



Global Initiative on **HEALTH AND ECONOMY**

Economic Costs of Absenteeism, Presenteeism and Early Retirement Due to Ill Health: A Focus on Mexico

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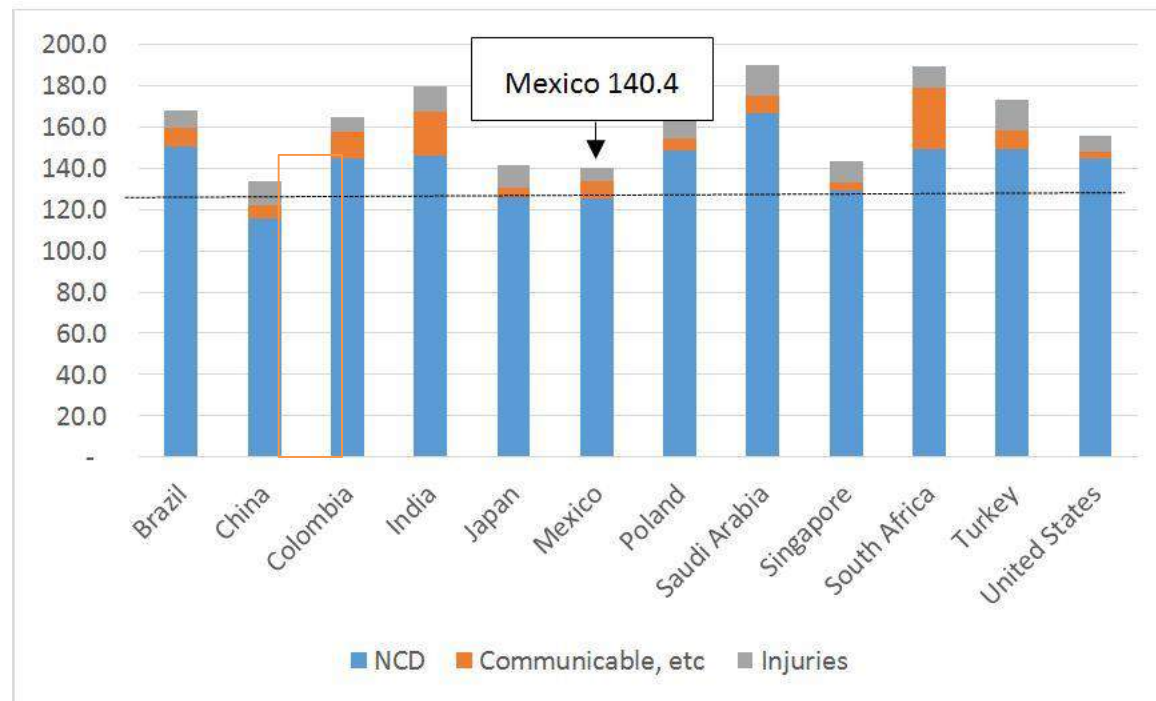
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Non-Communicable Diseases (NCDs)

NCDs (cardiovascular diseases, cancer, chronic respiratory diseases and diabetes) are generally thought of as a challenge only for developed economies when in reality the disease burden of **NCDs is as high among DEVELOPING economies as developed economies**

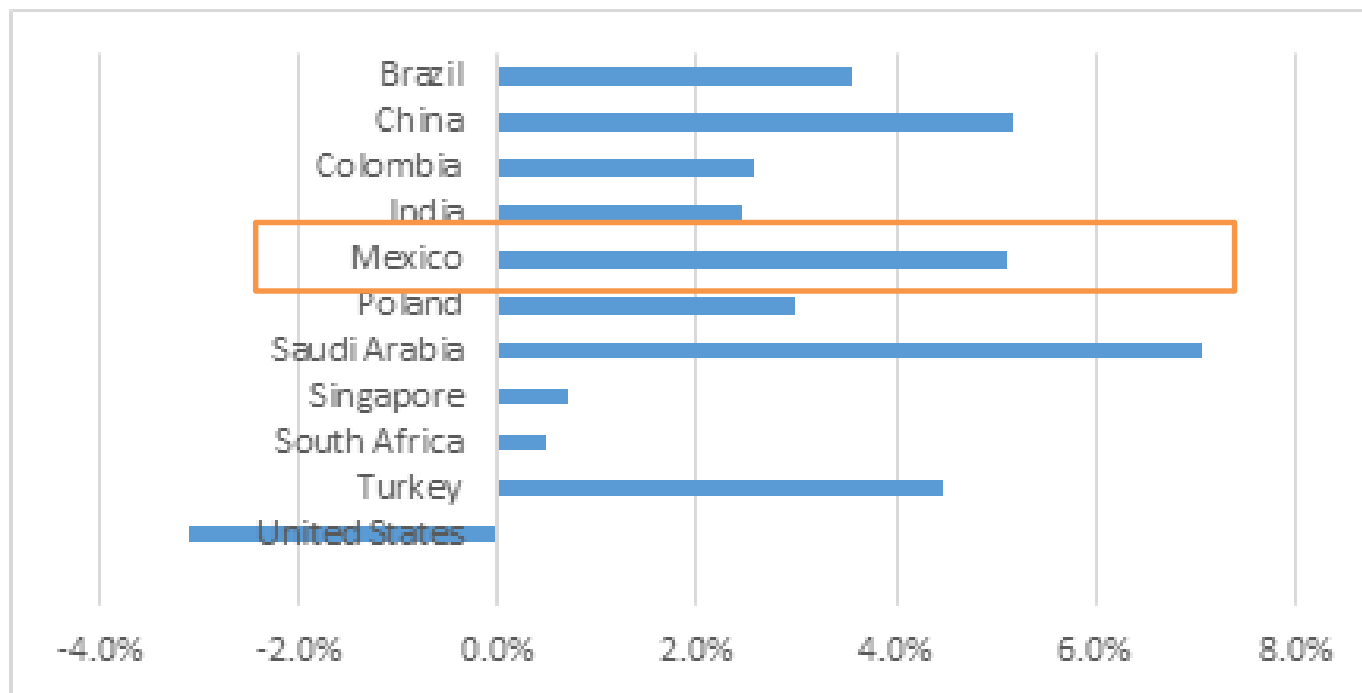
Morbidity by cause (YLDs per 1,000) of those aged 50-64, 2010



