

## Key findings

<b>University operations</b>	<ul style="list-style-type: none"> <li>• UNSW's ongoing operations contributed \$1.76 billion to Australian GDP in 2014, including \$1.58 billion to GSP in NSW</li> <li>• The total contribution of UNSW's operations to NSW is equivalent to 7% of the total education and training in the state or 12% of the state's mining industry output.</li> </ul>
<b>Skilled graduates</b>	<ul style="list-style-type: none"> <li>• University education added an estimated \$140 billion to GDP in 2014, by raising the productivity of the workforce</li> <li>• Assessing the impact of just one cohort of UNSW undergraduate students, as an example, UNSW's 4,900 bachelor degree graduates from 2013 are estimated to contribute as much \$204 million to Australia's GDP each year over their lifetimes, equivalent to around \$41,500 per graduate per year.</li> <li>• UNSW's 8,100 bachelor and post-graduate degree graduates from 2013 will earn, in total, an estimated additional \$56 million on average each year over their lifetimes.</li> </ul>
<b>University Research</b>	<ul style="list-style-type: none"> <li>• The stock of technology and knowledge attributable to Australia's universities is estimated to contribute approximately \$160 billion to GDP in 2014, almost 10% of total GDP. UNSW's share of this contribution would be in the order of \$15 billion.</li> <li>• UNSW's current annual expenditure on research of around \$1.04 billion, if sustained over time, is estimated to:             <ul style="list-style-type: none"> <li>• increase GDP by between \$106 and \$190 billion over a period of 35 years, based on research expenditure of \$17 billion (both in present value terms)<sup>1</sup></li> <li>• indicating a return for the economy of between \$5 and \$10 for each \$1 invested, over a period of 35 years (in present value terms)                 <ul style="list-style-type: none"> <li>• this implies the equivalent annualised return from investments in real per capita university research lies in the order of 60%-100%</li> <li>• by way of comparison, the current annualised real return to paying down government debt is around 1.5% in real terms and the historical real before-tax rate of return on private investment is around 7%.<sup>2</sup></li> </ul> </li> </ul> </li> </ul>
<b>Future investments in research</b>	<ul style="list-style-type: none"> <li>• Halving the growth in university research expenditure in 2014 from the current trend of 4.3% to 2.1% is estimated to cost the economy around \$23-\$42 billion in GDP (in present value terms, out to 2050).</li> <li>• Alternatively, increasing the growth in university research expenditure in 2014 from the current trend of 4.3% to the average of the past decade of 5.7% is estimated to raise GDP by \$16-\$29 billion (in present value terms, out to 2050).</li> </ul>
<b>Supporting Australia's productivity growth</b>	<ul style="list-style-type: none"> <li>• For growth in national income over the next decade to remain at the level experienced from 2001-2013, labour productivity will need to increase by almost 3% annually from 2014 to 2023.</li> <li>• A 10% increase in university research spending (per capita) compared to 2013 levels is estimated to generate almost a third of the required rate of labour productivity growth required to maintain our growth in living standards out to 2050.</li> </ul>

<sup>1</sup> Further explanation of this present value calculation is included in footnote 28 on page 54 of this report.

<sup>2</sup> Further explanation of this result is included in paragraphs 2-3 on page 80 of this report.