

A close-up photograph of numerous teal-colored coins, likely quarters, scattered across the top portion of the page. The coins are slightly out of focus, creating a textured, shimmering effect.

**EDUCATION  
PAYS**

**ECONOMIC  
IMPACT  
OF THE  
UNIVERSITY  
OF HAWAI‘I**

**DECEMBER 2000**

A photograph of teal-colored water, possibly a lagoon or a bay, with gentle ripples and reflections. The water is the dominant background for the lower two-thirds of the page.

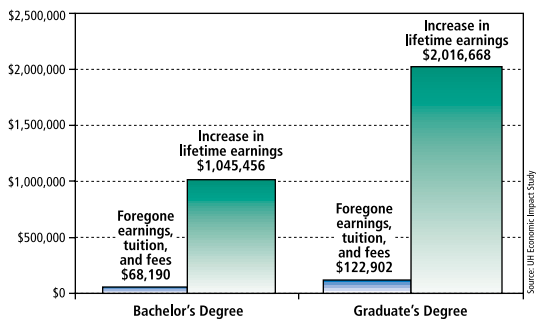


# THE UNIVERSITY OF HAWAI‘I IS A BILLION-DOLLAR PLAYER IN HAWAI‘I’S ECONOMY

## UH increases individuals’ earning potential

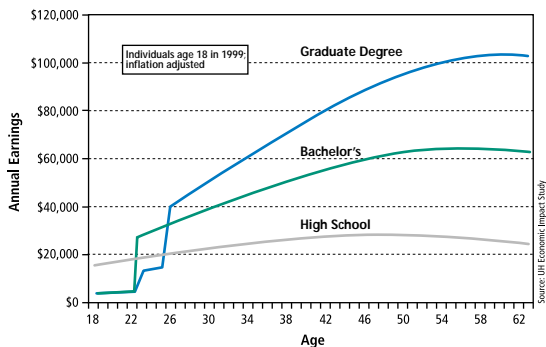
In real terms, a typical Hawai‘i resident who obtains a **bachelor’s degree** from the University of Hawai‘i will earn **\$1,045,456** more over his or her lifetime than a resident with a high school diploma. If the resident goes on to earn a **graduate degree**, he or she can expect to earn **\$2,016,668** more (adjusted for inflation) than a resident with a high school diploma.

Anticipated increase in lifetime earnings and cost by educational attainment beyond high school, Hawai‘i.\*



For Hawai‘i residents, the annual return on investment in a **bachelor’s degree** from the University of Hawai‘i is **15.8 percent**. Annual return on investment in a **graduate degree** from the University of Hawai‘i is **19.1 percent**.

Relationship of age and earnings by level of educational attainment, Hawai‘i.\*



\*Note: The cost of obtaining a graduate degree includes the cost of obtaining a bachelor's degree. Inflation adjusted.



## UH stimulates the business community

- Total UH system spending was \$730.4 million in fiscal 1999, of which only \$380 million came from state general funds.
- Total UH-related expenditures in fiscal 1999 directly and indirectly generated \$1.6 billion of business sales, 29,000-plus jobs, and \$1.1 billion of income to households.
- University activities foster new businesses, assist existing industry, and create long-term job growth. They enhance the work force through development of human capital and knowledge infrastructure, expansion of telecommunication and microprocessing technology, and integration of Hawai'i into the global community.
- UH promotes innovation and capitalization on Hawai'i's unique natural and cultural endowments. It serves as a laboratory for the creation of new knowledge and a warehouse for additions to the pool of knowledge.
- The University of Hawai'i produces the future leaders of Hawai'i.

## UH leverages taxpayer dollars

- For every dollar of general funds appropriated by the state, the UH system generates another \$1.87 of education-related expenditures in the economy.
- Every dollar of general fund spending by UH generates \$4.10 of total business sales and \$2.89 of labor income.
- For every \$1 million of state general funds invested in UH, 77 full-time-equivalent jobs are generated.
- Every dollar of general fund spending by the University of Hawai'i generates \$.48 in state and local taxes.

## UH generates a return on government investment

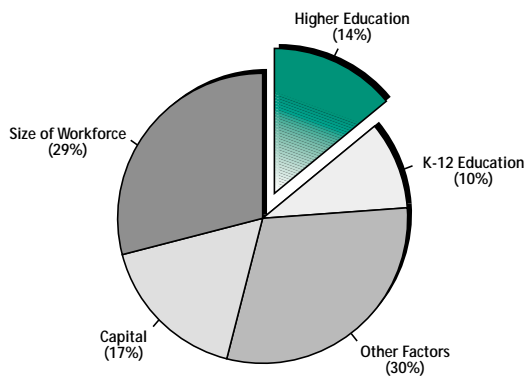
- Total UH expenditures generated \$183 million in state and local taxes during the 1999 fiscal year. These expenditures represent 4.7 percent of total state and local taxes for the entire state of Hawai'i.
- Adjusted for inflation, a Hawai'i resident who obtains a bachelor's degree pays \$136,563 more in state taxes over his or her lifetime than does a resident with a high school diploma. For state taxpayers, the annual return on investment in a UH baccalaureate candidate is 3.4 percent after inflation.



