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Evaluations and discussions of Hawaii's Department of Education are constantly before the public. Some are based on direct ratings such as pupil scores on national examinations. Others which are related to educational progress might include census reports indicating a fairly high percentage of illiteracy or the ratings on the selective service tests of local inductees. Lengthy discourses which range toward the emotional deal with the problems of pupil service in the cafeterias.

In the light of the above, an evaluation of Hawaii's effort in financing her schools may be in order. Although there are many positive factors to suggest a fairly adequate public school system in Hawaii, the question might well be raised concerning the relationship between the financial effort of this state compared to the average standards on the mainland.

Hawaii's Financial Effort for Public Education

Tor Nelson

Financial comparisons of such a nature are available on an annual basis, the most reliable being those of the Research Division of the National Education Association. An examination of these reports and an analysis of their implications for quality education should be revealing. Although it is difficult to correlate educational attainment with monetary expendi-

tures between schools or between districts, a fair case can be made that the financial effort of a state relates to the degree of excellence of its educational system. Or, significantly, we in Hawaii can look at the national picture and analyze, in a general sense, the kind of effort this state is making to provide quality public education.

TABLE I

	<i>Personal Income per child of school age 5-17 yrs., inc.</i>	<i>Current Expenditures per student in Average Daily Attendance</i>	
	1961	1962-63	1963-64
Colorado	\$9423	\$440	\$460
Washington	9360	495	515
Ohio	9345	421	446
Nebraska	8998	375	385
New Hampshire	8937	403	427
Oregon	8914	518	549
<u>Hawaii</u>	<u>8871</u>	<u>388</u>	<u>402</u>
Michigan	8746	447	452
Indiana	8734	440	467
Wisconsin	8732	481	498
Kansas	8721	422	448
Wyoming	8614	526	540
Iowa	8551	443	456

COMPARISON OF EXPENDITURES

The total of Hawaii's state and local current expenditures budgeted for the school year 1963-64 is estimated at \$402.00 for each child in average daily attendance, falling below the projected national average of \$455.00 by \$53.00.

The efforts of both City-County and State governments in providing funds for capital improvements also fall far short of the national average. Hawaii has been spending or bonding approximately \$40.00 per pupil per year as against a mainland average

exceeding \$80.00 per student in average daily attendance. Indications for the fiscal year which began July 1, 1963, however, are that the national average in this respect will be equaled or exceeded because of the large number of projects financed by the State Legislature. To this date, release of the money for these projects has been slow.

A MEASURE OF EDUCATIONAL EFFORT

Measures of financial comparison are not absolute. The N.E.A. Research

Division attempts to analyze the financial status of each of the states so that the same items are reported or equated.

In seeking a comparison of educational effort, many approaches could be taken. In comparison with the West Coast states alone, Hawaii would suffer a further disparity in its contribution to public education, even though one of the states, Oregon, is very close to Hawaii in an analysis of wealth. Or a comparison with states of similar size might be made, disregarding the factor of income. Other measures might overlook such factors as the differences among the states in respect to the percentage of children in private and parochial schools or the differences in the number of school-age children when taken in ratio to the total population. Ranges in cost of living are difficult to determine, and, in the case of Hawaii, are usually stressed when an effort is being made to maintain extra payments from the Federal government.

Ultimately, a measure must be used which will equate the financial effort possible in relation to the number of children of school age resident in the State. Since Hawaii has a young population, it would seem that a comparison is best made with those states having the nearest relationship to the personal income averaged per school child, ages 5-17 inclusive.

Table No. I lists the six states immediately above and below Hawaii as given in N.E.A. Research Reports for January, 1963 and December, 1963.

Using the information in Table I, a rough estimate of educational effort can be measured by dividing the current expenditure per average daily attendance by the personal income per child of school age. The results are given in Table II. The highest ratio represents the strongest financial effort.

TABLE II

	<i>Rank by Effort</i>	<i>Ratio of Effort</i>	<i>Rank by Expenditures</i>
1.	Wyoming	.063	2
2.	Oregon	.062	1
3.	Wisconsin	.057	4
4.	Indiana	.05335	5
5.	Iowa	.05332	7
6.	Michigan	.052	8
7.	Kansas	.051	9
8.	Washington	.049	3
9.	Colorado	.0478	6
10.	New Hampshire	.04778	11
11.	Ohio	.04773	10
12.	<u>Hawaii</u>	<u>.045</u>	<u>12</u>
13.	Nebraska	.043	13

TABLE III*
1963-64 per Average Daily Attendance
(estimated or budgeted)

