is placed directly on local taxpayers. If meaningful statistics are to be made available, it is necessary to look very closely at

educational spending at the local level, and compare it with the fiscal ability of that same community.

The field of education is always affected by the political and economic climate in which it is found. Virtually all citizens accept the premise that they be taxed to help pay for the costs of education. What must be recognized and accepted universally is that some people are better able to support education than others; some are more inclined to expend the necessary effort.

The existence of inequalities in education must never escape the researcher. As expenditures increase, techniques of research must become more and more sophisticated. Education should not lag behind other disciplines in orderly examination of data.

The indexes of national wealth and ability are of considerable value to all who choose to use them. It then follows that indexes of local wealth, ability and effort are also extremely important.

Although the available literature pertaining to educational finance has been directed almost totally toward macroscopic levels, it would appear that findings can be used effectively in the study of a small community. The basic measures of ability and effort should apply to any community, small or large.

FOOTNOTES

- ¹P. R. Mort and W. C. Reusser, Public School Finance (New York: McGraw-Hill Book Co., 1951), p. 110, citing American Association of School Administrators, Twenty-Sixth Yearbook, pp. 281-282.
- ²Canadian Teachers' Federation, Financing Education in Canada (Ottawa: Canadian Teachers' Federation, 1967), p. xiii.
- ³Mort and Reusser, op. cit., p. 380.
- ⁴Ibid.
- ⁵Ruben C. Bellan, Principles of Economics and the Canadian Economy (Toronto: McGraw-Hill Book Company, 1963), p. 421.
- ⁶D. T. Jarvis, H. W. Gentry, and L. D. Stephens, Public School Business Administration and Finance (New York: Parker Publishing Company, 1967), p. 9.
- ⁷Canadian Teachers' Federation, "Educational Load and Our Ability to Support Education," Educational Finance in Canada 1946-1956 (Ottawa: Canadian Teachers' Federation, 1954), p. 15.
- ⁸Jerry Miner, Social and Economic Factors in Spending for Public Education (Syracuse: Syracuse University Press, 1963), p. 75.
- ⁹R. L. Johns, "Indirect Measures of Local Ability to Support Schools," Trends in Financing Public Education (Washington, D.C.: Committee on Educational Finance, National Educational Association, 1965), p. 92.
- ¹⁰John E. Cheal, Investment in Canadian Youth (Toronto: The Macmillan Company of Canada, 1963), p. 76.
- ¹¹K. M. Sorenson, "Measuring Local Ability in Colorado," Committee on Educational Finance, op. cit., p. 106.
- ¹²Johns, op. cit., p. 94.
- ¹³M. C. Alkin, "Measurement of State Effort to Support Public Education," Committee on Educational Finance, op. cit., p. 87.

- 14 J. P. Francis, "Financing Education: The National Problem," School Progress, November, 1965, p. 38.
- 15 H. P. Moffat, Educational Finance in Canada (Toronto: W. J. Gage Ltd., 1951), p. 89.
- 16 Canadian Teachers' Federation, Financing Education in Canada, op. cit., p. 63.
- 17 Canadian Teachers' Federation, Educational Finance in Canada, op. cit., p. 11.
- 18 Economic Council of Canada, The Canadian Economy from the 1960's to the 1970's, Fourth Annual Review (Ottawa: The Queen's Printer, 1967), p. 64.
- 19 Canadian Teachers' Federation, Educational Finance in Canada, op. cit., p. xiv.
- 20 R. L. Johns and E. L. Morphet, Financing the Public Schools (Englewood Cliffs: Prentice-Hall, 1960), p. 158.
- 21 Cheal, op. cit., p. 78.
- 22 P. L. Maltby, "Measuring Your Education Effort," School Progress, Vol. 34 No. 9 (September 1965), p. 32.
- 23 Moffat, op. cit., p. 26.
- 24 Canadian Teachers' Federation, Educational Finance in Canada, op. cit., p. 31.
- 25 E. L. Morphet, R. L. Johns, and T. L. Reller, Educational Organization and Administration: Concepts, Practices and Issues (Englewood Cliffs, New Jersey: Prentice Hall, 1967), p. 512.
- 26 M. C. Alkin, op. cit., p. 82.
- 27 Maltby, op. cit., p. 32.
- 28 M. K. Inman, Economics in a Canadian Setting (Toronto: The Copp-Clark Publishing Company, 1959), p. 228.
- 29 T. D. Carter, "The Development of a Procedure for Computing a Cost of Education Index for the Public Schools for the State of Texas" (unpublished doctoral thesis, University of Texas, 1966), p. 30.
- 30 Ibid., p. 32.

³¹William Wasserman, Education Price and Quantity Indexes (Syracuse: Syracuse University Press, 1963), p. 110.

³²Ibid., p. 126.

³³Morphet, Johns, and Reller, op. cit., p. 515.

³⁴Arvid J. Burke, "Local, State and Federal Financing of Locally Operated Elementary and Secondary Schools," The Theory and Practice of School Finance, Warren E. Gaurke and Jack R. Childress, editors (Chicago: Rand McNally and Company, 1967), p. 132.

³⁵Moffat, op. cit., p. 61.

CHAPTER III

THE TOWN OF LYNN LAKE

Lynn Lake is a Manitoba nickel-copper mining town situated 525 miles northwest of Winnipeg and 40 miles east of the Saskatchewan border. This isolated northern community of approximately 2400 people, situated in the wilderness of the Canadian Shield, is serviced by the Canadian National Railways, Transair Limited and three chartered airways. The nearest modern community is Flin Flon, 150 miles to the south.

Information on population of Lynn Lake is presented in Table I. The population in 1961 was 2,045. In 1968, the population was 2,384, an increase of 339 over the 1961 population. All the years except 1965 show some increase. The 1965 population of 2,146 was a decrease of 146 from the 1964 population of 2,292.

Table II illustrates that the main ethnic groups in 1961 were British Isles, Scandinavian, Ukrainian, German and French. It is interesting to note the native Indian and Eskimo populations are almost negligible.

There are four churches in Lynn Lake: Anglican, United, Roman Catholic and Gospel Mission. Lutheran services are held in the Anglican church. Table III reveals that the

TABLE I
 POPULATION OF LYNN LAKE
 1961-1968*

Year	Population	Increase (decrease) in Population
1961	2045	
1962	2135	90
1963	2145	10
1964	2292	147
1965	2146	(146)
1966	2223	77
1967	2341	118
1968	2384	43
1961-1968		339

*These population statistics are the ones utilized by the local government district for official purposes. The 1961 and 1966 figures do not agree with the census statistics for those years. The local government district officials claim that their tabulations are more accurate.

TABLE II
ETHNIC GROUPS IN LYNN LAKE 1961

Group	Total
All groups	1851
British Isles	910
French	105
German	121
Italian	9
Netherlands	40
Polish	60
Russian	32
Scandinavian	234
Ukrainian	199
Other European	100
Asiatic	29
Native Indian and Eskimo	8
Other and not stated	4

Source: Census of Canada, 1961
(Ottawa: Queen's Printer,
1961)

TABLE III
 RELIGIOUS DENOMINATIONS
 LYNN LAKE 1961

Religious Denomination	Total
All denominations	1851
Anglican Church of Canada	436
Baptist	12
Greek Orthodox	66
Lutheran	128
Mennonite	3
Pentecostal	18
Presbyterian	16
Roman Catholic	371
Ukrainian (Greek) Catholic	5
United Church of Canada	756
All other	40

Source: Census of Canada, 1961
 (Ottawa: Queen's Printer,
 1961)

religious affiliations of the people in 1961 were mainly United Church, Anglican, Roman Catholic and Lutheran.

