SOCIETY’S INVESTMENT
The Economic Value of Washington’s Community and Technical Colleges | December 2016

Benefits created by the colleges extend to far more people than just their students. As students and employers enjoy higher earnings and increased output, society as a whole benefits from an expanded economy and a range of savings associated with the students’ improved quality of life.

THE COLLEGES RAISE PROSPERITY IN THE STATE

- Students earn more because of the skills and qualifications they acquire at the colleges. Further, employers earn more because the added skills of the students they hire make their businesses more productive.

- Together, increases in earnings and business output stimulate corresponding increases in earnings and employment throughout the state. Over their working lives, the colleges’ 2014-15 student population will increase the state’s economic base by $29.4 billion.

THE COLLEGES IMPROVE QUALITY OF LIFE

- As the colleges students achieve higher levels of education, they are statistically more likely to develop good health habits. This leads to a present value of $550.5 million in savings to students and to society as a whole for medical treatment related to smoking, alcoholism, obesity, drug abuse, and mental disorders.

- Students enjoy better employment opportunities as a result of their education at the colleges. This makes them less likely to require earnings assistance and less likely to commit crimes. These effects translate to a present value of $14.4 million in unemployment-related savings and $150.8 million in law enforcement savings to society as a whole.

- Altogether, savings to society amount to a present value of $715.7 million, equal to the sum of avoided costs related to health, crime, and unemployment.

PRESENT VALUE OF SOCIAL SAVINGS (THOUSANDS)

- $14,405
  Unemployment
- $150,786
  Crime
- $550,517
  Health

BENEFITS TO SOCIETY OUTWEIGH SOCIAL COSTS

- In FY 2014-15, society invested $5.3 billion in the colleges. This includes all the colleges’ expenditures, all student expenditures, and all student opportunity costs. In return for this investment, society as a whole will receive a present value of $30.1 billion in benefits, the sum of the increased economic base and social savings that the colleges’s 2014-15 student population will generate in the state.

- For every dollar spent on the colleges, society as a whole in Washington will receive a cumulative value of $5.70 in benefits, for as long as The colleges’ 2014-15 students remain active in the state workforce.