



The Economic Value of Thompson Rivers University's William Lake Campus



THOMPSON RIVERS UNIVERSITY'S WILLIAMS LAKE CAMPUS

(TRU's Williams Lake Campus) creates value in many ways. The campus plays a key role in helping students increase their employability and achieve their individual potential. It draws students to the region, generating new dollars and opportunities for the Cariboo Regional District.* TRU's Williams Lake Campus provides students with the education, training, and skills they need to have fulfilling and prosperous careers. Furthermore, it is a place for students to meet new people, increase their self-confidence, and promote their overall health and well-being.

TRU's Williams Lake Campus influences both the lives of its students and the regional economy. The campus supports a variety of industries in the Cariboo Regional District, serves regional businesses, and benefits the provincial government through increased tax revenues and public sector savings. The benefits created by TRU's Williams Lake Campus even extend to society as a whole in British Columbia, which benefits from an expanded economy and improved quality of life.

This study measures the economic impacts created by TRU's Williams Lake Campus on the business community and the benefits the campus generates in return for the investments made by its key stakeholder groups—students, taxpayers, and society. The following two analyses are presented:

 **Economic impact analysis**

 **Investment analysis**

All results reflect employee, student, and financial data specific to the campus, provided by the university, for fiscal year (FY) 2023-24. Impacts on the Cariboo Regional District economy are reported under the economic impact analysis and are measured in terms of added income. The returns on investment to students, taxpayers, and society in British Columbia are reported under the investment analysis.



**The Cariboo Regional District,
British Columbia**

TRU's Williams Lake Campus influences both the **lives of its students** and the **regional economy**.

* The Cariboo Regional District is a census division in central British Columbia.

Economic impact analysis



TRU's Williams Lake Campus promotes economic growth in the Cariboo Regional District through its direct expenditures and the resulting expenditures of students and regional businesses. The campus serves as an employer and buyer of goods and services for its day-to-day operations. Its reputation and activities attract students from outside the Cariboo Regional District, whose expenditures benefit regional vendors. In addition, TRU's Williams Lake Campus is a primary source of postsecondary education to the Cariboo Regional District residents and a supplier of trained workers to regional industries, enhancing overall productivity in the regional workforce.

Operations spending impact



TRU's Williams Lake Campus adds economic value to the Cariboo Regional District as an employer of regional residents and a large-scale buyer of goods and services. In FY 2023-24, the university employed faculty and staff equivalent to 28 full-time employees at the campus, all of whom lived in the Cariboo Regional District. Total payroll at TRU's Williams Lake Campus was \$3.7 million, much of which was spent in the region for groceries, mortgage and rent payments, dining out, and other household expenses. In addition, the campus spent \$759 thousand on day-to-day expenses related to facilities, supplies, and professional services.

TRU's Williams Lake Campus's day-to-day operations spending added \$4.5 million in income to the region during the analysis year. This figure represents its payroll, the multiplier effects generated by the in-region spending of the campus and its employees,

Impacts created by TRU's Williams Lake Campus in FY 2023-24



Operations spending impact

\$4.5 million

+



Student spending impact

\$1.8 million

+



Alumni impact

\$20.7 million



Total economic impact

\$27 million

OR

Jobs supported

298



and a downward adjustment to account for funding that the campus received from regional sources. The \$4.5 million in added income is equivalent to supporting 39 jobs in the region.

Student spending impact



Around 24% of students attending TRU's Williams Lake Campus originated from outside the region in FY 2023-24, and some of these students relocated to the Cariboo Regional District to attend the campus. These students may not have come to the region if the campus did not exist. In addition, some in-region students, referred to as retained students, would have left the Cariboo Regional District if not for the existence of TRU's Williams Lake Campus. While attending the campus, these relocated and retained students spent money on groceries, accommodation, transportation, and other household expenses. This spending generated \$1.8 million in added income for the regional economy in FY 2023-24, which supported 25 jobs in the Cariboo Regional District.