While minerals were first discovered in Lynn Lake in 1943, it was not until 1948 that Sherritt Gordon Mines Limited decided to develop the area. This mining company moved its operations from Sherridon, a dying mining town 160 miles to the southeast, to its present base, Lynn Lake. From 1951 to 1953 the town of Sherridon was literally moved to Lynn Lake by tractor drawn sleigh.

In 1951 an agreement was consummated between the province of Manitoba and the mining company establishing the Lynn Lake Area of some 400 square miles as a local government district, administered by a government appointed municipal administrator. Within this district was established the townsite of Lynn Lake. In this agreement, the company had several obligations to fulfill, mainly of a capital expenditure nature. Some of these were:

- (a) to construct roads and sidewalks;
- (b) to construct a community centre, fire station and similar works of a public nature;
- (c) to maintain and operate the existing hospital and to maintain and operate a new hospital with the approval of the Minister of Health;
- (d) to provide school accommodation as required by the regulations of the Department of Education;

(e) to install sewer and water facilities on the townsite;

(f) to provide a supply of light and power.

Besides these initial obligations, the company was required to pay \$120.00 per employee per year for each employee living in the townsite. This fee was in lieu of municipal taxes on company property located outside the townsite and it does not apply to single employees living in bunkhouses on this company property.

Table IV indicates that most of the labour force is employed by Sherritt Gordon Mines Limited. At the beginning of 1968 the company employed 725 persons. Most of the other workers were employed in the service occupations which are necessitated by the presence of the company employees. The fishing industry is also important. Lynn Lake is a gathering and redistribution point for fresh and frozen fish which is brought in from the area and reshipped by rail to commercial markets. Sport fishing also attracts people to the area. Although these industries have a few full time employees, most of them are seasonal workers.

In 1968, almost 500 of the total population were attending public school. This represents just over 20 per cent of the population. This figure seems to indicate that although Lynn Lake is a northern isolated mining town with a rather high cost of living, it is essentially a family town.

TABLE IV
 LABOUR FORCE IN MAJOR INDUSTRIES LYNN LAKE
 JANUARY 1968

Employers	Employees		
	Male	Female	TOTAL
Sherritt Gordon Mines Ltd.	700	25	725
Sherritt Gordon Hospital	1	12	13
Lynn Lake School District	11	13	24*
Canadian National Railways	12	0	12
LaRonge Air Services	10	1	11
Chipuka Airways	4	0	4
Fred Chipuka Fisheries	70	0	70**

*This figure is for teachers only

**All of these employees are seasonal

Sources: Department of Industry and Commerce:
 "Community Report on Lynn Lake"

New mining developments at Fox Lake, 30 miles to the southwest, promise to increase the town's population by 1000 to 1500 in the very near future. Rich mineral ore is the reason for Lynn Lake's existence. New mining developments are anticipated eagerly for they tend to prolong the life of a town for a greater number of years.

CHAPTER IV

METHODOLOGY

To analyze the educational effort of Lynn Lake for the years 1961-1968, it was necessary to obtain accurate information on population, school enrolment, municipal assessments and expenditures, personal income, corporate contributions and school expenditures.

Population figures were supplied by the Local Government District of Lynn Lake.

School enrolment figures were those used by the Public Schools Finance Board for the purpose of calculating grants for the school district.

The equalized assessment figures of the district and financial statements for school revenues and expenditures were supplied by the Public Schools Finance Board. There were two different financial statements used for each year. These were:

1. Financial Statement for the Year;
2. Financial Adjustment--Operational Grants.

The first statement gave a detailed account of all revenue and expenditures, while the second showed clearly the final expenditures and grants earned for maintenance, administration and instructional supplies.

The audit statements for municipal revenue and expenditure were supplied by the Local Government District Branch of the Department of Urban Development and Municipal Affairs, Province of Manitoba.

The personal income figures were supplied by the Dominion Bureau of Statistics. These figures were available for the years 1961, 1965, 1966 and 1967 only. It was not until 1965 that the Dominion Bureau of Statistics began making yearly tabulations for small districts such as Lynn Lake.

In the analysis of educational effort, relevant statistical data of the community were first presented. This was followed by a detailed analysis of net operating educational expenditures. These expenditures were for the categories of instruction, maintenance, instructional supplies and business administration. Categories of capital and transportation, as well as expenditures for texts and miscellaneous expenditures were not analyzed, either because they were inconsequential or because the district made no contribution over the span of years studied.

In the statistical presentation, population, school enrolment in total and as a percentage of total population were first considered. This was followed by a study of equalized assessment in total and per pupil and income in total and per capita. Assessment and income then, form the

basis of the wealth of the community in this study. Total ordinary municipal expenditures and total educational expenditures with percentages of change were then considered. Total ordinary municipal expenditures include all the municipal expenditures except those for reserve purposes.

Following the examination of total municipal and educational expenditures, a comparison was made between selected municipal expenditures and net operating school expenditures. The selected municipal expenditures are local government expenditures for protection, social services, community services and administration. These two expenditures are comparable because they are mainly expenditures for personal services. Personal services are services over which the people in the community have some control in that they are able to demand and obtain more or less of these services.

The statistical data of the town concluded with a summary of the expenditures that the local government district assumed for the support of its schools. This summary included the corporate contribution made by Sherritt Gordon Mines Limited, both in total and as a percentage of total expenditure for schools.

The company contribution used in this study merits special attention because Sherritt Gordon Mines Limited does not pay property tax and does not pay directly a support for school purposes. According to Clause 16 of the agreement

between Sherritt Gordon Mines Limited and the Government of Manitoba in 1951, the mine was obliged to pay for the construction of schools and \$10.00 per month for each employee living in the townsite of Lynn Lake to the Local Government District. This was in lieu of municipal taxes. The Local Government District then adds this to its particular revenue called "Other Revenue", which includes revenue from rentals, fines, fees and grants. The Local Government District must raise money from the community for school expenditures. It imposes a general levy and special levy on the real property in the townsite. The revenue from this tax does not equal the expenditure for schools. The difference between the expenditure and revenue is taken from the district's "Other Revenue" which includes the company contribution.

The company contribution for school expenditures was then calculated in this way:

The Sherritt Gordon contribution was calculated as a fraction of "Other Revenue"; this fraction was then multiplied by the school expenditure paid from "Other Revenue". This calculation made the assumption that the company contribution was spread equally over all municipal expenditures.

The next part of the study presented a rather detailed analysis of the net operating educational expenditures. This included statistics on total net operating expenditures, per pupil expenditures, expenditures paid by

provincial grant and by the district. It also included expenditures for the four categories of instruction, maintenance, instructional supplies and business administration, in total and on a per pupil basis and as a percentage of total net operating expenditures. The percentages that the district itself had to pay above grant allowances was also calculated.

These expenditures were then compared with municipal expenditures, equalized assessment per pupil and income per capita. It was from these comparisons that the indexes of effort were fashioned.

Index 1 expresses the relationship between school district net operating expenditures and municipal ordinary expenditures.

Index 2 shows the relationship between net operating educational expenditures per pupil and equalized assessment per pupil.

Index 3 demonstrates the relationship between total net operating expenditures and total personal income.

Index 4 is the relationship between net operating expenditures per pupil and personal income per capita.

Two detailed analyses were then made of Index 4. The first showed the expenditures for the categories of instruction, maintenance, instructional supplies and administration, each as a percentage of personal income per capita. These

relationships may be referred to as sub-indexes. They make up parts of the composite Index 4. The second analysis showed the school district's own contribution per pupil to the expenditure categories as a percentage of personal income per capita.

