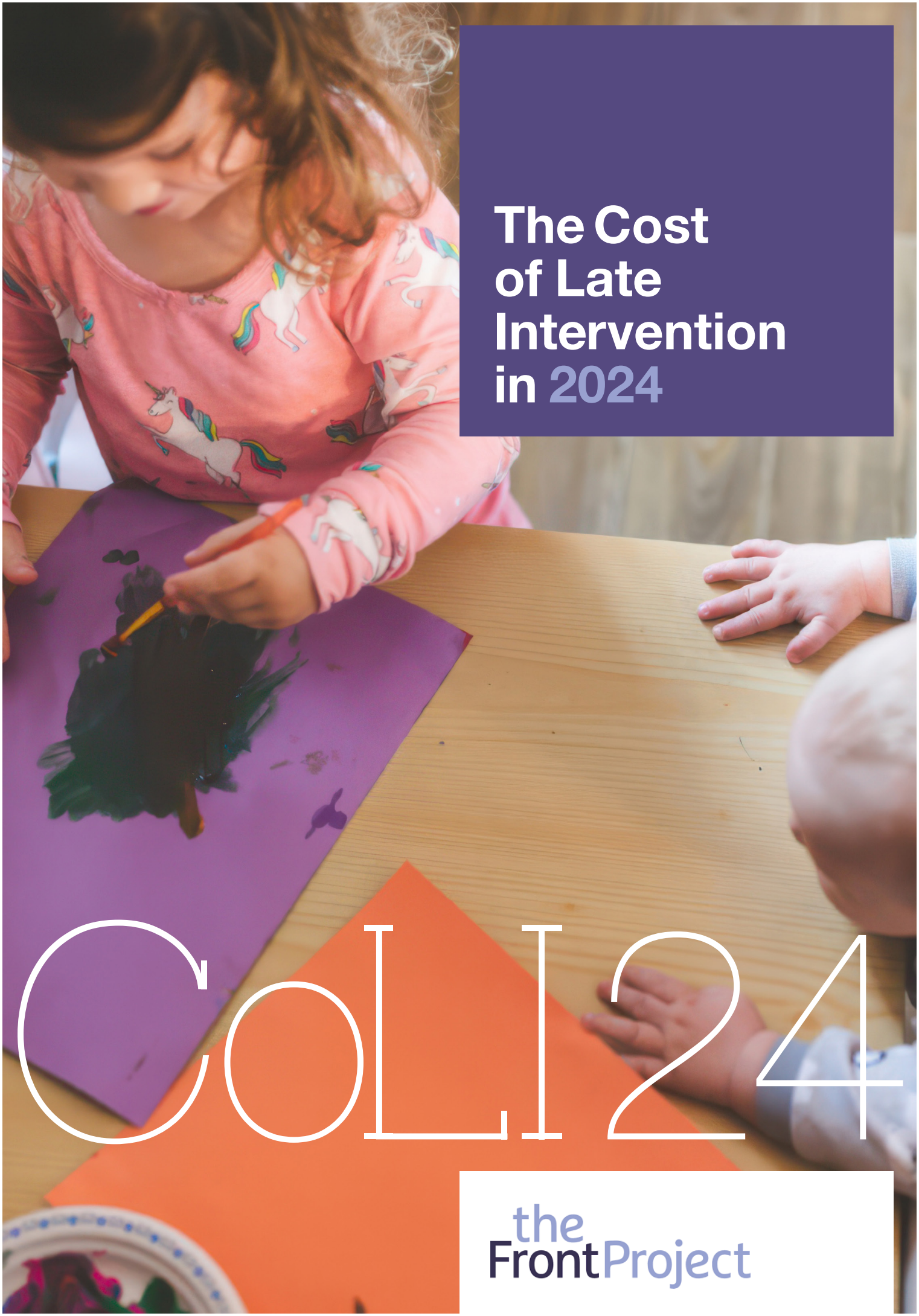

The Cost of Late Intervention in 2024

CoLI24

the FrontProject

Acknowledgement of Country

The Front Project respectfully acknowledge the Traditional Owners of the land on which we work and learn. We pay respect to Elders past and present. Sovereignty has never been ceded.

It always was and always will be, Aboriginal Land.

About the Front Project

The Front Project is a national, philanthropically-funded organisation that puts children and families at the centre. We work with the early childhood sector, government and business leaders to ensure the early childhood system lives up to what children and families want from it.

Our vision is of an early childhood system that delivers quality and access for families and supports children's agency and voice, early development, and future outcomes.

We believe in matching the quality of our nation's early childhood system with the high expectations we hold for all children. We want all families to have the opportunity to thrive, regardless of the challenges they face.

The Front Project works systematically to develop evidence-based, meaningful, and pragmatic policy solutions that create deep, sustained, and long-term change for greater impact.

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Acknowledgements

This report calculates the current cost of late intervention based on the 2019 publication: *How Australia can invest in children and return more.* A project undertaken by a partnership between CoLab – Collaborate for Kids (a partnership between Telethon Kids Institute and the Minderoo Foundation), The Front Project, the UK's Early Intervention Foundation (now operating as Foundations), and Woodside Energy.

This analysis builds previous work undertaken in collaboration with the Early Intervention Foundation (EIF), now operating as Foundations, using their methodology to assess the cost of late intervention in England and Wales.

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Foreword

In 2024, it's costing us more to help less kids.

Every child deserves the best start to life. Early intervention has long been viewed as a social tool — supporting vulnerable children, reducing harm, and promoting equity. While these remain vital, the 2024 Cost of Late Intervention report shows another urgent reason for action: delaying support has significant economic and productivity costs.

We now know that in 2024, Australia could have redirected $22.3 billion through more effective early intervention strategies. That's avoidable spending in child protection, youth justice, unemployment support and health crises, in addition to better long-term outcomes for our kids.

It's significant on its own, but when the productivity losses are considered:

- Lost potential in our skilled workforce and jobs market
- Lower long-term wellbeing and contributions in the community
- Greater strain on public systems and families

Early intervention becomes one of the most effective productivity strategies we have.

This is because it is not simply a different way of allocating money, but an investment with lasting returns. It is a change in the equation.

Australia has taken many positives steps toward supporting children in the early years, but a piecemeal approach will never truly shift the dial.

Early intervention prevents avoidable harms. It supports children at critical stages of development. It helps families thrive and underpins a resilient future workforce. Critically, it also rebuilds public trust in our systems and their ability to keep children safe.

This all contributes to the strength and prosperity of our country.

Early intervention isn't about spending more – it's about smarter, more collaborative and holistic action. If we are bold enough to shift policy and investment upstream into evidence-based, timely supports as early intervention strategies suggest, we change the trajectory for our kids and our future.

If this isn't enough reason to act, the cost of inaction is. The cost of late intervention today is even more unsustainable than it was previously.

This is an avoidable outcome. Acting now means giving every child the chance to thrive—and avoiding the growing social and economic toll of missed opportunities.

This report is a timely call to position early intervention as a lever for realising future potential. It should be at the heart of Australia's productivity agenda.

John Hartman,
CEO, Minderoo Foundation

Executive Summary

This report outlines the significant economic cost of late intervention, which is categorised as the spending on statutory, acute and essential benefits and services when children or young people are in crises, or serious issues arise. These benefits and services are often provided by government and are expensive.

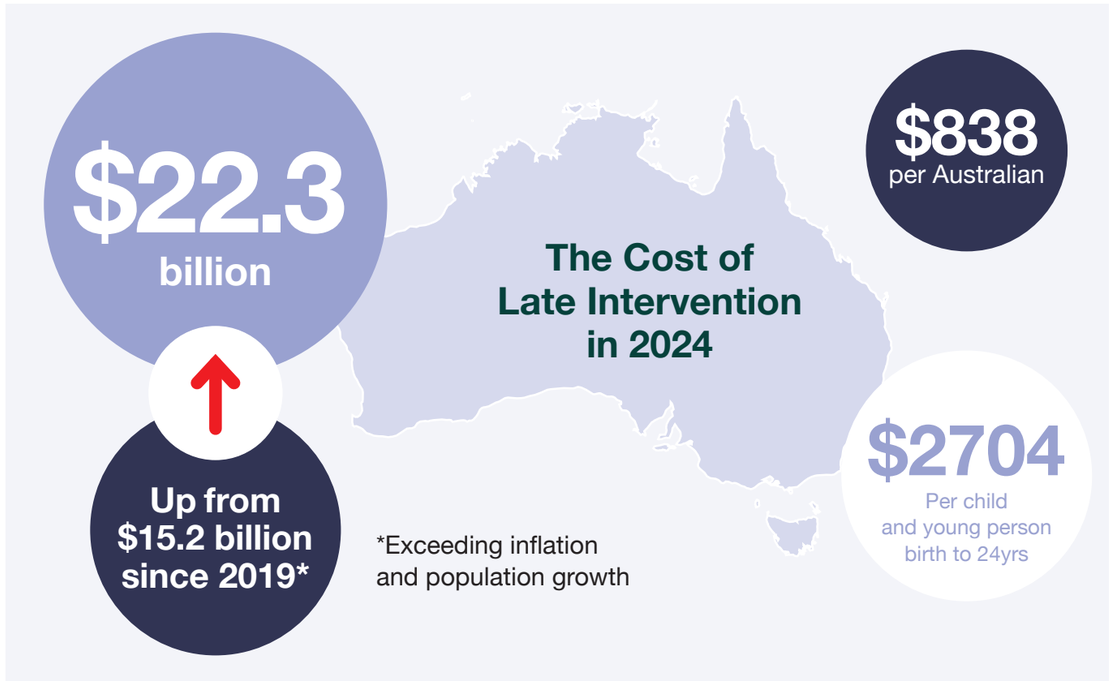
It provides an update on the 2019 Cost of Late Intervention (Teagar, Fox, & Stafford, 2019), utilising the same methodology to produce updated costings.

Since 2019, the cost of late intervention has risen from $15.2 billion to $22.3 billion which exceeds inflation and population growth. This is equivalent to $838 for every person in Australia every year or $2704 for every child and young person birth to 24 years of age.

This cost is just for services until the age of 24, we know that for many of these young people there will be a lifelong cost that far exceeds any early intervention cost (Lamb, 2017).

This represents a significant opportunity cost. Prioritising prevention provides the opportunity to get a better return on investment by turning around the life trajectory for many children and young people. This short-term cost is largely borne by state governments. However, long term the benefits of early intervention would be borne by the Commonwealth Government, through increased tax revenue and reduced reliance on benefits.

Spending on child protection is the largest late intervention expense to government ($10.2 billion), consuming 43% of late intervention spending. This is followed by youth crime which consumes 14% of late intervention spending and youth unemployment which consumes 11% of late intervention spending.



As a country, we are spending more to intervene late. In many cases, the problem isn't that more children and young people are being impacted, but the cost of late intervention is getting more expensive. A range of complex issues, such as shortages in key roles and increased demand on services, are impacting the capacity of the system to respond and creating blockages driving a reliance on more expensive interventions. For example, backlogs in court proceedings mean longer remand time while shortages of foster carers means greater reliance on residential care for placements. **For example:**

Child Protection

2019 → 2024

The number of children and young people in out-of-home care is relatively stable

2019 ↑ 2024

Cost of intervention has increased by 40%

Youth Justice

2019 ↓ 2024

The number of offenders in community-based supervision fell by 23%

2019 ↑ 2024

The cost of community-based supervision rose by 44% per person

This is mirrored in youth detention where there are fewer young people in detention but the cost per person per day has risen by 50%.

The cost of late intervention is not only financial, it also presents significant costs from lost opportunities for children, young people and society.

In order to reduce the cost of late intervention governments can:

Invest in effective early intervention for all children and families

Governments should identify and invest in proven early intervention services that are tailored, sustained and configured for children, parent and family priorities. Track spending and outcomes to see where benefits are being accrued within and across portfolios to understand the return on investment.

Address the consequences of the vertical fiscal imbalance

This report shows that capacity to spend varies across governments. State and territory governments are responsible for most early intervention spending but the Commonwealth has greater revenue raising capacity. Alternative budgeting and investment methods are required to address this imbalance.

Invest in wrap-around models

Since the 2019 report, further evidence has been released on the need to stack interventions to support children and young people given the complexity of issues facing families. A variety of models such as hubs and foyers, enable providers to respond to a multiplicity of issues.

Improve data collection

This report is limited as the best available data is often drawn from 2021 census data. Other data, such as the extent or cost of school refusal, is not collected. Better and more regular data collection on key social issues is vital to support targeted early intervention.

Spending per domain

The following section provides a snapshot of spending and trend data in nominal dollars, with the change arrow indicating significance in real terms after accounting for inflation and population growth. Further information is available in the body of the report.

CHILD PROTECTION

$10.2 billion

Up from $5.9 billion since 2019

45K+ Children in out-of-home care

Stable

60K+ Children with care and protection orders

Up from 50,000 ten years ago

Wellbeing Alert

Valued, Loved & Safe — Identity & Culture

Check System

- Child Protection
- Family Violence
- Parenting and Family

YOUTH CRIME

$3.4 billion

Stable $2.7 billion in 2019

48K+ Child and Youth Offenders aged 10-17

Down from 54,000 ~ ten years ago

116K+ Court finalisations with child and youth offenders

Down from 162,000 ten years ago

Wellbeing Alert

Healthy — Participating — Learning

Check System

- Health
- Mental Health
- Community Infrastructure

YOUTH UNEMPLOYMENT

$2.5 billion

Down $2.0 billion in 2019

9.2% Youth unemployment rate

Down from 13.5% ten years ago

13.4% Young people not fully engaged in employment or study

Up from 12.6% ten years ago

Wellbeing Alert

Material Basics — Participating — Learning

Check System

- Community Infrastructure
- Social Security

YOUTH HOMELESSNESS

$1.8 billion

Up from $1.5 billion since 2019

17.6K+ Children under 12 (2021)

Up from 15,872 in 2016

28.2K+ Children and youth 12-24

Up from 27,600 in 2016

Wellbeing Alert

Material Basics — Participating — Learning

Check System

- Parenting and Family
- Community Infrastructure
- Social Security
- Housing

MENTAL HEALTH

$1.6 billion

Not comparable to 2019 cost

45.7K+ Overnight admissions birth – 24 years

Up from 41,600 ten years ago

35K~ Same day admissions birth – 24 years

Down from 26,700 ten years ago

Wellbeing Alert

Healthy — Participating — Learning

Check System

- Health
- Mental Health
- Parenting and Family
- Community Infrastructure

YOUTH JUSTICE

$1.5 billion

Down $0.8 billion in 2019

2.6K+ Average daily number of young people subject to community-based supervision orders

Down from 3,915 ten years ago

700+ Average daily number of young people subject to detention-based supervision orders

Stable

Wellbeing Alert

Participating

Check System

- Health
- Mental Health
- Community Infrastructure

Spending per domain

ADULT JUSTICE

$0.7 billion

Down $0.8 billion in 2019

11.6K+ Average number of 18-24 year olds in community based corrections

Down from 13,500 in 2019

4.9K+ Average number of 18-24 year olds in prison

Down from 6,200 in 2019

Wellbeing Alert

Participating

Check System

- Health
- Mental Health
- Community Infrastructure

PHYSICAL HEALTH

$1.2 billion

Down $1.1 billion in 2019

103K~ Same day admissions

No comparable data

74.8K+ Overnight admissions

No comparable data

Wellbeing Alert

Healthy

Check System

- Health
- Social Security

FAMILY VIOLENCE

$0.6 billion

Up from $0.3 billion since 2019

1,666,700 Women experienced violence in the last two years

No comparable data

348,700 Intimate partner or family member violence

No comparable data

Wellbeing Alert

Valued, Loved & Safe · Learning · Identity & Culture

Check System

- Family Violence

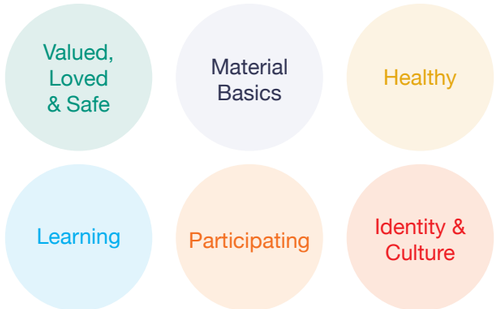
Introduction

This report outlines the significant economic cost and prevalence of serious issues impacting children and young people, issues which could have been identified and treated earlier.

