



THE ECONOMIC IMPACT OF WISCONSIN PUBLIC LIBRARIES

WAPL CONFERENCE 2008



David J. Ward, Ph.D.
Founder & President

May 1, 2008

THE ECONOMIC IMPACT OF WISCONSIN PUBLIC LIBRARIES

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OVERVIEW

Summary:

- **The Economic Context**
- **The Economic Contribution of Wisconsin Public Libraries**
- **Survey of Wisconsin Public Library Users**
- **Focus Groups**



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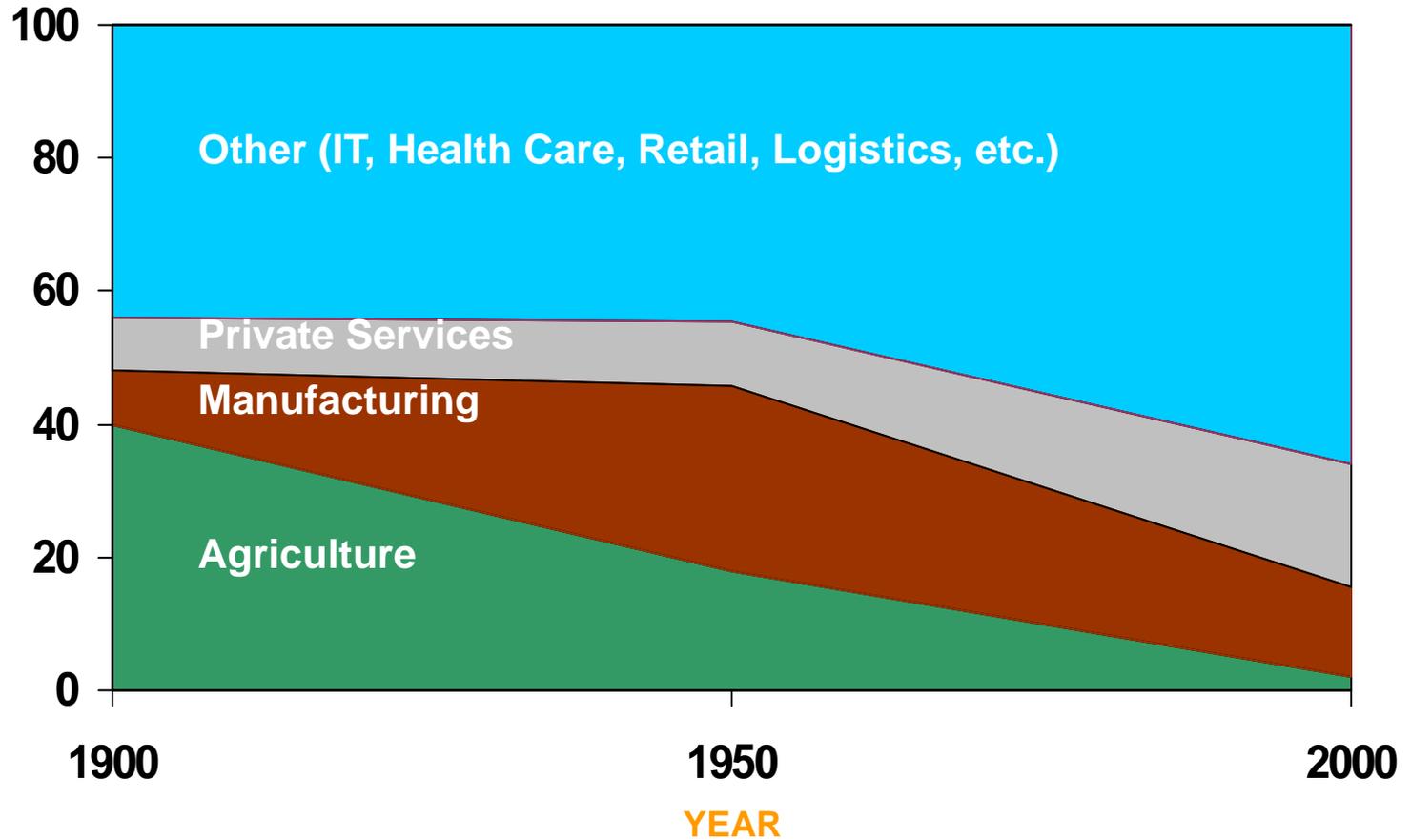
WHAT TO EXPECT TODAY



