

So Much More: The Economic Impact of the Toronto Public Library on the City of Toronto

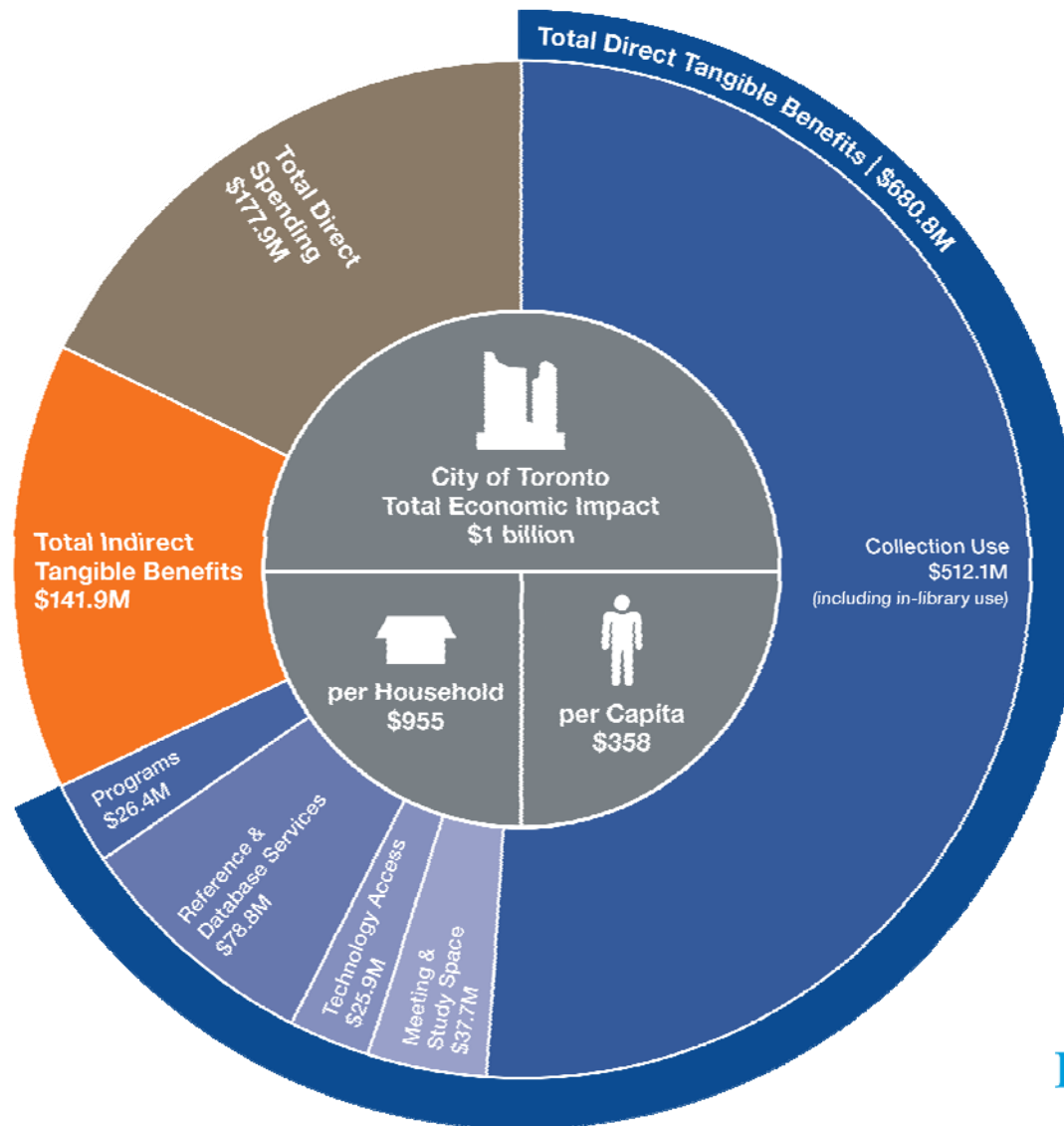
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 Rotman School of Management
UNIVERSITY OF TORONTO