It provides an update on the 2019 Cost of Late Intervention (Teagar, Fox, & Stafford, 2019), utilising the same methodology to produce updated costings, with breakout boxes analysing new data in the areas of education and disability.

As a society, we want children and young people to grow and thrive. As an economy we need all young people to finish education and training and enter the labour market with the creativity and resilience to help solve the many problems besetting our environment and world.

We have good evidence on what makes up wellbeing for children and young people. The Nest is an evidence-based framework that articulates the six key areas of support:



(ARACY, 2025)

Achieving wellbeing does not come easily for all children, and children and young people experiencing adversity require more support than others.

Experiences in childhood significantly influence our lifelong wellbeing, and supporting children, families and communities early can prevent problems from escalating or occurring.

This requires coordinated investment from all levels of government, and across many portfolios, to address issues early on and apply the best evidence on what works.

The Early Years Catalyst has developed a comprehensive **systems landscape atlas** that maps the government-driven structures underpinning ten key systems integral to children's early development. These systems include:

- Health
- Mental Health
- Disability
- Early Learning
- Child Protection
- Family Violence
- Parenting and Family
- Community Infrastructure
- Housing
- Social Security

While there is no single, clearly defined early years system in Australia, each of these systems plays a critical role in supporting children and families. Collectively, they reflect both the direct needs of children and the shared needs of children and families, consistent with the definition of optimal early childhood development guiding the Early Years Catalyst's work.

We include this concrete description of wellbeing and what contributes to a 'good' childhood alongside the component parts of the system that are implicated in supporting children and families to thrive to bring to the fore the end goal while articulating the scale of downstream spending and outcomes that our current system produces.

There is a huge social cost when children's wellbeing needs are not met. For every child and young person who needs intensive services and intervention there is a significant impact on families and communities.

In Australia currently, over $22.3 billion is spent each year on services for children and young people experiencing serious issues.

This cost is just for services until the age of 24, yet we know that for many of these young people there will be a lifelong cost that far exceeds any early intervention expenses (Lamb, 2017).

Whilst we do not undertake a detailed comparative cost analysis between the 2019 and 2025, the cost of late intervention has risen from $15.2 billion to $22.3 billion which exceeds inflation and population growth. The compound average growth rate is 7.7% per annum, whilst inflation at the same period was less than 3.4% and population growth 1.6%.

This means that it is getting more expensive to intervene late.

It is a fiscal cost, and an opportunity cost.

By not investing early, we lose the opportunity to get better returns on investment by turning around the trajectory for many children and young people.

We cannot simply re-route funding from late to early intervention, but by intervening early we can reap significant savings as the cost of late intervention fall over time. Importantly, the life outcomes for hundreds and thousands of children and young people will improve, delivering a fairer more equitable society.

What we mean by late intervention

The report calculates the cost of late intervention, which is categorised as the spending on statutory, acute and essential benefits and services when children or young people are in crises, or serious issues arise.

There will always be a need for late intervention expenditure. However, governments can save money, and spare considerable human hardship, by intervening when problems first arise.

The report includes the cost of late intervention across the following issues for children and youth's aged 0-24 (unless otherwise stated) at both a state/territory and national level:

- **Mental health** – including mental health services, hospital admissions, alcohol- and drug-related hospital admissions, and mental-health-related prescriptions.
- **Youth homelessness** - includes homelessness services and indirect costs, including police, court and health.
- **Physical health** – includes potentially preventable hospitalisations for issues such as asthma, diabetes complications, and dental issues, and obesity and child injury costs.
- **Family violence** – includes only the costs directly related to children and young people in relation to police and justice costs, education and child protection.
- **Justice** – includes youth justice costs for detention, community-based support and justice conferencing, and detention and community support costs for young adults aged 12-24.
- **Youth unemployment** - includes Youth Allowance (Other), Jobseeker Commonwealth Rent Assistance, and Special Benefit.
- **Youth crime** – includes hospital, court, custodial and police costs associated with youth offenders.
- **Child protection** – includes out-of-home care, intensive family support services, and family support services funded by child protection departments

(Teagar, Fox, & Stafford, 2019),
(Department of Health and Aged Care, 2025).

Why early intervention

Early intervention enables problems to be identified and addressed before they escalate. It is particularly impactful for young children whose brains are still wiring and bodies developing.

Early experiences help shape lifelong health and wellbeing. By intervening early to support families and children we can assist children's learning and development (Guralnick, 2012; Nores, 2010). Nobel prize-winning economist Professor James Heckman finds that investing in early childhood education provides economic benefits for society, in reducing inequality and costs associated with crime and poor health and raising productivity. The early years period offers the highest economic return on investment, relative to any other time during childhood (Heckman, 2025).

Children who experience adverse childhood experiences such as family violence, abuse or neglect are more likely to have poorer physical and mental health, and be victims of and commit violence as youths and adults (Joshi, 2024; Gilbert, 2015).

Children who are in out-of-home-care (OoHC) are more likely than other youths to experience homelessness upon leaving care, with studies showing between a third and half of young people experience homelessness in the period after leaving care (Australian Institute of Health and Welfare, 2025).

Although positive childhood experiences, like having a trusted adult to rely upon, may reduce the impact of adverse childhood experiences, minimising exposure to adverse experiences is most impactful on children's development, reducing the proliferation and escalation of issues into adulthood (Narayan, 2018; Johnson D, 2022).

When we fail to get in early, problems can impact a child's development, making them harder to alleviate at best, and chronic at worst. And many young people experience multiple, compounding issues over time (The Commissioner for Children and Young People WA, WA). This in turn increases the cost that must be borne by late intervention services.

Over half of children in custody in youth justice in Victoria have been subject to a child protection order, more than half are accessing mental health support and have a history of substance abuse
(Victorian Government, 2023).

Why early intervention

Early intervention can look different depending on the arising issues, geographies and needs of children and families. It can include:

Supporting pregnant women to access prenatal and antenatal care tailored to their circumstances

right@home provides women and families experiencing adversity with 25 extra nurse home visits from pregnancy until their baby turns two. Parents were supported with skills and strategies to enhance their parenting capacity including improving the home learning environment. Outcomes included safer environments, warmer parenting, more consistent bedtimes and greater facilitation of children's learning (Goldfeld, 2018).

In South Australia, the Words Grow Minds initiative empowers families to boost early childhood development through proven and practical approaches like talking, reading, and playing. Focused on children aged 0–5, it promotes rich verbal interaction as a foundation for learning, helping close literacy gaps and fostering brighter starts in life across all communities (Words Grow Minds, 2025)

Raising parent and community awareness of everyday actions that improve children's learning, development and wellbeing.

Accessing help through a package of interventions providing early support to families is critical as children experience a range of cumulative risk factors (Hancock, 2015)

Restacking the Odds focuses on how five key services in a community, antenatal care, sustained nurse home visiting, early childhood education and care, parenting programs and the early years of school can work together to ensure all children are receiving quality services for enough hours to make a difference (Murdoch Children's Research Institute, 2025).

HIPPY is an early learning program that empowers parents as their child's first teacher. Delivered in homes across diverse communities, it fosters school readiness through structured play and literacy activities. Funded by the Australian Government and supported by the Brotherhood of St Laurence, HIPPY is backed by strong evidence showing benefits for children's learning, family engagement, and parental confidence (Brotherhood of St Laurence , 2025).

Strengthening parents' confidence and capacity to support their children's learning and school readiness at home.

Supporting children and young people who have emerging mental health needs

The Mental Health in Primary Schools program focuses on training educators as Mental Health and Wellbeing Leaders, to drive whole school mental health literacy. The program, rolled out in Victoria and commencing in South Australia and Queensland, improves teacher capacity to identify and support students with mental health issues and help-seeking behaviour in students (Smith R. D., 2023) .

Child and Family Hubs support access to health, education and social care in one place, help parents to build connections and to identify emerging issues before they become entrenched. Hubs models are based in a variety of settings including early childhood, school and community (National Child and Family Hubs Network, 2025).

Support for families in early learning and school to improve parenting and family functioning - preventing exposure to child protection and youth justice

Addressing problems early on will reduce the incidence of children and young people suffering the lifelong ill-effects of issues arising during childhood or reduce the severity of these issues. This then reduces the demand for spending on crisis services and chronic health interventions. These benefits accrue over time – early intervention is not a quick fix but has a profound impact.

How many children are at risk and needing early intervention?

We do not know precisely how many children are at risk and needing early intervention, given children may experience issues across multiple areas. However, we can look to major studies to estimate how many children may be impacted.

The Australian Child Maltreatment Study (Haslam, et al., 2023) looks at the prevalence of child maltreatment - (physical abuse, sexual abuse, emotional abuse, neglect, and exposure to domestic violence) and its impacts throughout life.

The study finds that 62.2% of Australians had experienced one type of maltreatment with the most common form being family violence. Many children experience multiple issues. A quarter of youths aged 16-24 had experienced multiple forms of maltreatment (Haslam, et al., 2023), and for most children maltreatment was repeated rather than one off.

These are not the only children requiring early intervention, as other children may have emerging issues such as developmental delays, disability and health issues.

What do we spend on early intervention?

This report has not attempted to calculate the cost of early intervention. This would be difficult to calculate, as costs are not always identified as early intervention and age breakdowns of expenditure are not always available.

However, there are reports that identify the cost and cost savings of spending on early intervention issues on an issue-by-issue basis, for example showing the $2 for $1 return on investment in early education, $2.9B in avoided costs by 2040 for youth foyers and return of $2 for $1 investment on early intervention in child and family services to reduce incidence of child protection and out of home care in Victoria s (PWC, 2019; Accenture, 2022; SVA Consulting, 2019).

Methodology

This section details the methodology in brief – the appendix includes the full methodology and sources.

As per the 2019 report (Teagar, Fox, & Stafford, 2019), we have adopted a conservative methodology for the costings, including using reliable published data, limiting costings to direct spending on children and young people aged 0-24 years and adopting conservative assumptions. This methodology was established by the Early Intervention Foundation in the United Kingdom and adapted for Australian usage. This includes the distribution of spending between states and territories and the Commonwealth government. Not all areas that feature in the UK report, such as late intervention in education spending, are included in aggregate figures as public data is not available (Teagar, Fox, & Stafford, 2019).

We have not incorporated new data on disability as it is difficult to identify with certainty the proportion of funding dedicated to late intervention. Similarly, there is no comprehensive data on spend on student absenteeism, although data is available on the cost of special assistance schools focused on supporting children and young people disengaged from mainstream education. In these circumstances we have provided illustrative case studies to highlight that the cost of late intervention is likely to well exceed $22.29 billion that can be accurately costed.

Short- and long-term impacts of COVID on child and youth vulnerability

This report crosses throughout COVID-19, which had significant impacts across Australia including long periods of lockdown in eastern states. The trend data in this report reflects COVID related spikes, for example in mental health issues. However, the long-range impacts of family adversity and stress during COVID, combined with delays in diagnosis and treatment during this period, are still being realised (Department of Health and Aged Care, 2025).

The figures are financial costs paid for by government. One year costs incurred by children and young people for 0-24 are calculated, even though there are lifelong costs for many of the issues raised. Costs are in nominal terms.

This report does not provide a comprehensive comparative analysis of changes in expenditure between 2019 and 2024. This is in part due to missing data primarily affecting mental health spending with Medicare Benefits Schedule (MBS) data unavailable in the 2024 update. Different datasets have been used where previous datasets were not available, which may impact the comparison. Table 2 provides a brief comparative analysis. The expenditure is in nominal terms, but change indicator is based on changes in spending between 2019 and 2024, escalating the 2019 figure by 30% to account for the inflation rate and population growth over the period.

Scope and data sources

The report largely mirrors the scope and primary data sources for the 2019 report, which was compiled after a data and evidence review.

The 2019 report was subject to peer review that confirmed the appropriateness of the data sources, caveats and limitations which have been similarly applied to this report given the usage of the same data (updated) sources. This includes the following conservative assumptions:

- erring on the side of caution to avoid overestimation and using lower bound costs where available,
- calculating direct fiscal costs rather than including broader economic consequences and
- not including downstream impacts on adults that could have been mediated by earlier intervention.

Only issues where there is reliable public data on prevalence and/or expenditure are included in the report. Most often data is from government sources including the ABS, Productivity Commission and Australian Institute of Health and Welfare. In a few instances, academic reports are used where other data is not available.

Where possible we utilise reported government spending. Where this isn't possible, we utilise data on unit costs and incidence, for example to estimate hospital admissions.

Some cost items are included against multiple issues, like youth homelessness having an impact on crime, as does youth crime. In these instances, the costs are considered when reporting on issues, but only one set of costs is included in the national total to prevent double counting.

The report includes data disaggregated at state, territory and national levels where available. More granular data, for example by geography or demographics, is not ordinarily available for expenditure data.

Data is reported for the 2023/24 financial year where available.

Table 1: Issues and categories of expenditure included

Issue	Categories of expenditure included
Child Protection	Protective intervention services Out-of-home care services Intensive family support services Family support services
Youth Justice (10-17 years)	Detention-based youth justice services Community-based youth justice services Group youth justice conferencing
Adult Justice (18-24 years)	Detention/incarceration Community support
Youth Unemployment	Youth Allowance (Other) Jobseeker Allowance Commonwealth Rent Assistance Special Benefit
Youth Homelessness	Health (Primary Care) Health (Secondary Care) Police Courts Homelessness Services
Family Violence	Youth crime – policing and justice Child education Child protection
Youth Crime	Health Courts Police
Physical Health	Potentially preventable hospitalisations Obesity - Prescriptions Obesity – Healthcare Child Injury
Mental Health and Substance Misuse	Pharmaceutical Benefits Scheme (PBS) – mental health prescriptions Specialised mental health care services Non-specialised hospital admissions Alcohol-related hospital admissions Drug-related hospital admissions Note: Medicare Benefits Schedule (MBS) – mental health services is not included in 2025 report due to lack of data

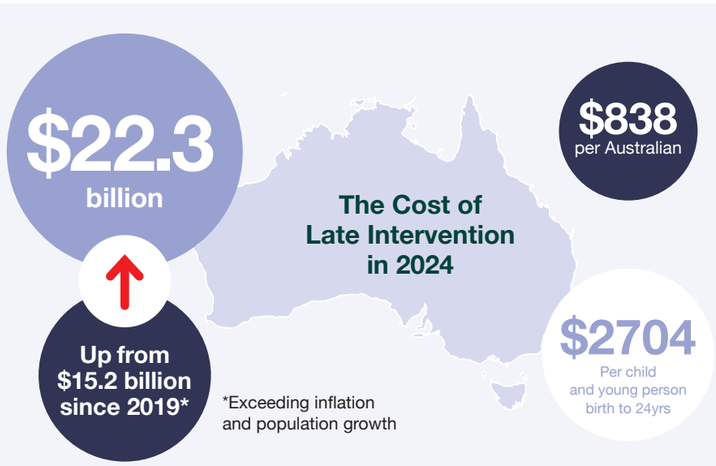
In the absence of comparable, robust data to include in the model on the cost of disengagement from education, the report includes a case study illustrating the cost of special assistance schools that enrol children with barriers to attending mainstream school. This does not capture the additional costs of school refusal, such as impact on family finances as articulated by School Can't in their senate submission (Rogers, 2022). A second case study is included on the possible costs of late intervention in disability. The costs of these two issues are excluded from the overall cost of late intervention.