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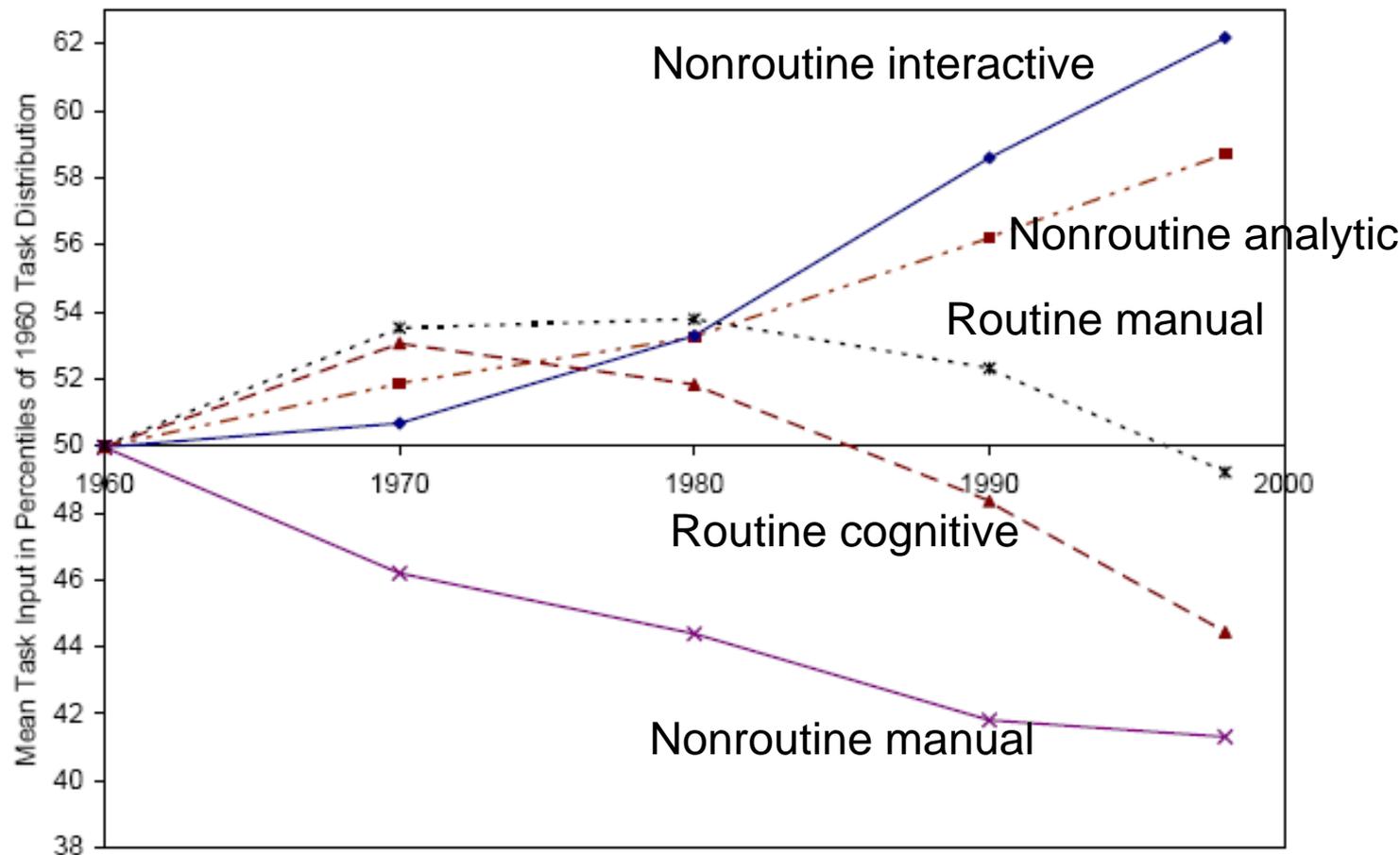
U.S. SECTOR EMPLOYMENT TRENDS PERSPECTIVE

(% SHARE)



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CHANGES IN SKILLS USED AT WORK BASED ON DICTIONARY OF OCCUPATIONAL TITLES



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—■— Nonroutine analytic
 —◆— Nonroutine interactive
 —×— Nonroutine manual
—▲— Routine cognitive
 —*— Routine manual

Source: Autor, Levy and Murnane, 2003.

— Source: K-12 Education and Economic Summit presentation by Alan B. Krueger, Princeton University

A NEW ECONOMY STORY

Google™

Founded
in 1998

Market Cap ~~\$130 Billion~~ \$173 Billion

Bought **You Tube** for \$1.7 Billion

Bought **DoubleClick** for \$3.1 Billion

5.8 times the combined Capitalized Market
Value of Ford (\$18 Billion)
and GM (\$12 Billion)





THE GLOBAL ECONOMY

World Population (Market)	6.5 Billion
U.S. Population	0.3 Billion
World Economy (GDP)	\$48.2 Trillion
U.S. Economy	\$13 Trillion
EU Economy	\$14 Trillion
China's Economy	\$3.0 Trillion



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— Source: 2006 Estimates IMF and World Bank