Following the analyses of this index, a further comparison of income and expenditure was made. This comparison illustrated the per cent increase in total educational expenditure for a 1.00 per cent increase in total personal income and is called "income elasticity of demand for education". This last comparison concludes the statistical analysis of the study.

CHAPTER V

DATA ANALYSIS

Two sets of data are presented in this chapter. The purpose of the first set is to present pertinent statistical information on the town of Lynn Lake in the years 1961 to 1968. The purpose of the second set is to show specifically the financial effort for education that this town has been making in the same time period.

I. STATISTICAL DATA ON LYNN LAKE

Table V shows the population and public school enrolments of Lynn Lake for the years 1961-1968. The population ranged from 2,045 in 1961 to 2,384 in 1968, whereas the school enrolment was 417 in 1961 and 496 in 1968. The table shows that the population and school enrolment increased gradually. The public school enrolment during these years was approximately 21 per cent of the population.

Table VI presents information on equalized assessment in total and per pupil. It also shows the per cent increase or decrease of assessment per pupil. The total assessment increased from \$1,178,000 in 1961 to \$1,871,600 in 1968. This table shows that on the average, assessment per pupil was increasing. Through the years 1961 to 1968, assessment

TABLE V
 TOTAL POPULATION, SCHOOL ENROLMENT, 1961-1968

Year	Population	Enrolment	Enrolment as a Percentage of Population
1961	2045	417	20.39%
1962	2135	438	20.52
1963	2145	440	20.51
1964	2292	463	20.20
1965	2146	475	22.13
1966	2223	470	21.14
1967	2341	482	20.58
1968	2384	496	20.80

Sources: Local Government District of Lynn Lake and
 Public Schools Finance Board

TABLE VI

EQUALIZED ASSESSMENT, EQUALIZED ASSESSMENT PER PUPIL,
PER CENT INCREASE (DECREASE) PER PUPIL 1961-1968

Year	Total Assessment	Assessment Per Pupil	Per Cent Increase (Decrease) Per Pupil
1961	\$ 1,178,000	\$ 2,825	
1962	1,180,200	2,695	(4.60)%
1963	1,604,700	3,647	35.32
1964	1,657,600	3,580	(1.83)
1965	1,715,700	3,612	.89
1966	1,788,000	3,804	5.31
1967	1,828,200	3,793	(.28)
1968	1,871,600	3,733	(1.60)
1961-1968			32.1

Source: Public Schools Finance Board

per pupil increased from \$2,825 to \$3,733, or 32.1 per cent. The greatest increase in assessment per pupil occurred in 1963 when the increase was 35.32 per cent. Four of the years during this period showed small decreases in assessment per pupil. The decreases occurred because of an increasing number of students, not because of a decrease in total assessment. Total assessment increased steadily each year.

Total personal income and income per capita for 1961, 1965, 1966 and 1967 is revealed in Table VII. This income increased from \$3,039,192 in 1961 to \$6,143,000 in 1967. The per capita personal income was \$1,642 in 1961. In 1967, this figure was \$2,624, which was an average increase of 8.12 per cent per year.

A comparison of total ordinary municipal expenditures is made with total educational expenditures in Table VIII. This table shows that the municipal expenditures increased from \$150,977 to \$236,133 during the years 1961-1968, which was an increase of approximately 56 per cent, while total educational expenditures increased from \$111,183 to \$225,909, which was an increase of over 100 per cent. Thus it can be seen that the educational expenditures have increased much faster than the municipal expenditures in the 1960's.

The expenditures in 1967 were not typical of the other years. In that year municipal expenditures decreased by 6.52 per cent while educational expenditures increased by

TABLE VII

TOTAL PERSONAL INCOME IN LYNN LAKE, INCOME PER CAPITA,
 PERCENTAGE INCREASE IN INCOME PER CAPITA,
 1961, 1965-1967

Year	Total Income	Income Per Capita	Per Cent Increase Per Capita
1961	\$ 3,039,192	\$ 1,642	
1965	4,725,000	2,202	34.10%
1966	5,213,000	2,345	6.49
1967	6,143,000	2,624	11.89
Per Cent Increase Per Capita from 1961 to 1967			59.80
Average Increase Per Year			8.12

Source: Department of Revenue - Taxation Statistics
 Section

TABLE VIII

TOTAL ORDINARY MUNICIPAL EXPENDITURES, TOTAL EDUCATIONAL
EXPENDITURES, 1961-1968

Year	Municipal Expenditures	Percentage Increase (Decrease)	Educational Expenditures	Percentage Increase
1961	\$ 150,977		\$ 111,183	
1962	162,726	7.78%	123,103	10.72%
1963	172,748	6.15	126,795	2.99
1964	175,823	1.78	131,075	3.37
1965	188,251	7.06	135,493	3.37
1966	219,350	16.51	153,121	13.01
1967	205,045	(6.52)	196,439	28.29
1968	236,133	15.16	225,909	15.00
1961-1968		56.40		103.18

Sources: Local Government District Branch, Department of
Urban Development and Municipal Affairs,
Province of Manitoba
Public Schools Finance Board

28.29 per cent. The reason for this is that in that year the provincial government increased its share of educational expenditures to 65 per cent of the minimum Foundation Program. This meant that the school district was able to increase its expenditure and at the same time demand less support from the local government district.

Table IX provides a more detailed comparison of expenditures. Selected municipal expenditures and net operating school expenditures were used for comparison. It was felt that these expenditures were comparable because they were mainly expenditures for personal services. The selected municipal expenditures increased from \$40,450 in 1961 to \$74,140 in 1968, which was an increase of 83.28 per cent, while the net operating educational expenditures increased from \$108,374 in 1961 to \$222,315 in 1968, an increase of 105.13 per cent. 1967 brought the greatest increase in school expenditures. This again was because of the provincial Foundation Program.

Table X illustrates the expenditure that the local government district provided for the support of its schools.¹ This table also shows what contribution Sherritt Gordon Mines Limited made to the local government district for school expenditures. The Sherritt Gordon contribution is then shown as a percentage of total local government expenditures for schools. From the study of the table, it can easily be

TABLE IX

SELECTED* MUNICIPAL OPERATING EXPENDITURES AND
NET OPERATING SCHOOL EXPENDITURES, 1961-1968

Year	Selected Municipal Expenditures	Percentage Increase	Net Operating School Expenditures	Percentage Increase (Decrease)
1961	\$ 40,450		\$ 108,374	
1962	40,930	1.18%	112,714	4.00%
1963	44,514	8.75	123,866	9.89
1964	45,750	2.77	126,432	2.07
1965	48,984	7.06	125,309	(.88)
1966	56,399	15.13	148,274	18.32
1967	60,130	6.61	189,778	27.99
1968	74,140	23.29	222,315	17.14
1961-1968		83.28		105.13

* Selected Municipal Operating Expenditures are expenditures for protection, social services, community services and administration

Source: Local Government District Branch, Department of Urban Development and Municipal Affairs, Province of Manitoba
Public Schools Finance Board

TABLE X

LOCAL GOVERNMENT EXPENDITURE FOR SCHOOLS AND
SHERRITT GORDON CONTRIBUTION TO THE LOCAL
GOVERNMENT DISTRICT SCHOOL EXPENDITURE,
1961-1968

Year	Local Government Total Expenditure	Sherritt Gordon Contribution	Percentage that Sherritt Gordon Contribution was of Total
1961	\$ 67,065	\$ 22,193	33.09%
1962	63,215	21,153	33.46
1963	76,112	14,734	19.35
1964	83,375	12,112	14.52
1965	84,344	12,139	14.39
1966	90,459	12,937	14.30
1967	56,336	3,250	5.76
1968	102,841	10,359	10.07

Source: Local Government District Branch, Department
of Urban Development and Municipal Affairs,
Province of Manitoba

seen that Sherritt Gordon Mines Limited was making a decreasing effort for school purposes. In the agreement that Sherritt Gordon Mines made with the province in 1951, the company was obliged to pay \$10.00 per month per employee living in the townsite.² This was in lieu of taxes on company property. The \$10.00 in 1951 does not have the purchasing power now that it had originally. As a result, it would appear that the company is making a smaller contribution now than it made in 1961.

