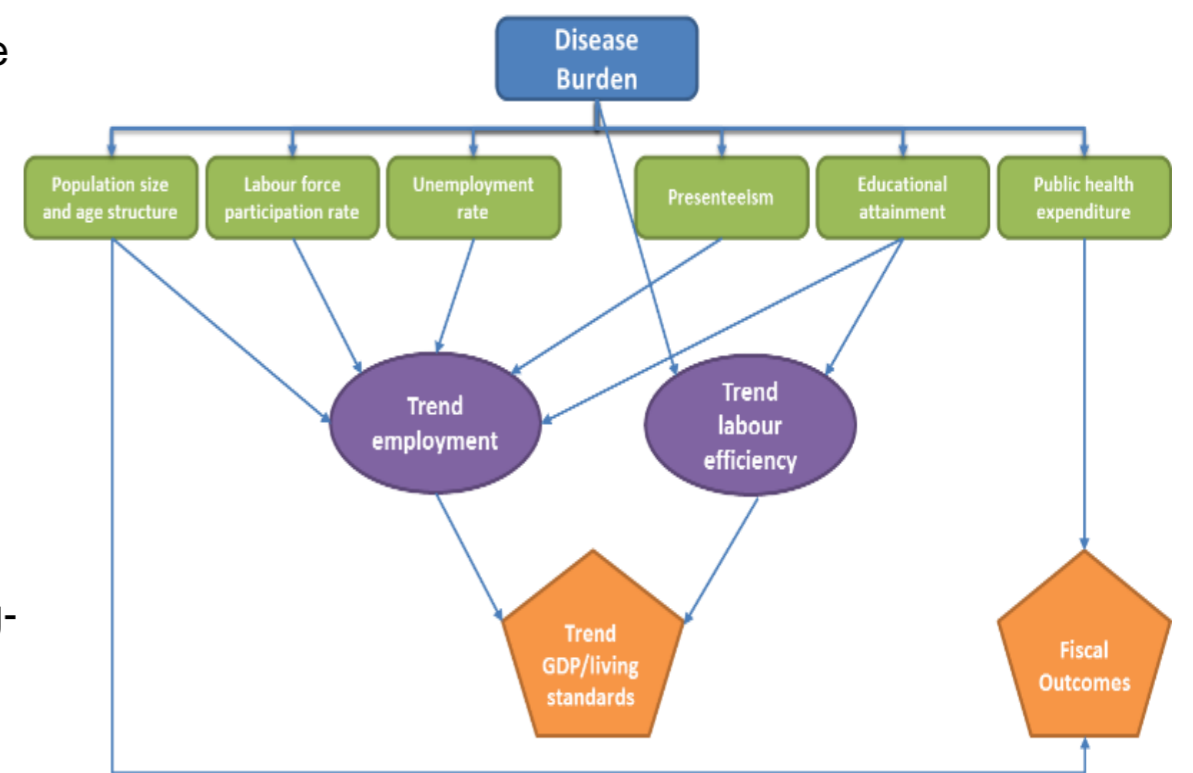


BACKGROUND & OBJECTIVE

- Overweight and obesity are leading risk factors for non-communicable diseases (NCDs) like cancer, cardiovascular disease, and diabetes
- People affected by NCDs have a lower probability of being employed and, if they are, they are less productive
- While evidence on the health impacts of NCDs is widely available, evidence on the economic impacts is more limited
- The objective of this analysis was to estimate the impact of overweight on healthcare expenditure, GDP and fiscal pressure

METHODOLOGY

- The OECD SPHeP-NCDs (Strategic Public Health Planning for NCDs) model uses case-based microsimulation to create representative synthetic life histories from birth to death
- The model has a modular structure simulating population demographics, risk factors and diseases (translating into morbidity and mortality), labour market outcomes and health expenditure
- The model was used to assess the impact of obesity on the employment rate, population dependency ratio, life expectancy, and healthcare cost
- These outputs were fed to the OECD-ECO long-term economic forecast model to estimate the impact of obesity on GDP and fiscal pressure