Spending on late intervention

This section presents finding on spending on late intervention, by issue, areas of government and level of government.

Australia spends $22.3 billion on late intervention each year

Our analysis shows that Australia spends $22.3 billion on late intervention for children and young people aged 0-24 each year. This is equivalent to $838 for every person in Australia every year or $2704 for every child and young person 0 to 24 years of age.

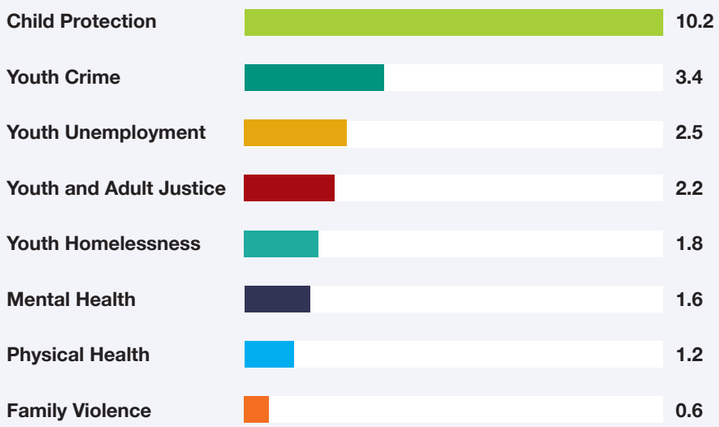


Child protection is overwhelmingly the highest area of cost

Spending on child protection is the largest cost item ($10.2 billion) consuming 43% of late intervention spending. This is followed by youth crime ($3.4 billion) at 14% of spending and youth unemployment at 11% of spending.

Family violence remains the lowest area of spending at around $600 million per annum, although, as in 2019, this only includes the direct costs related to children and young people exposed to family violence[1].

Figure 1: Annual cost of late intervention in Australia by issue (2024 prices, $Billion)



1 Please note spending on individual issues exceeds total spending on late intervention due to double counting. For example, some youth homelessness costs overlap with youth crime and criminal justice. As these crime costs were also captured under the total costs associated with youth crime and policing, we excluded them when adding up the total costs to Australia, to avoid double-counting.

Late intervention spending on child protection and family violenc has increased significantly since 2019

This report does not provide a comprehensive comparative analysis of changes in expenditure between 2019 and 2024. This is in part due to missing data primarily affecting mental health spending with Medicare Benefits Schedule (MBS) data unavailable in the 2024 update. Different datasets have been used where previous datasets were not available, which may impact the comparison.

Given these caveats that the comparison is not precise, it is useful to compare changes in spending when factoring in inflation and population growth.

The table below shows changes in expenditure from 2019 to 2024, with the change indicator reflecting the difference when factoring in inflation and population growth.

Table 2: Comparative expenditure by issue (nominal terms)

Issue area	2019	Change	2024
Child Protection	$5.9 billion	▲	$10.2 billion
Youth Crime	$2.7 billion	■	$3.4 billion
Youth Unemployment	$2.0 billion	▼	$2.5 billion
Youth Homelessness	$1.4 billion	▲	$1.8 billion
Mental Health	$1.3 billion	■	$1.6 billion
Youth Justice	$0.8 billion	▲	$1.5 billion
Physical Health	$1.1 billion	▼	$1.2 billion
Adult Justice	$0.8 billion	▼	$0.7 billion
Family Violence	$0.3 billion	▲	$0.6 billion

Increased ▲ Reduced ▼ Stable ■ Adjusted for inflation and population growth

The table above shows that late intervention expenditure on child protection, youth justice and family violence has increased greatly since 2019, with family violence expenditure doubling. Child protection remains the largest area of expenditure, providing the greatest opportunity to intervene early to support children and families through targeted and universal systems.

By contrast expenditure on youth unemployment has barely shifted.

Spending on mental health is not comparable as the 2019 data included around $300 million in MBS expenditure on mental health services, for which there was no comparable data available for this report. Youth homelessness spending was relatively stable.

Patterns of spending by government department

Figure 2 shows how the cost of intervention is borne by government department or portfolios. Most of the spending is in child protection, policing and health, aligning with the high cost of child protection issues, police spending due to crime and justice, and the fact that many children and youth in crisis experience health issues.

Analysing the data by portfolio shows issues can impact across a variety of portfolios, as will be explained shortly.

Table 3 provides further insights into the complex funding arrangements, and intersectionality of issues. It shows how some issues are addressed in a single portfolio whilst others are spread across multiple departments and levels of government. For example, direct child protection spending of $10,197m remains in the child portfolio, whereas spending on youth homelessness comprises of $510m health costs, $207m justice costs, $419m policing costs and $671m community cost.

Figure 2 Cost of late intervention spending by portfolio

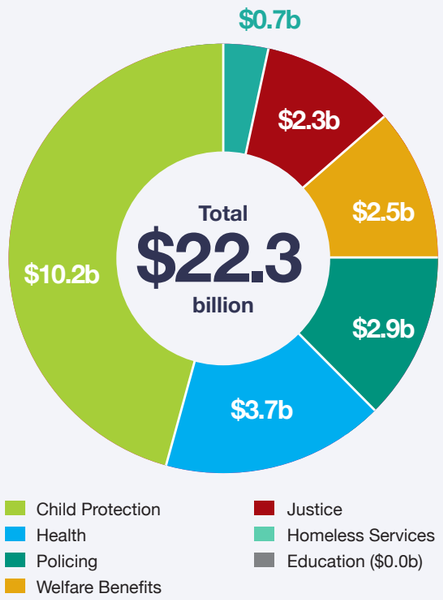


Table 3: Government expenditure by portfolio on issues experienced by children and young people ($M)

	Health	Justice	Policing	Education	Child Protection	Community	Tax & Benefits	Total
Child Protection & Safeguarding					$10,187 (43%)			$10,187 (43%)
Youth Justice (10-17)		$1,530 (6%)						$1,530 (6%)
Adult Justice (18-24)		$676 (3%)						$676 (3%)
Young People NEET							$2,483 (11%)	$2,483 (11%)
Youth Homelessness	$510 (2%)	$207 (0.9%)	$419 (2%)			$671 (3%)		$1,808 (8%)
Domestic Violence		$231 (1%)	$231 (1%)	$10 (0.0%)	$173 (0.7%)			$646 (3%)
Youth Crime	$364 (2%)	$140 (0.6%)	$2,888 (12%)					$3,392 (14%)
Physical Health	$1,224 (5%)							$1,224 (5%)
Mental Health & Substance Misuse	$1,614 (7%)							$1,614 (7%)
TOTAL SPEND (with double counting)	$3,712 (16%)	$2,785 (12%)	$3,538 (15%)	$10 (0.0%)	$10,360 (44%)	$671 (3%)	$2,483 (11%)	$23,560 (100%)
Double-counting of costs	$0	$438,874	$650,594	$0	$173,070	$0	$0	$1,262,537
NET TOTAL	**$3,712 (17%)**	**$2,346 (11%)**	**$2,888 (13%)**	**$10 (0.0%)**	**$10,187 (46%)**	**$671 (3%)**	**$2,483 (11%)**	**$22,297 (100%)**

Incentives to invest in early intervention are reduced when benefits do not accrue to the same portfolios or levels of government.

The complexity in the cost of issues being borne across different portfolios and levels of government makes it more difficult for policy makers and governments to assess the cost of late intervention or track the benefits of early intervention.

It means that the cost of early intervention could be borne in one portfolio and benefits run across many others, reducing the incentive for ministers and departments to invest as they do not individually reap the rewards.

The Commonwealth Government is a major beneficiary of early intervention spending through increased tax revenues and educed welfare payments.

Alternative ways of budgeting, such as wellbeing budgets, or early intervention frameworks may recognise or incentivise investment in early intervention by focusing on impacts across a system (The Secretary, Department of Treasury and Finance, 2022; McLaren, 2022) .

States and territories bear the short-term costs of late intervention

States and territories overwhelmingly bear the cost of late intervention in the short-term.

Direct Commonwealth expenditure is generally limited to welfare expenditure and aspects of healthcare, in particular spending through the Pharmaceutical Benefits Scheme (PBS). Expenditure on mental health services through the Medicare Benefits Schedule (MBS) is not included in this report due to a lack of data, which means Commonwealth spend is likely to be underreported (MBS spending was $300 million in 2019).

Direct state and territory expenditure includes expenditure on child protection, justice and police, homelessness services, hospitals and acute health services, education and community services.

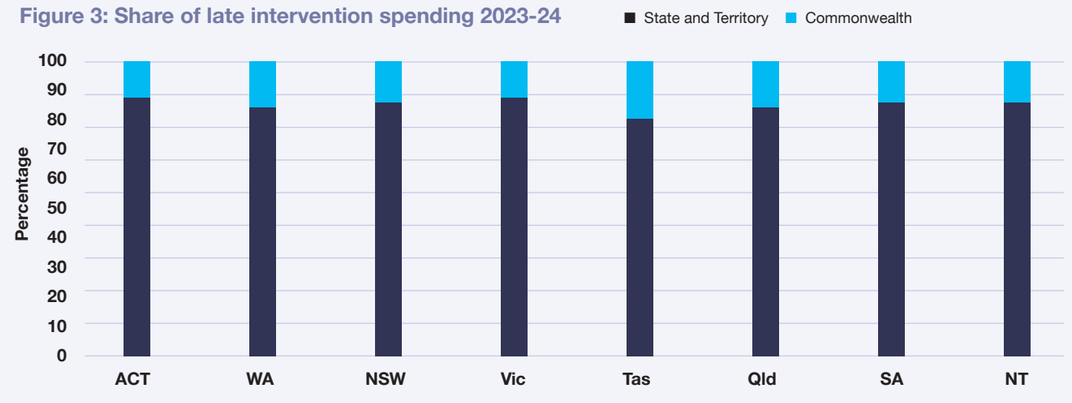
The proportion of Commonwealth spend is largely driven by spending on unemployment benefits.

Table 4: Direct spending by level of government ($M)

	State	Commonwealth	Total
Health	$3,136,854	$569,308	$3,706,162
Justice	$2,345,689	$0	$2,345,689
Policing	$2,880,871	$0	$2,880,871
Education	$10,426	$0	$10,426
Child Protection	$10,197,411	$0	$10,197,411
Community	$671,199	$0	$671,199
Youth unemployment	$0	$2,483,223	$2,483,223
TOTAL	$19,242,450	$3,052,530	$22,294,980

Note: the figures include the $10.65m Commonwealth transfer to the NT for intensive family support services in child protection as State spending.

Figure 3: Share of late intervention spending 2023-24



Spending on late intervention

Consideration of additional late intervention spending

The 2019 report included data where it was available on late intervention spending across seven areas. Significant areas of spending, such as spending on late intervention services for young people unable to attend mainstream schools, and late intervention spending for people with disabilities, were not included due to a lack of data.

Significant policy changes have occurred since the 2019 report was produced, with the full rollout of the NDIS in 2020 providing individualised funding for people with disabilities. This enables us to analyse trends in spending and prevalence and to make initial estimates about how much may be spent on late intervention disability support.

Case Study: Examining the cost of young people entering alternative school settings

Across Australia, there are over hundreds of schools, educations providers and units within schools, dedicated to supporting thousands of children and young people who are unable to attend mainstream schools and have disengaged from education. These schools are across all sectors, government, Catholic and independent schools, as well as community and TAFE providers (AAFIE, n.d.).

Children and young people in these settings attend flexible and inclusive learning programs often operate with smaller class sizes, and access to a range of welfare, health and mental health services to support engagement and wellbeing.

It is difficult to quantify the number of programs and students. A 2014 research report estimated 900 settings and 70,000 young people (te Riele, 2014).

A lack of public data, and different funding rates across states, means we cannot calculate the additional cost of all 70,000 young people attending flexible learning options.

However, we can estimate the cost of a subset of these students – the 4379 students in the independent sector attending fee free special assistance schools. This is a small but growing school cohort which has doubled since 2014 as funding arrangements under the Gonski agreement enabled these schools to be funded based on the level of student need rather than capacity to pay (Independent Schools Australia, 2025).

Students at these schools are funded at the regular School Resourcing Standard (SRS) rate ($17,565 for secondary schools), plus equity funding of between 33%, 116% and 248% of SRS. This means schools receive an additional $5,796 to $43,561 extra per student (Department of Education, n.d.)

A scan of a sample of special assistance schools shows a split in the additional funding received between the top two levels, of $20,375 and $43,561, which is understandable given these students have significant barriers to attending school.

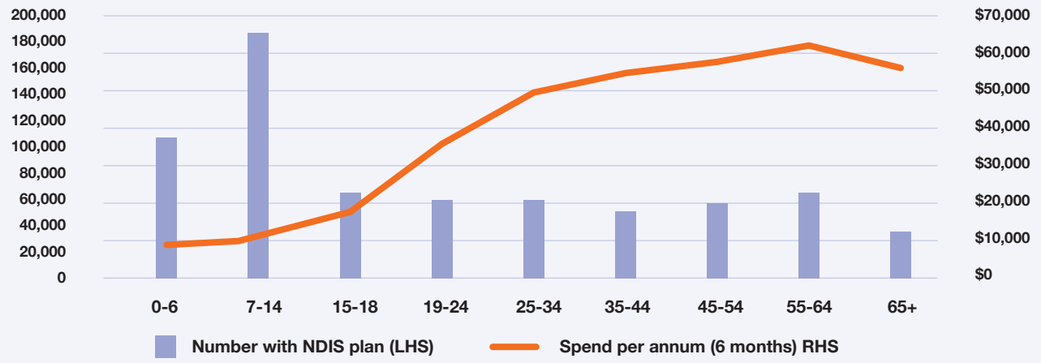
Conservatively using the lower figure, and 4379 students (Cumming, 2024; Hyland, 2025) $89m additional is spent per annum on students in special assistance schools.

This figure underestimates the overall cost, by just estimating the cost for one school sector. Many schools are within Catholic and Government sectors and are not included in this cost. However, even based on the minimum equity funding under the SRS, the cost across all sectors would be hundreds of millions of dollars.It even half of the remaining cohort of young people are eligible for $5000 of

This spend is entirely late intervention, as children enter these settings when they are disengaged from and unable to attend mainstream school and have multiple confounding issues including homelessness, mental health and substance usage issues.

Case Study: Examining the cost and prevalence of late intervention disability spending

Figure 4: Disability spending and number of NDIS plans by age



The National Disability Instance Scheme supports close to 700,000 Australians who have a disability (that causes a permanent and significant impairment) to access supports and services.

Individuals assessed as eligible for the NDIS complete a NDIS plan that sets out the goals and supports for an individual for the next twelve month period.

Early intervention support, called early connections, is available for children who are aged under 9 regardless of whether they are a NDIS participant.

Children and young people make up over half of all NDIS participants.

There are currently:

- 23% of all NDIS participants (159,354 children) aged 0 to 8 (Of note is the high representation of boys – over 14% of all boys aged 5 to 7 are receiving NDIS support (NDIS, 2025)),
- 19% of NDIS participants (134,924 children aged 9 to 14,
- 10% of NDIS participants (64,115 young people) aged 15 to 18, and
- 9% of NDIS participants (57,722 young people) aged 19 to 24 (NDIS, 2025).

Given this growth, governments are working to design and deliver foundational supports for people with additional needs that need support outside the NDIS.

Whilst there are proportionally more children and young people aged 0-24 with NDIS plans than adults, the cost of provision is over seven times higher for adults than young children.

The graph above shows NDIS spending for individuals on a NDIS plan (NDIS, 2025).

