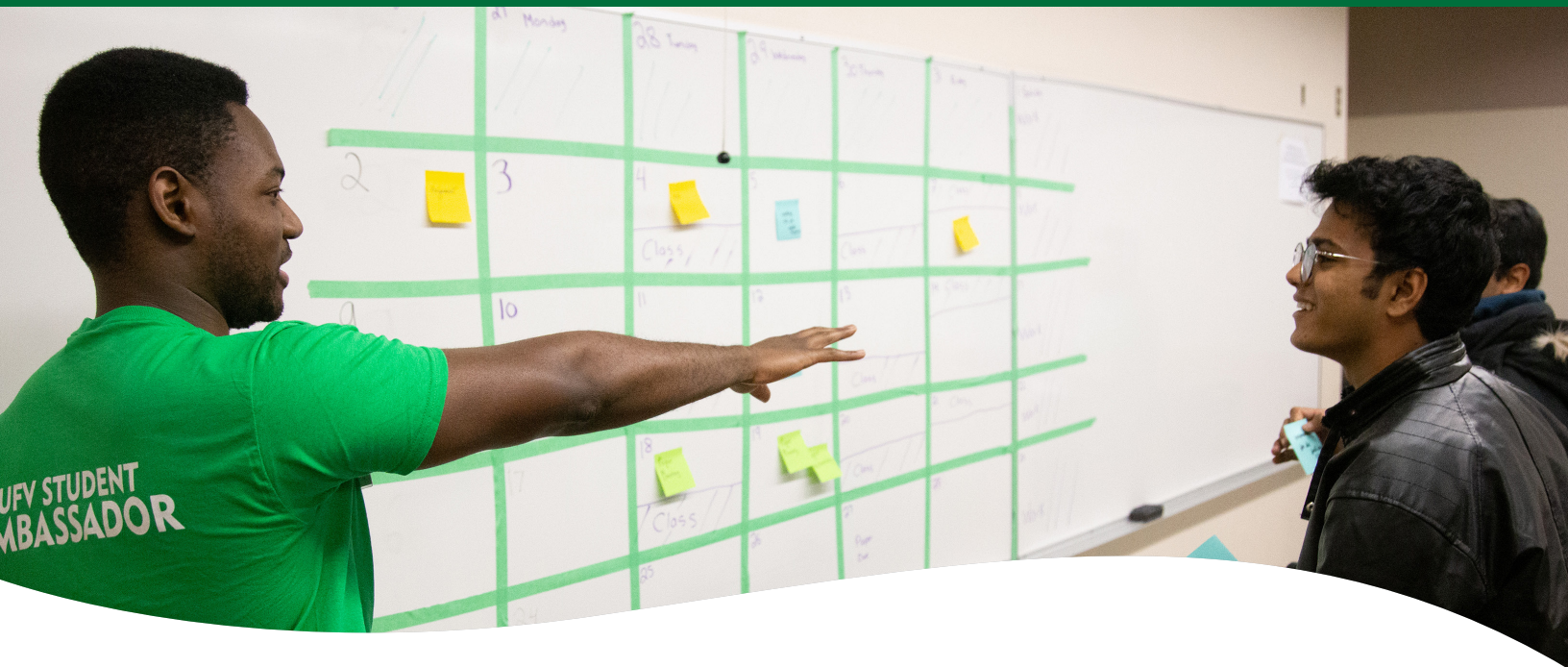


The Economic Value of the University of the Fraser Valley



The University of the Fraser Valley (UFV) 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, UFV added **\$720 million** in income to the Fraser Valley* economy, a value approximately equal to **6.4%** of the region's total gross regional product (GRP). Expressed in terms of jobs, UFV's impact supported **9,488 regional jobs**. For perspective, the activities of UFV and its students support **one out of every 14 jobs** in the Fraser Valley.



* For the purposes of this analysis, the Fraser Valley is comprised of Abbotsford, Agassiz, Chilliwack, Hope, and Mission census subdivisions in British Columbia.

OPERATIONS SPENDING IMPACT

- UFV employed 1,130 full-time equivalent (FTE) employees (excluding research employees) in FY 2019-20. Payroll amounted to \$100.4 million (excluding payroll from research employees), much of which was spent in the region for groceries, mortgage and rent payments, dining out, and other household expenses. The university spent another \$33 million on day-to-day expenses related to facilities, supplies, and professional services (excluding research expenditures).
- The net impact of the university's operations spending added **\$99.7 million** in income to the regional economy.

RESEARCH SPENDING IMPACT

- Research activities at UFV impact the regional economy by employing people and making purchases for equipment, supplies, and services. They also facilitate new knowledge creation in the Fraser Valley through inventions, patent applications, and licenses. In FY 2019-20, UFV spent \$3.5 million on payroll and \$468.6 thousand on other expenses to support research activities.
- UFV's research spending generated **\$2.7 million** in added income for the Fraser Valley economy in FY 2019-20.

STUDENT SPENDING IMPACT

- Around 39% of students attending UFV originated from either outside the region or outside Canada in FY 2019-20, and some of these students relocated to the Fraser Valley to attend UFV. In addition, a number of local students would have left the region if not for UFV.
- These students spent money on groceries, mortgage and rent payments, and so on at regional businesses. This spending in FY 2019-20 added **\$25.2 million** in income to the Fraser Valley economy. Of this impact, **\$13.6 million** is attributable to international students who relocated to the Fraser Valley to attend UFV.

ALUMNI IMPACT

- Over the years, students have studied at UFV and entered or re-entered the workforce with newly-acquired knowledge and skills. Today, thousands of these former students are employed in the Fraser Valley.
- The net impact of UFV's former students currently employed in the regional workforce amounted to **\$592.2 million** in added income in FY 2019-20. Of this impact, **\$26.9 million** is attributable to former international students working in the Fraser Valley.

IMPACTS CREATED BY UFV IN FY 2019-20



Operations spending impact

\$99.7 million



Research spending impact

\$2.7 million



Student spending impact

\$25.2 million



Alumni impact

\$592.2 million



TOTAL ECONOMIC IMPACT

\$720 million

OR

Jobs supported

9,488



INVESTMENT ANALYSIS

STUDENT PERSPECTIVE

- UFV's FY 2019-20 students paid a present value of **\$84.5 million** to cover the cost of tuition, fees, and supplies. They also forwent **\$132.3 million** in money that they would have earned had they been working instead of attending university.
- In return for their investment, students will receive **\$360.1 million** in increased earnings over their working lives. This translates to a return of **\$1.70** in higher future earnings for every dollar students invest in their education. Students' average annual rate of return is **10.8%**.

TAXPAYER PERSPECTIVE

- Provincial taxpayers provided UFV with **\$68.9 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 **\$264 million**. A reduced demand for government-funded services in British Columbia will add another **\$8.1 million** in benefits to taxpayers.
- For every dollar of public money invested in UFV, taxpayers will receive **\$4.00** in return, over the course of students' working lives. The average annual rate of return for taxpayers is **16.9%**.

SOCIAL PERSPECTIVE

- In FY 2019-20, society in British Columbia invested **\$278.5 million** to support UFV, including all student and all university costs. In turn, the British Columbia economy will grow by **\$1.8 billion**, over the course of students' working lives. Society will also benefit from **\$20.5 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 UFV in FY 2019-20, people in British Columbia will receive **\$6.60** in return, for as long as UFV's FY 2019-20 students remain active in the provincial workforce.

For every \$1...



Students gain in lifetime earnings

\$1.70



Taxpayers gain in added tax revenue and public sector savings

\$4.00



Society gains in added income and social savings

\$6.60