In 1961, the local government district provided \$67,065 for its schools. The Sherritt Gordon contribution was \$22,193, which was 33.09 per cent of the total contribution. In 1968, the district contribution had risen to \$102,841, while the Sherritt Gordon contribution declined to \$10,359 or 10.07 per cent.

II. FINANCIAL EFFORT FOR EDUCATION

The net operating educational expenditures for instruction, maintenance, instructional supplies and administration are analyzed in the following pages.

Table XI presents a record of net operating educational expenditures for the years 1961 to 1968. The first two columns in the table provide information on total net operating expenditures and per cent changes for those years. The expenditures for the period rose from \$108,374 in 1961

TABLE XI

TOTAL NET OPERATING EXPENDITURES, NET OPERATING
EXPENDITURE PER PUPIL, INCREASE (DECREASE)
THROUGH THE YEARS 1961-1968

Year	Total	Increase (Decrease)	Expenditure Per Pupil	Increase (Decrease)
1961	\$ 108,374		\$ 260	
1962	112,714	4.00%	257	(1.15)%
1963	123,866	9.89	282	9.72
1964	126,432	2.07	273	(3.19)
1965	125,309	(.88)	264	(3.29)
1966	148,274	18.32	315	19.31
1967	189,778	27.99	394	25.07
1968	222,315	17.14	448	13.70
1961-1968		105.13		72.30
Av. Yearly Increase		11.07		8.09

Source: Public Schools Finance Board

to \$222,315 in 1968, which was an average yearly increase of 11.07 per cent. The greatest increase occurred in the last three years of the period. The last two columns in the table present data on per pupil expenditures and per cent changes. This information illustrates that during the first part of the period (1961 to 1965) expenditures per pupil remained relatively unchanged. In 1961, the expenditure was \$260, while in 1965 it was \$264. In the years 1966 to 1968, however, there were large increases. The percentage increases for those years were 19.31 per cent, 25.07 per cent and 13.70 per cent respectively. For the total period, 1961 to 1968, the per pupil expenditure increased from \$260 to \$448, which was an average yearly increase of 8.09 per cent.

Figure 1 shows this same relationship. The dramatic increases in the latter part of the period are very noticeable.

Net operating school expenditures are paid for in part by provincial grant and in part by the school district. Table XIII illustrates this fact, along with the percentages that each contribution is of the total expenditure.

Grant contribution rose from \$65,104 in 1961 to \$150,342 in 1968. At the same time, the district contribution rose from \$43,270 to \$71,973. The grant contribution averaged 59.63 per cent per year and the district share averaged 40.35 per cent of the total net operating

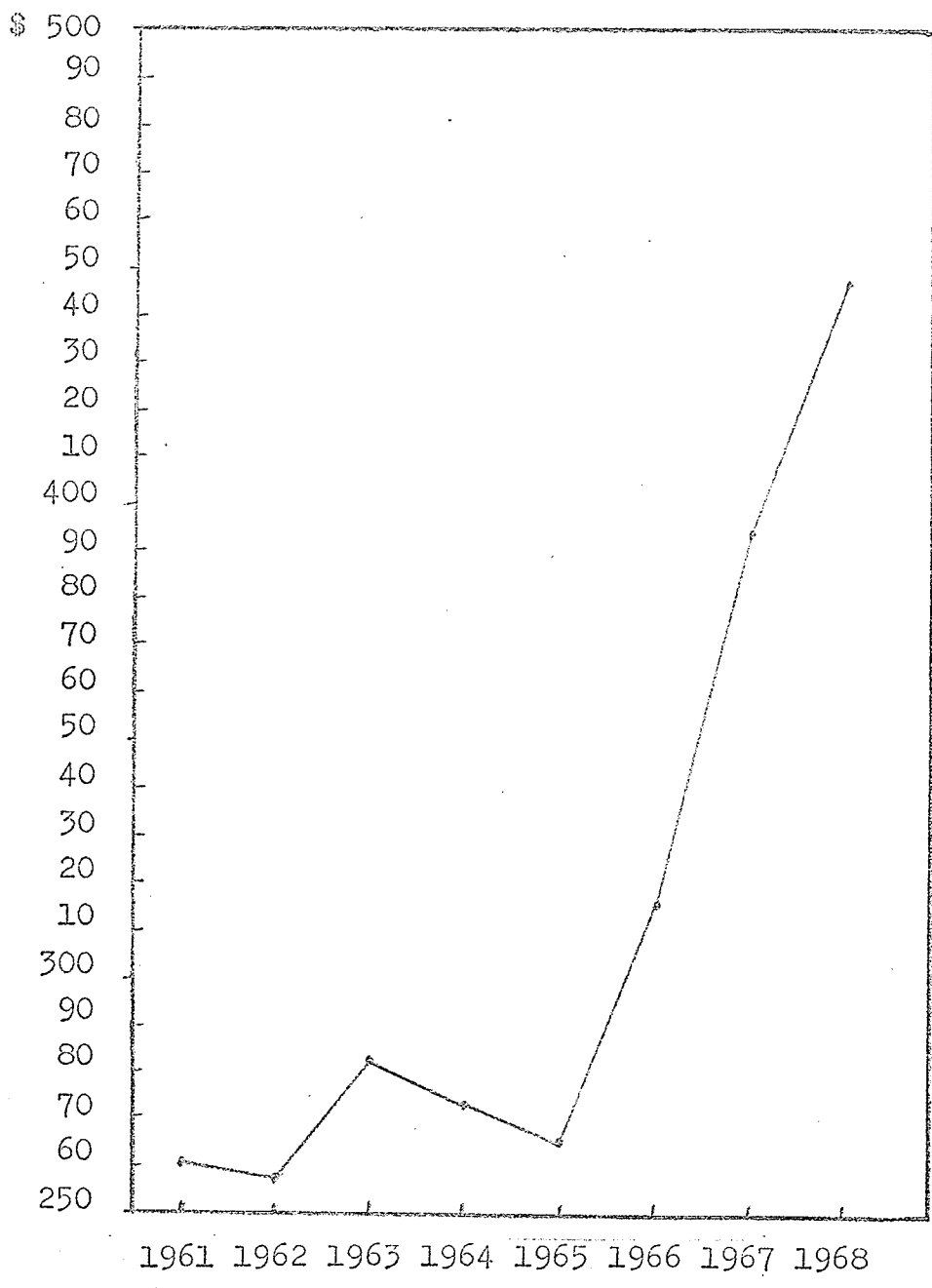


FIGURE 1

NET OPERATING EXPENDITURE PER PUPIL

TABLE XII

NET OPERATING SCHOOL EXPENDITURE CONTRIBUTIONS BY
GRANT AND BY DISTRICT, 1961-1968*

Year	Contributions by Grant	Percentage Grant is of Net Operating Expenditures	Contributions by District	Percentage District Contribution is of Total Expenditures
1961	\$ 65,104	60.08%	\$ 43,270	39.92%
1962	65,917	58.49	46,797	41.51
1963	66,337	53.56	57,529	46.44
1964	68,339	54.07	58,093	45.93
1965	67,910	54.20	57,399	45.80
1966	76,895	51.87	71,379	48.13
1967	146,383	77.14	43,395	22.86
1968	150,342	67.63	71,973	32.37
Average for 1961-1968		59.63		40.35

* See Table XI for total net operating expenditures
See Appendix A, Table XXIV for breakdown of grant contribution

Source: Public Schools Finance Board

expenditures per year. Figure 2 illustrates this same conclusion in graphical form.

