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The Economic and Social Impact of Aged Care in Western Australia

KEY REPORT HIGHLIGHTS
MAY 2021

The economic contribution of the aged care sector extends beyond the employment opportunities that are created in providing care and support services.

The sector also generates opportunities for suppliers of goods and services; the activities associated with the sector generate additional taxation revenue to governments; it helps to reduce the incidence and costs associated with more expensive health care; and most importantly, it improves the quality of life for elderly West Australians and their families.



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In 2019-20, the WA aged care sector directly and indirectly contributed \$3.9B to GSP, \$3.2B to salaries and wages, and 35,997 FTE jobs.

This contribution is equivalent to...



1 in every 7 dollars of gross production in the healthcare and social assistance sector.



1 in every 25 full-time equivalent jobs across Western Australia in 2019-20.



3 times the total economic activity produced by the arts and recreation sector, **half** the retail trade sector and a **quarter** of the construction sector.



the total number of people directly employed by **Rio Tinto, BHP, FMG and Woodside** combined.



80% of that paid by the WA Department of Education and **two thirds** paid by Wesfarmers.

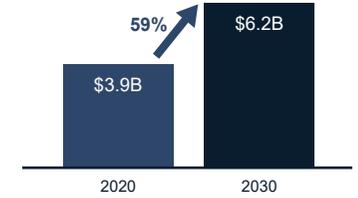
Between 2020 and 2030, the demand for aged care services in WA is projected to grow by 65%.

This will require new capital investment and funding for services to support the care needs of our ageing population.

By the end of the decade, the WA aged care sector will generate...

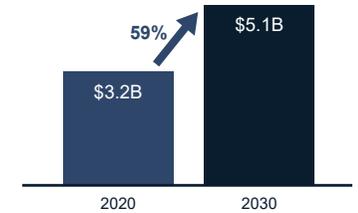
GROSS PRODUCT

Total gross product is expected to grow at more than twice the rate of the WA economy over the coming decade (4.8% vs 2.2%).



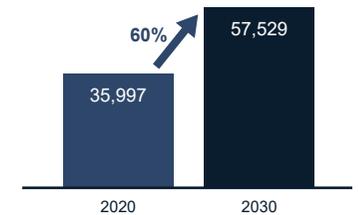
SALARIES & WAGES

Total contribution of wages and salaries is equal to the WA Department of Health's total wages bill this financial year.



JOBS

An expected additional 21,532 full-time equivalent jobs, which equates to an additional 179 jobs every month for the next 10 years.



Using its social return on investment framework, ACIL Allen estimates in 2019-20 the sector generated \$5.3B in gross benefits (\$2.8B net).

This is derived through five primary impact channels:

\$460M Avoided healthcare costs	\$1.78B Avoided labour losses	\$1.88B Direct value add	\$29M Avoided disability	\$1.16B Relief of care for family
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