Source: IHME (2015).

Aging is rapidly increasing the proportion of older workers in many economies

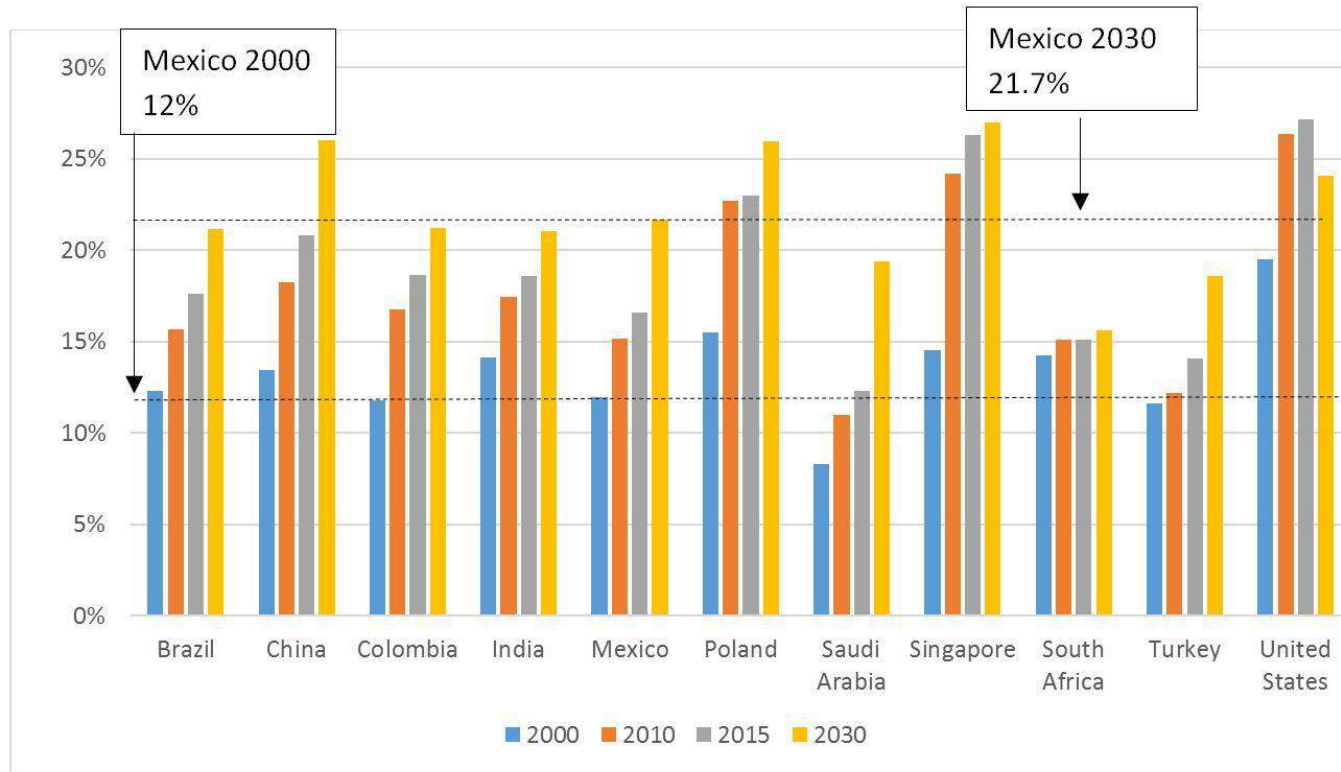
Increase in the projected proportion of the labor force aged 50-64, 2015-2030



Source: ILO (2014).

Of the 12 countries surveyed, Mexico is among the countries set to experience the largest increase in the proportion of workers aged 50-64. Therefore, keeping older workers healthy and working becomes an issue of economic competitiveness.

