

IMPACT ON REGIONAL ECONOMY

Demonstrating the Value of Medicine Hat College

DECEMBER 2013

Income created by MHC in 2011-12

\$42.7 million
Effect of college operations

\$1.8 million
Effect of student spending

\$124.4 million
Effect of worker productivity

\$168.9 million
Total effect

Job equivalents based on income

Job equivalents are a measure of the average-wage jobs that a given amount of income can potentially support. They are calculated by dividing income by the average annual wages per worker in the region. Based on the added income created by MHC, the job equivalents are as follows:

Effect of college operations =
945 job equivalents

Effect of student spending =
41 job equivalents

Effect of student productivity =
2,753 job equivalents

Overall, the added income created by MHC and its students supported **3,738** job equivalents.

In 2011-12, MHC's total impact on the Medicine Hat Service Region's economy was \$168.9 million in added income, equal to 1.5% of the region's Gross Regional Product.

MHC PAYROLL & EXPENSES SUPPORT LOCAL BUSINESSES

- In 2011-12, MHC employed **453** full-time equivalent (FTE) faculty and staff, with an annual payroll of **\$33.2 million**. Much of this was spent in the Medicine Hat Service Region to purchase groceries, clothing, and other household goods and services.
- The college is itself a buyer of goods and services and spent another **\$20.1 million** to support its operations during the analysis year.
- The net impact of college payroll and expenses in the Medicine Hat Service Region was **\$42.7 million** in added regional income.

MHC STUDENTS BOOST LOCAL SPENDING

- Approximately 409 MHC students relocated to the Medicine Hat Service Region to attend the college in 2011-12, including international students. The expenditures of these students for room and board, transportation, and other personal goods and services helped support local businesses.
- Out-of-region student spending added approximately **\$1.8 million** in income to the region during the analysis year.

MHC TRAINING SUSTAINS A SKILLED WORKFORCE

- Over the years, students have studied at MHC and entered or re-entered the workforce with newly-acquired skills. Today thousands of former students are employed in the Medicine Hat Service Region.
- As students apply the skills they acquired at the college, they are rewarded with higher incomes. They also raise business profits through their increased productivity. These higher incomes and increased profits create even more income as they are spent in the region.
- In 2011-12, the effect of former MHC students on the regional economy amounted to **\$124.4 million** in added income.