# Broader economic effects of investment in cancer control in the Commonwealth

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## Background

**Three dimensions in which economic benefits are induced through health investment**

- In the traditional cost-benefit-perspective, health investments improve health and reduce direct costs.
- Health investments improve health and wellbeing and accumulate human capital (increasing paid and unpaid work productivity).
- Broader economic benefits include direct effects and spillover effects via sectoral interconnectedness along the supply chains with other industries-a value dimension that was often overlooked in previous research.

## Objective

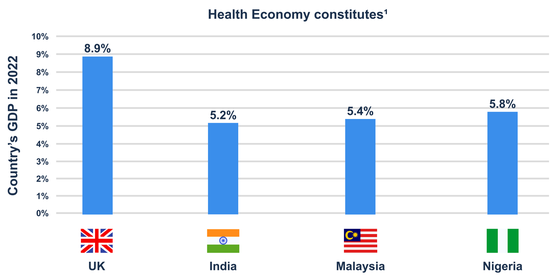
This study aims to estimate the direct and spillover effects of health investment across Commonwealth countries[1], measuring their impact on gross value added (GVA), and assessing the return on investment (ROI) in cancer control.

## Methodology

**We build on recently published evidence showcasing a methodological concept to evaluate broader economic effects of investment in cancer control in four selected Commonwealth countries[1]. Our analytical concept includes the following steps:**

- Defining the Health Economy (HE) as a satellite sector encompassing all entities that deliver goods and services contributing to health by using multi-region input-output (IO) data.[2]
- Quantifying its direct economic contribution in terms of GVA.
- Analysing intersectoral linkages through IO modelling, assessing the HE's indirect contributions across value chains.[3-5]
- Calculating effects in adjacent sectors and induced income effects due to the investment by applying the derived multipliers, i.e. the relation between direct and spillover effects, to the total direct return on the investment.[1]
- Illustrating the ROI for cancer-related health spending in terms of GVA gains:
  - Approximately 80% of the direct impact occurs within the HE.[1]
  - To assess broader effects, we apply derived multipliers, reflecting the relationship between direct and indirect and induced consumption impacts.

## Results




**Translating these findings to the use case of cancer investment it shows that in the UK:**

Every US$ 1 invested in the Health Economy creates additional GVA in the overall economy of US$ 1.31 (indirect and induced effect).

UK → US$ 1 → US$ 1.31

*Figure 1: Health Economy contribution and spillover effects of investment in cancer control*

*To calculate effects in adjacent sectors and induced income effects due to the investment we apply the derived multipliers,[1] i.e. the relation between direct and spillover effects, to the total direct return on the investment.*

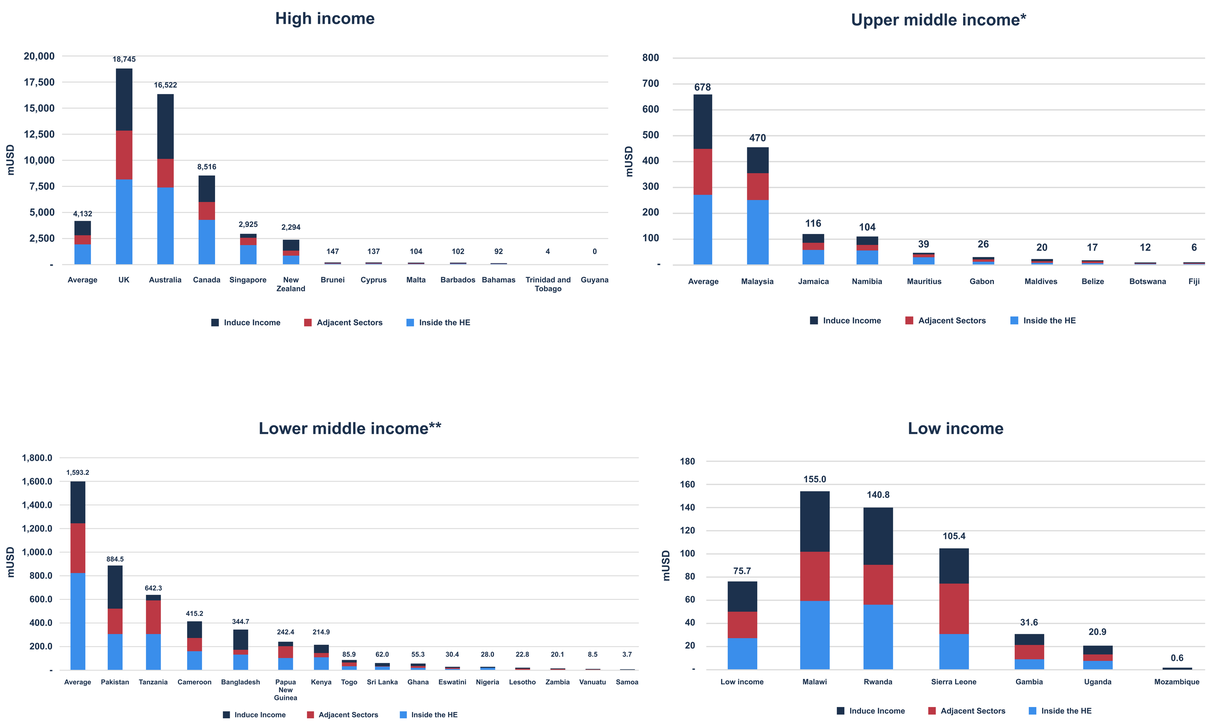



*Figure 2: Value Creation from Cancer Investment: Total GVA Gains Across Commonwealth Countries by Income Group (mUSD, 2022 Prices)*