The total and per pupil expenditures for the expenditure categories of instruction, maintenance, instructional supplies and administration are presented in Table XIII. The expenditure for instruction in 1961 was \$90,847, or \$218 per pupil. In 1968 the expenditure had risen to \$173,821, or \$350 per pupil. The expenditure for maintenance rose from \$12,668 or \$30 per pupil to \$23,475 or \$47 per pupil. The expenditure for instructional supplies in 1961 was \$2,729, or \$6.54 per pupil, and in 1968 the corresponding figures were \$8,106 and \$16.34. The expenditure for administration rose from \$2,130, or \$5.10 per pupil, to \$16,913, or \$34.09 per pupil. This information illustrates that the greatest changes occurred in the expenditure categories of instructional supplies and administration.

The percentages that each of the expenditure categories is of net operating expenditures are illustrated in Table XIV. It can be seen in this table that expenditures for instruction varied from a high of 83.92 per cent in 1962 to a low of 77.20 per cent in 1965. This category remained relatively constant at just over 78 per cent in the last three years of the study. The expenditure category of maintenance varied from a low of 9.84 per cent in 1962 to 14.23 per cent in 1964. From 1964 to 1968, this category

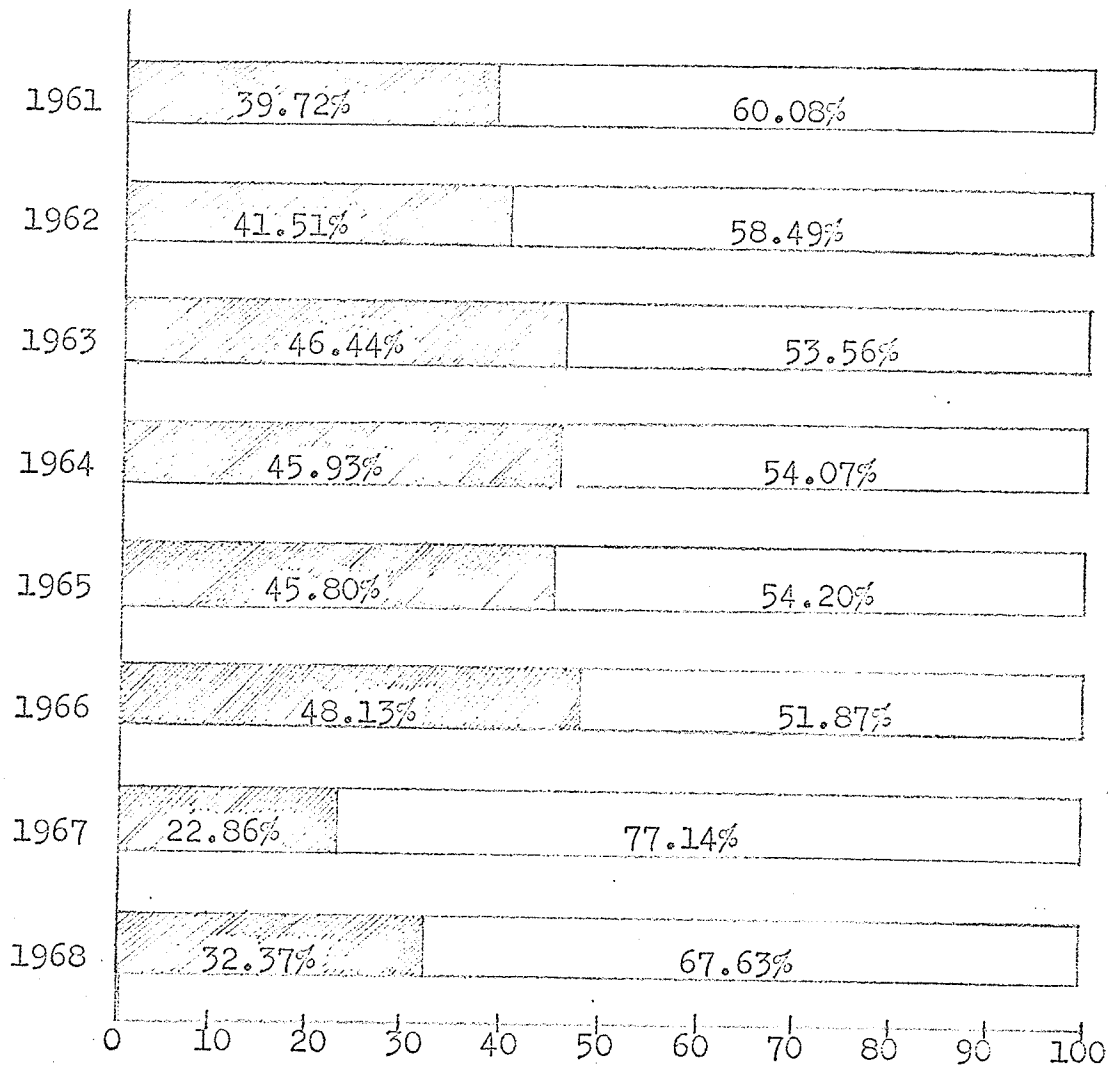


FIGURE 2

PERCENTAGES OF NET OPERATING EXPENDITURES
BY DISTRICT AND BY GRANT



District



Grant

TABLE XIII

TOTAL AND PER PUPIL EXPENDITURES FOR INSTRUCTION, MAINTENANCE,
INSTRUCTIONAL SUPPLIES AND ADMINISTRATION, 1961-1968

Year	<u>Instruction</u>		<u>Maintenance</u>		<u>Instructional Supplies</u>		<u>Administration</u>	
	Total	Per Pupil	Total	Per Pupil	Total	Per Pupil	Total	Per Pupil
1961	\$ 90,847	\$218	\$12,668	\$ 30	\$ 2,729	\$ 6.54	\$ 2,130	\$ 5.10
1962	94,593	216	11,095	25	3,326	7.59	3,700	8.44
1963	100,367	228	13,764	31	5,355	12.17	4,380	9.95
1964	99,090	214	17,997	39	4,488	9.69	4,857	10.49
1965	96,736	204	17,301	36	5,281	11.11	5,991	12.61
1966	116,839	249	18,090	38	6,389	13.59	6,956	14.80
1967	148,811	309	22,179	46	6,711	13.92	12,077	25.05
1968	173,821	350	23,475	47	8,106	16.34	16,913	34.09

Source: Public Schools Finance Board

TABLE XIV

EDUCATIONAL EXPENDITURE CATEGORIES OF INSTRUCTION,
 MAINTENANCE, INSTRUCTIONAL SUPPLIES AND
 ADMINISTRATION AS A PERCENTAGE OF
 TOTAL NET OPERATING EXPENDITURES
 1961-1968*

Year	Instruc- tion	Mainten- ance	Instruc- tional Supplies	Adminis- tration	Total Net Operating Expenditures
1961	83.82%	11.69%	2.52%	1.97%	100.00%
1962	83.92	9.84	2.95	3.28	99.99
1963	81.02	11.11	4.32	3.53	99.98
1964	78.37	14.23	3.54	3.84	99.98
1965	77.20	13.80	4.21	4.78	99.99
1966	78.80	12.20	4.30	4.69	99.99
1967	78.41	11.68	3.53	6.36	99.98
1968	78.19	10.55	3.64	7.60	99.98

*See Table XIII for dollar figures

decreased regularly from 14.23 per cent to 10.55 per cent of net operating expenditures. Both the categories of instructional supplies and administration increased from 1961 to 1968. In 1961, expenditures for instructional supplies represented 2.52 per cent of net operating expenditures and in 1968, this figure increased to 3.64 per cent. The expenditure category of administration increased from 1.97 per cent in 1961 to 7.60 per cent in 1968.