FOUR BIG TRENDS TO WATCH

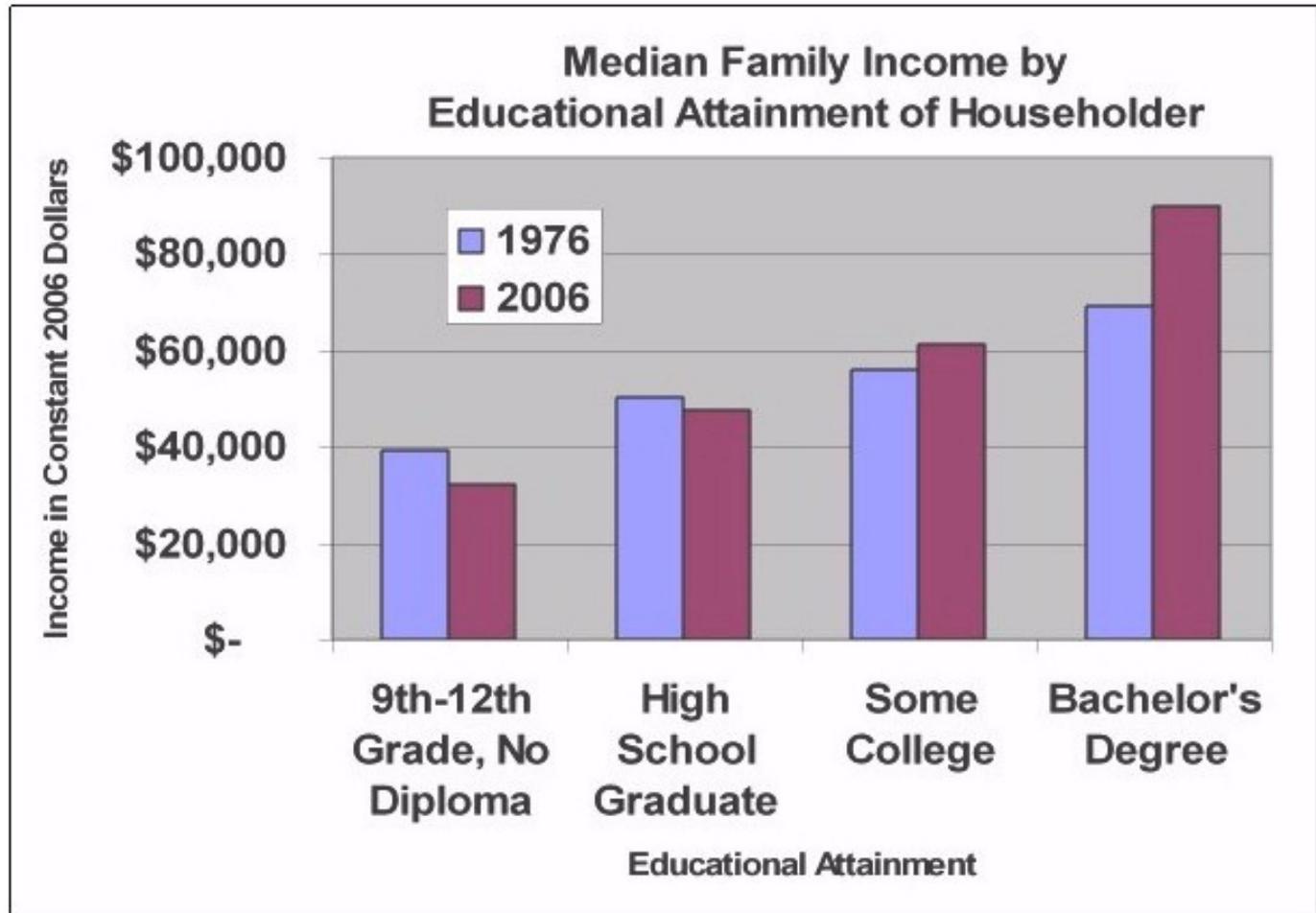
1. **The nature of the economy is shifting rapidly as economic sectors expand and decline.**
2. **The nature of work is shifting away from manual labor to higher level analytic and interactive skills.**
3. **The pace of economic change has accelerated.**
4. **The U.S. is an important but shrinking share of the global economy.**



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MEDIAN FAMILY INCOME BY EDUCATIONAL ATTAINMENT

Education = Earning Power



Source: Postsecondary Education Opportunity (using U.S. Census Bureau data)



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PER CAPITA INCOME

2006	Income	Rank	Educational Attainment Rank*
Minnesota	\$ 38,751	14	8
Illinois	\$ 38,297	16	15
United States	\$ 36,629	n/a	n/a
Wisconsin	\$ 34,476	25	36
Michigan	\$ 33,784	27	29
Iowa	\$ 33,017	31	35

