

FACT SHEET

The Economic Value of Sir Sandford Fleming College

Sir Sandford Fleming College (Fleming College) 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) 2017-18.

IMPACTS CREATED BY FLEMING COLLEGE IN FY 2017-18

ADDED INCOME	JOBS
\$101.9 million	1,509
Operations spending impact	
\$5.5 million	78
Construction spending impact	
\$37.4 million	1,105
Student spending impact	
\$352.6 million	4,541
Alumni impact	
\$497.5 million	7,234
Total impact	

*Numbers may not add due to rounding.

IMPACT ON THE BUSINESS COMMUNITY

During the analysis year, Fleming College and its students added **\$497.5 million** in income to the Central Eastern Ontario economy, approximately equal to **6.0%** of the region's total gross regional product (GRP). Fleming College's impact supported 7,234 jobs in FY 2017-18. For perspective, this means that one out of every 18 jobs in Central Eastern Ontario is supported by the activities of Fleming College and its students. The economic impacts of Fleming College break down as follows:

Operations spending impact

- Fleming College employed 1,005 full-time equivalent (FTE) employees in FY 2017-18. Payroll amounted to **\$72 million**, a portion of which was spent in Central Eastern Ontario to purchase groceries, clothing, and other household goods and services. The college spent another **\$46.1 million** to support its day-to-day operations.
- The net impact of college payroll and expenses toward day-to-day operations in Central Eastern Ontario during the analysis year was approximately **\$101.9 million** in added regional income.

Construction spending impact

- Fleming College commissioned contractors to build or renovate its facilities during the analysis year, generating a short-term infusion of spending and jobs in the regional economy.
- The net impact of Fleming College's construction spending in FY 2017-18 was **\$5.5 million** in added income for Central Eastern Ontario.

Student spending impact

- Around 70% of credit students attending Fleming College originated from either outside the region or outside Canada in FY 2017-18, and some of these students relocated to Central Eastern Ontario to attend Fleming College. In addition, a number of students would have left the region if not for Fleming College. These relocated and retained students spent money at local businesses to purchase groceries, rent accommodation, and pay for transport.

For every **\$1** spent by...

STUDENTS

\$1.50

Gained in lifetime earnings for STUDENTS

SOCIETY

\$9.70

Gained in added provincial revenue and social savings for SOCIETY

TAXPAYERS

\$10.30

Gained in added tax revenue and public sector savings for TAXPAYERS



- The expenditures of relocated and retained students during the analysis year added approximately **\$37.4 million** in income to the regional economy.

Alumni impact

- Over the years, students have studied at Fleming College and entered or re-entered the workforce with newly-acquired skills. Today, thousands of these former students are employed in Central Eastern Ontario.
- The accumulated contribution of former students currently employed in the regional workforce amounted to **\$352.6 million** in added income during the analysis year.

RETURN ON INVESTMENT TO STUDENTS, SOCIETY, AND TAXPAYERS

Student perspective

- Fleming College's FY 2017-18 students paid a total of **\$62.6 million** to cover the cost of tuition, fees, books, and supplies. They also forwent **\$237.7 million** in money that they would have earned had they been working instead of learning.
- In return for the monies invested in the college, students will receive a present value of **\$458.5 million** in increased earnings over their working lives. This translates to a return of **\$1.50** in higher future earnings for every \$1 that students invest in their education. The average annual return for students is **10.2%**.

Social perspective

- Society as a whole in Ontario will receive a present value of **\$3.5 billion** in added provincial income over the course of the students' working lives. Society will also benefit from **\$22.5 million** in present value social savings related to reduced crime, fewer demands for income assistance, and increased health and well-being across the province.
- For every \$1 that society spent on educations from Fleming College during the analysis year, society as a whole will receive a cumulative value of **\$9.70** in benefits. This will occur for as long as Fleming College's FY 2017-18 students remain active in the provincial workforce.

Taxpayer perspective

- In FY 2017-18, provincial taxpayers in Ontario paid **\$58.5 million** to support the operations of Fleming College. The net present value of the added tax revenue stemming from higher lifetime student earnings and increased output of businesses amounts to **\$596 million**. Savings to the public sector add another **\$9 million** in benefits due to a reduced demand for government-funded social services in Ontario.
- Dividing benefits to taxpayers by the associated costs yields a 10.3 benefit-cost ratio, that is, every \$1 in costs returns **\$10.30** in benefits. This means that Fleming College not only pays its own way, but also generates a surplus that the provincial government can use to fund other programs.