Table XV shows the percentage of net operating expenditures that the school district contributes to each of the expenditure categories. For the years 1961 to 1966, the percentages for instruction varied between 40.38 per cent and 45.03 per cent. In 1967 and 1968, the percentages were 27.27 per cent and 37.06 per cent respectively. The percentages for maintenance for the years 1961 to 1966 varied between 24.99 per cent and 48.74 per cent of net operating expenditures. The district made no contribution at all in 1967 and 1968 for maintenance. The district contribution for instructional supplies for the years 1961 to 1966 varied between 50.01 per cent and 71.39 per cent. As it was with the maintenance category, the district made no contribution for instructional supplies in 1967 and 1968. School district contributions to the administration category for the years 1961 to 1968 varied between 23.24 per cent and 84.81 per cent. In the last two years of the period, the

TABLE XV

SCHOOL DISTRICT CONTRIBUTION TO EXPENDITURE CATEGORIES
 OF INSTRUCTION, MAINTENANCE, INSTRUCTIONAL SUPPLIES
 AND ADMINISTRATION AS A PERCENTAGE OF THE TOTAL
 EXPENDITURE IN EACH OF THESE CATEGORIES
 1961-1968*

Year	Instruction	Maintenance	Instructional Supplies	Administration
1961	40.38%	31.62%	50.01%	56.61%
1962	41.79	24.99	52.61	74.05
1963	44.98	37.06	71.39	78.90
1964	42.92	48.74	65.61	79.74
1965	42.46	44.72	68.43	82.97
1966	45.03	45.27	63.89	84.81
1967	27.27	-	-	23.24
1968	37.06	-	-	44.65

*See Appendix A, Table XXIII for dollar amounts

percentages were 23.24 per cent and 44.65 per cent respectively. The table illustrates that in the last two years of the study, the district provided a smaller proportion of net operating expenditures than it had in the previous years of the study.

Table XVI presents the first index of this study. This is a comparison of school district operating expenditures with municipal ordinary expenditures. This index shows that there was no great change in effort in the years 1961 to 1966. The index for this period varied between 66.59 per cent and 71.78 per cent. There was a great change in the years 1967 and 1968, when the index was 92.55 per cent and 94.14 per cent. This change, as other evidence has already pointed out, was caused, not by a greater effort within the community, but by a greater support by the province.

In Table XVII, net operating educational expenditures per pupil are compared with equalized assessment per pupil. This is Index 2. For the first two years of the study, this index was between 9 and 10 per cent. For the next three years (1963-1965), the index remained between 7 and 8 per cent. Steady increases occurred in the final three years when the index increased from 8.28 per cent to 12.00 per cent.

TABLE XVI

SCHOOL DISTRICT NET OPERATING EXPENDITURES CALCULATED AS
 PERCENTAGES OF MUNICIPAL ORDINARY EXPENDITURES
 1961-1968

Year	School District Operating Expenditures (a)	Municipal Ordinary Expenditures (b)	<u>INDEX 1</u> Per Cent that (a) is of (b)
1961	\$ 108,374	\$ 150,977	71.78%
1962	112,714	162,726	69.26
1963	123,866	172,748	71.70
1964	126,432	175,823	71.90
1965	125,309	188,251	66.59
1966	148,274	219,350	67.59
1967	189,778	205,045	92.55
1968	222,315	236,133	94.14

Sources: Public Schools Finance Board
 Local Government District Branch,
 Department of Urban Development and Municipal
 Affairs

TABLE XVII

NET OPERATING EDUCATIONAL EXPENDITURES PER PUPIL CALCULATED
AS PERCENTAGES OF EQUALIZED ASSESSMENT PER PUPIL
1961-1968

Year	Educational Expenditure Per Pupil (a)	Equalized Assessment Per Pupil (b)	<u>INDEX 2</u> Per Cent that (a) is of (b)
1961	\$ 260	\$ 2,825	9.20%
1962	257	2,695	9.64
1963	282	3,647	7.73
1964	273	3,580	7.62
1965	264	3,612	7.30
1966	315	3,804	8.28
1967	394	3,793	10.38
1968	448	3,733	12.00

Sources: Table VI, Table XI

Table XVIII shows a relationship between total net operating educational expenditures and total personal income. This is Index 3. In 1961, this index was 3.56 per cent and decreased to 2.65 per cent in 1965. The next two years, however, showed increases with the index at 3.08 per cent in 1967.

Table XIX shows more specifically the relationship between personal income and school expenditure. The expenditure is on a per pupil basis and the income is per capita. This relationship is the Composite Index 4. This composite index, as might be expected, manifests the same conclusion as Index 3. In 1961, the index was 15.83 per cent; it decreased to 11.98 per cent in 1965, but increased in both the years 1966 and 1967, when it was 13.43 per cent and 15.01 per cent respectively.

Table XX gives a further detailed study of Index 4. It shows specifically what per cent each expenditure category is of personal income. The percentages that are shown in this table are the sub-indexes whose sum is equal to the Composite Index 4. The composite index is shown under the heading "Total" in the final column of the table. This table demonstrates that the expenditure category of instruction constitutes the greatest part of the composite index. In 1961, for example, when the composite index was 15.83 per cent, the sub-index for instruction was 13.27 per cent. The

TABLE XVIII

NET OPERATING EDUCATIONAL EXPENDITURE AND
TOTAL PERSONAL INCOME, 1961, AND
1965-1967

Year	Net Operating Educational Expenditure (a)	Personal Income (b)	<u>INDEX 3</u> Per Cent that (a) is of (b)
1961	\$ 108,374	\$ 3,039,192	3.56%
1965	125,309	4,725,000	2.65
1966	148,274	5,213,000	2.84
1967	189,778	6,143,000	3.08

Sources: Public Schools Finance Board

Department of Revenue - Taxation,
Statistics Section

TABLE XIX

NET OPERATING EDUCATIONAL EXPENDITURES PER PUPIL AS
A PER CENT OF PERSONAL INCOME PER CAPITA,
1961 AND 1965-1967

Year	Net Operating Educational Expenditure Per Pupil (a)	Personal Income Per Capita (b)	<u>INDEX 4</u> Per Cent that (a) is of (b)
1961	\$ 260	\$ 1,642	15.83%
1965	264	2,202	11.98
1966	315	2,345	13.43
1967	394	2,624	15.01

Sources: Table VII, Table XI

TABLE XX

EXPENDITURES OF INSTRUCTION, MAINTENANCE, INSTRUCTIONAL SUPPLIES, ADMINISTRATION, EACH AS A PERCENTAGE OF PERSONAL INCOME PER CAPITA, 1961 AND 1965-1967*

Year	Instruc- tion	Mainten- ance	Instruc- tional Supplies	Adminis- tration	Total
1961	13.27%	1.82%	0.39%	0.31%	15.83%
1965	9.26	1.63	.50	.57	11.98
1966	10.61	1.62	.57	.63	13.43
1967	11.77	1.75	.53	.95	15.01

* Detailed Study of Index 4, Table XIX

sub-indexes for maintenance, instructional supplies and administration were 1.82 per cent, 0.39 per cent, 0.31 per cent respectively. The years 1965 to 1967 demonstrated similar conclusions.