* Defined as the percentage of the state's population aged 25 or older with a bachelor's degree or higher

— Sources: U.S. Department of Commerce, Bureau of Economic Analysis and the U.S. Census Bureau



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PER CAPITA INCOME STATUS AND PROGRESS

		Above Avg. Per Capita Income (2001)			
Below Avg. Per Capita Income Growth (1969-2001)		Washington New York Illinois California Delaware Alaska	District of Columbia Massachusetts Colorado Connecticut Virginia New Hampshire	New Jersey Minnesota Maryland	Above Avg. Per Capita Income Growth (1969-2001)
		Pennsylvania Oklahoma Utah Wisconsin Missouri Rhode Island Oregon Idaho Arizona Indiana Iowa Montana	Ohio Michigan Nevada Hawaii	Georgia Tennessee North Carolina Alabama Mississippi South Dakota South Carolina Arkansas Maine Wyoming	
		Below Avg. Per Capita Income (2001)			

Source: Glaser and Grimes, 2004



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How do public libraries help Wisconsin to be competitive in the New Economy?

- **Direct Economic Impact**
- **Value of Wisconsin Public Library Services**



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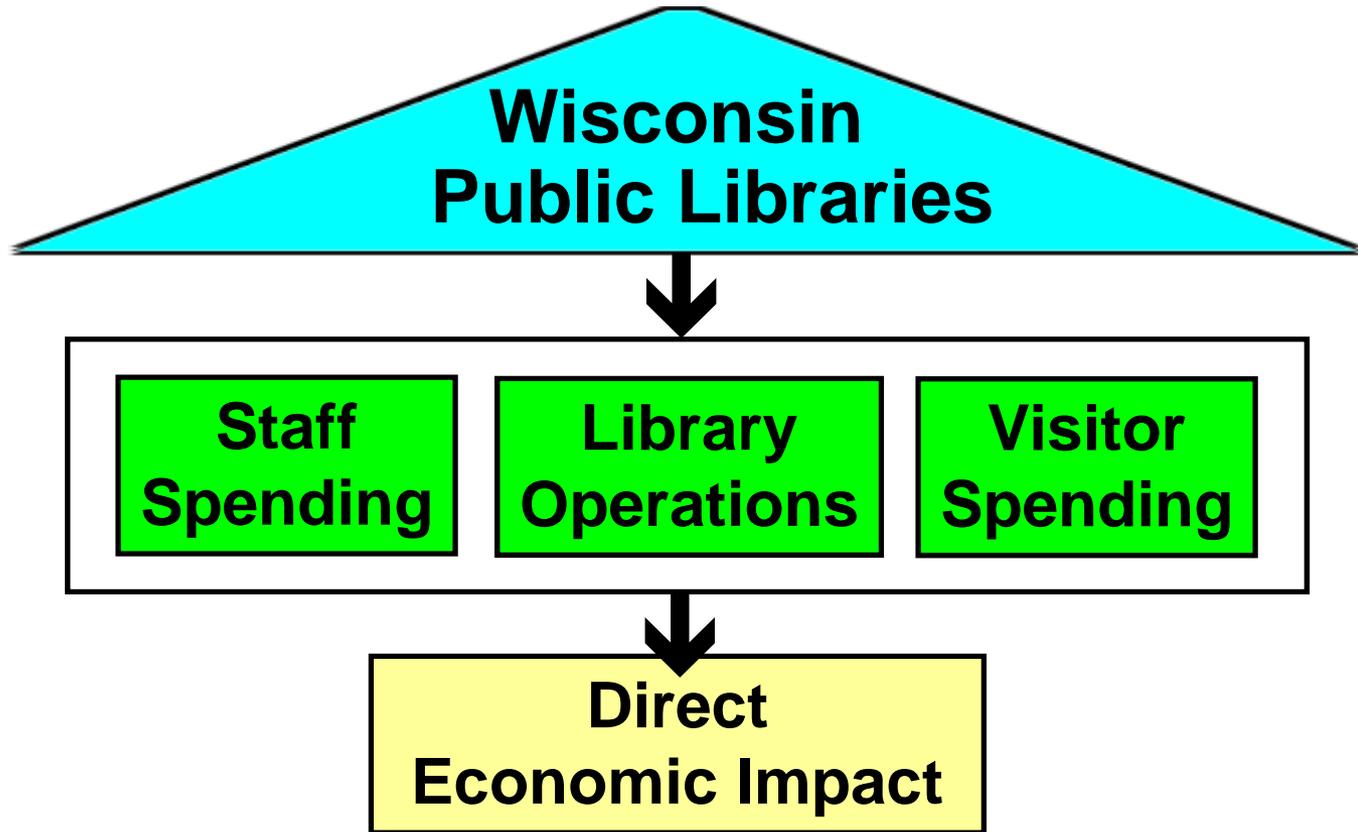
OVERVIEW