## UH expands the state economy

- All of higher education in Hawai'i represents 14 percent of Hawai'i's annual economic growth since statehood. A growing proportion of the state's labor force—which accounted for more than half of the 4.7 percent annual rate of economic growth from 1959 to 1989—has some college experience, a college degree, or post-graduate education.

Higher education's share of Hawai'i's economic growth.



- The University of Hawai'i is a major economic sector in Hawai'i. In 1999, the UH represented about three percent of Hawai'i's economy (gross state product) of nearly \$38 billion. By comparison, agriculture's contribution to Hawai'i gross state product was only 1.2%; the communications industry, 2.9%; utilities, 2.5%; finance, 1.7%; insurance, 1.6%; business services, 2.8%; legal services, 1.2%; wholesale trade, 3.9%; and construction, 4.4%.

## UH makes Hawai'i a better place to live

- UH improves the quality of life by sponsoring literary and performing arts, nurturing the renaissance of Hawaiian culture, and improving health services within the community.
- The University's community services and continuing education opportunities enrich people's lives. Intercollegiate sports and athletics build community pride.
- The University of Hawai'i raises the intellectual level of society.



## THE UNIVERSITY OF HAWAII IS ...

### Comprehensive

It brings together a baccalaureate, graduate, and research university at UH Mānoa; a regional baccalaureate university in UH Hilo; an upper-division institution in UH West O'ahu; seven UH Community Colleges on four islands; and an Employment Training Center on O'ahu.

### Accessible

Beyond the ten campuses, UH operates university centers on Kaua'i, on Maui, and in West Hawai'i; multiple learning centers; and extension, research, and service program locations, for a total of more than 70 sites throughout the Islands.

### International

UH is engaged in instructional, research, and service activities across the Pacific and around the world and brings its Asia/Pacific expertise into focus across the spectrum of academic disciplines.

### Ranked

UH programs with high national rankings include international business, intercultural communication, environmental law, social work, English as a second language, Pacific/Asian studies, ocean sciences, library studies and other fields.

### Distinguished

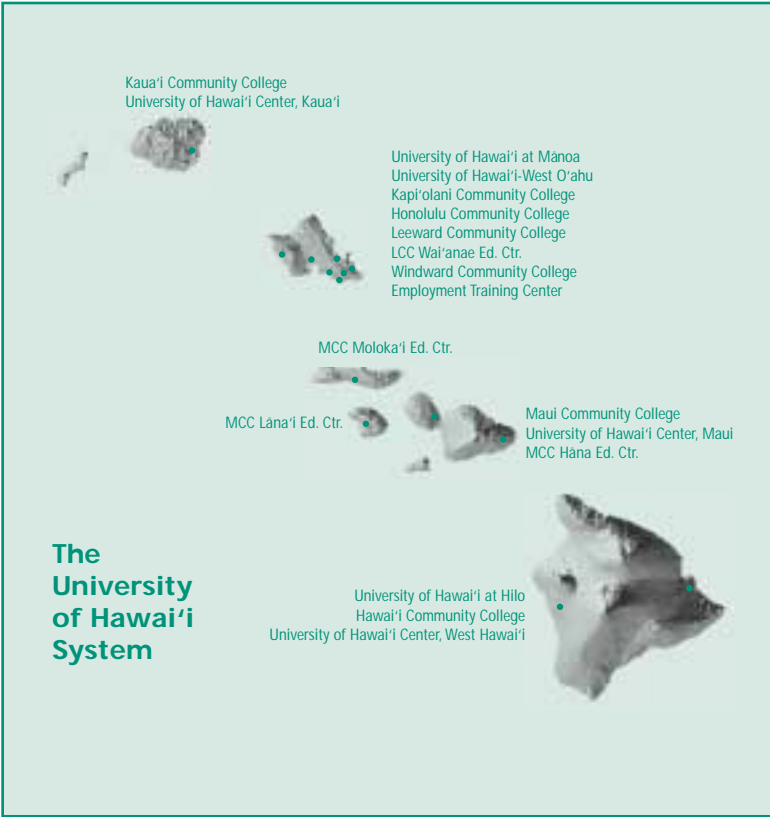
UH is one of only a dozen universities with the triple crown of land-grant, sea-grant and space-grant status—federal designations that bring resources to UH faculty and students.

### Diverse

UH is one of the most ethnically diverse institutions of higher learning in the nation, with a growing proportion of traditionally under-represented student populations.

### Effective

In recent surveys, about 9 out of 10 graduating seniors or better said UH academic programs met or exceeded their expectations.



Information in this brochure is excerpted from the 2000 "Study of the Economic Impact of the University of Hawai'i System" by the Department of Economics at the University of Hawai'i at Manoa. The study was led by Professor James Mak with support from the Office of the Vice President for Planning and Policy and the state Department of Business, Economic Development, and Tourism.

For more information

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**University of Hawai'i**

An equal opportunity/affirmative action institution.

<http://www.hawaii.edu>