

How Australia can invest in children and return more

A new look at the \$15bn cost of late action

Information for the community sector

A new report provides a compelling case to influence change for children and young people so they can live healthy, happy and productive lives. We all have a lot to gain from prioritising early and effective services and support. Australia needs a much better understanding of the value and outcomes that come with early intervention.

The social and economic case for change

The number of children and young people experiencing serious life challenges in Australia is alarming and increasing.

How Australia can invest in children and return more reveals that Australian governments are spending \$15.2 billion each year on high-intensity and crisis services for problems that may have been prevented had we invested earlier and more wisely.

Australian leaders need and want to use more robust data to build effective solutions and approaches so that we can see a radical change in outcomes for young Australians.

The report demonstrates there is a missed opportunity to prevent or reduce the severity of issues children and young people face before they become harder and more expensive to resolve.

It presents a key part of the economic story around late intervention by:

- Revealing how much Australian governments spend every year because children and young people have reached serious challenges in their lives
- Highlighting the opportunity of earlier and wiser investment in children and young people

Strengthening the evidence around early intervention

The opportunity exists to reduce the spend on late intervention services over time. This can only happen if reliable, well-linked and robust data on spending and impact is made more accessible. We need access to good data and evidence as we design services and plans that ensure children and young people have the support they need at the right time and in the right way.

How Australia can invest in children and return more does not seek to suggest how much should be spent on late or early intervention or provide the roadmap for where investment opportunities in early intervention lie. A shared approach across sectors, guided by stronger data and evidence, is needed.

The report provides a baseline analysis of late intervention spending in Australia. It highlights the enormous value in gaining a better understanding of where Australian governments are currently investing and where the pressures lie, so that the community sector, philanthropy, business and government can work together on new solutions.

\$15.2B

Amount spent each year on late intervention



\$607

For every Australian every year



Key findings

Our report reveals that Australian governments are spending \$15.2 billion each year on late intervention.

The cost of late intervention equates to \$607 for every Australian every year.

It includes spending on things like child protection services, health services, welfare payments, mental health treatment, and the youth justice system.

Issues facing children and young people included in the analysis:

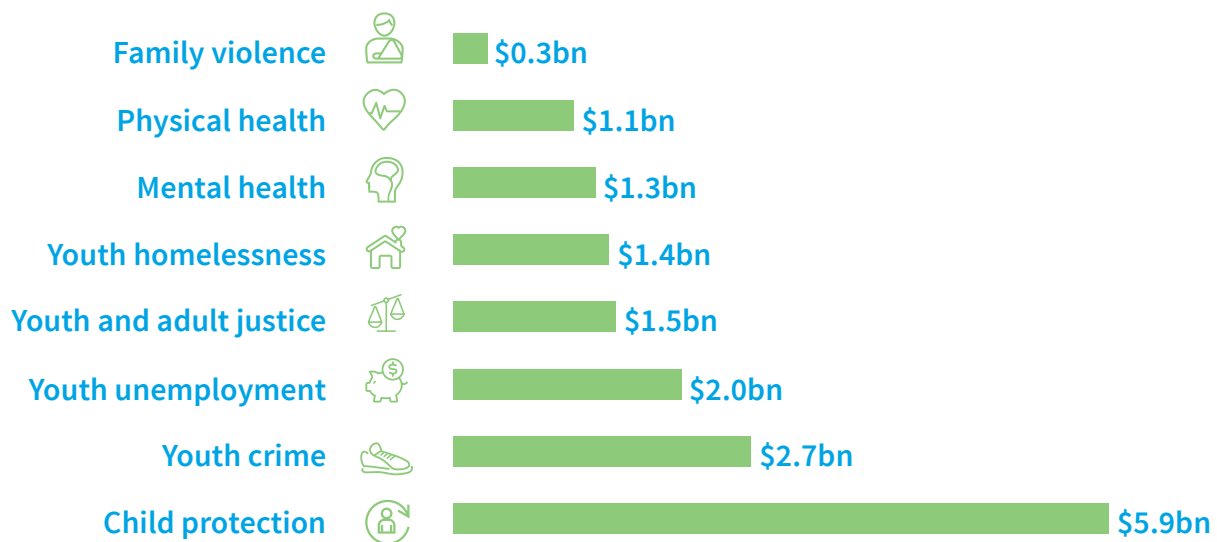
Mental health, youth homelessness, physical health, family violence, justice, unemployed young people, youth crime, and child protection.

Download the full reports at: colab.telethonkids.org.au/investinchildren

Report Partners



Annual cost of late intervention in Australia by issue (2018–19 prices, \$bn)



This chart presents spending on each issue experienced by children and young people. The total figure of \$15.2bn accounts for double counting.

Shining a light on smart investments

How Australia can invest in children and return more is a strong step in creating a platform for change. With a baseline analysis of late intervention, Australian leaders will be able to see the urgent need for a stronger evidence base around early intervention.

Early intervention involves:

- Responding comprehensively and assertively when people first need help.
- Preventing problems occurring in the first place.

A shared value proposition for all

Early intervention makes sense.

- Australia has an ageing population and declining tax base
- Social and community cohesion is also increasingly needing our attention
- We are seeing increased intergenerational disadvantage
- Early intervention can significantly reduce the distress and harm that children and young people are experiencing
- With effective investments, our whole economy can benefit as late intervention has a clear impact on our Commonwealth and state and territory budgets
- Many of the skills that our business communities need are developed in the early stages of a child's life and are nurtured during adolescence.

The way forward for Australia

Use data and information more effectively: So that every investment made by government, business, and philanthropy is guided by evidence and data and we optimise its potential for impact.

Actively grow the evidence base: So that we can direct investment where its guaranteed to have impact while innovating and scaling solid practices.

Enable smart and transparent decision making for accountability: So that every investment made is a smart investment with lifetimes of impact for people in our communities.

This report did not set out to provide a detailed roadmap for change. Rather, it shows the imperative for action. There is a powerful opportunity for the community sector to work with government, business and philanthropy to embrace the way forward.



Methodology used in the full report

The report uses publicly available Australian data to calculate annual government expenditure on late intervention services for children and young people aged 0-24. Specifically, it focuses on the issues faced by children and young people. We have not looked at the ongoing costs of access to services and support that many young people may need into their adult lives.