Mexico has a double challenge



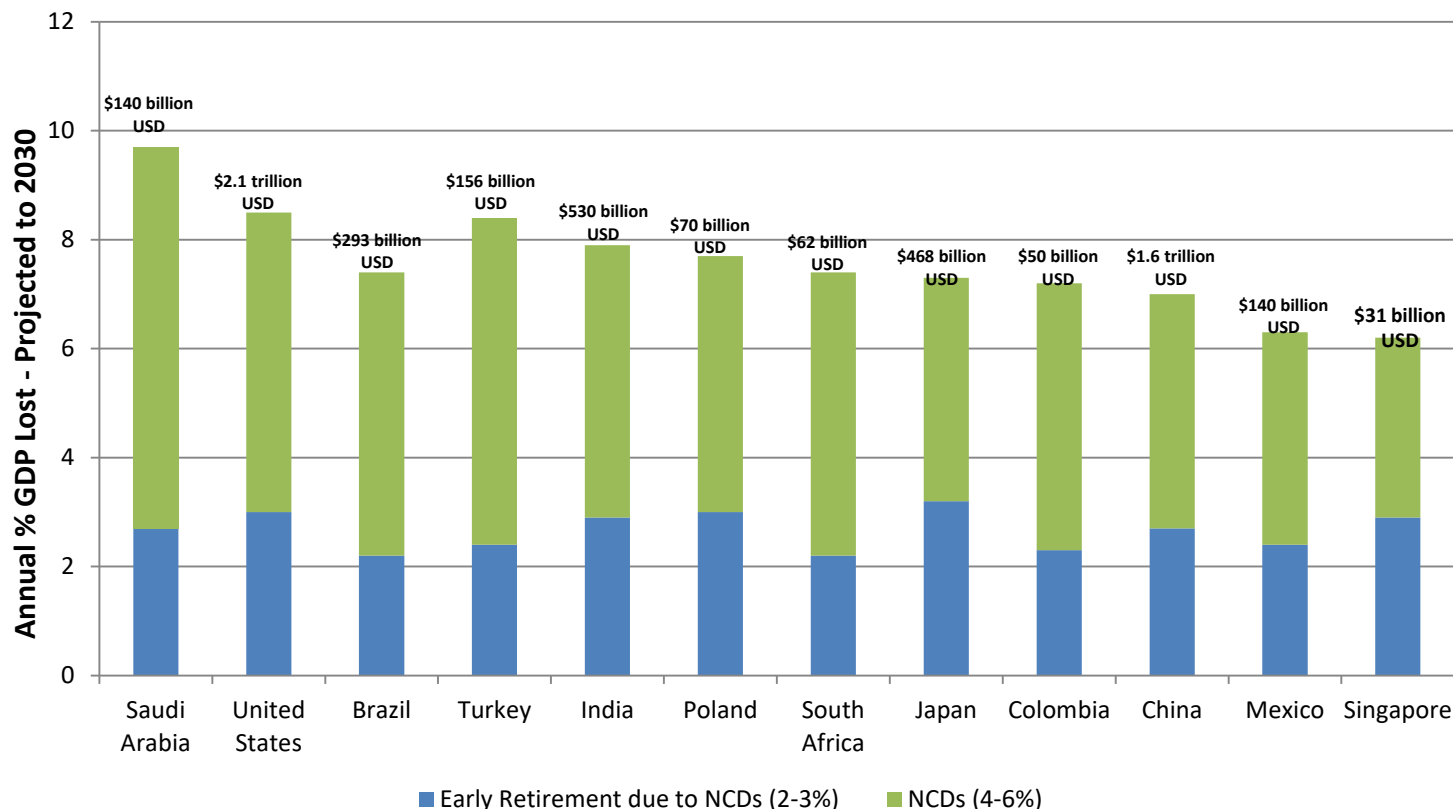
Source: ILO (2014).

Not only is the proportion of the Mexico's labor force aged 50 – 64 on track to grow by 9.7% by 2030...

...Mexico also has among the highest burden of NCDs of the countries studied, driven by high rates of diabetes and heart disease

The economic cost of NCDs for Mexico is immense — projected to account for GDP losses of 6.3% by 2030.

Percent GDP loss in 2030 due to NCDs
(absenteeism/presenteeism and early retirement)*



Absenteeism/
presenteeism
due to NCDs
are projected
to account for
GDP losses of
4.3% – 6.1%

IN ADDITION
early retirement
and disability
costs due to
NCDs are
projected to
account for GDP
losses of around
3%

*Estimated GDP lost in 2030, discounted to 2010 USD.

Key takeaways

- **With aging populations, conserving labor supply by extending working lives becomes an issue of economic competitiveness**
- **High and increasing levels of NCDs are imposing significant social and economic costs on economies and threaten economic competitiveness**
- **Need for government and business to work in partnership to address NCDs, for example through:**
 - Prevention and treatment – Workplace wellness programs, screening and early detection, health education, leveraging technology and innovation in delivery systems
 - Organizational innovation – A “whole of government” approach (i.e., dedicated interagency team) and “whole of society approach (i.e., national NCD action plan)
 - Financing – Innovative financing schemes
 - Healthcare infrastructure – Primary care and building a health workforce that includes allied workers and community practitioners