

What Does Low Literacy Cost Houston?

Literacy is linked to better health, higher levels of civic engagement, and higher earnings in the labor market. These positive benefits translate into higher standards of living, measured by growth in gross domestic product (GDP).

New research by Gallup, on behalf of Barbara Bush Houston Literacy Foundation, estimates what Houston's economy could gain in GDP growth if literacy skills increased among the more than half a million adults in the Houston area who have low literacy levels.

The definitions of literacy levels in this report are based on the latest Program for the International Assessment of Adult Competencies (PIAAC) study. This analysis looks at those with the lowest levels of literacy proficiency (at or below Level 1), who, at best, can understand short text and complete simple forms, compared with those at Level 2, who can read digital and printed text and integrate information.¹

One in Three Houstonians Struggles With Low Literacy

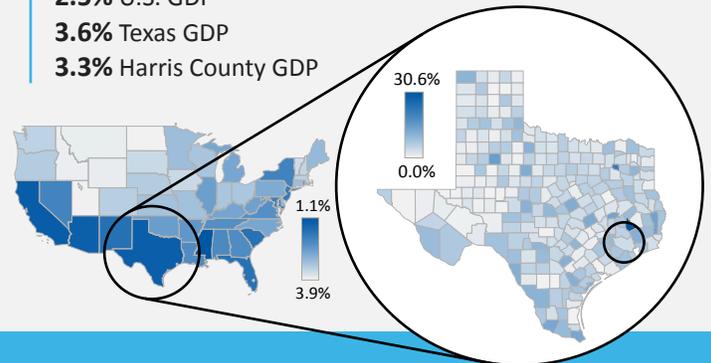
More than one in five U.S. adults (22%) aged 16 to 74 read at or below a Level 1 on the PIAAC assessment. Texans struggle more with low literacy than the U.S. average, and Houstonians struggle even more than the state average.

- **28% of Texans read at or below a Level 1**, making Texas one of the three least-literate states.
- **Harris County performs more poorly than the state average**, with 32% of adults having literacy proficiency levels at or below Level 1.
- **Two counties** in the six largest metro areas perform better than Harris County: Tarrant (24%) and Travis (21%).

¹ PIAAC proficiency levels for literacy. (n.d.). Program for the International Assessment of Adult Competencies. Retrieved April 20, 2021, from <https://nces.ed.gov/surveys/piaac/litproficiencylevel.asp>

Economic Gains From Eradicating Low Literacy as a Share of GDP

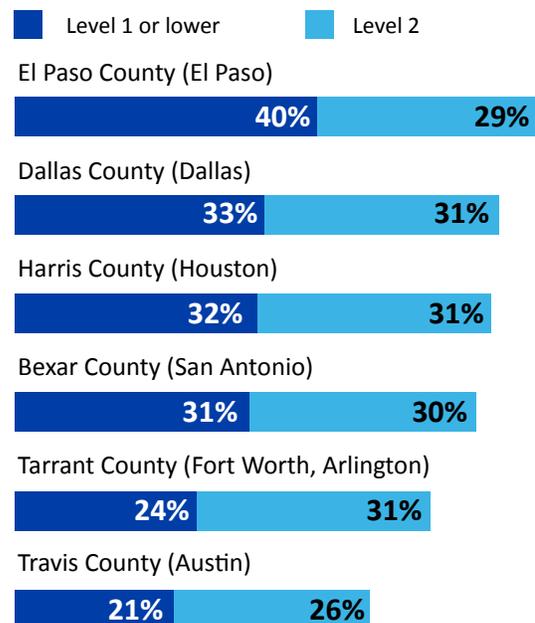
- 2.5% U.S. GDP
- 3.6% Texas GDP
- 3.3% Harris County GDP



Key Findings

- **Harris County has lower adult literacy levels than Texas as a whole**; 32% of residents read at a PIAAC proficiency level of 1 or lower, vs. 28% of Texans.
- Houston's economy could **grow by \$13 billion** if adults with a Level 1 or lower proficiency level increased their literacy skills to Level 2.
- Houstonians with a Level 1 or lower literacy level could see their **annual incomes rise just by over \$13,000**, on average, if they increased to Level 2.