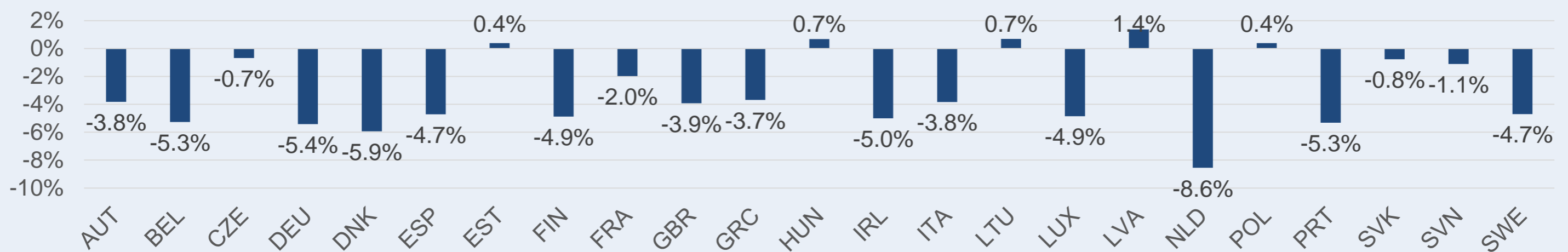
RESULTS

If there was no overweight or obesity, the OECD SPHeP-NCD model calculates that, on average over the period 2015-2050 :

- In most countries, healthcare expenditure would decrease – however, in some countries cost would increase due to longer life expectancy
- GDP per capita would be between 1.3% and 3.2% higher
- Fiscal pressure would ease by 0.4 percentage points in Latvia, Hungary and Estonia and by as much as 1.3 percentage points in Denmark

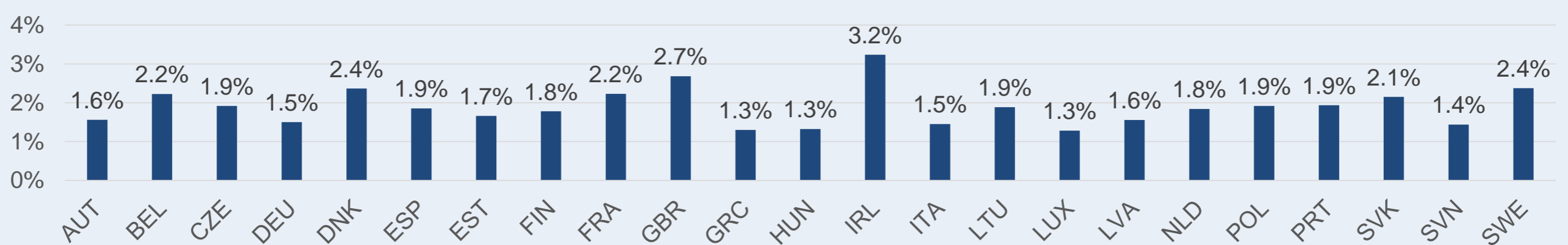
Impact of no obesity or overweight on healthcare expenditure¹, average over the period 2015-2050

Change in healthcare expenditure, percentage



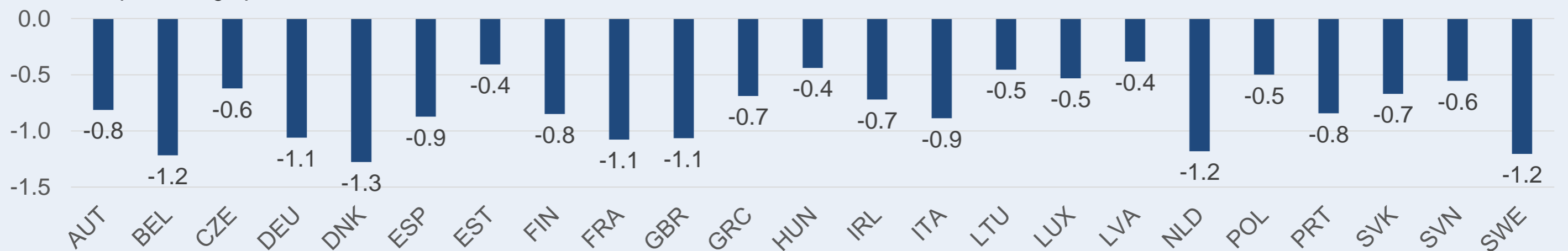
Impact of no obesity or overweight on GDP², average over the period 2015-2050

Change in GDP per capita, percentage



Impact of no obesity or overweight on fiscal pressure³, average over the period 2015-2050

Change in government primary revenue as % of GDP, percentage points of GDP



1. This includes curative/rehabilitative care, preventative care and medical goods expenditure associated with governmental/compulsory schemes

2. Impact on GDP assumes no increase in retirement age due to higher life expectancy; impact would be greater if retirement age was to be increased

3. Fiscal pressure is defined as the revenue necessary to stabilise the government debt ratio

CONCLUSION

- A reduction in obesity and overweight can have a considerable impact on healthcare expenditure - but the increase in life expectancy can in some cases lead to an increase in cost
- Nevertheless, a healthier population provides a significant positive contribution to the economy in all countries, through increased productivity and labour market participation