Toronto Public Library creates over \$1 billion in total economic impact



Total direct benefits reach \$502 per member

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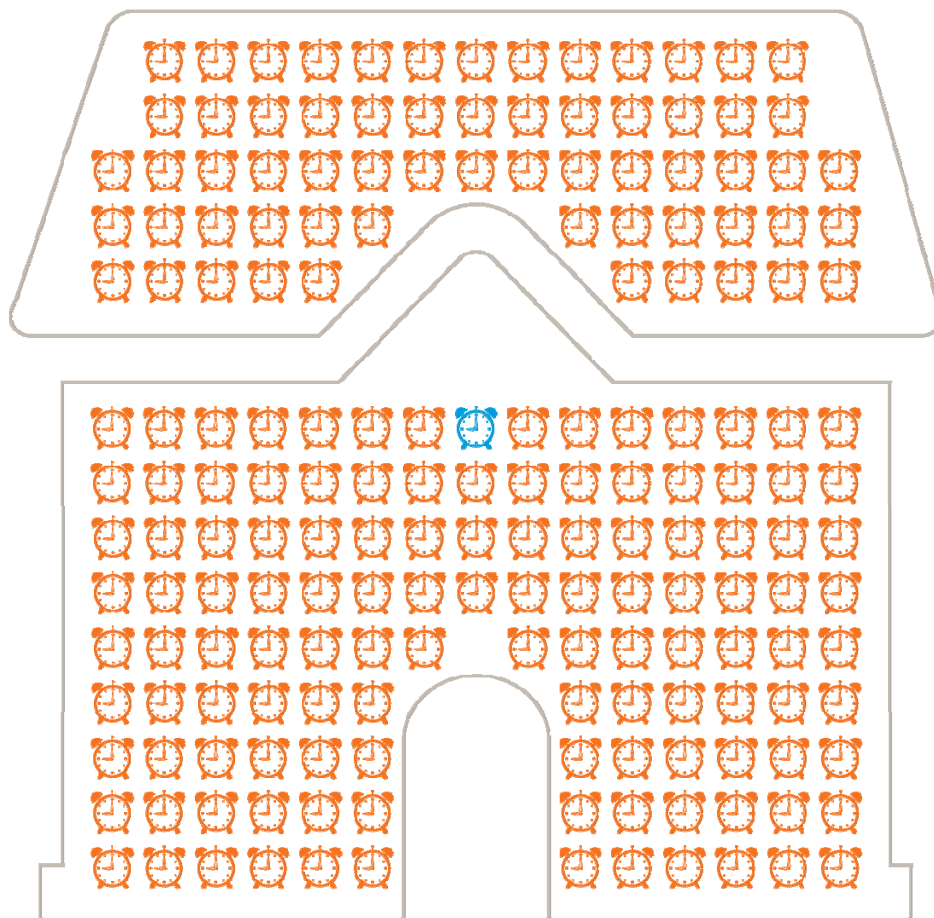
\$502 value of a library
membership.



Based on up to **\$1 billion** in total direct benefits and
use of the library by **72%** of Torontonians.

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The average open hour at a branch generates \$2,515 in direct benefits



 **\$627 million**

total value of all library hours
in 2012.

 **\$2,515**

average value of one open hour.

\$653

average cost of one open hour.

Toronto Public Library delivers \$5.63 of economic impact for every \$1 spent

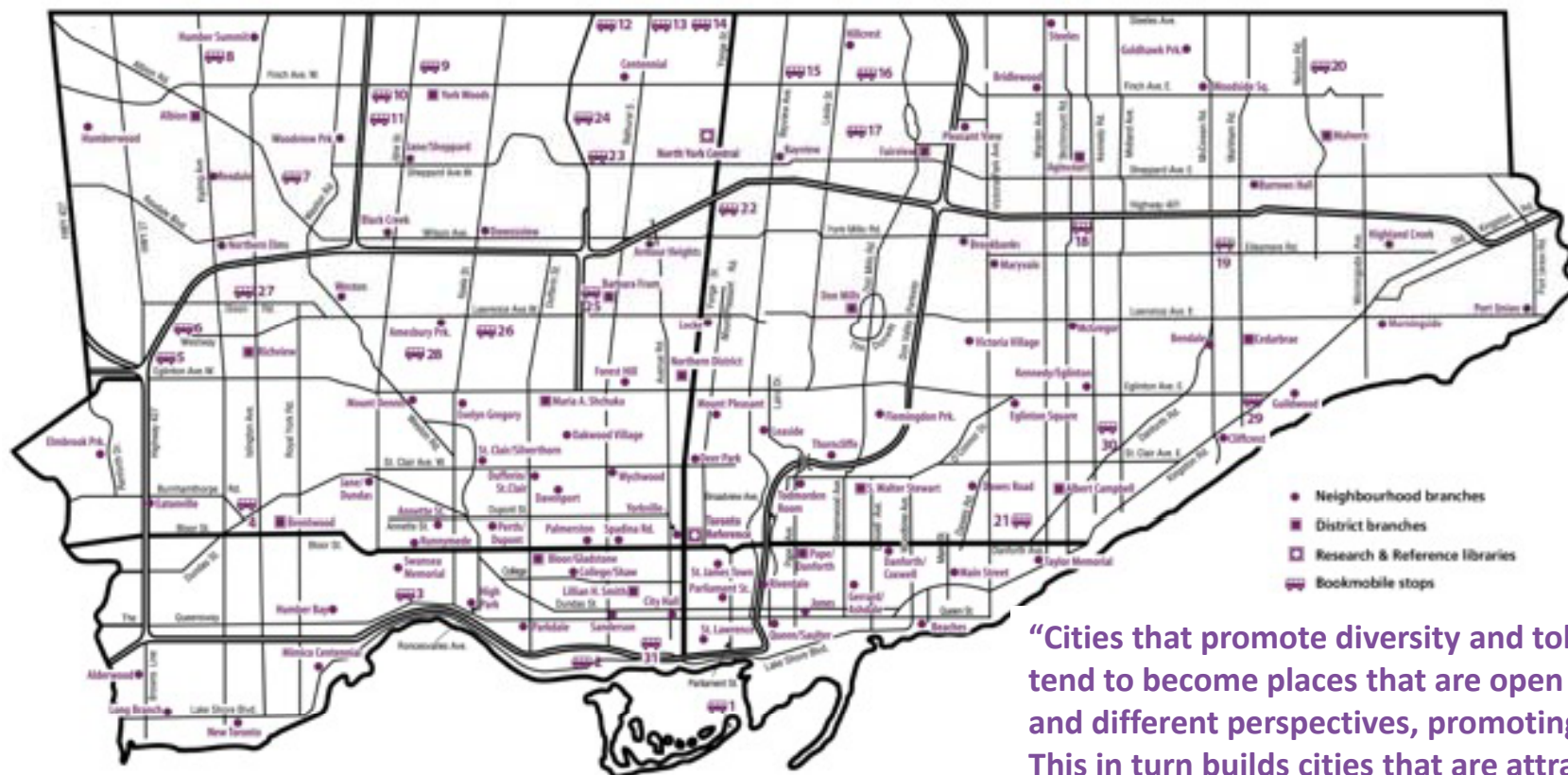
	Low* (\$)	Estimate* (\$)	High* (\$)
Total Economic Impact	612.1	1,000.6	1,389.1
Impact per Dollar Spent	3.44	5.63	7.81
Impact per Toronto Resident	219.30	358.49	497.68
Impact per Toronto Household	584.12	954.88	1,325.64
Total Benefits	434.2	822.7	1,211.2
Return on Investment	244%	463%	681%
Average Value of One Open Hour at a Branch	2,515		