It is difficult to ascertain what percentage of NDIS funding could be categorised as early intervention, compared to late intervention. One method is to allocate all funding for under the age of 6 as early intervention given that early intervention funding until recently covered children up to the age of 6. Over $10.2 Billion is spent on NDIS plans for children and youths aged 7-24 per annum (NDIS, 2025). Further analysis would be needed to determine understand what proportion of this funding aligns with the late intervention definition of “providing essential benefits and services when children or young people are in crises, or serious issues arise”. Even if only a tenth of the funding is due to late intervention, that is a tremendous cost.

This spending is essential to support people with a disability to live well and set and achieve their goals. However, even small actions to intervene early could produce significant financial savings and support better life outcomes for people with disability.

The NDIS review points to some reductions in expenditure through reduced hospital use, as well as employment growth for carers, but no improvement in school readiness and year 12 attainment, and little improvement in employment (Miller, 2023).

Given current government focus on foundational supports for children, in part to reduce NDIS cost pressures, it is essential that governments provide timely and evidence informed early intervention and wrap-around support to the thousands of children including those that have undiagnosed additional needs.

Trends

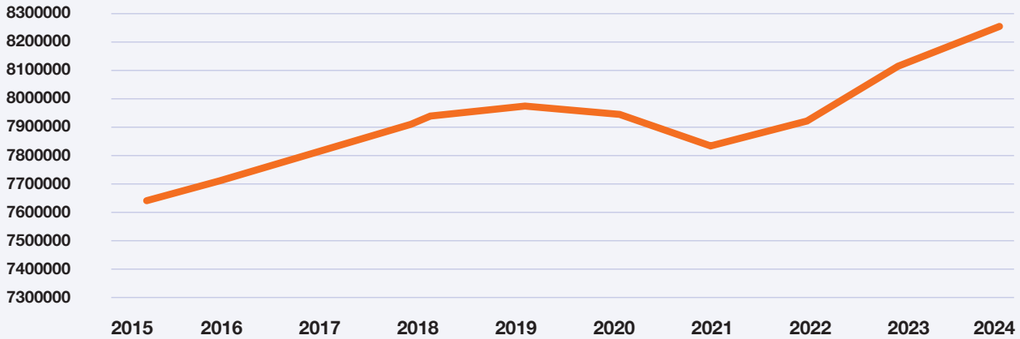
This section shows trends for key issues experienced by children and young people, aligning with and extending beyond the issues for which expenditure data was available in this report, given the importance of early intervention in areas such as education and disability to reducing the cost of late intervention.

We have utilised actual figures, or proportions where useful, to enable comparison of trends over time and between like indicators. This enables the reader to more easily understand how many children and young people are impacted.

The trend data is provided to illustrate key issues continuing to impact children and young people, that if not addressed will generate budgetary pressures. An investment in early intervention, over time, would see these issues decline or grow at a slower pace.

Population

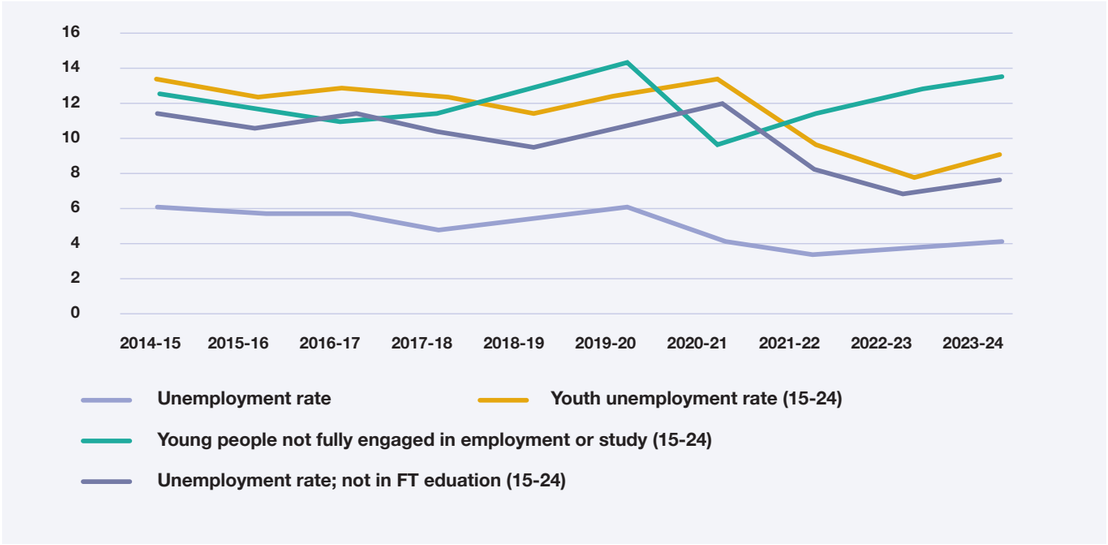
Figure 5: Population growth 0-24 year olds in Australia



The population of 0-24-year-olds has continued to grow over the last ten years, rising 8% over the period with COVID-19 moderating the growth rate. Growth from 2021 to 2024 is strong, at close to 2% per annum (Australian Bureau of Statistics, 2024). This will place continual pressure on government spending.

Labour Market Participation

Figure 6: Youth labour market participation (%)



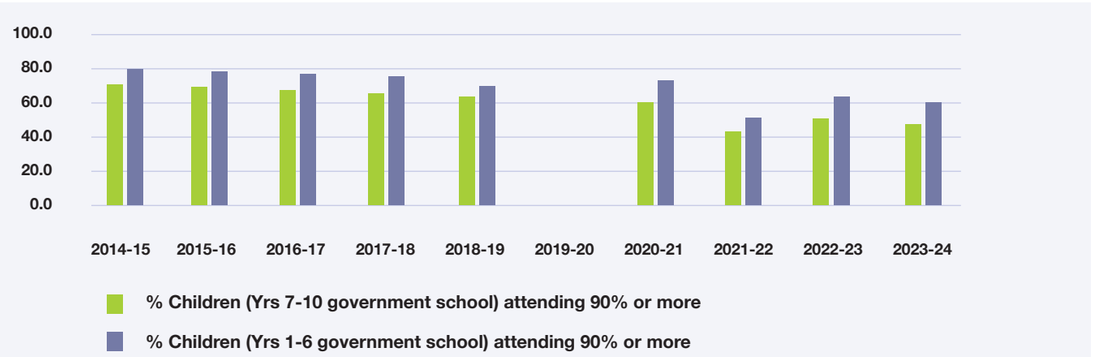
The graph shows a downward trend in youth unemployment that correlates with a downward trend in overall unemployment, with a rise during the COVID-19 period (Australian Bureau of Statistics, 2025). Whilst this is welcome, the graph also shows a growing percentage of young people not fully engaged in employment, education or training. These young people may be in part time study or part time or casual work.

This is concerning because young people who are not fully engaged in work or study by age 24 have a high propensity to remain disengaged throughout their lives. For government, this means a likelihood that more people will be reliant on government payments, more likely to need costly health care, be homeless and in the criminal justice system (Lamb, 2017). The cost of late intervention of a lifecourse is likely to be higher given the growth in this cohort.

School attendance

The graph shows the impact of failing to intervene early for a core group of young people. There are concerns that this core group is growing. Data on school attendance shows how engagement in education has declined over the last decade.

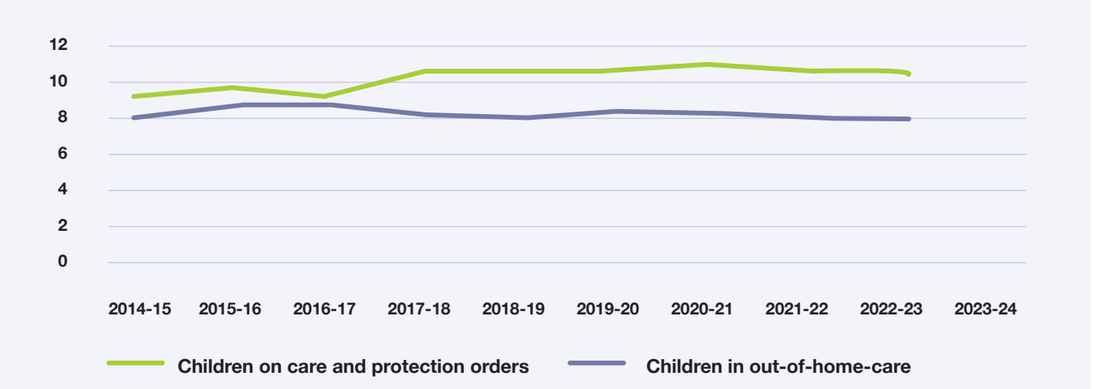
Figure 7: Percentage students attending government school 90% or more of the time



This graph shows that more than half of all young people at government secondary schools miss a month or more of school per year, and over 40% of children at government primary schools (Productivity Commission, 2025). The graph is an average – students in low socio-economic areas, who reside in regional or remote areas and Aboriginal and Torres Strait Islander children are more likely to missing school regularly. Although the rates are higher, the trend is similar in non-government schools.

Child Protection

Figure 8: Child protection rates (per 1000)



The rate of children in out of home care has plateaued over the past decade, hovering at around 8 children per 1000 with over 45,000 children now in out of home care. However, the rate of children on care and protection orders has increased over time, rising from 9 to over 10 per 1000 with over 60,000 children impacted, up from less than 50,000 children 10 years ago (Australian Institute of Health and Welfare, 2024, p. Table T1).

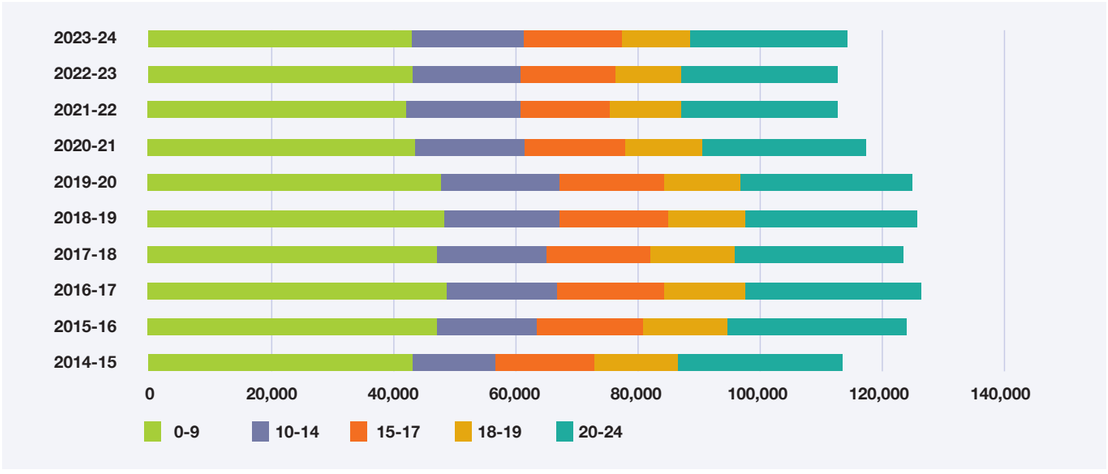
Homelessness

Figure 9: Child and Youth homelessness

Trends in child and youth homelessness differ dependent on child age. The prevalence of homelessness has decreased for children aged under 12 based on census data, but increased in real terms for older youths (Australian Bureau of Statistics , 2024).

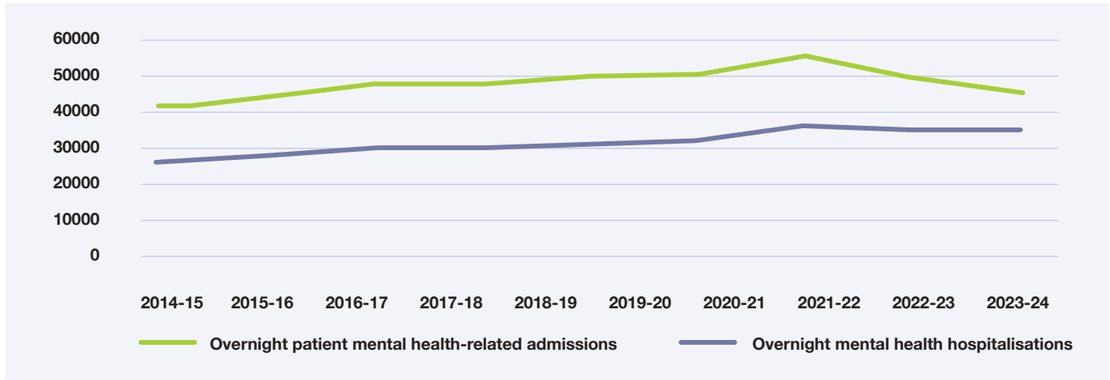
More recent data from the Australian Institute of Health and Welfare (Australian Institute of Health and Welfare, 2025) shows the number of children and young people accessing specialist housing services which are available to people who are experiencing or at risk of homelessness.

Figure 10 : Child and Youth usage of specialist housing services



This graph shows fluctuations in service access over time both overall and between cohorts, with young people aged 10-14 experiencing growth since 2014-15. This data represents how many children and young people accessed services, rather than experienced homelessness per se.

Figure 11: Mental health hospitalisations



This graph shows the increase in same day and overnight hospitalisations of children and young people aged 0-24 due to mental health issues. It shows an escalation in overnight hospitalisations during COVID-19, with a decline since 2020-21. Same day separations similarly increased until 2020-21, then flatlined (Australian Institute of Health and Welfare, 2024).

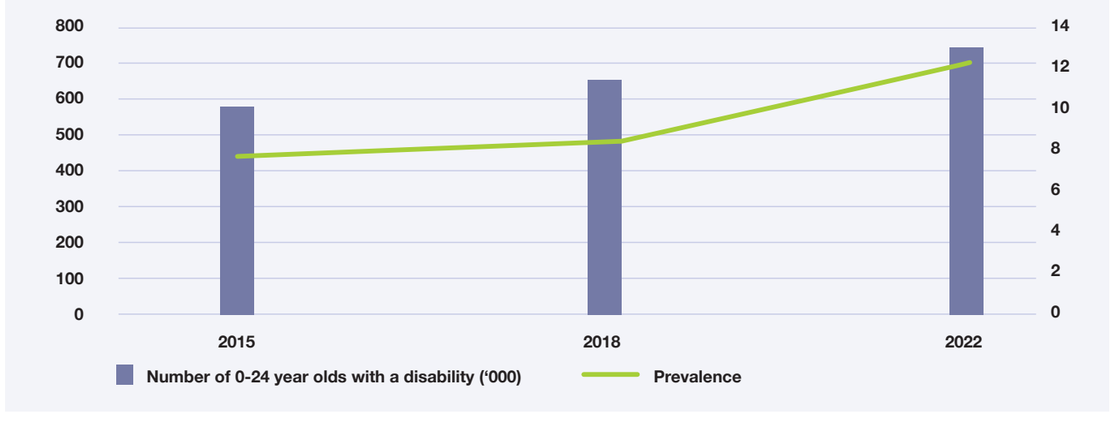
This coincides with a period of increased investment in early intervention in mental health, including through the rollout and scale up of Headspace centres, investments in early intervention for young children including through Be You, the launch of a National Children's Mental Health and Wellbeing Strategy and state based interventions such as mental health in primary schools (Smith R. D., 2023). Given half of all mental health issues arise before 14, intervening early is critical (National Mental Health Commission, 2021).

It is difficult to identify if the recent decline is due to an improvement in youth mental health, or less young people accessing services. The Australian Government is commissioning a new study to identify the prevalence rates of mental health disorders for children and young people (Department of Health and Aged Care, 2025).

There is a need for up to date data on prevalence across a range of issues to enable earlier intervention. The reliance on census data, or irregular surveys, makes it difficult for governments to plan and invest early.

