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Higher education adds value to salaries and economic impact of Lumpkin County

DAHLONEGA – Graduates of North Georgia College & State University and other University System of Georgia institutions generated more than \$4.4 million in wages for Lumpkin County in 1998, according to a new study of the economic impact of higher education on Georgia. Nearly \$2 million of this total is directly attributable to the graduate's college degrees.

The study, commissioned by the USG's Intellectual Capital Partnership Program, puts a dollar value on public higher education in Georgia.

Researchers at the Georgia Institute of Technology in Atlanta conducted the "Value of University System of Georgia Education" study, based on the earnings of almost 90,000 University System students who graduated from University System institutions between 1993 and 1997. The study shows that the increased earnings resulting from their higher education degrees added nearly \$1.25 billion to the state's economy during 1998, the most recent year for which information was available.

"A public university degree in Georgia pays off for the graduates and for the economy of the state as a whole," said NGCSU President Nathaniel Hansford. "Last year Kiplinger's magazine named North Georgia College & State University one of the top 100 best values in public education in the nation, and this validates the worth of our undergraduate and graduate degrees."

The USG's ICAPP study shows that a college degree is worth an average of \$14,000 a year more than a high-school graduate's expected earnings. In fact, over the course of a working career the average graduate of a USG college or university may expect to earn almost \$1 million more than a high-school-educated worker.

Regarding the state of Georgia's "investment" in higher education, University System Chancellor Thomas C. Meredith was quoted in a news release saying:

"As our funding partners struggle with grave budget issues, I would encourage them not to harm this generator of economic growth. Georgia so far has resisted the trend we see in many states to reduce substantially the state's investment in higher education. Our economy has benefited from that decision, and as this study has shown, those benefits will continue to increase in the decades to come."

The top programs of study based on total economic impact are business administration, nursing, teacher education, liberal arts and sciences, accounting, computer and information sciences, education administration, law, and business, all of which are programs offered at NGCSU, with the exception of law (a pre-law concentration is offered).

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The earnings of nearly 2,100 graduates of North Georgia with 1998 Georgia salaries above \$10,000 were studied, and their salaries totaled \$66,779,215. The researchers determined that the portion of that total attributable to their college degrees was \$25,254,200. The average wage for those graduates was \$32,167, with the “education value” of that salary — the difference made by higher education — \$12,165. These figures were only for 1998 earnings. The total impact of their higher education during their lifetimes could be as much as 40 times these figures.

Statewide, the study shows, a bachelor's degree alone increases earning power by an average of 34 percent over a high school diploma.

The researchers, Georgia Tech's Bill Drummond and Jan Youtie, also found that the areas of specialties where there are significant shortages of labor in Georgia include elementary and kindergarten teachers as well as registered nurses. NGCSU offers majors of study in those fields and experiences capacity enrollments for those and other “in-demand” academic majors.

Full copies of “The Value of University System of Georgia Education” may be downloaded from the ICAPP website at: <http://www.icapp.org/publications.htm>

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