

How Australia can invest in children and return more

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

Information for the philanthropic community

Many of the challenges children and young people are experiencing are interlinked with the same root causes. Early intervention can improve outcomes for children, build stronger communities and economies, and strengthen the return on investment. We all have a role to play in supporting children to thrive. Partnerships between government, community and philanthropy can be powerful catalysts for change.

The social and economic case for change

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

Too many children and young people are experiencing serious difficulties in their life. They are presenting at homelessness services, entering the child protection system or being hospitalised for mental health difficulties. The situations and circumstances that many young Australians and their families face are complex and multi-layered, and the Australian system is not consistently preventing issues from escalating.

It is clear there is a missed opportunity to prevent or reduce the severity of issues people face before they become harder and more expensive to resolve. We need to get much smarter and be more effective in our approaches so that we can radically improve outcomes for Australians.

Creating more effective and targeted early intervention approaches that can be measured and evaluated to ensure genuine impact over time is possible. But to get there we need philanthropy to align its efforts with government, research, business and the community.

An investment in children is an investment in human capital and human potential.

Our report is a strong step in creating a platform for change towards a new prioritisation and understanding of the value of early intervention.

Early intervention involves:

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

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 government, philanthropic, business and community leaders 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.

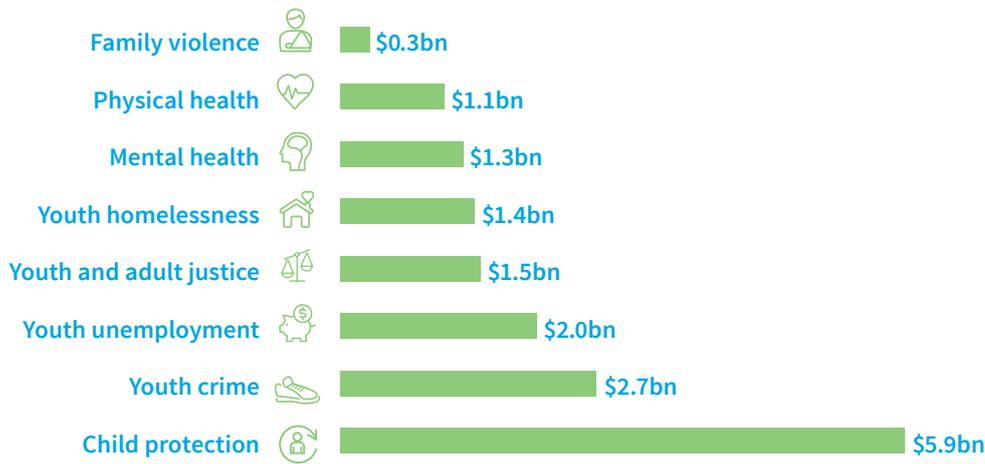
Issues facing children and young people analysed in the report include mental health, youth homelessness, physical health, family violence, justice, unemployed young people, youth crime and child protection.

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.

What we know

More children and young people are experiencing serious issues in areas with higher social and economic disadvantage, including unemployment, low education and less affordable housing.

Stepping in with early intervention to provide support at the right time and in the right way can significantly reduce the demand for high-intensity and crisis services over time – providing leaders from all sectors with more impactful and smarter investment approaches, and ensuring children and young people have the best support possible.

No sector can afford to work in isolation - governments can't do this alone. New partnerships between government, communities, philanthropy, business and the social sector can be effective catalysts for change with lasting impact.

Ensuring children and young people have access to effective, targeted early intervention services is a social and economic priority for Australia.

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 earlier 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

The opportunity for Australian leaders

Use data and information more effectively: Every investment made by government, business or leaders in philanthropy has more potential for impact if we are guided by evidence and data about where to prioritise, and if we are able to generate the data needed to track impact.

Actively grow the evidence base: So that we can direct investment where it's 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 a lifetime of impact for people in our communities.

The opportunity for philanthropy

- Prioritise investment in early intervention for children and young people
- Pursue partnerships with government and communities to grow the value and impact of their investment
- Invest in quality evaluation to track the short, medium and long-term impacts of programs and initiatives
- Identify knowledge gaps and support innovation, new solutions and new evidence about what works, what doesn't and why.



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.