Alumni impact



The education and training TRU's Williams Lake Campus provides for regional residents has the greatest impact. Since its establishment, students have studied at TRU's Williams Lake Campus and entered the regional workforce with greater knowledge and new skills. Today, thousands of former TRU's Williams Lake Campus students are employed in the Cariboo Regional District. As a result of their TRU's Williams Lake Campus educations, the students receive higher earnings and increase the productivity of the businesses that employ them. In FY 2023-24, TRU's Williams Lake Campus alumni generated \$20.7 million in added income for the regional economy, which is equivalent to supporting 234 jobs.

Impact of Indigenous and international students

Indigenous and international students are an important part of the TRU community. In FY 2023-24, TRU's Williams Lake Campus served 360 self-identified Indigenous students, along with 11 international students, many of whom relocated to the Cariboo Regional District. These students brought new money to the regional economy or retained money in the region through their spending on housing, food, and other living expenses. In FY 2023-24, Indigenous student spending generated **\$664.9 thousand** in added income for the regional economy, along with international student spending generating **\$59 thousand**.

It is estimated that 67% of Indigenous students and 46% of international students remain in the region after finishing their time at TRU's Williams Lake Campus. Today, many of these students are employed in the Cariboo Regional District, receiving higher earnings and increasing the productivity of the businesses that employ them. In FY 2023-24, Indigenous alumni generated **\$7.0 million** in added income for the regional economy, along with international alumni generating **\$121.4 thousand**.



Total impact

TRU's Williams Lake Campus added \$27 million in income to the Cariboo Regional District economy during the analysis year, equal to the sum of the operations spending impact, the student spending impact, and the alumni impact. For context, the \$27 million impact was equal to approximately 0.8% of the total gross regional product (GRP) of the Cariboo Regional District. This contribution that the campus provided on its own is nearly as large the entire Information & Cultural Industries industry in the region.

TRU's Williams Lake Campus' total impact can also be expressed in terms of jobs supported. The \$27 million impact supported 298 regional jobs, using the jobs-to-sales ratios specific to each industry in the region. This means that one out of every 93 jobs in the Cariboo Regional District is supported by the activities of TRU's Williams Lake Campus and its students. In addition, the \$27 million, or 298 supported jobs, stemmed from different industry sectors. Among non-education industry sectors, TRU's Williams Lake Campus' activity and alumni in the Health Care & Social Assistance industry sector supported 64 jobs in FY 2023-24. These are impacts that would not have been generated without the campus' presence in the Cariboo Regional District.

Top industry impacts (jobs supported)



One out of every 93 jobs in the Cariboo Regional District is supported by the activities of TRU's Williams Lake Campus and its students.





An investment analysis evaluates the costs associated with a proposed venture against its expected benefits. If the benefits outweigh the costs, then the investment is financially worthwhile. The analysis presented here considers TRU's Williams Lake Campus as an investment from the perspectives of students, taxpayers, and society in British Columbia.

