



The Economic Value of the University of New Brunswick **FACT SHEET**

THE University of New Brunswick (UNB) creates a significant positive impact on the province of New Brunswick and generates a return on investment to its major stakeholder groups—students, taxpayers, and society. Using a two-staged 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 FY (fiscal year) 2018-19.



Economic impact analysis

OPERATIONS SPENDING IMPACT

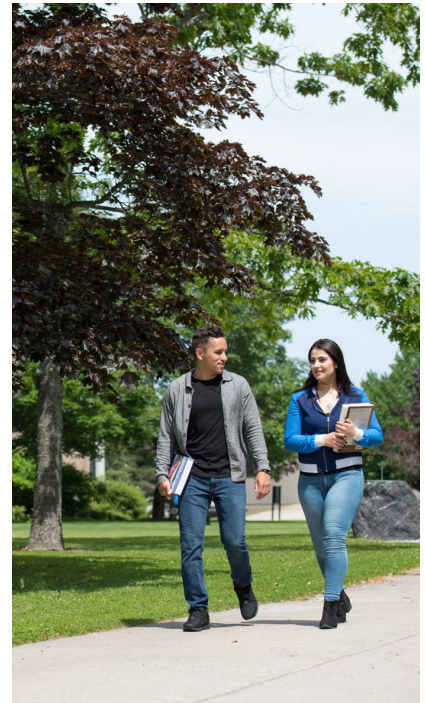
- UNB employed 1,872 full-time equivalent (FTE) employees (not including research employees) in FY 2018-19. Payroll amounted to \$172 million (excluding payroll from research employees), much of which was spent in the province for groceries, mortgage and rent payments, dining out, and other household expenses. The university spent another \$111.5 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 **\$224.9 million** in income to the provincial economy.

RESEARCH SPENDING IMPACT

- Research activities at UNB impact the provincial economy by employing people and making purchases for equipment, supplies, and services. They also facilitate new knowledge creation in New Brunswick through inventions, patent applications, and licenses. In FY 2018-19, UNB spent \$23.6 million on payroll and \$15.8 million on other expenses to support research activities.
- UNB's research spending generated **\$43.6 million** in added income for the New Brunswick economy in FY 2017-18.

CONSTRUCTION SPENDING IMPACT

- UNB spends millions on construction each year to maintain its facilities, create additional capacities, and meet its growing educational demands.



While the amount varies from year to year, this spending generates a short-term infusion of spending and jobs in the provincial economy.

- The net impact of UNB's construction spending in FY 2018-19 was **\$6.7 million** in added income for New Brunswick.

START-UP AND SPIN-OFF COMPANY IMPACT

- UNB creates an exceptional environment that fosters innovation and entrepreneurship, evidenced by the number of start-up and spin-off companies created as a result of the university.
- In FY 2018-19, UNB's start-up and spin-off companies generated **\$125.5 million** in added income for the New Brunswick economy.

VISITOR SPENDING IMPACT

- Out-of-province visitors attracted to New Brunswick for activities at UNB brought new dollars to the economy through their spending at hotels, restaurants, gas stations, and other provincial businesses.
- Visitor spending added approximately **\$8.6 million** in income to the New Brunswick economy.

STUDENT SPENDING IMPACT

- Around 29% of credit students attending UNB originated from either outside the province or outside Canada in FY 2018-19, and some of these students relocated to New Brunswick to attend UNB. In addition, a number of local students would have left the province if not for UNB.
- These students spent money on groceries, mortgage and rent payments, and so on at provincial businesses. This spending in FY 2018-19 added **\$45.9 million** in income to the New Brunswick economy. Of this impact, **\$13.9 million** is attributable to international students who relocated to New Brunswick to attend UNB.

ALUMNI IMPACT

- Over the years, students have studied at UNB and entered or re-entered the workforce with newly-acquired knowledge and skills. Today, thousands of these former students are employed in New Brunswick.
- The net impact of UNB's former students currently employed in the provincial workforce amounted to **\$1.4 billion** in added income in FY 2018-19. Of this impact, **\$34.9 million** is attributable to former international students working in New Brunswick.



\$224.9 million
Operations Spending Impact



\$43.6 million
Research Spending Impact



\$6.7 million
Construction Spending Impact



\$125.5 million
Start-up and Spin-off Company Impact



\$8.6 million
Visitor Spending Impact



\$45.9 million
Student Spending Impact



\$1.4 billion
Alumni Impact



\$1.8 billion
TOTAL IMPACT

- OR -

20,915
JOBS SUPPORTED





Investment analysis

STUDENT PERSPECTIVE

- UNB's FY 2018-19 students paid a present value of **\$85.2 million** to cover the cost of tuition, fees, and supplies. They also forwent **\$190.7 million** in money that they would have earned had they been working instead of attending university.
- In return for their investment, students will receive **\$698.3 million** in increased earnings over their working lives. This translates to a return of **\$2.50** in higher future earnings for every dollar students invest in their education. Students' average annual rate of return is **15.6%**.



FOR EVERY \$1...



Students gain
\$2.50
in lifetime earnings



Taxpayers gain
\$4.30
in added tax revenue and
public sector savings



Society gains
\$6.00
in added income and
social savings

TAXPAYER PERSPECTIVE

- Provincial taxpayers provided UNB with **\$141 million** of funding in FY 2018-19. In return, they will benefit from added tax revenue, stemming from students' higher lifetime earnings and increased business output, amounting to **\$605.4 million**. A reduced demand for government-funded services in New Brunswick will add another **\$7.8 million** in benefits to taxpayers.
- UNB is a profit centre for New Brunswick. For every dollar of public money invested in UNB, taxpayers will receive **\$4.30** in return, over the course of students' working lives. The average annual rate of return for taxpayers is **23.8%**.

SOCIAL PERSPECTIVE

- In FY 2018-19, society in New Brunswick invested **\$525.8 million** to support UNB, including all student and all university costs. In turn, the New Brunswick economy will grow by **\$3.2 billion**, over the course of students' working lives. Society will also benefit from **\$19.8 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 UNB in FY 2018-19, people in New Brunswick will receive **\$6.00** in return, for as long as UNB's FY 2018-19 students remain active in the provincial workforce.



Emsi is a labour market analytics firm that integrates data from a wide variety of sources to serve professionals in higher education, economic development, workforce development, talent acquisition, and site selection. Emsi is a leading provider of economic impact studies and labour market data to educational institutions in Canada, the U.S. and internationally. Since 2000, Emsi has completed over 2,000 economic impact studies for institutions across three countries. For more information about Emsi's products and services, visit www.economicmodeling.com.