Table XXI gives a further analysis of educational effort. This table illustrates the local contribution per pupil to the expenditure categories as a percentage of personal income per capita. This table may be compared with Table XX. Whereas Table XX considers total net operating expenditures per pupil as a percentage of personal income, this table considers the local contribution to these net operating expenditures as a percentage of personal income per capita. This table, then, is a more detailed analysis of Index 4, demonstrating more distinctly, local effort.

In 1961, the total contribution per pupil was 6.33 per cent of personal income per capita and remained relatively unchanged in 1965 and 1966. In 1967, the percentage decreased to 3.42 per cent. This decrease occurred because of the greater support to educational expenditures by the provincial Foundation Program.

The most conspicuous conclusion in this table is that the school district contribution in all categories for 1967 tended to be lower than for the other years in the study. The only exception was the category of administration. In the category of instruction, for example, the percentage

TABLE XXI

SCHOOL DISTRICT CONTRIBUTION THROUGH SPECIAL LEVY AND OTHER
REVENUE TO EXPENDITURE CATEGORIES OF INSTRUCTION,
MAINTENANCE, INSTRUCTIONAL SUPPLIES AND
ADMINISTRATION AS A PERCENTAGE OF
PERSONAL INCOME PER CAPITA,
1961 AND 1965-1967*

Year	Instruc- tion	Mainten- ance	Instruc- tional Supplies	Adminis- tration	Total
1961	5.35%	.58%	.19%	.17%	6.33%
1965	3.90	.73	.34	.44	5.49
1966	4.77	.74	.42	.53	6.48
1967	3.20	-	-	.22	3.42

* See Appendix A, Table XXIII for dollar amounts

decreased from 5.35 per cent in 1961 to 3.20 per cent in 1967. There was no local contribution at all in 1967 for the categories of maintenance and instructional supplies.

Table XXII shows a comparison between total school expenditures and total income. This comparison shows the amount of increase in expenditure associated with a one per cent increase in income and is called "income elasticity of demand for education".³ This table illustrates that for the years 1961-1965, the elasticity of demand was 0.39 per cent. Essentially, this means that increases in educational expenditures lagged behind personal income increases. The years of 1966 and 1967 showed that the elasticity of demand exceeded one per cent. For the total period, the elasticity was 0.75 per cent. Although educational expenditure increases were not as great as personal income increases in the earlier years of the study, educational increases in the final two years exceeded income increases on a percentage basis.

The tables in this chapter attempted to give, first of all, statistical information of the town in general and then detailed statistical analyses of educational expenditures. Educational expenditures were then compared to municipal expenditures, equalized assessment and personal income. The chapter concluded with an analysis of the educational categories of instruction, maintenance, instructional supplies and administration. These categories were analyzed separately and compared to personal income.

TABLE XXII

PER CENT INCREASE IN TOTAL SCHOOL EXPENDITURE
 COMPARED TO PER CENT INCREASE IN PERSONAL
 INCOME, ELASTICITY OF DEMAND, 1961 AND
 1965-1967*

Year	Per Cent Increase in Expenditure	Per Cent Increase in Income	Elasticity of Demand
1961			
1965	21.86%	55.46%	.39%
1966	13.01	10.32	1.26
1967	28.29	17.84	1.58
1961 to 1967	76.68	102.12	.75

* Compare Table VIII for total expenditure data and Table VII for income data

FOOTNOTES

¹See Appendix B, Table XXV for Local Government District sources of revenue for school expenditures.

²See Appendix B, Table XXVI for Sherritt Gordon contribution to the Local Government District.

³Peter L. Maltby, "Measuring Your Education Effort," School Progress (September, 1965).

CHAPTER VI

SUMMARY AND CONCLUSIONS

I. THE PROBLEM AND THE PROCEDURE

The purpose of this study was to analyze the educational effort of Lynn Lake, Manitoba for the years 1961-1968.

Relevant district data including population, school enrolment, equalized assessment, municipal expenditures, personal income and gross educational expenditures were first presented. This was followed by an analysis of net operating educational expenditures. Four indexes of effort were investigated, each employing net operating educational expenditures. These indexes of effort were:

1. educational expenditure as a percentage of municipal expenditure;
2. educational expenditure as a percentage of equalized assessment per pupil;
3. educational expenditure as a percentage of personal income;
4. educational expenditure per pupil as a percentage of income per capita.

The fourth index was selected for a detailed analysis and was considered as a composite index. This composite index included sub-indexes relating to specific educational

expenditure categories. These were:

1. instructional services (salaries)
2. administration
3. instructional supplies
4. maintenance

Total expenditures per pupil in these expenditure categories were compared to personal income per capita. This comparison was followed by an analysis of the local contribution per pupil to these expenditure categories. The local contributions to these expenditure categories were also expressed as a percentage of personal income.

One further comparison of personal income and educational expenditure concluded the statistical analysis of this study. This ratio illustrated the per cent increase in gross educational expenditure for each 1.00 per cent increase in total personal income and is called "income elasticity of demand for education".

II. SUMMARY OF FINDINGS

The population and school enrolment increased gradually in the period 1961 to 1968. The population increased from 2,045 to 2,384 while school enrolment increased from 417 to 496. School enrolment remained at approximately 21 per cent of population.

Equalized assessment per pupil and income per capita

also exhibited increases. Equalized assessment per pupil increased by 32.1 per cent between 1961 and 1968, while personal income per capita increased 59.80 per cent between 1961 and 1967. Income figures for 1968 were not available.

Municipal expenditures increased from \$150,977 in 1961 to \$236,133 in 1968, which was an increase of 56.40 per cent, while educational expenditures increased from \$111,183 to \$225,909, an increase of 103.18 per cent.

A comparison was made with selected municipal expenditures, which were expenditures mainly for personal services, and school district net operating expenditures. The selected municipal expenditures increased from \$40,450 in 1961 to \$74,140 in 1968, an increase of 83.28 per cent. School district net operating expenditures increased from \$108,374 to \$222,315, an increase of 105.13 per cent.

The local government district generally increased its expenditures for education during the time period of the study. A notable exception was 1967, the year when the provincial Foundation Program came into effect. In 1961, the total expenditure was \$67,065 and in 1968, this figure had reached \$102,841. The 1967 expenditure was \$56,336. The local district contributed approximately 40 per cent of the net operating educational expenditures during the time period of the study.

Sherritt Gordon Mines Limited, the major employer of the area, pays a grant to the local government district in

lieu of property taxes. The district then assigns some of this grant towards its educational expenditures. The percentage of the district contribution that the company has been paying has been decreasing steadily. In 1961, the company paid 33.09 per cent of the educational expenditure and in 1968, this figure had decreased to 10.07 per cent.

The net operating educational expenditure increased from \$108,374 in 1961 to \$222,315 in 1968, which was slightly over 100 per cent, while the expenditures per pupil increased from \$260 to \$448, which was an increase of approximately 70 per cent.

The expenditure category of instruction constituted the largest single item for the school district. In 1961, the expenditure per pupil was \$218, or 83.82 per cent of the net operating expenditure. In 1968, the corresponding figures were \$350 and 78.19 per cent.

The first index of effort, the comparison of school district net operating expenditures to municipal expenditures, shows that from the years 1961 to 1966 the net operating expenditures were slightly less than 70 per cent of municipal expenditures. In the last two years of the study, 1967 and 1968, this ratio was 92.55 and 94.14 per cent respectively.

The second index, a comparison of net operating school expenditures per pupil and equalized assessment per pupil, demonstrates that this ratio remained between 7.30 per cent

and 9.64 per cent in the years 1961 to 1966. In 1967 and 1968, the figures were 10.38 and 12.00 per cent.