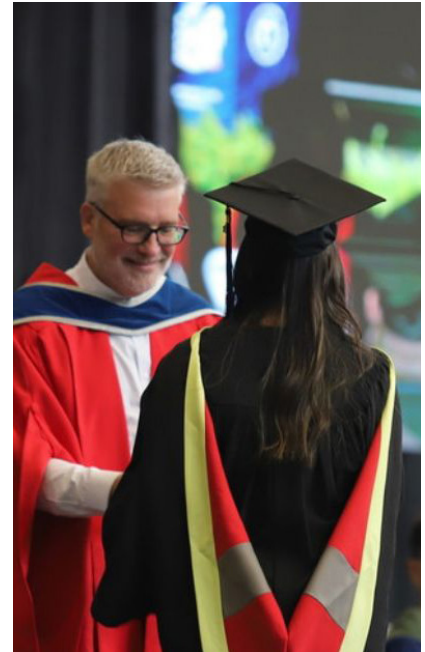
Student perspective



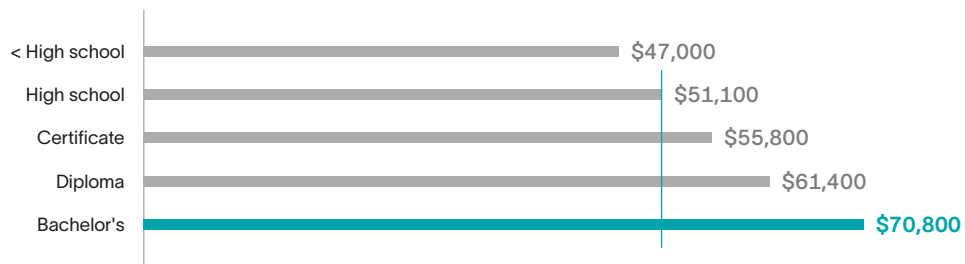
In FY 2023-24, TRU's Williams Lake Campus served 369 credit and 676 non-credit students. In order to attend the campus, the students paid for tuition, fees, books, and supplies. Additionally, students gave up money they would have otherwise earned had they been working instead of attending university. The total investment made by students in FY 2023-24 amounted to a present value of \$8.4 million, equal to \$586.3 thousand in out-of-pocket expenses and \$7.8 million in forgone time and money.

In return for their investment, TRU's Williams Lake Campus students will receive a stream of higher future earnings that will continue to grow throughout their working lives. For example, the campus' average bachelor's degree graduate from FY 2023-24 will see an increase in earnings of \$19,700 each year compared to a person with a high school diploma or equivalent working in British Columbia. Over a working lifetime, the benefits of the bachelor's degree over a high school diploma will amount to an undiscounted value of \$2.1 million in higher earnings per graduate. Altogether, the campus' FY 2023-24 students will receive \$9.7 million in higher future earnings over their working lives, as a result of their education and training at TRU's Williams Lake Campus.

The students' benefit-cost ratio is 1.2. In other words, for every dollar students invest in TRU's Williams Lake Campus, in the form of out-of-pocket expenses and forgone time and money, they will receive a cumulative value of \$1.20 in higher future earnings.



The average bachelor's degree graduate from TRU's Williams Lake Campus will see an increase in earnings of **\$19,700** each year compared to a person with a high school diploma or equivalent working in British Columbia.



Source: Derived from data supplied by Statistics Canada and the Lightcast CRIO model.

Annually, the students' investment in TRU's Williams Lake Campus has an average annual internal rate of return of 9.1%.

Taxpayer perspective



TRU's Williams Lake Campus generates more in tax revenue than it takes.

These benefits to taxpayers consist primarily of taxes that the provincial government will collect from the added revenue created in the province. As TRU's Williams Lake Campus students earn more, they will make higher tax payments throughout their working lives. Students' employers will also make higher tax payments as they increase their output and purchases of goods and services. By the end of the FY 2023-24 students' working lives, the provincial government will have collected a present value of \$583.5 thousand in added tax revenue.

Benefits to taxpayers also consist of savings generated by the improved lifestyles of TRU's Williams Lake Campus students and the corresponding reduced government services. Education is statistically correlated with a variety of lifestyle changes. Students' educations will generate savings in three main categories: 1) healthcare, 2) crime, and 3) income assistance. Improved health will lower students' demand for health care services. In addition, students will be less likely to interact with the criminal justice system, resulting in a reduced demand for law enforcement and reduced victim costs. TRU's Williams Lake Campus students will be more employable, so their reduced demand for income assistance such as welfare and unemployment benefits will benefit taxpayers. For a list of study references, contact the university for a copy of the main report. Altogether, the present value of the benefits associated with a TRU's Williams Lake Campus education will generate \$38.7 thousand in savings to provincial taxpayers.

Total taxpayer benefits amount to \$622.1 thousand, the present value sum of the added taxes and public sector savings.

For investing in TRU's Williams Lake Campus, taxpayers will receive **\$662.1 thousand** over the course of the students' working lives.

Social perspective

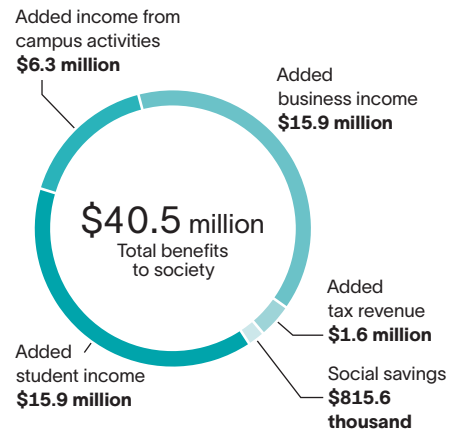


Society as a whole in British Columbia benefits from the presence of TRU's

Williams Lake Campus in two major ways. Primarily, society benefits from an increased economic base in the province. This is attributed to higher student earnings and increased business output, which raise economic prosperity in British Columbia.