Children and young people with Disabilities

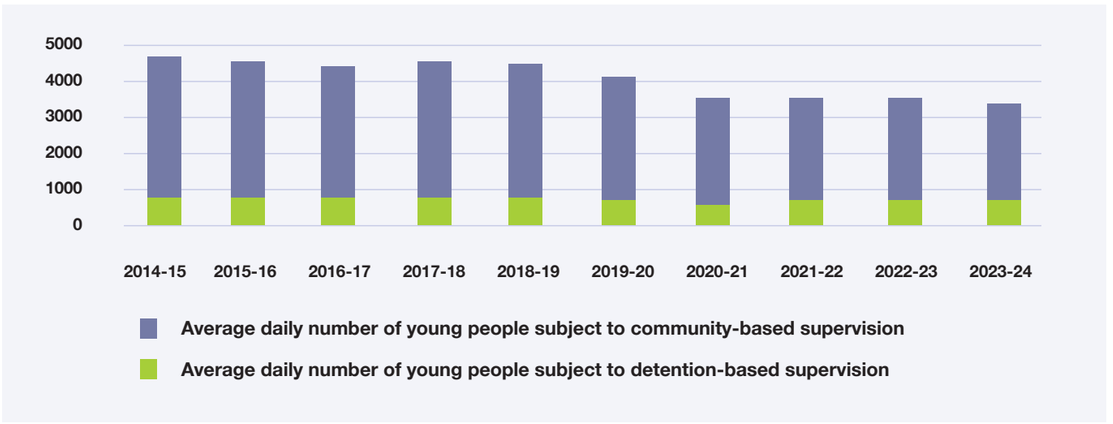
Figure 12: Children and youths with disabilities



Data on the prevalence of children and youths with disabilities, from the Australian Bureau of Statistics Disability, Ageing and Carers, ((Australian Bureau of Statistics, 2024)) shows increased numbers and prevalence of children and young people identifying as having a disability. This growth aligns with the rollout of the NDIS and increased public understanding and government funding for disability support.

Youth Justice

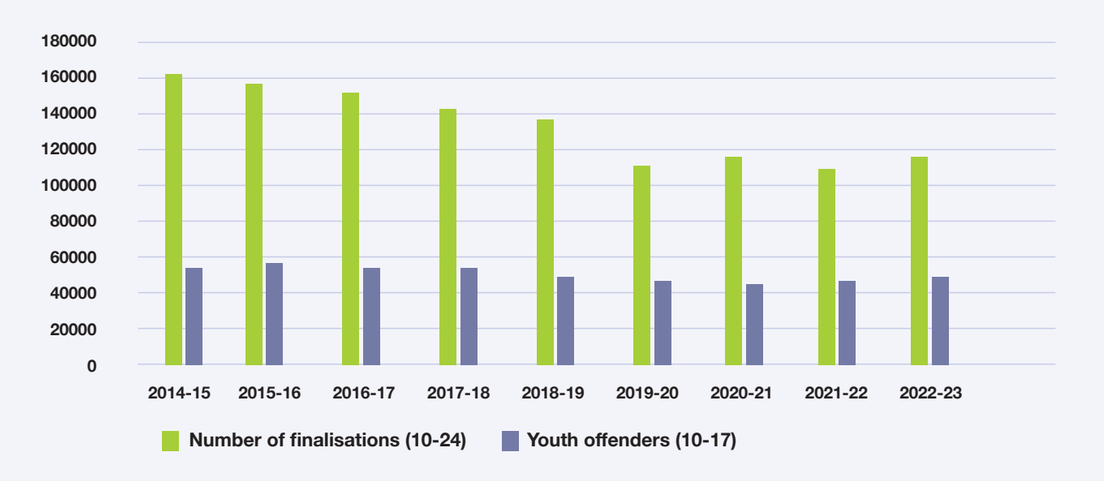
Figure 13: Youth justice figures



This graph shows a reduction in the number of young people (aged 10-17) on community-based supervision and flatlining of young people on detention-based supervision. (Productivity Commission, 2025; Youth Justice Services Data Table 17A.1).

This aligns with a reduction in the number of youth offenders and court cases as is illustrated in the graph below.

Figure 14: Number of court finalisations and youth offenders



Between 2021-22 and 2022-23 the youth offender rate declined in every state, but rose marginally in the Australian Capital Territory and Northern Territory (Australian Bureau of Statistics, 2025).

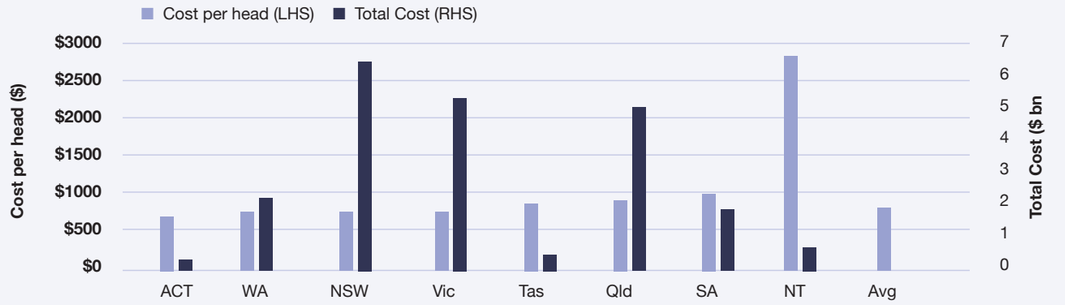
State and territory spending

This section shows variations in late intervention spending by states and territories. Spending per head is highest in states and territories that experience higher levels of disadvantage, whilst overall levels of spending are highest in the most populous states.

Figure 16 shows expenditure by states and territories. The highest overall expenditure is in New South Wales, ($6.4b) followed by Victoria, ($5.3b) and Queensland ($5b).

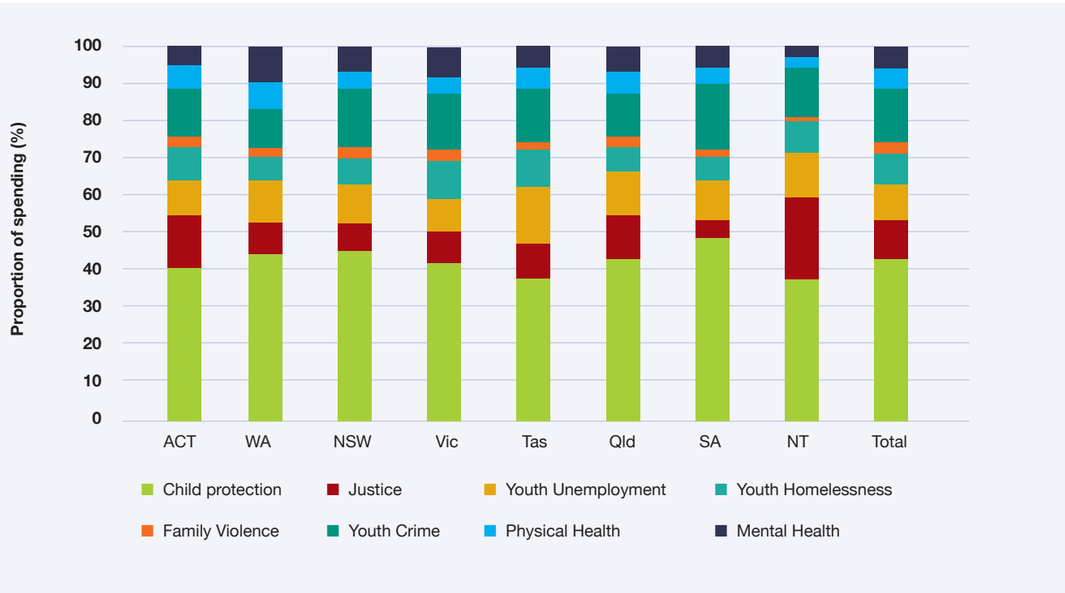
By contrast spending per head is highest in the Northern Territory ($2808), far higher than South Australia ($1011) and Queensland ($921).

Figure 15: Expenditure on late intervention, states and territories



There are different overall spending patterns between states and territories, although spending on child protection represents the largest proportion of expenditure on late intervention. Figure 17 shows the variation in spending as a proportion on spending on late intervention per state and territory.

Figure 16: Proportion of spending by issue across states and territories 2023-24



Vertical fiscal imbalance

As highlighted in this report, spending on children and young people is largely a state government responsibility, given the primary areas of spending include child protection, justice, and crime. There are different approaches to reducing spending on acute services, such as Victorian Government's Early Intervention Investment Framework which aims to invest in early intervention to address issues before they escalate.

However, Australia has a vertical fiscal imbalance, with states having less capacity to raise revenue than the expenses they have responsibility for. This makes states and territories reliant on Commonwealth government transfers.

This imbalance impacts the capacity of states and territories to invest in early intervention, and reduces the incentive for investment when the Commonwealth government will be the long term beneficiary through reduced benefit costs and increased taxes (Parliament of Australia).

Costs of delivery vary significantly across Australia

There are large differences in the cost of delivery across Australia. Reasons for these differences, except for economies of scale and regionality, are not apparent but likely due to different policy settings, service delivery models and government choices regarding funding levels. It is these differences, combined with prevalence, that add up to the cost of late intervention looking different in each state, and provide insights to inform government decision making on expenditure.

Figure 17: Child protection cost per placement night

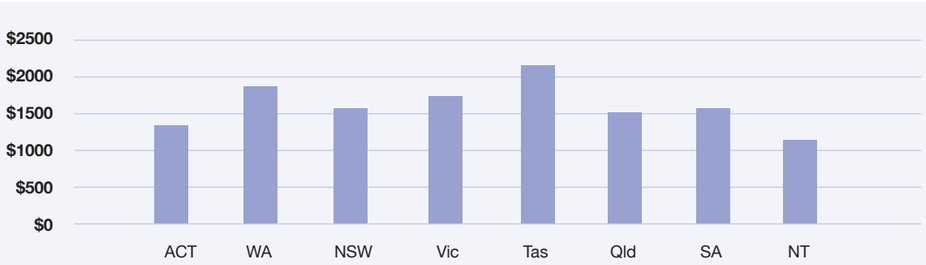
Cost per placement in child protection varies from $264 per night in Tasmania to $502 per night in the Northern Territory.

State and territory spending

Figure 18: Youth detention cost per day

The cost of youth detention is lowest in Queensland at $2162 and highest in Victoria at $7775 per day.

Figure 19: Same day hospital admissions cost per day

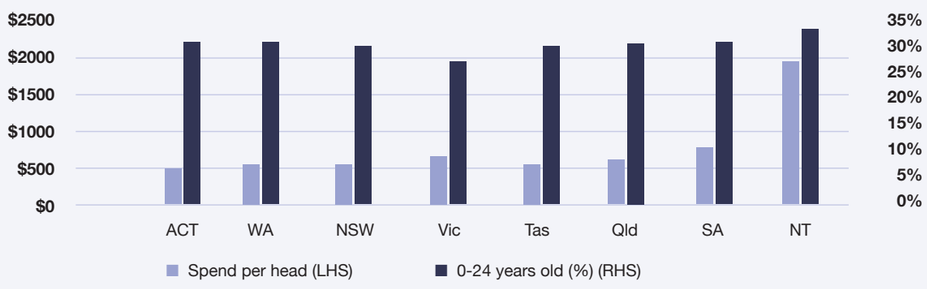


By contrast the cost of same day hospital admissions is the lowest in the Northern Territory and the highest in Tasmania.

Demographic factors impacting spending

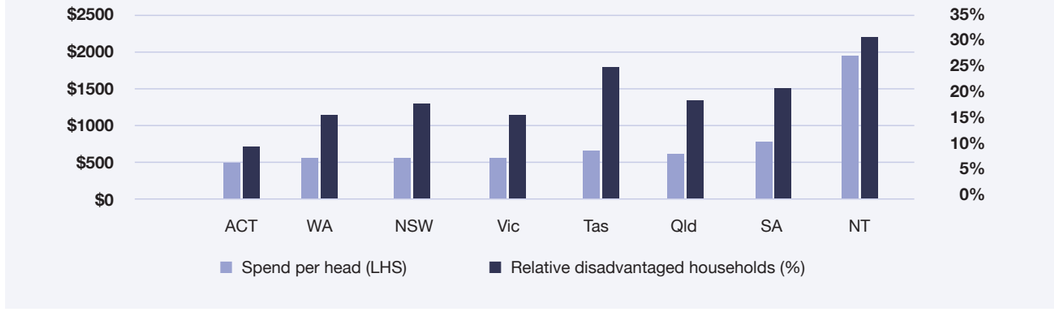
Spending between states is impacted by a range of demographic factors.

Figure 20: Share of population aged 0-24 within each state or territory (LHS) and spending per head (RHS)



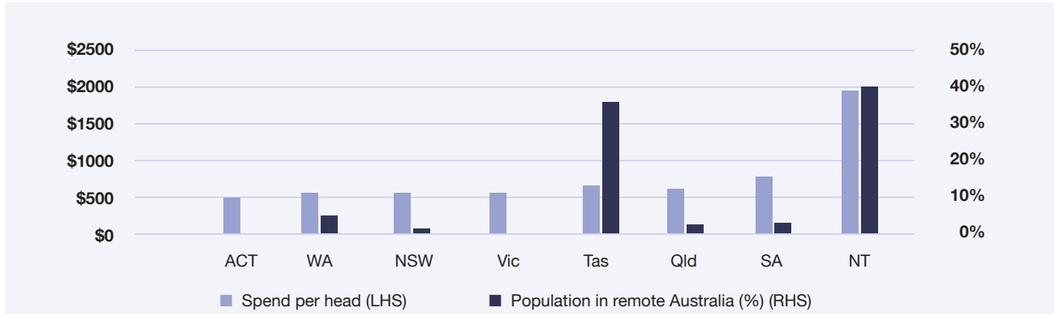
The Northern Territory has the highest proportion of young people at 33%, which means their spending per head of population is higher due to a larger number of young people overall. However, Tasmania has relatively fewer young people (27%) but a relatively high spend per head.

Figure 21: Percentage of people in disadvantaged household quartiles and spend per head by state and territory



The figure above shows the correlation between spending per head and relative household disadvantage. The Northern Territory has the highest percentage of households in the most disadvantaged quartile of all states and territories and the highest spend per head. The ACT has both the lowest percentage of households in the most disadvantaged quartile and the lowest spend per head.

Figure 22: Percentage of population in remote or very remote locations and spend per head



States and territories with larger populations in remote communities may spend more per head because of the lack of economies of scale and greater cost of living, additional workforce shortages, levels of Indigeneity and complex community needs.

Implications from the data

The data shows that a variety of factors impact late intervention spending within states and territories. Whilst child protection, youth justice and youth crime are the top spending items across jurisdictions, the amount spent per head on each area differs considerably across jurisdictions. This may be due to different service delivery models.

Some factors, like regionality and levels of disadvantage, disproportionately impact some jurisdictions, such as the Northern Territory, which has a limited capacity to spend compared to larger states.

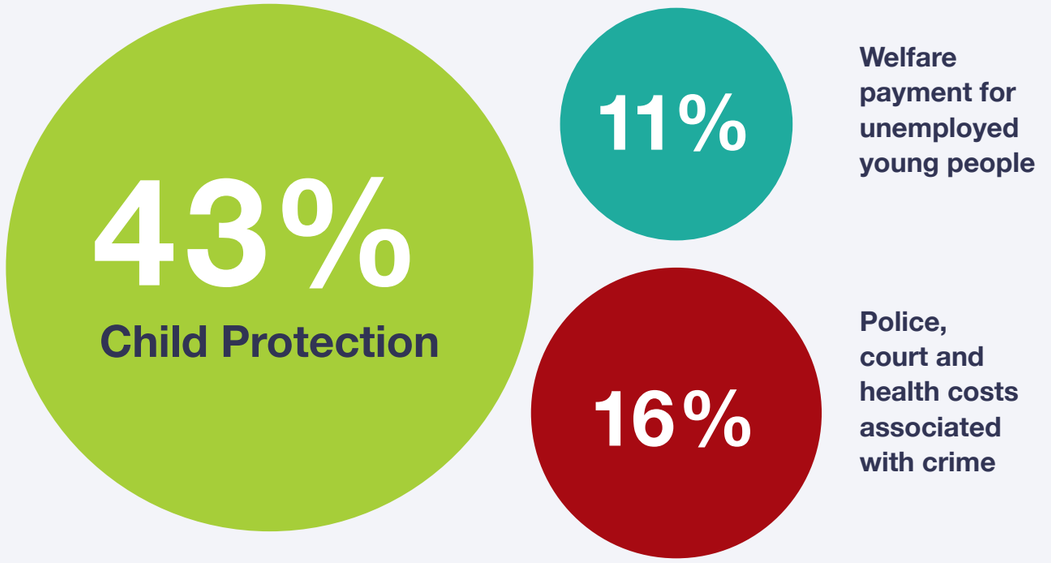
Adopting a more coordinated approach to early intervention as a country is challenging, given most of the issues are state and territory responsibilities. Various approaches can and have been adopted to support coordination, including national partnership agreements. National coordination bodies, such as the proposed ECEC commission (Productivity Commission, 2024), may help to test different service models and funding and monitor access across the country.