Literacy Proficiency Levels in Major Texas Counties

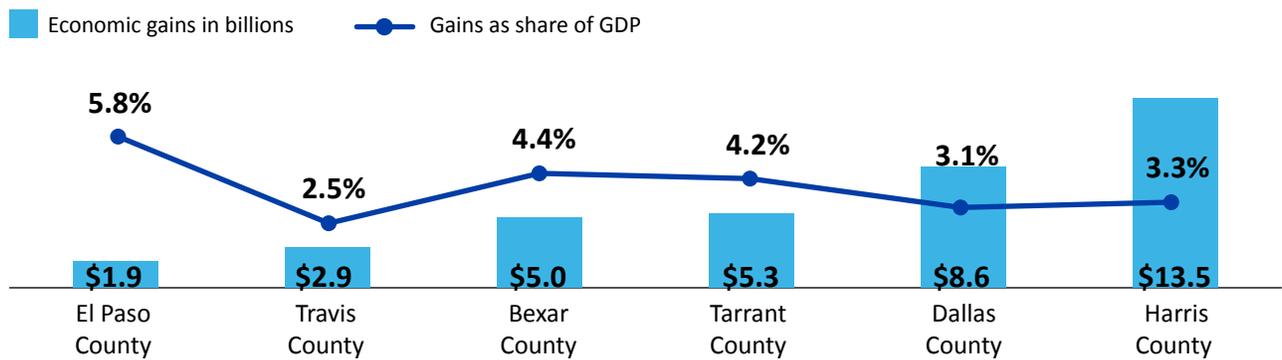


Higher Literacy Could Grow Houston's Economy by Billions

Gallup estimated the average income gains an individual could expect when moving from at or below Level 1 to Level 2 and then scaled those gains to the metropolitan and county levels to provide simple estimates of the potential impact of literacy gains for Houston.

- **Texas overall ranks third in the nation** in gains as a share of GDP that it would see from getting all adults from at or below Level 1 to a Level 2 proficiency. The state would see **estimated gains worth 3.7% of its GDP**, which translates into roughly **\$69 billion annually**.
- Houston would see a **gain of 3.3% to its GDP** if all adults moved from at or below Level 1 proficiency to Level 2 — resulting in economic gains worth over **\$13 billion annually**.
- Although several counties in six of the largest metropolitan areas would see larger annual increases in their share of GDP than Harris County, **Houston would see the largest increase in actual dollars**.

Local Economic Gains From Eradicating Low Literacy (Level 0/1) in the Adult Population

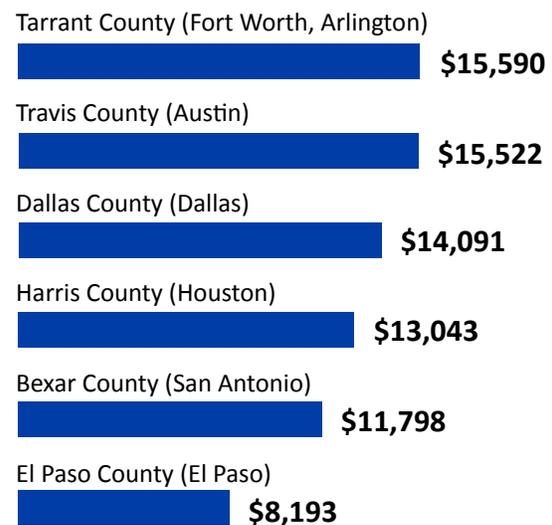


Houstonians Would See Average Income Jump With Literacy

Income is strongly related to literacy. Nationally, the average income of adults with a Level 2 PIAAC proficiency is almost \$48,000, much higher than those with PIAAC proficiency levels of 1 or lower, who earn just over \$34,000 on average.

- At the state level, Texans who move from a proficiency level of 1 or lower to a Level 2 could see individual average annual income gains of more than \$12,000.
- Houstonians who make the same move could see their annual incomes rise by just over \$13,000, on average, if they increased to Level 2.

Annual Income Gains From Level 0/1 to Level 2



Conclusion

Low literacy has economic implications for individuals, their families, and the community at large. Raising literacy proficiency among Houstonians with low literacy — by even one level — could lift tens of thousands of residents out of poverty and spur billions in economic growth for Houston. The gains of eradicating illiteracy would be even higher, if defined as lack of proficiency (Level 2 or lower), as Gallup and the Barbara Bush Foundation for Family Literacy have found in [earlier research](#).

For more information, visit www.BushHoustonLiteracy.org or <https://www.houstontx.gov/adultliteracy/>.