

ECONOMIC ENGINES

As well as delivering social and cultural benefits for their communities, public libraries are economic engines that deliver a positive return on the funds invested in them.

Public libraries support personal economic development by providing opportunities and support for skills development, job seeking, connections to other social services, and small-business development.¹

Studies show that “for every dollar invested [in public libraries], between two dollars and ten dollars are returned, with the most common return being between three dollars and six dollars.”²

The California State Library used federal CARES Act funding to purchase access to JobNow and VetNow for every California public library. This means jobseekers, veterans, and their families can access free help and resources—including personalized résumé assistance, live online job interview practice, and education, employment, housing, and healthcare resources—through their local library’s website.

Partnerships between libraries and workforce development boards support job seekers and workers and help meet the workforce needs of local employers. Business centers in libraries help entrepreneurs plan and develop small businesses. Veterans’ services connect veterans and their families to federal and state benefits.

Library-centered reading programs help reduce economic inequality, improve financial literacy, and increase individual lifetime earnings. Improved literacy and education can also reduce society’s healthcare and incarceration costs and reduce recidivism among the prison population.³

California’s public libraries are visited over 138 million times per year, with a cost of just \$12 per visit.⁴ No other public institution delivers so much value to so many.

RATING THE RETURN ON INVESTING IN LIBRARIES

- “The National Council for Adult Learning points to annual costs of \$225 billion in nonproductivity in the workforce, crime, and loss of tax revenue due to unemployment tied to low literacy.”⁵ Libraries combat those losses directly through family literacy programs, help for job-seekers, and adult basic skills education.
- Many libraries have adopted the concept of “social-return-on-investment” which attaches dollar values to social impacts that wouldn’t otherwise be counted in financial assessments, such as job creation or improvements in health and wellbeing.⁶ Using this framework, evaluators determined that the Sault Ste. Marie (Ontario, Canada) Public Library returned more than \$4.5 million in value to the community through library lending and other programs, for an average cost benefit of \$603 for every hour the library was open.⁷



- Some \$232 billion in healthcare costs can be linked to low literacy.⁸ In addition to literacy programs, libraries provide other support for Americans to find, read, and understand the information they need to stay healthy. Forty-two percent of internet searches in libraries are for health-related information,⁹ and 59 percent of libraries nationwide provide help with identifying health insurance resources.¹⁰

WORKING FOR EVERYONE

- Libraries provide a wealth of resources for entrepreneurs and business start-ups including access to market data, business planning services, and local business community connections. *“Researchers find that when libraries work with local and state agencies to provide business development data, workshops and research, market entry costs to prospective small businesses are reduced, existing businesses are strengthened, and new enterprises are created.”*¹¹
- During the 2008 economic downturn, over 30 million people looked for jobs on library computers; 3.7 million of them reported that they found work.¹² In fact, *“employment and career purposes”* ranks among the top three uses for library computers and internet service.¹³
- During times of recession, the number of people using the library for jobs- and skills-related resources can go up by 50 percent. In 2012, during the last economic recession, 36 percent of library visitors were there to look or apply for a job.¹⁴ With another recession possible in the wake of the COVID-19 pandemic, libraries are already reporting increased use of resources for training, job searches, and employment information.¹⁵ For people experiencing unemployment, homelessness, or poverty, the library is a place they trust to provide them with a sense of normalcy and access to essential resources, without fear of judgment.¹⁶

Santa Barbara Public Library’s SBPL Works! provides one-to-one consultations in English and Spanish. Community members can get help with résumés, cover letters, using the computer, interview practice, and using Employment Development Department resources.²⁰ After a series of natural disasters in 2017 and 2018, the library expanded its program to help the community recover.^a

DRIVING UP CONSUMER SPENDING

- When people spend time at the library, they spend money at nearby businesses. The “halo spending” effect gives restaurants, retail, and services that are close to library branches an estimated 23 percent more in spending from library visitors.¹⁷
- National community reading events promoted by libraries in 2018 resulted in large increases in retail sales for the selected title—over 200 percent for print copies, and over 700 percent for e-books.¹⁸
- Libraries introduce authors and titles to new audiences. A recent study of readers found that younger adults are especially likely to buy books based on their library reading. Among millennials, over 60 percent later bought a book they borrowed, and over 77 percent bought books by the same author.¹⁹

Many libraries demonstrate their value by showing people how much they save each time they check out an item from the library, instead of purchasing it somewhere else. The Ontario City Library in San Bernardino County found that library users saved almost \$10 million by borrowing materials from the library in the 2018–2019 fiscal year alone.^b

NOTES

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- Value of Libraries photo credits: Christian Koszka, Terry Lorant, Becky Ruppel, and the California public libraries that contributed photographs of their programs and activities.