Return on Investment

ROI is 463%

The return from the City of Toronto's investment in the Toronto Public Library is 463%, which is the midpoint of a range very conservatively estimated to be 244% and is comfortably shown to reach 681%.

Neighbourhood Branches Provide Communities Intangible Benefits



“Cities that promote diversity and tolerance also tend to become places that are open to new ideas and different perspectives, promoting creativity. This in turn builds cities that are attractive to individuals and businesses involved in the creation of new ideas, products and services.”

The Importance of Diversity to the Economic and Social Prosperity of Toronto, MPI, 2010

Intangible benefits deliver value



Opportunities for residents to improve their literacy skills, enhance their educational and employment opportunities, and improve quality of life for themselves and their families through library collections, services and programs deliver a lifetime of value to residents and increase the economic competitiveness and prosperity of Toronto.

Methodology

MPI followed a thorough, comprehensive approach to calculating the economic impact of TPL services.

The Martin Prosperity Institute conducted the study for the Toronto Public Library using accepted valuation methodologies commonly used in the library and public sector and standard library statistics collected for international and Canadian benchmarks. The study examined the economic impact of the Toronto Public Library from a number of lenses, building on methodologies of other studies and introducing new measures to value library space.

Acknowledgements

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Q & A

(and, Thank You!)

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		Low* (\$)	Estimate* (\$)	High* (\$)
Direct Tangible Benefits	Collection Use	183.7	512.1	840.4
	Programs		26.4	
	Reference & Database Services		78.8	
	Technology Access		25.9	
	Meeting & Study Space		37.7	
	Total Direct Tangible Benefits	352.5	680.8	1,009.1
Direct Spending	Operations		25.3	
	Capital (annual average)		20.7	
	Employment		135.2	
	Materials		17.9	
	Total Gross Spending		199.1	
	Revenue Offsets to Costs		21.2	
	Total Direct Spending		177.9	
Indirect Tangible Benefits	Operations	10.1	17.7	25.3
	Capital (annual average)	8.3	14.5	20.7
	Employment	54.1	94.6	135.2
	Materials	7.2	12.5	17.9
	Pages Employment Experience Benefits	2.1	2.5	3.0
	Total Indirect Tangible Benefits	81.7	141.9	202.1
Total Economic Impact		612.1	1,000.6	1,389.1
Impact per Dollar Spent		3.44	5.63	7.81
Impact per Toronto Resident		219.30	358.49	497.68
Impact per Toronto Household		584.12	954.88	1,325.64
Total Benefits		434.2	822.7	1,211.2
Return on Investment		244%	463%	681%
Average Value of One Open Hour at a Branch			2,515	

*Millions of dollars

Direct Tangible Benefits – directly measurable

Direct Spending – budgeted investment

Indirect Tangible Benefits – multiplier benefits from direct benefits