

Economic Modeling Study Outlines UI's \$1.1 Billion Contribution to Idaho

Jodi Walker, UI director of communications

MOSCOW, Idaho – The University of Idaho contributes \$1.1 billion to Idaho through the development of a well-educated workforce, consumer spending, start-up and spin-off company impact, research expenditures, and other factors, according to a study conducted by Economic Modeling Specialists International (EMSI). The \$1.1 billion total, representing 1.9 percent of the Idaho economy, is an increase from 2012's estimate of just under \$1 billion.

The primary economic impact of UI is the increased income of its graduates, who add \$782 million in annual economic impact (GSP) to the state of Idaho through higher wages, increased output of the business that employ them and the multiplier effect of spending. Society as a whole in Idaho gains \$2.1 billion through increased income and social savings of \$459.6 million over the course of UI students' working lives, according to the study.

"Vandal graduates earn higher wages with a UI degree, they help businesses achieve new successes and they lead healthy and productive lives," said UI President Chuck Staben. "The EMSI report highlights the value of a UI education as one of the best investments you can make — it is an investment in yourself and in your future."

The study looks at the economic impact of UI and the return on investment of education. The results contribute more to the discussion of, and effort to, increase Idaho's go-on rate. Idaho ranks 50th in college go-on rates for its high school graduates.

The study shows for each dollar a UI student spends on education, that student will see a cumulative \$3.30 increase in wages over a career. This is a 14 percent return on investment, as compared to the return on a bank savings account of less than 1 percent.

Because college graduates are proven to have increased wages, they also pay more taxes, increasing the state's tax receipts. College graduates also use fewer social services such as unemployment benefits, mental health and health care services, and justice services.

Businesses in the state also benefit from UI by increased consumer spending and a steady supply of qualified workers. Society spent \$547.4 million on educating UI students in 2013-14 and will see a \$4.60 return for each of those dollars spent, according to the study.

UI-specific start-up and spin-off businesses contributed \$35.3 million to the gross state product for FY 13-14.

"The EMSI report is so useful because it gives us a global view of the university, showing that UI's economic impact is varied and far-ranging," Staben said. "This study clearly demonstrates that our great university is not a luxury, it is a necessity. It is an investment, not an expense."

The complete study is available at http://www.uidaho.edu/president/news/economic_impact