The Economic Impact of Higher Education in Wales

October 2015

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Executive Summary
Universities in Wales are playing a crucial role in powering the Welsh economy

As an integral part of the Welsh economy, the university sector is an industry in itself, providing employment for tens of thousands of people in Wales and generating other economic activity.

Whilst universities clearly support economic development in Wales through education and research, this study demonstrates that university expenditure, and that of university staff and students, have an immediate positive impact that is significant to the economy in Wales.

The key findings show the economic aspects of the higher education sector in Wales for the year ending 2014, and of the sector’s impact on Wales. This work updates an earlier 2013 study using a new and more precise methodology, and therefore also demonstrates the growth in Welsh universities’ economic impact.

Additionally, for the first time this work also includes extended analysis of the distribution of economic impact across all the regions of Wales, demonstrating just how vital a contribution universities make to their local communities, as well as the wider Welsh economy, through supporting thousands of ‘knock-on’ jobs and expenditure outside of campuses.

Welsh universities, together with the expenditure of their international students and visitors, students from the rest of the UK and Welsh students, generated £2.4 billion of Welsh GVA equivalent to 4.6% of all Welsh GVA 2013.
Welsh universities generated

46,554
jobs in Wales

equivalent to
3.4%
of all
Welsh workplace employment 2013

Of these jobs, 18,702 FTE jobs were generated in other parts of the UK economy – outside of universities – due to the expenditure of the institutions and their staff and students, with most (14,558) of these jobs in Wales.

All parts of Wales shared in the impact of the universities, with impact spreading across local authority boundaries and to areas which do not host a university.

Welsh universities’ contribution to areas of Wales that do not have a university presence:

Value Added
Of the £2.4 billion of Welsh GVA generated across Wales by Welsh universities and their students, £597 million - nearly 25% - was generated in local authority areas that did not have a university presence.

Jobs Created
Of the 46,554 jobs generated by the universities in Wales, 11,783 jobs – over 25% - were in parts of Wales that did not have a university presence.

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1 The 2013 study can be found at www.uniswales.ac.uk/publications.
2 Institutional output and output generated in other industries together with the expenditure of their staff, students, international students and visitors totals £4.6bn.
3 Gross Value Added