

How Australia can invest in children and return more

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

Information for the business community

With much wiser and more accurate investments in children and young people, we can ensure Australia's workforce is equipped for the future and thriving. With early intervention, Australian businesses and communities have everything to gain.

The social and economic case for change

Australians want to participate, be productive and live healthy and fulfilling lives – at home and at work. But too many Australians are struggling with quality of life challenges, and many of these difficult experiences start in the early years of a child's life. Too often, these challenges escalate through life and have an impact on how people live, learn and work.

Findings from our report show that Australia is seeing unacceptably high rates of youth suicide, homelessness, crime, unemployment and obesity. These issues have a huge impact on the productivity, health and wellbeing of entire communities, which includes Australian workforces.

On top of this, many of the capabilities the workforce needs – from better numeracy and literacy to problem solving skills – are best supported and nurtured during childhood, where lots of children are missing out. Most employers, now and in the future, will increasingly rely on staff with complex problem solving, critical thinking, creativity, judgement and decision making, cognitive flexibility and negotiation skills. The foundation of these skills is built in the early years and should be prioritised for a better educated, more efficient and adaptable workforce.

By stepping in with support when problems first arise, or before they reach crisis, it is possible to change the trajectory of a person's life. Early intervention can tackle the root causes of problems before they get worse. It can lead to better outcomes in education and working life.

Earlier and wiser investments

Late intervention includes the services and supports that people receive when they experience serious difficulties in their life and can be expensive. With earlier and wiser investment in children and young people, the social and economic returns for those making investments can be much higher. For Australian businesses, social investment strategies can benefit from better knowledge of what works in preventing problems occurring for children and young people, achieving greater social impact.

Businesses can also encourage Australian governments to support early intervention to reduce the demands on our high-intensity and crisis services over time and invest in smarter, more cost-effective ways to make an impact.

Collaboration for better outcomes

Early intervention is a social and economic priority for Australia. No one sector, organisation or initiative can meet the challenge of creating large scale, positive change for all children. Governments can no longer tackle the issues alone.

With more effective and evidence-based early intervention approaches, new partnership opportunities between government, business and communities can emerge with solid methods to measure social and financial impact.

\$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.

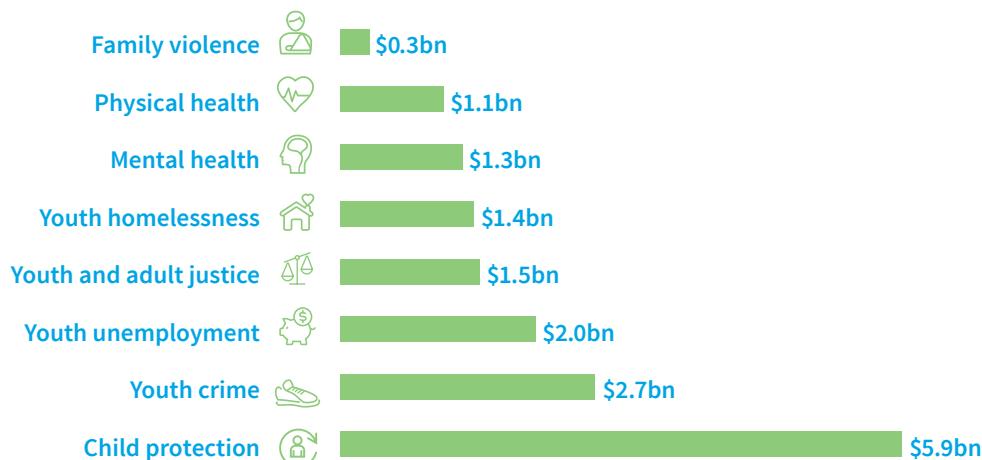
Issues facing children and young people included in the analysis, include mental health, youth homelessness, physical health, family violence, justice, unemployed young people, youth crime, child protection.

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.

Early intervention involves:

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

How Australia can invest in children and return more is one of the first Australian studies to analyse the cost of intervening late in areas that affect children and young people's quality of life.

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 our philanthropic, business and community leaders can work together on new solutions.

Early intervention makes sense

Evidence is mounting that when children experiencing challenges have access to the support they need – for example, to a speech therapist, or an early childhood educator – their chances of doing well throughout their learning life and career is much greater.

Effective, early intervention can also significantly improve a person's economic trajectory and build resilience, which ultimately will contribute to a more prosperous Australia.

A new urgency for good returns

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 with more children and young people needing access to mental health services as well as treatment for preventable health issues.

Early intervention is a proven way to address many of our social issues and it also makes sound economic sense. But it must come with a better understanding of when and where to invest in programs and services.

The way forward for Australia

Early intervention is a smart investment in a stronger Australia. When we identify and tackle the challenges children and young people face early in their life, their chances of resilience and recovery are much greater so their need to rely on services throughout their life is significantly reduced.

With evidence based early intervention, those investing will start to see significant returns on their investments.

How can business leaders make a difference?

- Prioritise early intervention for children and young people in social investment strategies
- Prioritise investment in local communities with early intervention programs proven to have successful outcomes
- Communicate the importance of early support in creating happier, healthier and more capable workforces
- Invest in quality research and evaluation to track the short, medium and long-term impacts of programs and initiatives
- Pursue partnerships with government and communities to grow the value and impact of their investment
- Identify knowledge gaps and support innovation, the pursuit of new solutions and new evidence about what works, what doesn't and why.