The third index, a comparison of total net operating school district expenditures and total personal income for the years 1961 to 1967, establishes that net operating expenditures were 3.56 per cent of personal income in 1961; decreased to 2.65 per cent in 1965; but increased in both 1966 and 1967 to 2.84 per cent and 3.08 per cent respectively.

The fourth index, which compares net operating educational expenditures per pupil and personal income per capita, manifests the same conclusion as the third index. In 1961, this ratio was 15.83 per cent. It decreased to 11.98 per cent in 1965 and increased again both in 1966 and 1967 to 13.43 and 15.01 per cent respectively. The second analysis of this index compares the local contribution per pupil of the net operating educational expenditures and personal income per capita. This ratio decreased from 6.33 per cent in 1961 to 3.42 per cent in 1967, the initial year of the provincial Foundation Program.

The final analysis in this study, the elasticity of demand for education, establishes that, for the time period 1961 to 1967, each 1.00 per cent increase in total income was accompanied by a 0.75 per cent increase in total educational expenditure.

III. GENERAL CONCLUSIONS

This study measured the educational effort that was made on behalf of the students of Lynn Lake from 1961 to 1968 by comparing educational expenditures with the wealth of the community. The tangible forms of wealth utilized were equalized assessment and personal income. Comparisons of educational expenditures were also made with municipal expenditures.

This study demonstrated that educational expenditures, along with other municipal expenditures, have increased steadily. The increases in educational expenditures for the period 1961-1967, however, did not keep pace with the increases in personal income. It was not until the provincial Foundation Program came into effect in 1967 that substantial increases in educational expenditure were apparent. The indexes of effort that were evolved in the study demonstrated that there was little change in effort from 1961 to 1966 and that rather large changes were noticeable in 1967 and 1968.

IV. INFERENCES

The Foundation Program was introduced into Manitoba to alleviate the home owner's high rates of property tax. This study has shown that the Foundation Program has eased the burden in the town of Lynn Lake. However, this Program is

based on a fixed number of dollars for each of the educational categories analyzed in this study. Inflation lowers the Foundation Program contribution each year. It would appear that the provincial government should make periodical increases in its contribution in order that the school divisions continue to get the same percentage support.

The same problem of a fixed number of dollars exists concerning Sherritt Gordon Mines Limited support. It is rather surprising that the provincial government would have made a lasting agreement whereby the company would pay a fixed sum for school support. Inflation was not an unknown phenomenon in 1951 when the agreement was signed. If the government makes agreements of this kind, these agreements should be open for revision.

The School District of Lynn Lake is one of the "Remote School Districts" of the province of Manitoba and as such does not have an elected school board, but an official trustee appointed by the provincial government. The mining company must be satisfied with this appointment. One might expect then an enlightened school board would put forth a greater educational effort.

This study demonstrated that an increasing financial effort was made in the school district of Lynn Lake after the Foundation Program came into effect in 1967, and that the

district at the same time put forth a decreasing effort. However, the citizens of Lynn Lake, as well as the citizens of the whole province, have been contributing greater amounts through provincial taxes to pay for this Foundation Program. While it may be said that direct local support decreased in 1967, the indirect support increased.

V. RECOMMENDATIONS

1. Indexes of educational effort of school districts and divisions should be calculated periodically to permit administrators and school boards to better analyze educational expenditures.
2. The Public Schools Finance Board should revise its annual statement forms so that expenditures for elementary and secondary students could be analyzed separately. This would give more accurate statistics on expenditures per pupil.
3. There should be a province wide effort to study educational expenditures on a systematic basis.
4. These studies should be reported to school boards and should be used as a basis for action.

VI. IMPLICATIONS FOR FURTHER RESEARCH

The results of this study could be used as a starting point for other studies in Lynn Lake, such as teacher

turnover, student retention, student performance, quality of teaching, student and community problems.

Studies similar to this one could be made in other parts of the province. Following this, norms could be established on a regional or provincial basis. Any school district could then compare its effort with these regional or provincial norms.

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APPENDIX A

TABLE XXIII

LOCAL CONTRIBUTIONS TO NET OPERATING EXPENDITURES, INSTRUCTION,
 MAINTENANCE, INSTRUCTIONAL SUPPLIES, ADMINISTRATION AND
 EXPENDITURES PER PUPIL, 1961-1968

Year	Net Operating Expenditure	Instruc- tion	Mainten- ance	Instruc- tional Supplies	Adminis- tration
1961 total	\$ 43,270	36,693	4,006	1,365	1,206
per pupil	\$ 104	88	9.60	3.27	2.89
1962 total	\$ 46,797	39,534	2,773	1,750	2,740
per pupil	\$ 107	90	6.33	3.99	6.25
1963 total	\$ 57,529	45,149	5,101	3,823	3,456
per pupil	\$ 131	103	11.59	8.68	7.85
1964 total	\$ 58,093	42,530	8,772	2,918	3,873
per pupil	\$ 125	92	18.94	6.30	8.36
1965 total	\$ 57,399	41,076	7,738	3,614	4,971
per pupil	\$ 121	86	16.29	7.60	9.83
1966 total	\$ 71,379	52,619	8,190	4,670	5,900
per pupil	\$ 152	112	17.42	9.93	12.55
1967 total	\$ 43,395	40,588	--	--	2,807
per pupil	\$ 90	84	--	--	5.82
1968 total	\$ 71,973	64,420	--	--	7,553
per pupil	\$ 145	130	--	--	15.22

Source: Public Schools Finance Board

TABLE XXIV

PROVINCIAL GRANT CONTRIBUTIONS TO NET OPERATING EXPENDITURES,
INSTRUCTION, MAINTENANCE, INSTRUCTIONAL SUPPLIES AND
ADMINISTRATION, 1961-1968

Year	Net Operating Expenditures	Instruc- tion	Mainten- ance	Instruc- tional Supplies	Adminis- tration
1961	\$ 65,104	\$ 54,154	\$ 8,662	\$ 1,364	\$ 924
1962	65,917	55,059	8,322	1,576	960
1963	66,337	55,218	8,663	1,532	924
1964	68,339	56,560	9,225	1,570	984
1965	67,910	55,660	9,563	1,667	1,020
1966	76,895	64,220	9,900	1,719	1,056
1967	146,383	108,223	22,179	6,711	9,270
1968	150,342	109,401	23,475	8,106	9,360

Source: Public Schools Finance Board

APPENDIX B

TABLE XXV

LOCAL GOVERNMENT DISTRICT SCHOOL EXPENDITURES
AND SOURCE OF REVENUE FOR SCHOOL
EXPENDITURES, 1961-1968

Year	District School Expenditures	District Tax Levy for Schools	District Other Revenue and Sherritt Gordon Contribution
1961	\$ 67,065	\$ 25,567	\$ 41,498
1962	63,215	26,935	36,280
1963	76,112	48,106	28,006
1964	83,375	56,036	27,339
1965	84,344	58,498	25,846
1966	90,459	61,141	29,318
1967	56,336	49,141	7,195
1968	102,841	74,256	28,584

Source: Local Government District, Department of Urban
Development and Municipal Affairs, Province of
Manitoba

TABLE XXVI

SHERRITT GORDON MINES LIMITED GRANT
TO THE LOCAL GOVERNMENT DISTRICT
IN LIEU OF PROPERTY TAXES,
1961-1968

Year	Grant
1961	\$ 52,370
1962	51,400
1963	50,240
1964	49,550
1965	51,090
1966	50,520
1967	51,870
1968	54,260

Source: Local Government District,
Department of Urban Development
and Municipal Affairs, Province
of Manitoba