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PLATTE CHAT

More New Graduates than New Jobs Creates "Brain Drain" In Nebraska

*Kelly Dunlap
Platte Institute Intern*

Most Nebraskans are familiar with the term "brain drain" which refers to the common trend in which college graduates leave the state to pursue their careers elsewhere, therefore "draining" our state of its brightest young minds. In fact, according to U.S. Census data, Nebraska is the 10th-most heavily outmigrated state for young, single, college-educated people.^[1] Some suggest that graduates leave the state because they are attracted to more urban environments; still others suggest that Nebraska lacks a diversity of work opportunities that appeal to recent graduates.

A comparison of two statistics might shed some light on the cause of this trend in Nebraska. In the chart below, the number of new graduates^[2] can be seen in comparison to the net number of new jobs^[3] created (jobs created minus jobs destroyed) in Nebraska each year from 1997 to 2005. The level of disparity between these two factors varies somewhat from year to year; still, the trend, in general, indicates that the number of new graduates exceeds the number of newly created jobs each year.

From 1997 to 2005, there were nearly 195,000 graduates in Nebraska, while approximately 102,200 new jobs were created in the state. Therefore, according to this data,

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- [Arapahoe Public Mirror](#)
- [Arlington Citizen](#)
- [Arthur Enterprise](#)
- [Ashland Gazette](#)
- [Aurora News-Register](#)
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nearly 48% of graduates might have found it necessary to seek employment outside of the state in this timeframe. Also to be considered, however, are the number of jobs that become available as a result of retirements, promotions, and positions that open up when current workers seek employment outside of the state.

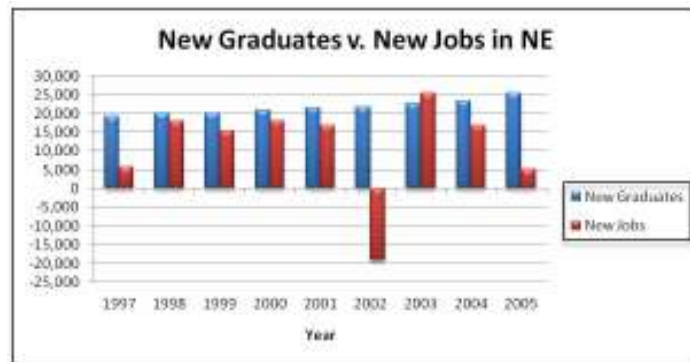
If this trend is confirmed in further and more current research, a shortage of newly created jobs may be found as the cause for our "brain drain" in Nebraska. Such loss of young workers causes the state of Nebraska to miss out on the return of its investment in their higher education.

[1] <http://www.movebacktonebraska.com/braindrain.htm>

[2] <http://www.ccpe.state.ne.us/publicdoc/ccpe/Reports/FactLook/default.asp>

[3] http://www.ces.census.gov/index.php/bds/bds_database_list

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The True Cost of a College Education in Nebraska

*Jimmy Conway
Platte Institute Intern*

In the Platte Institute study "[Nebraska's Spending Habits: Are We Frugal or Frivolous?](#)" one of the recommendations made by Dr. Ernie Goss of Creighton University to help

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- [Hickman Voice News](#)
- [Hyannis Grant County News](#)
- [Imperial Republican](#)
- [Kearney Hub](#)
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reduce higher education spending was to increase its tuition per FTE to the average of Nebraska and its neighbors.

We've taken a very small look at some of the data of surrounding universities. We looked at Nebraska-Lincoln, the University of Colorado, the University of Iowa, the University of Missouri, the University of Kansas, the University of South Dakota and the University of Wyoming. To see a larger version of the chart below, please [CLICK HERE](#).

School	Enrollment	Out of State Enrollment	Professor : Student Ratio	In-State Tuition	Out-of-State Tuition
Nebraska	18,053	20%	19:01	\$6,585.00	\$17,028.00
Wyoming	9,344	40%	14:01	\$2,820.00	\$10,740.00
Kansas	21,332	23%	19:01	\$6,957.50	\$16,272.00
Colorado	26,725	33%	18:01	\$7,278.00	\$23,380.00
Missouri	23,042	13%	17:01	\$7,077.00	\$17,733.00
Iowa	20,825	43%	15:01	\$5,782.00	\$21,156.00
South Dakota	6,958	25%	15:01	\$2,751.00	\$4,123.50

The appropriations of Nebraska's state tax funds for operating expenses of higher education in 2008 was roughly \$608 million. Nebraska's rough population estimate in 2008 was 1.7 million. Per capita it comes out to be \$357 each year that we are paying for the higher education. So what does that mean to the average Nebraskan?

Let's take a simplistic approach and use a family of three (two parents and one child) as an example. Starting from the time the child is born (and assuming that there are no increases for this example) the state will collect roughly \$1,073 from the family in taxes each year for higher education appropriations until the child reaches 18 and is ready for college. Over the course of those 18 years (again, assuming no increases in appropriations) the family has already paid roughly \$19,300 to the state University system, if you will. If the child then decides to get a four-year degree from the University of Nebraska-Lincoln, assuming tuition remains unchanged (as unlikely as that is) tuition for those four years will be roughly \$26,000, while the family's share of appropriation over those same four years adds to roughly another \$4,300. So, by the time the family's child has graduated from their home-state University, in taxes and tuition, the family has spent roughly \$50,000.

And, unlike any student loans which may have been taken

- [Democrat](#)
- [Wahoo Newspaper](#)
- [Wauneta Breeze](#)
- [Waverly News](#)
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- [York News-Times](#)

out and eventually paid off over time, those tax dollar appropriations are perpetual.

The average in-state and out-of-state tuitions for the five most comparable Universities enrollment-wise (Nebraska, Kansas, Colorado, Missouri and Iowa) is higher than UNL's. In this example, following the recommendation of Dr. Goss and raising the tuition to the average of the group would mean increased in-state tuition revenue of roughly \$2.2 million and out-of-state tuition revenue of roughly \$7.6 million.

That combined \$9.8 million increase in revenue would allow for an equal reduction in appropriations. And, it would also transfer some of the burden off of the families whose children go to community colleges, trade schools or begin employment right out of high school, onto the families and individuals who are using the University system.

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