

# Cost-Benefit Analysis

## Remote Laundries Project



### 8 out of 10

Aboriginal children living in remote communities are diagnosed with skin sores before their 1st birthday.

Key risk factors for skin infections include overcrowding in homes and limited access to washing machines, hot water, and power.

Quantify costs and social & economic benefits to demonstrate the Remote Laundries Project return on investment.

### Capital Build Costs

\$225,000

### Annual Operational Costs

\$105,000



#### IMPROVED HEALTH

**\$247,087 = Avoided Medical Costs**

Access to laundry facilities reduces the incidence of Primary and Secondary medical conditions associated with skin infections.

**Remote Laundries Project**

Providing free and reliable access to laundry facilities in remote communities, Remote Laundries has 3 key outcomes providing exceptional near term social returns.



#### IMPROVED QUALITY OF LIFE (QOL)

**\$3,968,244 = Improved wellbeing from absence of disease**

QoL is improved through the reduction of infections, acute rheumatic fever, rheumatic heart disease, blindness, deafness, kidney disease and mental health.

### 1 Laundry over 5 Years

#### Net Benefit\*

Health	\$247,087
QoL	\$3,968,244
Social & Economic	\$339,503
Less expenses	\$757,491
	<b>\$3,797,342</b>

*\$6.01 return for every \$1 invested*



#### IMPROVED SOCIAL & ECONOMIC OUTCOMES

**\$339,503 = Direct employment of local staff**

Each laundry creates 5 sustainable Indigenous-identified employment positions within the respective community, which in turn saves unemployment costs such as JobSeekers. Additionally, the laundry avoids social costs by reducing missed education, which leads to negative indirect employment & criminality outcomes.

### 7 Laundries over 5 Years

#### Net Benefit\*

Health	\$4,429,001
QoL	\$71,147,670
Social & Economic	\$2,376,520
Less expenses	\$5,302,438
	<b>\$72,650,753</b>

*\$14.7 return for every \$1 invested*

\*Basis of analysis: predictive in nature based on four quantifiable outcomes: incidence of infection, cost of treatment, conversion rates of illness, and combined quality of life assumptions and disability weights. Model inputs based on a variety of clinical and health economic evidence, sourced from peer-reviewed published literature, expert opinion, and government agency administrative datasets.  
Basis of calculations: based on the medium incidence reduction model