

The Economic Value of Georgian College's Owen Sound Campus



Georgian College's Owen Sound Campus creates a significant positive impact on the business community and generates a return on investment to its major stakeholder groups—students, taxpayers, and society. Using a two-pronged approach that involves an economic impact analysis and an investment analysis, this study calculates the benefits received by each of these groups. Results of the analysis reflect fiscal year (FY) 2019-20.



ECONOMIC IMPACT ANALYSIS

In FY 2019-20, the Owen Sound Campus added **\$93.5 million** in income to the Grey Bruce County economy, a value approximately equal to **1.1%** of the county's total gross regional product (GRP). Expressed in terms of jobs, the Owen Sound Campus' impact supported **1,309 county jobs**. For perspective, the activities of the Owen Sound Campus and its students support **one out of every 58 jobs** in Grey Bruce County.

For the local economy, a service area consisting of the City of Owen Sound, the Owen Sound Campus and its students added **\$42.6 million** in income, approximately equal to **4%** of the local region's GRP and supporting **548 city jobs**. For perspective, this means that **one out of every 27 jobs** in the City of Owen Sound is supported by the activities of the Owen Sound Campus and its students.



OPERATIONS SPENDING IMPACT

- The Owen Sound Campus employed 90 full-time equivalent employees in FY 2019-20. Payroll amounted to \$11.3 million, much of which was spent in the county for groceries, mortgage and rent payments, dining out, and other household expenses. The campus spent another \$3.4 million on day-to-day expenses related to facilities, supplies, and professional services.
- The net impact of the campus' operations spending added **\$14.5 million** in income to the county economy. The net impact of the campus' operations spending added **\$12.9 million** to the City of Owen Sound.

STUDENT SPENDING IMPACT

- Around 36% of credit students attending the Owen Sound Campus originated from outside the county in FY 2019-20, and some of these students relocated to Grey Bruce County to attend the Owen Sound Campus. In addition, a number of local students would have left the county if not for the Owen Sound Campus.
- These students spent money on groceries, mortgage and rent payments, and so on at county businesses. This spending in FY 2019-20 added **\$1.6 million** in income to the Grey Bruce County economy. For the City of Owen Sound, relocated and retained students added **\$1.6 million** in income to the local economy.

ALUMNI IMPACT

- Over the years, students have studied at the Owen Sound Campus and entered or re-entered the workforce with newly-acquired knowledge and skills. Today, thousands of these former students are employed in Grey Bruce County.
- In FY 2019-20, the net impact of the Owen Sound Campus' former students currently employed in the county workforce amounted to **\$77.3 million** in added income. For the City of Owen Sound, the net impact of the Owen Sound Campus' former students currently employed in the workforce amounted to **\$28 million** in added income for the local economy.



COUNTY IMPACTS CREATED BY THE OWEN SOUND CAMPUS IN FY 2019-20



Operations spending impact
\$14.5 million



Student spending impact
\$1.6 million



Alumni impact
\$77.3 million



TOTAL ECONOMIC IMPACT
\$93.5 million

OR

Jobs supported
1,309

CITY IMPACTS CREATED BY THE OWEN SOUND CAMPUS IN FY 2019-20



Operations spending impact
\$12.9 million



Student spending impact
\$1.6 million



Alumni impact
\$28 million



TOTAL ECONOMIC IMPACT
\$42.6 million

OR

Jobs supported
548



INVESTMENT ANALYSIS

STUDENT PERSPECTIVE

- The Owen Sound Campus' FY 2019-20 students paid a present value of **\$6.6 million** to cover the cost of tuition, fees, and supplies. They also gave up **\$20.9 million** in money that they would have earned had they been working instead of attending college.
- In return for their investment, students will receive **\$43.7 million** in increased earnings over their working lives. This translates to a return of **\$1.60** in higher future earnings for every dollar students invest in their education. Students' average annual rate of return is **10.7%**.

TAXPAYER PERSPECTIVE

- Provincial taxpayers provided the Owen Sound Campus with **\$6.7 million** of funding in FY 2019-20. In return, they will benefit from added tax revenue, stemming from students' higher lifetime earnings and increased business output, amounting to **\$31.3 million**. A reduced demand for government-funded services in Ontario will add another **\$512,600** in benefits to taxpayers.
- For every dollar of public money invested in the Owen Sound Campus, taxpayers will receive **\$4.70** in return, over the course of students' working lives. The average annual rate of return for taxpayers is **23.1%**.

SOCIAL PERSPECTIVE

- In FY 2019-20, society in Ontario invested **\$36 million** to support the Owen Sound Campus, including all student and all college costs. In turn, the Ontario economy will grow by **\$220.2 million**, over the course of students' working lives. Society will also benefit from **\$1.4 million** in present value social savings related to reduced crime, reduced demand for income assistance, and increased health and well-being across the province.
- For every dollar invested in the Owen Sound Campus in FY 2019-20, people in Ontario will receive **\$6.10** in return, for as long as the Owen Sound Campus' FY 2019-20 students remain active in the provincial workforce.

For every \$1...



Students gain in lifetime earnings
\$1.60



Taxpayers gain in added tax revenue and public sector savings
\$4.70



Society gains in added income and social savings
\$6.10

