

The Economic Value of Georgian College's South Georgian Bay Campus



Georgian College's John Di Poce South Georgian Bay 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 South Georgian Bay Campus added **\$10.9 million** in income to the Simcoe County economy, a value approximately equal to **0.1%** of the county's total gross regional product (GRP). Expressed in terms of jobs, the South Georgian Bay Campus' impact supported **145 county jobs**. By comparison, this impact from the campus is as large as the entire management of companies and enterprises industry in Simcoe County.

For the local economy, a service area consisting of the Town of The Blue Mountains, Collingwood, Wasaga Beach, and Clearview Township, the South Georgian Bay Campus and its students added **\$8.4 million** in income, approximately equal to **0.4%** of the local region's GRP and supporting **109 town jobs**.

OPERATIONS SPENDING IMPACT

- The South Georgian Bay Campus employed eight full-time equivalent employees in FY 2019-20. Payroll amounted to \$1.5 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 \$675,500 on day-to-day expenses related to facilities, supplies, and professional services.
- The net impact of the campus' operations spending added **\$2 million** in income to the county economy. The net impact of the campus' operations spending added **\$1.9 million** to the Town of The Blue Mountains, Collingwood, Wasaga Beach, and Clearview Township.

STUDENT SPENDING IMPACT

- Around 34% of credit students attending the South Georgian Bay Campus originated from outside the county in FY 2019-20, and some of these students relocated to Simcoe County to attend the South Georgian Bay Campus. In addition, a number of local students would have left the county if not for the South Georgian Bay Campus.
- These students spent money on groceries, mortgage and rent payments, and so on at county businesses. This spending in FY 2019-20 added **\$984,400** in income to the Simcoe County economy. For the Town of The Blue Mountains, Collingwood, Wasaga Beach, and Clearview Township, relocated and retained students added **\$962,100** in income to the local economy.

ALUMNI IMPACT

- Over the years, students have studied at the South Georgian Bay Campus and entered or re-entered the workforce with newly-acquired knowledge and skills. Today, many of these former students are employed in Simcoe County.
- In FY 2019-20, the net impact of the South Georgian Bay Campus' former students currently employed in the county workforce amounted to **\$7.9 million** in added income. For the Town of The Blue Mountains, Collingwood, Wasaga Beach, and Clearview Township, the net impact of the South Georgian Bay Campus' former students currently employed in the workforce amounted to **\$5.5 million** in added income for the local economy.



COUNTY IMPACTS CREATED BY THE SOUTH GEORGIAN BAY CAMPUS IN FY 2019-20



Operations spending impact

\$2 million



Student spending impact

\$1 million



Alumni impact

\$7.9 million



TOTAL ECONOMIC IMPACT

\$10.9 million

OR

Jobs supported

145

TOWN IMPACTS CREATED BY THE SOUTH GEORGIAN BAY CAMPUS IN FY 2019-20



Operations spending impact

\$1.9 million



Student spending impact

\$1 million



Alumni impact

\$5.5 million



TOTAL ECONOMIC IMPACT

\$8.4 million

OR

Jobs supported

109



INVESTMENT ANALYSIS

STUDENT PERSPECTIVE

- The South Georgian Bay Campus' FY 2019-20 students paid a present value of **\$1.9 million** to cover the cost of tuition, fees, and supplies. They also gave up **\$4.8 million** in money that they would have earned had they been working instead of attending college.
- In return for their investment, students will receive **\$11.7 million** in increased earnings over their working lives. This translates to a return of **\$1.80** in higher future earnings for every dollar students invest in their education. Students' average annual rate of return is **11.5%**.

TAXPAYER PERSPECTIVE

- Provincial taxpayers provided the South Georgian Bay Campus with **\$1.2 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 **\$5.4 million**. A reduced demand for government-funded services in Ontario will add another **\$112,500** in benefits to taxpayers.
- For every dollar of public money invested in the South Georgian Bay Campus, taxpayers will receive **\$4.60** in return, over the course of students' working lives. The average annual rate of return for taxpayers is **18.3%**.

SOCIAL PERSPECTIVE

- In FY 2019-20, society in Ontario invested **\$7.3 million** to support the South Georgian Bay Campus, including all student and all college costs. In turn, the Ontario economy will grow by **\$65.7 million**, over the course of students' working lives. Society will also benefit from **\$504,700** 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 South Georgian Bay Campus in FY 2019-20, people in Ontario will receive **\$9.10** in return, for as long as the South Georgian Bay Campus' FY 2019-20 students remain active in the provincial workforce.

For every \$1...



Students gain in lifetime earnings
\$1.80



Taxpayers gain in added tax revenue and public sector savings
\$4.60



Society gains in added income and social savings
\$9.10