Conclusion

The cost of late intervention continues to rise in Australia.

Our analysis shows that Australia spends $22.3 billion on late intervention for children and young people aged 0-24 each year. This is equivalent to $838 for every person in Australia every year or $2704 for every child and young person 0 to 24 years of age.

The greatest costs are for child protection (43%), the police, court and health costs of youth crime (14%); and welfare payments for unemployed young people (11%).



Since the first Cost of Late Intervention report was released in 2019, government spending on late intervention has continued to rise. In the following areas, spending has increased beyond what would be expected given inflation and population growth:

Child Protection	Youth Justice	Family Violence
↑ 74%	↑ 81%	↑ 110%

In some areas, particularly youth justice and out-of-home care, spending has increased despite a decline in the number of children and youth impacted. This is due to a myriad of issues, including workforce shortages.

Over the last ten years there has been a decline in the number of youth offenders, and young people on community-based supervision orders.

There has been a decline in the percentage of children in out-of-home-care, although there was a sharp rise in 2016-17 in the percentage of children on care and protection orders.

Trends in mental health appear to be improving following a sharp rise during COVID, but more young people are being admitted to hospital now than a decade ago.

Youth unemployment remains much lower than the ten-year average, but a growing percentage of young people are not fully engaged in work or study.

Youth homelessness has remained relatively stable, but there has been an increase in younger children and teens accessing supported housing services.

This report also highlights two additional areas, children who are disengaged from mainstream school, and children and young people with a disability. Whilst not included in the core analysis, spending in these domains on late intervention is estimated to cost several billion dollars.

There is an urgent need to invest in evidence-based early intervention and wrap-around models that improve wellbeing for children, families and communities. While some examples have been provided, a comprehensive roadmap is needed that identifies early intervention opportunities (across the life course and portfolios) and strategies to back and build evaluated and evidence-based offerings, and develops data infrastructure to track and target progress. Governments across portfolios and departments and communities need greater capacity to find what is working to address the wellbeing priorities of different groups and communities and to invest in this.

The report also highlights the limitations on jurisdictions' capacity to invest, with states and territories bearing the cost for most early intervention spending but having limited capacity to raise revenue. By contrast, the Commonwealth benefits in the long run from early intervention through saving on benefits and increased taxes. This fiscal imbalance needs addressing.

The report relies on the best available data, which varies in currency and capacity to examine by different demographics. Good data is essential to make good decisions and assess the impact of spending. The report advocates for more regular data collection on prevalence and costs and tracking of early intervention spending to assess its effectiveness.

In order to reduce the cost of late intervention, governments can:

Invest in effective early intervention for all children and families

Governments should identify and invest in proven early intervention services that are tailored, sustained and configured for children, parent and family priorities. Track spending and outcomes to see where benefits are being accrued within and across portfolios to understand the return on investment.

Address the consequences of the vertical fiscal imbalance

This report shows that capacity to spend varies across governments. State and territory governments are responsible for most early intervention spending but the Commonwealth has greater revenue raising capacity. Alternative budgeting and investment methods are required to address this imbalance.

Invest in wrap-around models

Since the 2019 report, further evidence has been released on the need to stack interventions to support children and young people given the complexity of issues facing families. A variety of models such as hubs and foyers, enable providers to respond to a multiplicity of issues.

Improve data collection

This report is limited as the best available data is often drawn from 2021 census data. Other data, such as the extent or cost of school refusal, is not collected. Better and more regular data collection on key social issues is vital to support targeted early intervention.

Appendix 1: Data and methodology

This section provides an overview of the methodology to derive the cost estimates in this report.

The table below provides an overview of each issue, and the sub issues within them.

Table 5: Issues and individual spending items

Area of Spending	Sub-issue	Double Counting	Who pays?	Spend ($000's)
Child Protection & Safeguarding				**$10,197,411**
of which:				
A.01	Protective intervention services	No	State	$1,983,525
A.02	Out-of-home care services	No	State	$6,613,905
A.03	Intensive family support services	No	State	$656,636
A.04	Family support services	No	State	$943,345
Youth Justice (10-17)				**$1,529,906**
of which:				
B.01	Detention-based YJ services	No	State	$1,002,727
B.02	Community-based YJ services	No	State	$482,514
B.03	Group YJ conferencing	No	State	$44,665
Adult Justice (18-24)				$675,922
of which:				
C.01	Detention/incarceration	No	State	$547,366
C.02	Community support	No	State	$128,556
Youth Unemployment				**$2,483,223**
of which:				
D.01	Youth Allowance (other)	No	Commonwealth	$1,129,217
D.02	JobSeeker Payment	No	Commonwealth	$1,256,613
D.03	Commonwealth Rent Assistance	No	Commonwealth	$79,698
D.04	Special Benefit	No	Commonwealth	$17,694
Youth Homelessness				**$1,807,777**
of which:				
E.01	Health (Primary Care)	No	Commonwealth	$218,226
E.02	Health (Secondary Care)	No	State	$291,794
E.03	Police	Yes	State	$419,139
E.04	Courts	Yes	State	$207,419
E.05	Homelessness Services	No	State	$671,199
Family Violence				**$646,405**
of which:				
F.01	Youth crime - Policing	Yes	Commonwealth	$231,455
F.02	Youth crime - Justice	Yes	State	$231,455
F.03	Child education	No	State	$10,426
F.04	Child safeguarding	Yes	State	$173,070
Youth Crime				**$3,384,632**
of which:				
G.02	Health	No	State	$363,900
G.03	Courts	No	State	$139,862
G.04	Police	No	State	$2,880,871
Physical Health				**$1,224,076**
of which:				
H.01	PPH-Kidney and urinary tract infections	No	State	$58,666
H.02	PPH-Ear, nose and throat infections	No	State	$4,206
H.03	PPH-Diabetes complications	No	State	$50,520
H.04	PPH-Dental conditions	No	State	$174,643
H.05	PPH-Convulsions and epilepsy	No	State	$51,428
H.06	PPH-Asthma	No	State	$36,863
H.07	PPH-Other	No	State	$37,927
H.08	Obesity - Prescriptions	No	Commonwealth	$72,213
H.09	Obesity - Healthcare	No	State	$192,937
H.10	Child Injury	No	State	$544,674
Mental Health & Substance Misuse				**$1,608,166**
of which:				
I.01	PBS - mental health prescriptions	No	Commonwealth	$164,641
I.02	Specialised mental health care services	No	State	$941,959
I.03	Non-specialised hospital admissions	No	State	$387,338
I.04	MBS - mental health services	No	Commonwealth	$0
I.05	Alcohol related hospital admissions	No	Commonwealth	$43,279
I.06	Drugs related hospital admissions	No	Commonwealth	$70,948
Double-counting of costs				**$1,262,537**
NET TOTAL COSTS				**$22,294,980**

Estimation approach

The approach used to estimate costs is aligned with the approach used in the 2019 report.

We have utilised reported spend where this was reported by government or agencies on late intervention services. At times this was only available at aggregate level so we have made assumptions about breakdowns.

We have utilised unit cost where necessary, combining estimates of cost with incidence to provide total costs in areas such as hospital admissions.

We have utilised a range of data sources preferencing national government datasets where available, and drawing on other reports where these were not available.

Potential double-counting is accounted for where necessary, as is shown in the table above.

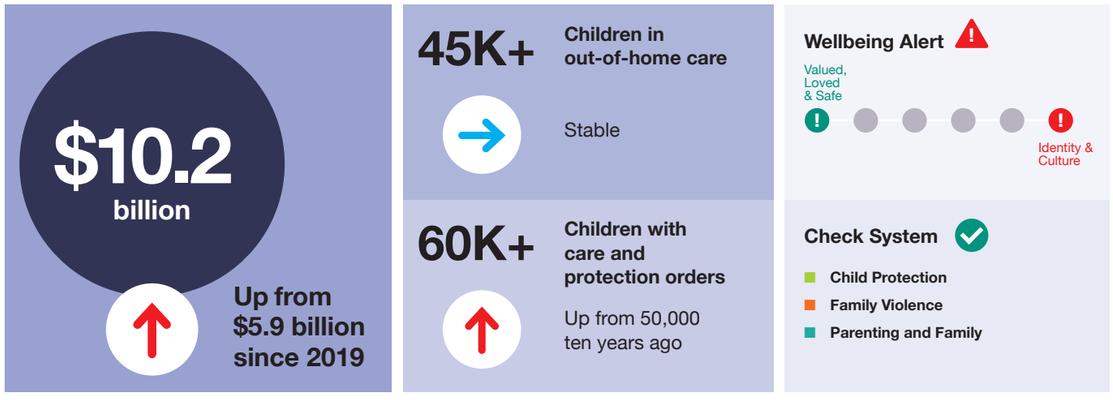
Appendix 1: Data and methodology

Assumptions and price adjustments

We have utilised 2023-24 data where possible. We adjusted estimates where they were from multiple or previous years, utilising government final consumption expenditure GDP deflators were used to adjust all categories of expenditure to constant prices (Australian Bureau of Statistics, 2024a) (Quarterly deflators were applied, taking the mid-point of the financial year.

Costing of individual issue areas

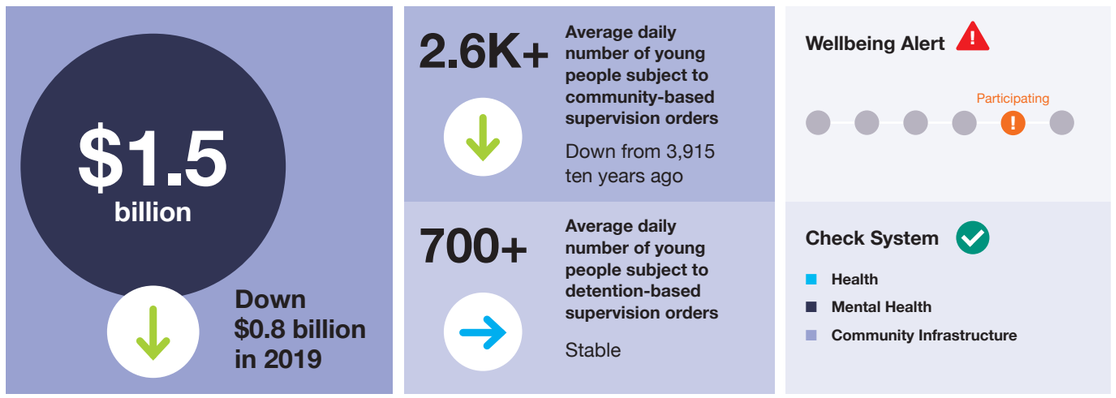
A. Child protection



Latest figures were taken from Report on Government Services (RoGS) (Productivity Commission, 2025c) for total state and territory spend on child protective services. This included: protective intervention service (A.01); out-of-home care services (A.02); intensive family support services (A.03); and family support services (A.04). Figures were consistent with 2023-24 prices.

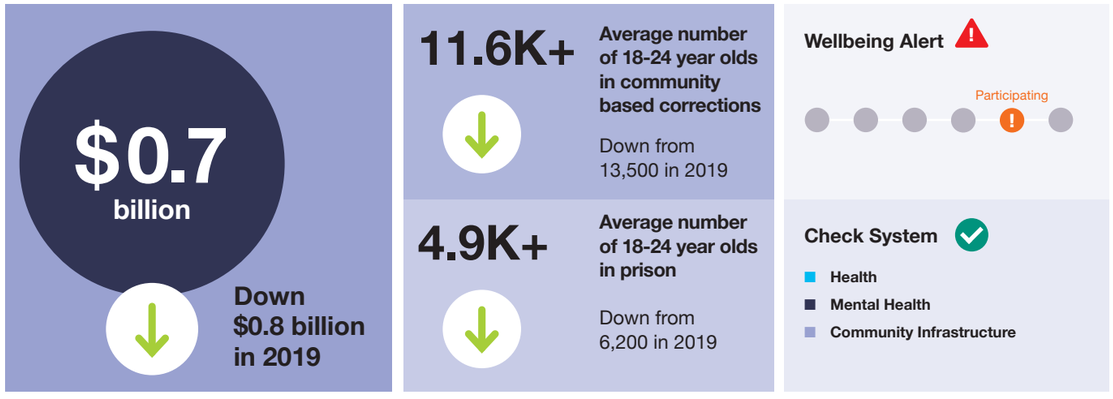
Commonwealth funding to the Northern Territory for intensive family support services (the bulk of the funding for this item, at $10.65m in 2023-34) is included as Northern Territory funding for the purposes of the child protection data.

B. Youth justice (10-17-year-olds)



As per above, figures were taken from RoGS (Productivity Commission, 2025d) This included: detention-based youth justice services (B.01); community-based youth justice services (B.02); and group youth justice conferencing (B.03). Our figures do not include data on formal police cautioning, as we could not find a source. The figures were consistent with 2023-24 prices. We considered wider crime and policing costs elsewhere.

C. Adult justice (18-24-year-olds)



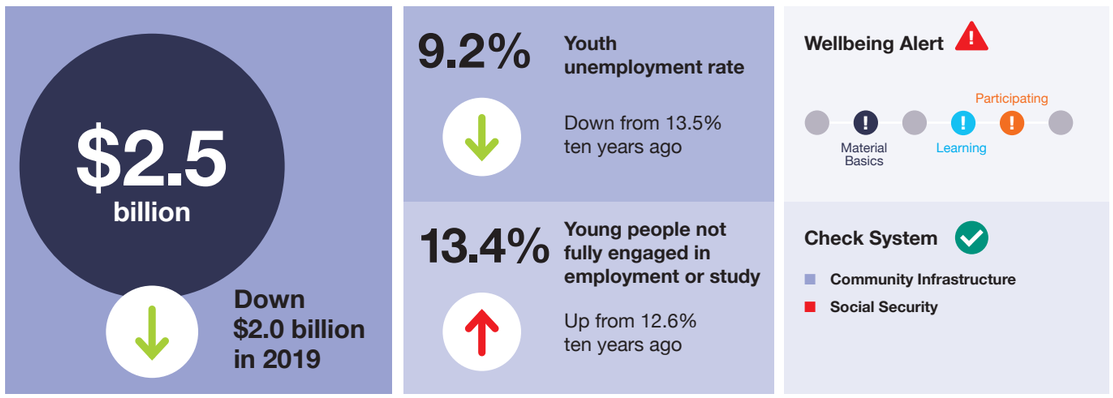
In order to capture costs of justice up until the scoped in age of 24, estimates needed to capture spending on younger adults in the adult justice system.

This required apportioning some of the total adult justice spend to this age group for prisons and community corrections. We did this for spending on prisons (C.01) and adults involved with community corrections (C.02).

We utilised table 7A.31 (Productivity Commission, 2025e) as a key source of expenditure data. For prison spend, total state and territory spend estimates were simply prorated by the proportion of prisoners under the age of 25 in each corresponding state or territory using age profile from the Table 2 of the ABS data (Australian Bureau of Statistics, 2024b).

