

The Economic Value of Langara College

FACT SHEET

LANGARA College (Langara) 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) 2018-19.



Economic impact analysis

In FY 2018-19, Langara added **\$966 million** in income to the Langara Service Region* economy, a value approximately equal to **0.6%** of the region's total gross regional product (GRP). Expressed in terms of jobs, Langara's impact supported **11,729 regional jobs**.

OPERATIONS SPENDING IMPACT

- Langara employed 1,316 full-time equivalent (FTE) employees in FY 2018-19. Payroll amounted to \$108.6 million, much of which was spent in the region for groceries, mortgage and rent payments, dining out, and other household expenses. The college spent another \$39.2 million on day-to-day expenses related to facilities, supplies, and professional services.
- The net impact of the college's operations spending added **\$134.5 million** in income to the regional economy.

STUDENT SPENDING IMPACT

- Around 54% of credit students attending Langara originated from either outside the region or outside Canada in FY 2018-19, and some of these students relocated to the Langara Service Region to attend Langara. In addition, a number of local students would have left the region if not for Langara.
- These students spent money on groceries, mortgage and rent payments, and so on at regional businesses. This spending in FY 2018-19 added **\$80 million** in income to the Langara Service Region economy. Of this impact, **\$58.5 million** is attributable to international students who relocated to the Langara Service Region to attend Langara.

* For the purposes of this analysis, the Langara Service Region is comprised of Vancouver, Richmond, and Burnaby.

IMPACTS CREATED BY
LANGARA IN FY 2018-19



\$134.5 million
Operations Spending Impact



\$80 million
Student Spending Impact



\$751.5 million
Alumni Impact



\$966 million
TOTAL IMPACT

- OR -

11,729
JOBS SUPPORTED



ALUMNI IMPACT

- Over the years, students have studied at Langara and entered or re-entered the workforce with newly-acquired knowledge and skills. Today, thousands of these former students are employed in the Langara Service Region.
- The net impact of Langara's former students currently employed in the regional workforce amounted to **\$751.5 million** in added income in FY 2018-19. Of this impact, **\$71.1 million** is attributable to former international students working in the Langara Service Region.



Investment analysis

STUDENT PERSPECTIVE

- Langara's FY 2018-19 students paid a present value of **\$117.3 million** to cover the cost of tuition, fees, and supplies. They also forwent **\$152.5 million** in money that they would have earned had they been working instead of attending college.
- In return for their investment, students will receive **\$400.2 million** in increased earnings over their working lives. This translates to a return of **\$1.50** in higher future earnings for every dollar students invest in their education. Students' average annual rate of return is **9.8%**.

TAXPAYER PERSPECTIVE

- Provincial taxpayers provided Langara with **\$48 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 **\$145.7 million**. A reduced demand for government-funded services in British Columbia will add another **\$3.7 million** in benefits to taxpayers.
- For every dollar of public money invested in Langara, taxpayers will receive **\$3.10** in return, over the course of students' working lives. The average annual rate of return for taxpayers is **14.0%**.

SOCIAL PERSPECTIVE

- In FY 2018-19, society in British Columbia invested **\$310 million** to support Langara, including all student and all college costs. In turn, the British Columbia economy will grow by **\$2.7 billion**, over the course of students' working lives. Society will also benefit from **\$26.6 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 Langara in FY 2018-19, people in British Columbia will receive **\$8.70** in return, for as long as Langara's FY 2018-19 students remain active in the provincial workforce.



FOR EVERY \$1...



Students gain
\$1.50
in lifetime earnings



Taxpayers gain
\$3.10
in added tax revenue and
public sector savings



Society gains
\$8.70
in added income and
social savings

