

## Backgrounder

April 26, 2006

The study was conducted by Gardner Pinfold Consulting Economists Ltd., Halifax, Nova Scotia for the Association of Atlantic Universities (AAU)([www.atlanticuniversities.ca](http://www.atlanticuniversities.ca)) and the Atlantic Canada Opportunities Agency (ACOA) to produce a clear and comprehensive statement of the economic impact of universities in the Atlantic Provinces (The Study).

The Study assesses the total economic impact of the universities from the *demand* side, as industries buying goods and services to support operations and construct new facilities. Direct employment and income are quantified and assessed in the context of the university communities, highlighting the relative importance of the institutions. The Study looks at universities as export industries, providing estimates of the additional spending attributable to students and visitors from outside the region.

The Study examines the economic value of universities from the *supply* side, as producers of knowledge (in the form of graduates and research results) leading to innovation and greater productivity. Trends in numbers of graduates and alumni are quantified. The value of education is estimated from the perspective of the individual in terms of the contribution to economic growth.

The Study also examines university research and its relationship to innovation and economic growth in Canada and the Atlantic Provinces. Growth in research funding is assessed over the last decade, and the relative importance of universities in Atlantic Canada as both funders and performers of research. The study also explores some of the challenges facing universities, in particular implications for innovation of conducting research in a region with limited private sector capacity either to conduct research or engage in effective technology transfer, and what's being done to address these challenges.

The AAU represents the 17 universities in the Atlantic region that offer programs leading to a degree or have degree granting status.

Many people think of universities simply as institutions providing post-secondary education. While this is clearly their primary function, the nature of their activities and scope of their influence extend well beyond their respective campuses.

In addition to facilitating and supporting economic and social growth and development, universities also play a direct role in generating economic activity in their communities and regions.

The study is a valuable tool for the AAU, its member universities, ACOA and other regional stakeholders – one that has the potential to inspire momentum around the idea of increased partnerships between universities, communities, the private sector and government, and how the impact of these partnerships in Atlantic Canada can grow.

The Study is intended to start a discussion on how to sustain and build on today's assets. The hope for The Study is to inspire the community of universities, public officials and government to aspire to "what's next".

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