ABS data was available for the state (Table 1) and age (Table 4) profile of adults on community corrections (Australian Bureau of Statistics, 2024c). The national age profile for community corrections was used to ascertain community corrections spend in each state and territory. Total figures were weighted in line with the age profile of the prison population within individual states, to ensure they corresponded with proportions of 18-24 year olds in prison in individual states.

D. Young people not in Education Employment or Training (NEET)/ Youth unemployment



In this analysis, the costs of being NEET were captured through the additional Commonwealth benefits expenditure to those out of work and not in education, aged 16-24.

Appendix 1: Data and methodology

This included spend on the following benefits:

- Youth Allowance (Other) Eligible to 16-21-year-olds who are not studying and looking for work or temporarily unable to work (D.01)
- Jobseeker Payment Eligible to 22-24-year-olds who are looking for work (D.02)
- Commonwealth Rent Assistance (CRA) Support for housing costs where eligibility is in conjunction with receipt of either Youth or Jobseeker Payment and where recipients are aged 16-24 (D.03)
- Special Benefit for recipients aged 16-24 in hardship (D.04).

We calculated this item by multiplying the number of claimants by age, type of benefit and benefit rate. Quarterly snapshots for 2023-24 were utilised to derive the average number of payments (Department of Social Services, 2025). For CRA we prorated total CRA claims by the ratio of 16-24 year olds claiming Newstart or Jobseeker Allowance.

Table 6: NEET costs - Estimated number of benefit claimants 16-24 (2023-24)

Payment type	ACT	NSW	NT	QLD	SA	Tas	Vic	WA
Commonwealth Rent Assistance	511	7,066	241	7,582	2,130	997	5,584	2,387
Special Benefit	20	331	15	270	58	29	285	111
Youth Allowance (other)	780	22,005	3,534	21,626	6,798	2,696	14,406	9,379
JobSeeker Payment	803	18,865	2,159	16,298	5,878	2,091	16,400	7,388

Unit cost estimates

There was no available data on the average annual rate claimed by benefit recipients. We utilised the same assumptions applied in the 2019 report, utilising published figures for payment rates (Services Australia, 2025a; Services Australia, 2025b; Services Australia, 2025c; Services Australia, 2025d) and aggregating these to annual amounts.

Youth allowance

No publicly available data was found that breaks down the profile of claimants by the rate for which they are eligible. We applied a series of assumptions from the broader data about proportion of claimants in a couple and part time claimants. For claimants receiving a partial rate, we assumed they received half the full eligible amount.

Commonwealth Rent Assistance

Fortnightly payment amounts were available by benefit but not age. We utilised an average amount for those who qualify through Youth Allowance, and applied this to the numbers claiming JobSeeker Allowance.

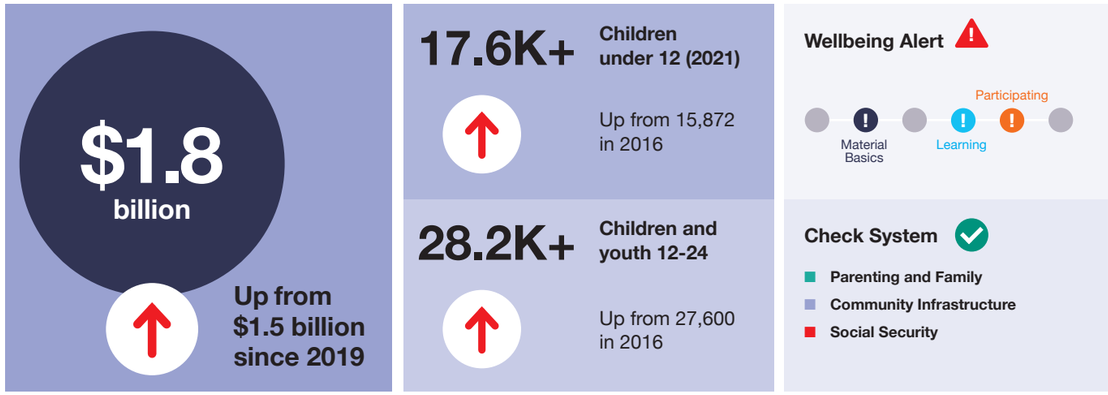
Special Benefit

This benefit is usually paid at the same rate as Youth or Newstart Allowance (Services Australia, 2025d) Therefore, the average rate estimated for these two payments was applied to the small number of Special Benefit recipients aged 16-24 .

Table 7: Average benefit rates used in model(2023-24 rates)

Payment type	ACT	NSW	NT	QLD	SA	Tas	Vic	WA
C'wealth Rent Assistance	$3,008	$3,008	$3,008	$3,008	$3,008	$3,008	$3,008	$3,008
Special Benefit	$15,972	$15,786	$15,450	$15,656	$15,794	$15,685	$16,075	$15,700
Youth Allowance (other)	$13,903	$13,903	$13,903	$13,903	$13,903	$13,903	$13,903	$13,903
JobSeekers Payment	$17,982	$17,982	$17,982	$17,982	$17,982	$17,982	$17,982	$17,982

E. Youth homelessness



We used direct spend where available for homelessness services (E.05) and for indirect costs applied assumptions about the additional cost of service use for homeless young people compared to unemployed young people.

Homelessness services (E.05)

We utilised Report on Government services data in table 19A.1 ((Productivity Commission, 2025b) which provided expenditure by state. As in the 2019 report, this excluded capital works or other expenditure, such as fundraising, so does not represent the true cost of these services.

Figures access to homelessness services was derived from the AIHW data cube, which includes age and state splits and days of support (Australian Institute of Health and Welfare, 2025). For each state and territory, estimates were produced from the AHIW data cube for the total number of support days for all people and those aged just 0-24. The relative ratio was applied to the total state-level homelessness service spend figures from RoGS.

Indirect costs (E.01-E.04)

Figures from (MacKenzie, 2016) provided estimates of the difference in average annual service use for young people accessing specialist homelessness services (aged 15-24) and unemployed young people in the same age range. In addition, Mackenzie et.al converted the estimates of service use into average annual cost figures. We used the difference in costs to estimate the additional costs of homelessness.

Table 8 Health, police and justice costs compared - 2011-12 prices:

	General Population	Homeless	Un-employed	COST IMPACT
Health – Primary	$886	$3,294	$409	$2,885
Health – Secondary	$1,387	$5,211	$1,353	$3,858
Police	$277	$6,402	$860	$5,542
Justice	$227	$3,039	$296	$2,742
Total	**$2,778**	**$17,945**	**$2,917**	**$15,028**

To derive state and territory level total annual costs, we combined unit cost with AHIW data. We used the total number of young people accessing specialist homelessness services in the age range 15-24 for individual states and territories.

Table 9 Numbers of people accessing services by age:

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT
0-25	33,057	36,120	20,763	9,650	7769	2,418	1,510	3,927
Total	**17,060**	**16,100**	**9,023**	**3,701**	**3673**	**1,605**	**839**	**1,634**

A small adjustment was applied to account for children and young people who are treated in more than one state. As elsewhere, the figures were converted to 2023-24 prices using GDP deflators.

Appendix 1: Data and methodology

F. Family violence

As per the 2019 report, we utilsed the KPMG report (The cost of violence against women and their children , 2016) supplemented with updates estimates about the number of family violence incidents ((Australian Bureau of Statistics, 2023) and whether children were present (Australian Bureau of Statistics, 2016). We only included items related to child costs such as youth crime, education and child protection. We assumed the KPMG report used 2015-16 values and used GDP deflators to reflect 2023-24 dollars.

Table 10: Derived unit costs child family violence

	2015-16 Prices ($m)	Women/ Children incl. in Estimate	Implied cost per person	Base Year	Inflator Year	Adjust-ment	Final Spent per Head Figures
Youth crime – Policing	$111	438,394	$253	Dec 2015	Dec 2023	21.5%	**$308**
Youth crime – Justice	$111	438,394	$253	Dec 2015	Dec 2023	21.5%	**$308**
Child education	$5	438,394	$11	Dec 2015	Dec 2023	21.5%	**$14**
Child protection	$83	438,394	$189	Dec 2015	Dec 2023	21.5%	**$230**

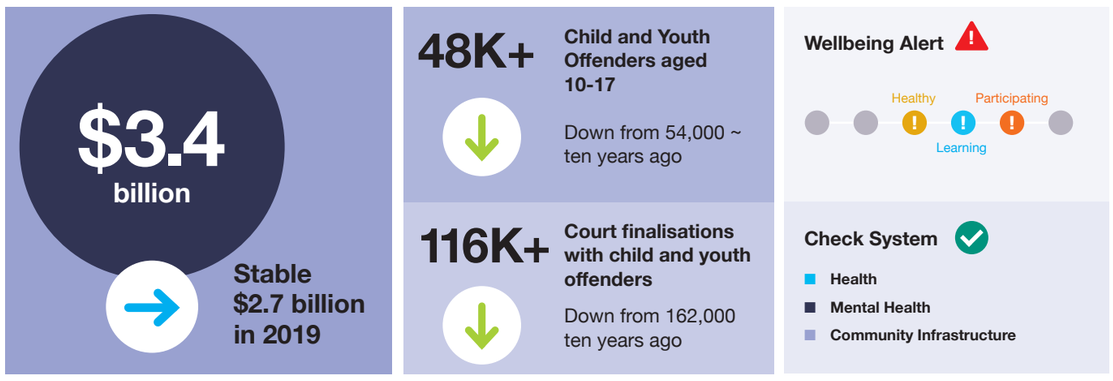
To estimate unit costs, the total government cost figures were divided by the reported acts of partner violence used in the original KMPG analysis and adjusted for emotional abuse and stalking to prevent overlap with women who experienced acts of physical or sexual violence. We apportioned half the total youth crime costs to policing and justice respectively. We utilised the 2021-22 Personal Safety, Australia survey (Australian Bureau of Statistics, 2023) for updated data on prevalence. As per 2019 we applied a 45% average to reflect the proportion of violence against women in the presence of a child.

The table below shows the estimated costs for family violence in total. This includes expenditure on adult services, shaded, which are out of scope for this report.

Table 11: Total estimated family violence costs ($000's, 2023-24 prices)

	WA	Vic	Tas	SA	Qld	NT	NSW	ACT	TOTAL
Health – C'wealth	$58,514	$106,773	$10,706	$29,018	$103,562	$4,254	$153,342	$6,198	**$472,367**
Health – State/ Territory	$48,456	$88,419	$8,865	$24,029	$85,759	$3,523	$126,983	$5,133	**$391,167**
Youth crime - Policing	$28,671	$52,318	$5,246	$14,218	$50,744	$2,084	$75,136	$3,037	**$231,455**
Youth crime - Justice	$28,671	$52,318	$5,246	$14,218	$50,744	$2,084	$75,136	$3,037	**$231,455**
Child education	$1,291	$2,357	$236	$640	$2,286	$94	$3,385	$137	**$10,426**
Child safeguarding	$21,439	$39,121	$3,922	$10,632	$37,944	$1,559	$56,183	$2,271	**$173,070**
Adult crime - Policing	$63,741	$116,312	$11,662	$31,610	$112,813	$4,634	$167,041	$6,752	**$514,565**
Adult crime - Justice	$63,741	$116,312	$11,662	$31,610	$112,813	$4,634	$167,041	$6,752	**$514,565**
Community services	$69,072	$126,040	$12,637	$34,254	$122,249	$5,022	$181,012	$7,316	**$557,601**
Welfare Benefits	$185,429	$338,362	$33,925	$91,956	$328,184	$13,481	$485,938	$19,641	**$1,496,916**
Total	**$569,027**	**$1,038,331**	**$104,107**	**$282,185**	**$1,007,099**	**$41,369**	**$1,491,196**	**$60,273**	**$4,593,586**

G. Youth crime



We utilised a variety of methods to derive youth costs.

Health Costs (G.01-G.02)

As per the 2019 report, health cost estimates were derived from Australian Institute of Criminology (AIC) estimates, Counting the Costs of Crime in Australia: A 2011 estimate, using a unit-cost approach (Australian Institute of Criminology, 2014) This report estimated the total health, policing, insurance and wider economic costs of crime. As most of the description of the services impacted relate to services that states would fund (e.g. hospital admissions, ambulance services) we assumed all costs impacted at state and territory level.

Table 12: Health costs by crime type

Area of spend	Unit Cost
Homicide	$10,100
Assault	$320
Sexual Assault	$500
Robbery	$481
Arson	$2,742

Appendix 1: Data and methodology

The number of crimes committed were based on Australian Bureau of Statistics (ABS) data for the number of victims by crime type and broken down by state and territory (Australian Bureau of Statistics, 2024b). Data for arson related crimes were from individual state websites (Government of Western Australia, 2025; SA Police, 2024; NSW Bureau of Crime Statistics and Research, September 2024; Queensland Police, 2025; Crime Statistics Agency, 2025; Department of Police, Fire and Emergency Management Tasmania, 2024). In the absence of published data we utilised imputed data for Northern Territory or the Australian Capital Territory.

We utilised RoGs data (Productivity Commission, 2025g) to estimate the undercount in the number of victims and inflate the ABS data. We applied national data on the profile of offenders (Australian Bureau of Statistics, 2025) to state level estimates of inflated crime to estimate crime numbers committed by 10-24 year olds. We utilised unit health costs (Australian Institute of Criminology, 2014) which were inflated inline with the AIHW Total Health Price Index (Australian Institute of Health and Welfare, 2024).

Court Costs (G.03)

To estimate court costs we combined data on the number of court finalisations by state and territory, type and defendant age (Australian Bureau of Statistics, 2024b) with RoGS figures on the cost per finalisation (Productivity Commission, 2025g).

RoGS figures provided state and territory breakdowns of the cost per court finalisation (Productivity Commission 2019b, Chapter 6, table 7A.27). Figures for the costs in Supreme Courts and District/Country Courts (which sit within the definition of the Higher Courts reported in the ABS data) were reported separately. A weighted average cost was derived for these two tiers. As per the 2019 report (Teagar, Fox, & Stafford, 2019) we assumed 2% of activity occurred in Higher Courts, as compared to 98% in District Courts. This did not apply for Tasmania, the Australian Capital Territory or the Northern Territory which do not have district courts. We utilised ABS data (Australian Bureau of Statistics, 2024b) on the length of time to finalise a court case to provide an estimate of the cost per court level per stat, multiplying this by the number of 0-24 year old finalisations to derive total court costs.

Policing Cost (G.04)

We prorated total state and territory spend on policing by the number of offences committed by 10-24-year-olds and weighted this to reflect the difference in cost by type of crimes committed.

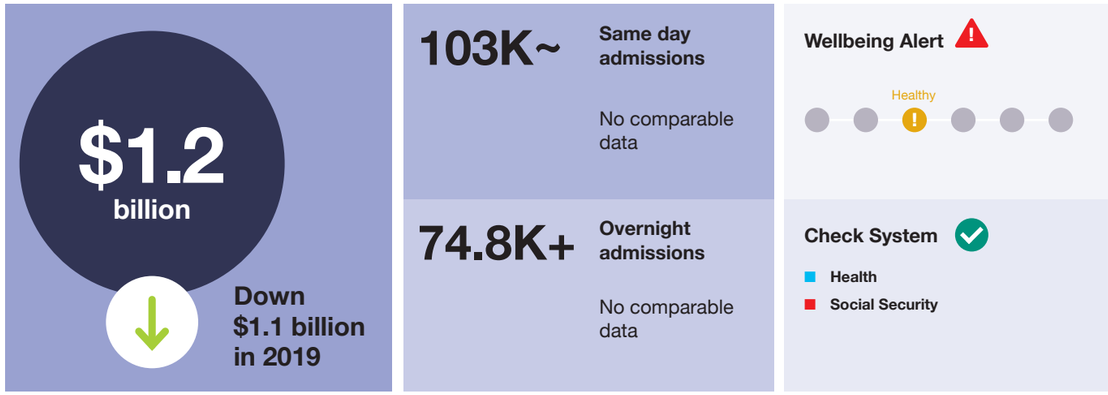
Number of offenders

We utilised ABS data on offenders in 2023-24 by offence and state and territory, using national age figures to derive state estimates (Australian Bureau of Statistics, 2025).