** South Africa (total GVA generated: 5,969 million USD) is excluded from the figure, as its high value would overshadow those of the other countries. However, it is included in the upper middle income average.*

*** India (total GVA generated: 22,431 million USD) is excluded from the figure, as its high value would overshadow those of the other countries. However, it is included in the Lower middle income average.*
*mUSD=million US dollars*

*Source: WifOR Elaboration. Data on Health Expenditure for Cancer Control from Figi et al. 2025 [6]*

## Results

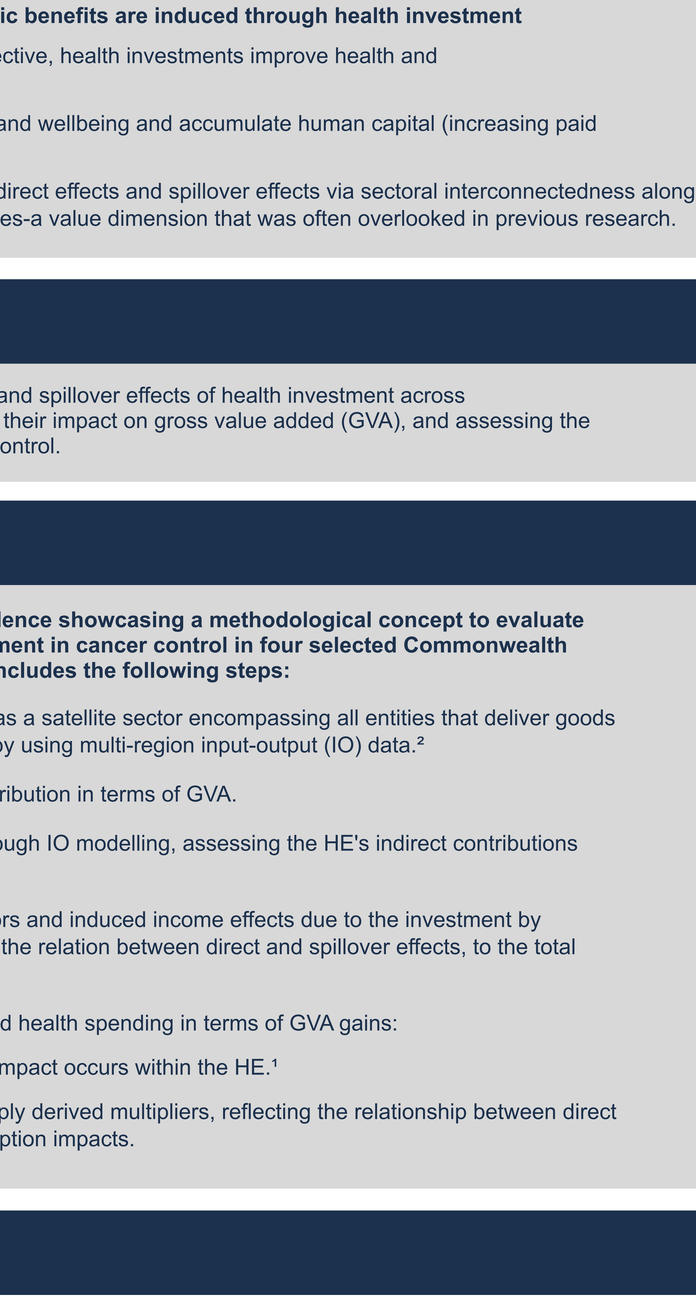



*Figure 3: Value Creation from Cancer Investment: GVA Gains as a Percentage of National GDP Across Commonwealth Countries by Income Group*

*Source: WifOR Elaboration. Data on Health Expenditure for Cancer Control from Figi et al. 2025 [6]*

**Our findings illustrate a significant variability in the GVA generated across countries.**

- The Health Economy's GVA as a percentage of GDP varied between 0.003% in Mozambique and 1.9% in Barbados.
- Most of the highest absolute values are observed in high-income countries except for India, a lower middle-income country.
- Considerable variation exists within each income group.
- Countries with high monetary investments in cancer, such as the UK, Canada, and Australia, tend to show a lower percentage of value creation relative to GDP, compared to countries with smaller investments, such as Barbados, Brunei, Togo, and Cameroon.

## Recommendation for action

### Secretariat-Level Action

- Elevate cancer on the Commonwealth health agenda.
- Propose a **Commonwealth Cancer Investment Fund** to pool resources and scale impact.
- Engage global donors by framing cancer investment as economic development.

### Commonwealth-Wide Priorities

- Standardize health expenditure tracking across countries.
- Build a **Commonwealth cancer data registry** for shared insights and ROI analysis.
- Strengthen workforce capacity via regional training in oncology and public health.

### Country-Level Recommendations

- Reframe health spending as a strategic investment, not a cost.
- Measure the economic footprint of health like other sectors (e.g. energy).
- Empower patient organizations with economic data to influence policy.

### Key Actions

- Use ROI data to guide national cancer strategies.
- Scale budgets for prevention & early detection.
- Monitor outcomes with cancer registries.
- Invest in public health campaigns (e.g. tobacco control, HPV vaccination).

## Conclusion

- The analysis of the Commonwealth countries reveals that the Health Economy contributes substantially to economic growth.
- These contributions extend beyond the health sector itself, reaching adjacent sectors along the health value chain and inducing income effects throughout the broader economy.
- Investment in cancer prevention generates high returns with substantial addictions to GVA.

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