	<i>Current Expense</i>	<i>Capital Outlay</i>	<i>Interest</i>	<i>Total</i>
Oregon	\$549	\$ 83	\$11	\$643
Wisconsin	498	124	21	643
Washington	515	107	18	640
Wyoming	540	59	15	614
Colorado	460	105	22	587
Michigan	452	110	25	587
Kansas	448	127	11	586
Indiana	467	88	6	561
Ohio	446	93	20	559
Iowa	456	84	13	553
New Hampshire	427	89	14	530
Nebraska	385	94	14	493
<u>Hawaii</u>	<u>402</u>	<u>31</u>	<u>15</u>	<u>448</u>

*Amounts figured from N.E.A. Research, Dec., 1963.

Ratings similar to those in Table II, which relate to current expenditures, are probably the most consistent, although expenditures for capital improvements, debt retirement, and interest payments contribute heavily to school costs. Expenditures for capital improvements, however, might in any given year reflect either heavy or light investment and the ratings might therefore be thrown out of proportion. For general information, Table III lists the expenditures for current expense, capital improvements, interest on debt, and totals of all three.

TAXATION AND SUPPORT OF EDUCATION

The general conclusion that can be reached from the findings presented is that Hawaii has evolved as a fairly prosperous state which has not indicated either an ability or a willingness to improve her educational programs. The result is a level of public school support which is low when compared with the budgets of states with reasonably equal income.

Two possible reasons for this might be discussed. One is the inevitable result of comparing state taxes. It is logical that Hawaii, with a high degree of centralization in government, has high state taxation. The offset is in the relatively low local real property taxation at the City and County level. The property tax in Hawaii is set on the basis of a low millage rate and a high percentage of assessed valuation to market value. The significant result is that the product is also low in the absolute amount of tax revenue produced when compared to that of other states.

TABLE IV

Average Per Capita Property Tax Collections		
	1960	1961
United States	\$91.15	\$98.35
Hawaii	<u>31.46</u>	<u>31.51</u>

ASPECTS IN COMPARING EDUCATION COSTS

Comparisons, however, are limited in value unless total state and local taxation is considered. An excellent discussion of the comparison of taxation from state to state, based on an ability to pay or the sacrifice concept, is Robert M. Kamins' *Tax Problems and Fiscal Policy in Hawaii*, (Legislative Reference Bureau Report No. 1, 1962). Hawaii's sacrifice index for the year 1960, as presented by Dr. Kamins, placed her twenty-fifth among the 50 states.

A second consideration relates to the percentage of total state and local expenditures for government which are allocated for educational purposes. The demands on government by other agencies and the need to stress economic development in a young state have placed Hawaii among the lowest three states in this respect.

TABLE V*

State and Local Expenditures for All Public Education as a Percent of Expenditures for All Purposes

Rank	1961	
	1	Utah
	U.S. Average	36.6%
48	Hawaii	<u>30.8%</u>
49	New York	30.4%
50	Mass.	28.7%

*N.E.A. Research Report, Jan. 1963, Table 78.

The inevitable result of a below-average support of education is a lower standard of educational services. For Hawaii, this has resulted in the much discussed high pupil-teacher ratio which is exceeded only by the state of Alabama.

In the elementary schools the deviation from the national average and

the resulting effect on teacher load is not as great as at the intermediate and high school levels. While few would question the responsibility and effort necessary for successful elementary teaching, the fact remains that Hawaii is the only place in the United States where pupil-teacher ratios are the same for all levels of instruction.

Consequently, the usual practice in the public secondary schools is for teachers to be assigned to classes totaling over 200 students a day, or in excess of 1000 pupil periods per week. Interestingly enough, it is the secondary schools which have been subjected to the most criticism.

Further limitations are too numerous to mention here except by brief examples. They might include the fact that only 20% of Hawaii's mentally retarded students are provided for in special classes. Remedial reading classes in high schools are sometimes that in name only. Even those who object to cafeteria service by pupils must finally seek an answer in further subsidies or in higher meal costs to the parents.

Easy solutions to the problem of financial support for education will not be forthcoming. But if only a small portion of the superlatives associated with education and its contributions to the future is true, then Hawaii with all the rest of the states has a highly important task to perform. To this date all of the innovations including the impact of the new media have not dispelled the idea that the best education takes place with a good teacher and a reasonably-sized class. This is the solution that some parents find in private education. Is it asking too much that public education be supported at least to the extent of an average effort related to wealth?

Note: Statistical information derived from N.E.A. Research Reports: "Ranking of the States, 1963"; "Estimates of School Statistics, 1963-64."