Overview of the Study

- **Timeline**
 - October 2007 - April 2008
- **Planning**
 - Steering Committee
 - Survey
 - Focus Groups
 - Review of Previous Studies
- **Data Gathering**
- **Field Work**
- **Analysis**
- **Writing**



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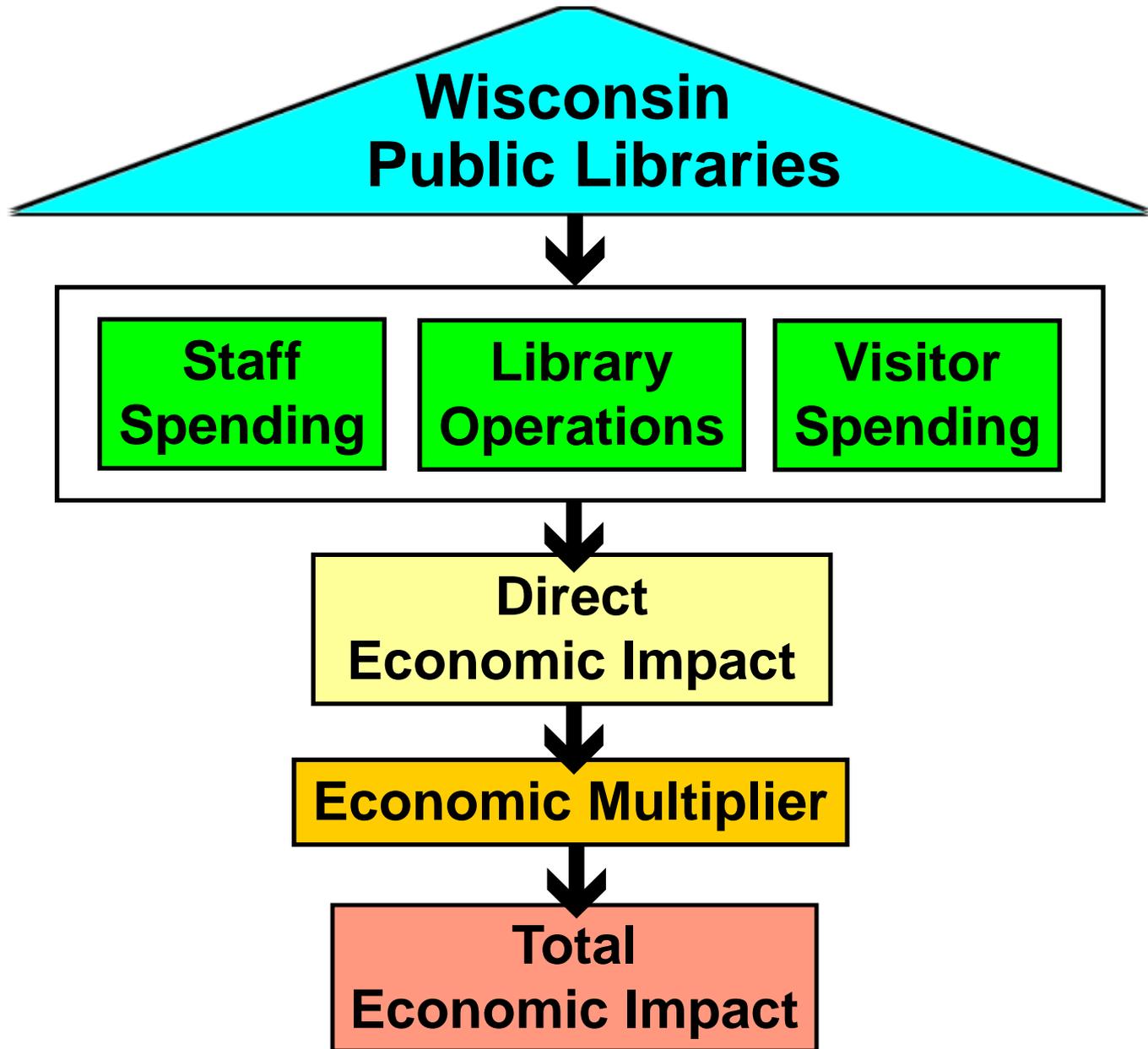
Multiplier Effect:

**Direct spending multiplies
its impact as businesses
reinvest and their employees
buy goods and services.**



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WISCONSIN PUBLIC LIBRARIES

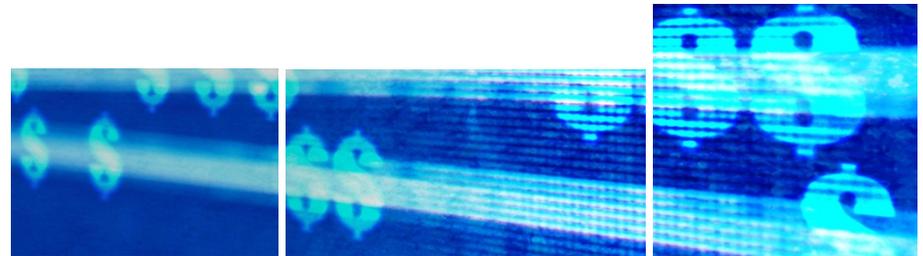
**Direct Economic Impact
in 2006:**

\$326 Million

**Spending benefits Main Street
businesses and jobs.**



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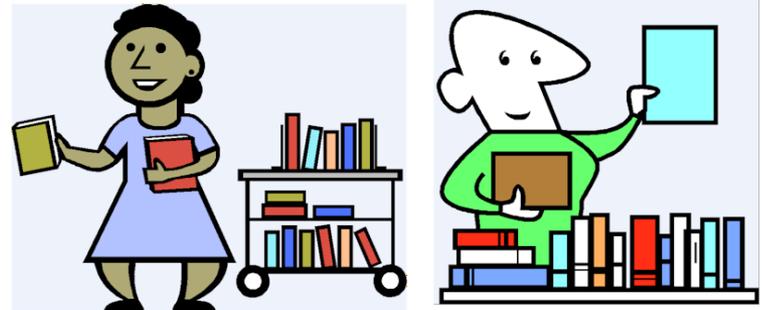


Jobs: Actual Wisconsin Public Library Employment

3,222 Jobs



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Wisconsin Public Library spending generates an additional

3,058 Jobs*

*Full time equivalent jobs



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Total jobs related to the economic impact of Wisconsin Public Libraries:

6,280 Jobs*

*Full time equivalent jobs



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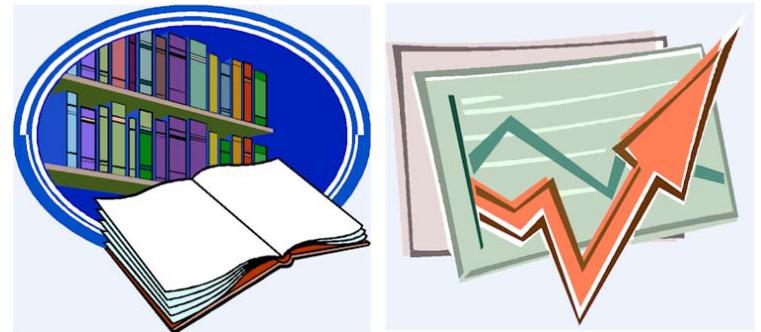


The Value of Wisconsin Public Library Services

- Market Value of Services
- Prior Studies



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The Value of Wisconsin Public Library Services

	2006 Circulation or Attendance	Economic Value
Children's materials	20,836,885	\$91,682,294
Adult Materials	37,243,815	\$272,997,164
Reference Transactions	4,760,201	\$27,609,166
Computer/Internet Access	7,123,690	\$28,494,760
Children's Programs	1,471,411	\$5,885,644
Adult Programs	207,551	\$1,245,306
Total Economic Value		\$427,914,334



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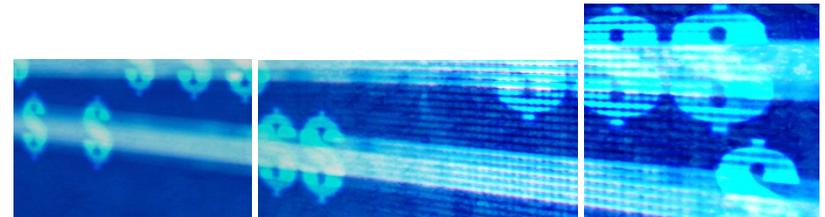
Total Economic Impact

Direct economic impact +
impact of library services =

\$753 Million



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Additional Value Components:

- Meeting Rooms
- Career and Job Information
- Periodicals and Subscriptions
- Electronic Databases
- Specialized Materials for People with Disabilities
- Wi-Fi Access



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Return on Investment of Wisconsin Public Libraries:

Total Economic Contribution of Public Libraries	\$753,699,545
Wisconsin Population Served by Public Libraries	5,617,744
Economic Contribution Per Capita	\$134.16
Public Tax Support Per Capita	\$33.07

**Annual Return per Dollar
of Public Tax Support
\$4.06**



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SURVEY

Survey Questionnaire:

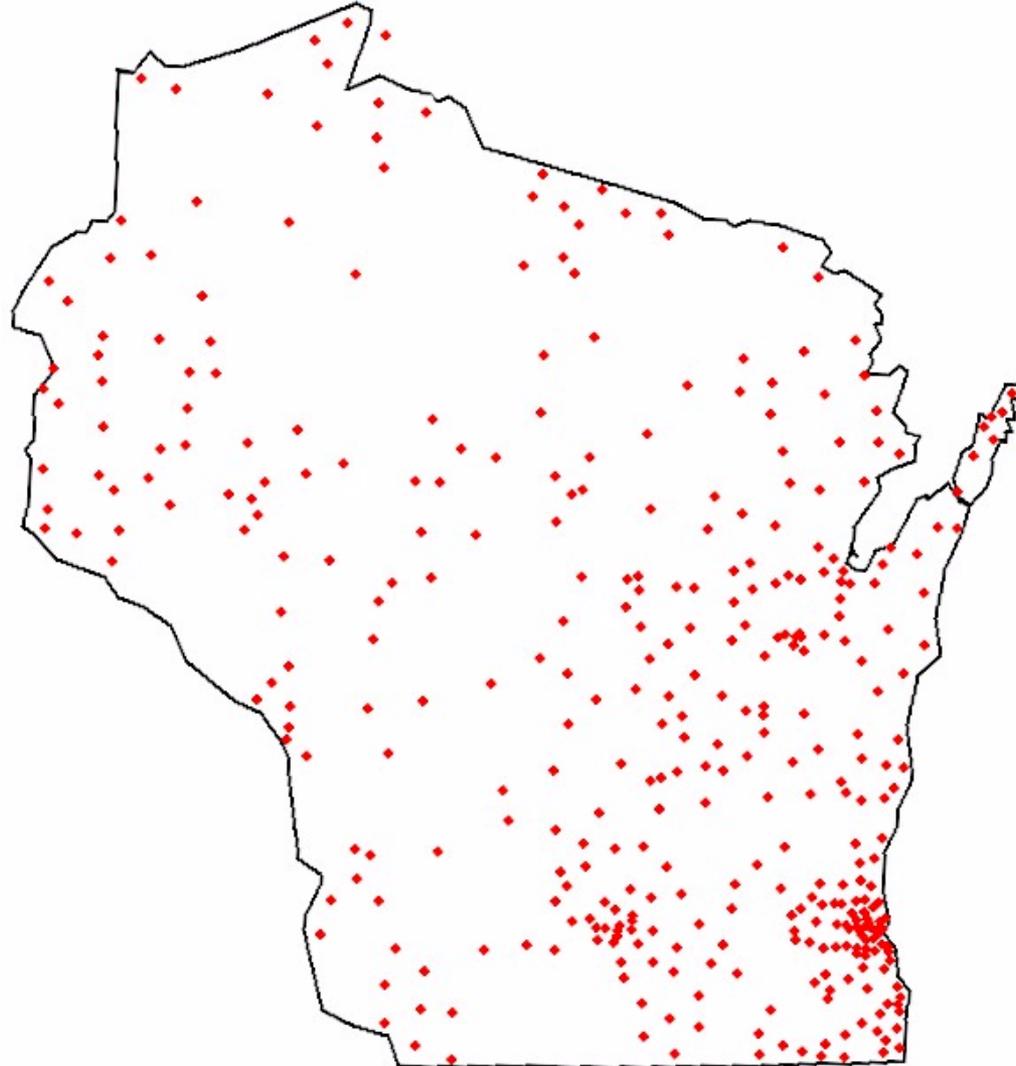
- **Developed by NorthStar and the steering committee**
- **4 Subject Areas:**
 - **Library Use**
 - **Library Alternatives**
 - **Attitude about Libraries**
 - **Demographic Information**
- **Distribution:**
 - **Available online in English and Spanish**
 - **Hard copies available at selected libraries**
 - **Distributed at focus group sessions**
 - **Libraries all over state posted signage driving people to the online survey**



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SURVEY

Geographic Distribution of Respondents:



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SURVEY

Results:

- 93% regular library users
- 90% use library at least once per month
- Over 60% access libraries online
- Almost all check out books
- 82% contact reference librarians
- 56% access the Internet at the library
- 2/3 attend library events and programs
- 30% stop at other businesses
- Strong agreement that public libraries enhance quality of life in communities
- Strong agreement that funding public libraries is a good use of tax revenue



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FOCUS GROUPS

Focus Group Sessions:

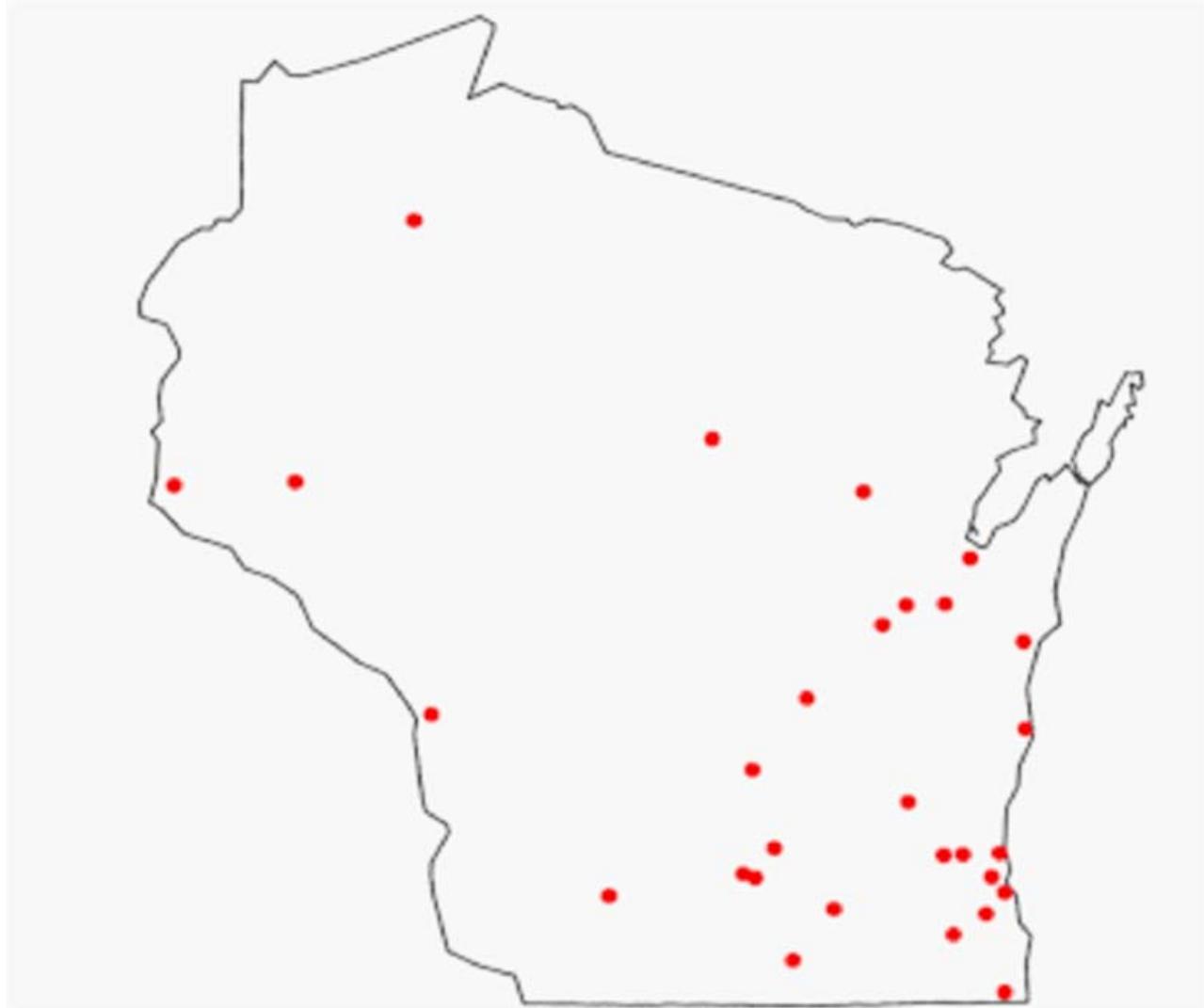
- 1-4 sessions held in each library system, based on size of service population
- 29 sessions held all over the state
- Sessions arranged with cooperation of system directors and library directors
- Participants represented a cross-section of community and industry sectors
- Participants asked to provide input for SWOT analysis, as well as the role of public libraries in the New Economy



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SURVEY

Focus Group Interview Session Locations:



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SURVEY

Results:

- **Strengths** - amount and variety of information, no cost, equal access, community gathering place, services, staff, Internet access, encouraging reading
- **Weaknesses / Threats** - Lack of funding, lack of physical space, people using Internet instead
- **Opportunities** - Keep collections and technology up to date, continue recruiting young readers, collaborate with other agencies and groups, reach out to business community
- **New Economy** - Libraries remain important in the information-based New Economy



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OBSERVATIONS

- Value of libraries particularly evident in rural and low income areas
- Library use up among baby boomers and other demographics
- Central community gathering place very important to people
- Despite concerns, libraries are increasingly relevant in Internet age



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OBSERVATIONS

- Availability of specialized knowledge databases and collections crucial
- Electronic access to library critical for information, reservations, etc.
- Important to inform the public about the mission of the public library
- Operating money and space remain top concerns
- Even in Internet age, important to maintain physical facilities and knowledgeable staff



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- David J. Ward, Ph.D., President
Phone: (608) 279-3393
Email: dward@northstareconomics.com
- Fax: (608) 441-8064
- Web: www.northstareconomics.com