Cost of crimes

We utilised RoGs (Productivity Commission, 2025g) data for total spend on policing, drawing on the methodology from the 2019 report to estimate 64% of spend is related directly to the costs of policing. As per the 2019 report (Teagar, Fox, & Stafford, 2019), this was weighted to estimate the resource intensity of certain crimes.

H. Physical Health



Physical health costs were derived from a series of bottom-up estimates.

Potentially Preventable Hospitalisations (H.01-H.07)

Potentially Preventable Hospitalisations (PPHs) are defined as:

- "acute (conditions that usually come on suddenly, and may not be preventable, but may not result in hospitalisation if timely and adequate care had been received in the community)
- vaccine-preventable (hospitalisations due to conditions that can be prevented by vaccination)
- chronic (conditions that are persistent and long-lasting but may be preventable through lifestyle change, and can also be managed in the community to prevent worsening of symptoms or hospitalisation) (Australian Institute of Health and Welfare, 2024c)."
- We captured the cost of PPHs relating to:
- kidney and urinary tract infections
- ear, nose and throat infections
- diabetes complications
- dental conditions
- convulsions and epilepsy
- asthma
- other, including: rheumatic heart disease; perforated/bleeding ulcer; pelvic inflammatory disease; nutritional deficiencies; and iron deficiency anaemia.

PPHs were only included where the derivation of the age profile of admissions could be obtained straightforwardly from published data about primary reasons for hospital admissions. These items are highly likely to capture issues that particularly affect young people. PPHs that were excluded included: angina; bronchiectasis; cellulitis; chronic obstructive pulmonary disease; congestive heart failure; gangrene; hypertension; other vaccine-preventable conditions; and pneumonia.

Appendix 1: Data and methodology

Number of PPHs

We utilised Potentially preventable hospitalisations in Australia by age groups and small geographic areas data (Australian Institute of Health and Welfare, 2024c) to ascertain numbers of PPHs per state and in aggregate. We used AHIW's published list of codes for identifying potentially preventable hospitalisations to ascertain principal diagnosis hospitalisations data by age for PPHs (Australian Institute of Health and Welfare, 2022-23), including overnight stays and length of stays We created national level estimates which were then applied to the state and territory data on separations by days.

Table 13: Estimated number of PPHs - Under 25s

	Vic	NSW	ACT	NT	Qld	SA	Tas	WA
Urinary tract infections	4,277	6,375	340	320	5,436	1,535	366	2,242
Rheumatic heart disease	1,096	1,177	20	0	1,860	465	106	644
Perforated/bleeding ulcer	176	226	12	8	87	60	16	98
Pelvic inflammatory disease	271	577	33	83	542	145	46	245
Nutritional deficiencies	348	382	66	0	938	40	46	372
Iron deficiency anaemia	1,308	996	38	24	698	47	252	282
Ear, nose and throat	329	422	20	37	559	154	0	169
Diabetes complications	4,046	3,408	225	334	4,425	1,772	0	2,549
Dental conditions	18,760	26,860	1,845	623	19,087	9,942	1,925	13,295
Convulsions and epilepsy	3,486	6,260	288	458	3,395	1,516	469	2,286
Asthma	3,285	4,021	185	267	3,766	1,124	424	1,074
Total	**37,382**	**50,703**	**3,072**	**2,153**	**40,793**	**16,801**	**3,650**	**23,257**

Cost of PPH hospitalisations

For each PPH, the Independent Health and Aged Care Pricing Authority (IHACPA) provided state and territory level estimates of the costs per separation and per patient day for same-day and overnight separations (Independent Health and Aged Care Pricing Authority, 2023).

Table 14: Average hospitalisation cost per day (2020-21)

	NSW	Vic	QLD	SA	WA	Tas	NT	ACT	National
Same-day	$1,525	$1,744	$1,479	$1,617	$1,805	$2,215	$1,133	$1,356	$1,611
Overnight	$2,238	$2,740	$2,621	$2,782	$3,454	$3,044	$3,020	$3,108	$2,622
Average	$2,124	$2,461	$2,289	$2,532	$2,963	$2,838	$2,306	$2,727	$2,377

This was multiplied by the number of separations and days, adjusted by GDP deflators to the appropriate year.

Obesity-related costs (H.08-H.09)

As per the 2019 report (Teagar, Fox, & Stafford, 2019) we derived obesity costs from four studies on the additional health cost of obesity. Our obesity-related health costs were derived from four studies that examined the average annual additional health costs incurred by obese children and young people which, combined, provide sufficient data on costs by age (Lee, 2018; Black, 2018; Hayes, 2016; PWC, 2015).

Number of overweight and obese young people

Estimates from the National Health Survey 2022 provided state and territory level data on the number of children and young people who are overweight or obese ((Australian Bureau of Statistics, 2023)These were aggregated for the appropriate age range.

Unit cost assumptions

Unit cost assumptions were taken from four separate sources as follows: overweight and obese children aged 2-4 (Hayes, 2016); overweight and obese young people aged 6-17 and for the prescription costs of 18-24-year-olds, (Black, 2018); healthcare costs of young people aged 18-24 (Lee, 2018) and the costs of obese people aged 18-24 (PWC, 2015). These assumption were applied to data on the number of overweight and obese young people by state and territory, with all healthcare costs attributed to states and territories and prescription costs to the the Commonwealth Government.

Child injury-related hospital admissions (H.10)

Child injury admissions include all sources of child injury.

Number of child injury-related hospital admissions

AIHW data on Injury hospitalisations and Emergency Department presentations (2022–23) and deaths in Australia (2021–22) (Australian Institute of Health and Welfare , 2024) reported detailed breakdowns of the age profile of hospital separations due to injury at national level. These were aggregated to provide an overall profile of child injury-related hospital admissions for 2022-23.

This data was combined with population estimates for 2023-24 to derive hospitalisation rates. Data on the total number of injury-related hospital admissions was incorporated to reflect the share by state of industry relates separations. While not broken down by age, the data in tables S4.5,S4.6, S4.8 and S4.9 reflected which states have higher rates of injury-related separation (Australian Institute of Health and Welfare, 2024).

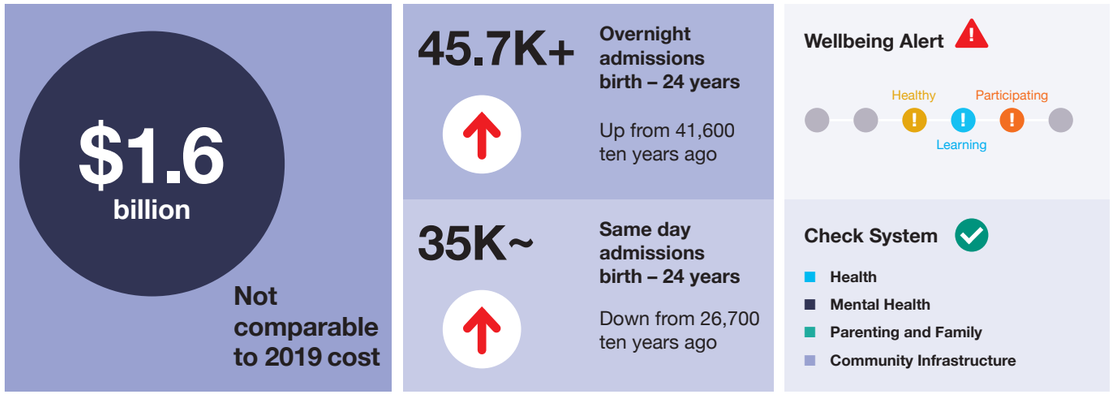
These figures were used to weight the overall volume estimates for children and young people, to give higher weights to states and territories with higher rates of overall injury-related separations.

Cost of hospital admissions

We applied total volume estimates by state and territory to average unit cost estimates for hospitalisations for same-day and overnight admissions. The proportion of injury-related admissions that were same-day or overnight was taken from the AHIW admitted patient care statistics (Australian Institute of Health and Welfare, 2024). These relate to all ages of injury. The average length of separations for overnight patients was taken from the AHIW trends in injury publication, which reported average length of admissions by age ((Australian Institute of Health and Welfare , 2024), We combined this with cost data and assumptions as per the PPH's estimates to yield government injury-related cost estimates that fall on the government. As elsewhere, we used GDP deflators to convert cost estimates into 2023-24.

Appendix 1: Data and methodology

I. Mental health



Our estimates for spend on mental health and substance misuse are based on a variety of methods.

Mental-health-related prescriptions (I.01)

The government contribution to mental health prescription costs was estimated by the number of prescriptions for the relevant age group and drugs by state and territory with estimates of the average government contribution through the Pharmaceutical Benefits Scheme (PBS).

Number of prescriptions

AHIW figures for the total number of PBS-funded mental-health-related prescriptions were broken down by class of prescribed drug and state and territory (Australian Institute of Health and Welfare, 2024) for 2022-23. The same data source has prescriptions disaggregated by age group, so by combining both data sets we know how many children and young people were prescribed medication by age and type. We could also apportion the total number of prescriptions that went to 0-24 year olds by drug type and apply this to state and territory data.

Table 15: Estimates number of mental health prescription, aged under 25

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT
Antipsychotics	119,556	103,982	74,946	34,123	30,390	9,158	5,231	2,001
Anxiolytics	21,632	28,764	23,077	8,871	8,266	2,920	1,182	313
Hypnotics and sedatives	6,096	5,993	4,482	2,174	1,743	490	260	70
Antidepressants	868,901	762,969	702,636	332,496	230,559	94,329	52,254	13,708
Psychostimulants	604,413	425,425	443,122	338,766	88,768	46,699	47,648	15,681
Total	**1,620,598**	**1,327,134**	**1,248,262**	**716,430**	**359,726**	**153,597**	**106,576**	**31,773**

Government contribution

Our estimates for the average government contribution per drug prescription were derived from underlying published PBS and RPBS figures. Monthly data on total prescriptions funded via PBS is published by individual drug class and type and with the total cost and government contribution (Australian Institute of Health and Welfare, 2025). This is used to estimate the total amounts funded for the relevant mental-health-related drugs.

Table 16: Average estimated mental health prescription costs

	Total Prescriptions	Total Gov. Contribution	Average Contribution
Antipsychotics	4,038,557	$218,664,675	$54
Anxiolytics	2,818,846	$23,452,345	$8
Hypnotics and sedatives	1,592,673	$13,350,128	$8
Antidepressants	34,227,176	$240,387,422	$7
Psychostimulants	4,747,934	$225,156,810	$47

We applied these average contribution estimates to the total derived number of mental health-related prescriptions by state and territory for 0-24-year-olds to estimate the total spend for this age group at state level. As elsewhere, we applied GDP deflators to adjust figures to the relevant price year.

Specialist mental health care services (I.02)

State and territory spend figures on specialist mental health services (public psychiatric hospitals; specialised psychiatric units or wards in public acute hospitals; community mental health care services; and residential mental health services) are reported by AIHW (Australian Institute of Health and Welfare, 2025). State and territory figures for expenditure on child, adolescent and youth services were combined, and the relevant price adjustment was applied.

Non-specialist hospital admissions (I.03)

For hospital admissions relating to mental health issues with non-specialist treatment, a bottom-up approach was used, similar to that we applied elsewhere for the costs of hospital admissions.

Number of admission days

AHIW data provided the number of same-day (Australian Institute of Health and Welfare, 2024) and overnight separations (Australian Institute of Health and Welfare, 2024) without specialised psychiatric care at state and territory level. National figures of the average profile of same-day and overnight separations were provided in the same publication which were applied to the aggregate state and territory figures to estimate the number of 0-24 years mental health-related separations by state and territory.

To estimate the total number of hospital days, for same-day admissions, we assumed individuals were admitted for a single day. For overnight admissions, estimates of the average length of separations were multiplied by the number of admissions to derive figures for the total number of patient days.

Cost of admissions

To estimate the cost of hospital separations, we used the Independent Health and Aged Care Pricing Authority data (2023) for the average cost per patient day per separation, for overnight and same-day patients, by state and territory. These were applied to the relevant state and territory estimates for the number of patient days. GDP deflators were used to convert the combined figures to the relevant price year.

MBS-related mental health expenditure (I.04)

Updated data on MBS related expenditure was not

Drug- and alcohol-related hospital admissions (I.05 & I.06

This item combines data on hospital admissions linked to drug and alcohol use with the cost of hospital admissions.

Drug- and alcohol-related patient days

AHIW's principal diagnosis data cube was used to derive estimates of the number of 0-24-year-olds admitted to hospital due to drug- or alcohol-related conditions (Australian Institute of Health and Welfare, 2024).

To derive state and territory level estimates, we firstly prorated total admissions for drug- and alcohol related reasons for 0-24-year-olds to state and territory level by dividing them by the share of the overall population of 0-24-year-olds in each state. We used AHIW state-level figures for all admissions to hospital across all age groups for reasons of 'Injury, poisoning and certain other consequences of external causes' to give a higher weight to states with relatively higher admissions for injury and related factors, under which alcohol and drugs are a subcategory (Australian Institute of Health and Welfare, 2023). These figures were further separated by the proportion of admissions that took place in public and private hospitals and the 'injury' rate was applied to admissions relating to the use of drug and alcohol.

Cost of admissions

As elsewhere, the average IHPA figures (Independent Health and Aged Care Pricing Authority, 2023) for state and territory costs per patient day were applied to the same-day and overnight patient day estimates for admissions relating to drugs and alcohol. We used aggregate AHIW figures for the source of funding in public and private hospitals to prorate the total cost estimates, isolating only those costs that fell on states to fund (Australian Institute of Health and Welfare, 2024). These figures were disaggregated by age and applied for the proportion relating to 0-24-year-olds.

Appendix 2: Mapping wellbeing and associated subsystems

Issue	Categories of expenditure included	Wellbeing precondition not met	Associated sub-system
Child Protection	Protective intervention services Out-of-home care services Intensive family support services Family support services	Valued, Loved and Safe Positive Sense of Identity and Culture	Child Protection Parenting and Family supports
Youth Justice (10-17 years)	Detention-based youth justice services Community-based youth justice services Group youth justice conferencing	Participating	Health Community Infrastructure Parenting and Family Supports
Adult Justice (18-24 years)	Detention/incarceration Community support	Participating	Health Community Infrastructure Parenting and Family Supports
Youth Unemployment	Youth Allowance (Other) Jobseeker Allowance Commonwealth Rent Assistance Special Benefit	Material Basics	Social Security Community Infrastructure
Youth Homelessness	Health (Primary Care) Health (Secondary Care) Police Courts Homelessness Services	Material Basics Learning Participating	Social Security Affordable Housing Community Infrastructure
Family Violence	Youth crime – policing and justice Child education Child protection	Valued, Loved and Safe Learning Positive Sense of Identity and Culture	Family and Domestic Violence supports
Youth Crime	Health Courts Police	Participating Positive Sense of Identity and Culture	Community Infrastructure Health Mental Health
Physical Health	Potentially preventable hospitalisations Obesity - Prescriptions Obesity – Healthcare Child Injury	Healthy Learning Participating	Health Social Security
Mental Health and Substance Misuse	Pharmaceutical Benefits Scheme (PBS) – mental health prescriptions Specialised mental health care services Non-specialised hospital admissions Alcohol-related hospital admissions Drug-related hospital admissions Note: Medicare Benefits Schedule (MBS) – mental health services is not included in 2025 report due to lack of data	Healthy Learning Participating	Mental Health Health Community Infrastructure

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