Benefits to society also consist of the savings generated by the improved lifestyles of TRU's Williams Lake Campus students. As discussed in the previous section, education is statistically correlated with a variety of lifestyle changes that generate social savings. Note that these costs are avoided by the consumers but are distinct from the costs avoided by the taxpayers outlined above. Healthcare savings include avoided medical costs associated with smoking, alcohol dependence, obesity, and mental illness. Crime savings include reduced criminal justice system expenditures, lower

Social benefits in British Columbia from TRU's Williams Lake Campus



Source: Lightcast impact model.

victim costs, and increased productivity of individuals who are working rather than spending time in custody. Income assistance savings include the reduced demand for employment insurance benefits and employment-related social assistance. For a list of study references, contact the university for a copy of the main report.

Altogether, the social benefits of TRU's Williams Lake Campus equal a present value of \$40.5 million. These benefits include \$39.6 million in added income through students' increased lifetime earnings and increased business output, as well as \$815.6 thousand in social savings related to health, crime, and income assistance in British Columbia. People in British Columbia invested a present value total of \$12.7 million in TRU's Williams Lake Campus in FY 2023-24. These costs include all campus and student costs.

The benefit-cost ratio for society is 3.2, equal to the \$40.5 million in benefits divided by the \$12.7 million in costs. In other words, for every dollar invested in TRU's Williams Lake Campus, people in British Columbia will receive a cumulative value of \$3.20 in benefits. The benefits of this investment will occur for as long as TRU's Williams Lake Campus FY 2023-24 students remain employed in the provincial workforce.

Summary of investment analysis results

The results of the analysis demonstrate that TRU's Williams Lake Campus is a strong investment for all three major stakeholder groups—students, taxpayers, and society. As shown, students receive a great return for their investments in a TRU's Williams Lake Campus education. At the same time, taxpayers' investment in the campus returns more to government budgets than it costs and creates a wide range of social benefits throughout British Columbia.



Student perspective	
Present value benefits	
\$9.7 million	
Present value costs	
\$8.4 million	
Net present value	
\$1.3 million	
Benefit-cost ratio	Rate of return
1.2	9.1%



Taxpayer perspective
Present value benefits
\$622.1 thousand



Social perspective	
Present value benefits	
\$40.5 million	
Present value costs	
\$12.7 million	
Net present value	
\$27.8 million	
Benefit-cost ratio	Rate of return
3.2	n/a*

* The rate of return is not reported for the social perspective because the beneficiaries are not necessarily the same as the original investors.

Conclusion

The results of this study demonstrate that TRU's Williams Lake Campus creates value from multiple perspectives. The campus benefits regional businesses by increasing consumer spending in the region and supplying a steady flow of qualified, trained workers to the workforce. TRU's Williams Lake Campus enriches the lives of students by raising their lifetime earnings and helping them achieve their individual potential. The campus benefits provincial taxpayers through increased tax receipts and a reduced demand for government-supported social services. Finally, TRU's Williams Lake Campus benefits society as a whole in British Columbia by creating a more prosperous economy and generating a variety of savings through the improved lifestyles of students.



About the study

Data and assumptions used in the study are based on several sources, including the FY 2023-24 academic and financial reports from TRU's Williams Lake Campus, industry and employment data from Statistics Canada, outputs of Lightcast's Canadian Regional Input-Output model, and a variety of studies and surveys relating education to social behaviour. The study applies a conservative methodology and follows standard practice using only the most recognized indicators of investment effectiveness and economic impact. For a full description of the data and approach used in the study, please contact the university for a copy of the main report.

The results of this study demonstrate that TRU's Williams Lake Campus creates value from **multiple perspectives**.



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