

# Funding for Services: Investing in healing

## OUR POSITION:

Stable funding enables services to deliver developmentally appropriate care for children and young people, ongoing support for adult survivors, and culturally safe programs for diverse populations, including First Nations communities.

Bravehearts advocates for:

- Sustainable Core Funding Models.
- Workforce Development.
- Integrated Service Systems.
- Equity, Accessibility, and Cultural Safety.
- Innovation and Technology.
- Data Collection, Evaluation, and Research.

## Background

Sustainable funding for counselling services for victims of child sexual abuse and exploitation is not simply a budgetary consideration; it is a profound ethical and social responsibility. Child sexual abuse is associated with complex and enduring impacts, including post-traumatic stress, depression, anxiety, substance misuse, disrupted attachment, and heightened risk of revictimisation (Australian Institute of Health and Welfare, 2025). Without access to timely, specialist, trauma-informed counselling, these harms can persist across the lifespan, affecting education, employment, relationships, and physical health. However, many specialist services operate under short-term, insecure, or insufficient funding arrangements, constraining their ability to meet demand, retain highly trained clinicians, and offer the long-term support that recovery from complex trauma often requires.

## Prevalence and Scope of Child Sexual Abuse and Exploitation

The Australian Child Maltreatment Study (ACMS) provides the first comprehensive national prevalence estimates for childhood maltreatment in Australia, including child sexual abuse, based on a representative sample of over 8,500 Australians aged 16 years and older (Mathews et al., 2023). The study found alarmingly high rates of child sexual abuse, with 28.5 % of participants reporting that they experienced sexual abuse before the age of 18, making it one of the more prevalent forms of maltreatment identified alongside physical and emotional abuse (Mathews et al., 2023). The prevalence was substantially higher for females (37.3 %) compared with males (18.8 %), indicating significant gender disparities in exposure. Most victims reported repeated incidents: 78 % of those who experienced sexual abuse said it occurred more than once, and 42 % reported more than six incidents, highlighting both the chronic nature of many abuse experiences and the scale of harm endured (Mathews et al., 2023).

Available Australian data indicate that digital child sexual exploitation is a growing safeguarding concern. In 2024–25, the Australian Centre to Counter Child Exploitation received over 82,000 reports related to online child sexual exploitation, representing a substantial year-on-year increase in referrals (Australian Centre to Counter Child Exploitation, 2025). Research and surveillance conducted by the eSafety Commissioner (2023) shows that approximately one-third of Australian children aged 10–17 have been exposed to sexually explicit material online, with rising reports of image-based abuse and sexual extortion.

These figures underscore that child sexual abuse in Australia is not an isolated phenomenon but a widespread public health concern requiring sustained preventive and therapeutic responses.

### **Psychological and Developmental Consequences of Child Sexual Abuse**

Research consistently shows that child sexual abuse is strongly associated with elevated levels of psychological distress both during childhood and across the lifespan. Survivors are at increased risk for depression, anxiety disorders, post-traumatic stress disorder (PTSD), and other mood disorders. A systematic review focusing on PTSD in sexually abused children and adolescents highlights that traumatic symptoms can persist over time and affect emotional regulation, social functioning, and cognitive processing if untreated (Alves et.al., 2024). National data also links child sexual abuse with formal diagnoses of major depressive disorder, generalised anxiety disorder, and substance use disorders later in life, underscoring its profound impact on adult mental health (Australian Institute of Health and Welfare, 2025).

Beyond diagnosable conditions, child sexual abuse is associated with pervasive effects on self-concept and interpersonal relationships. Many survivors develop patterns of mistrust, fear of intimacy, and difficulties regulating emotion, which can contribute to social withdrawal or relationship instability. Research also indicates that psychological effects vary widely, depending on factors such as the child’s age at onset, duration of abuse, relationship to the perpetrator, and availability of social support (Vera-Gray, 2023).

#### Developmental and Lifelong Consequences

Child sexual abuse impacts not only emotional health but also broader developmental trajectories. Longitudinal and meta-analytic studies have demonstrated associations between early sexual trauma and decreased educational attainment, impaired future orientation, and reduced economic stability in adulthood (Downing, Akinlotan, & Thornhill, 2021; Henkhaus, 2022). Survivors may struggle with cognitive and academic engagement during formative years, with cumulative effects on occupational prospects and financial security (Ochoa & Constantin, 2023).

Developmentally, abuse can interrupt normative psychosocial milestones. Early trauma alters how children perceive safety, attachment, and self-worth, often leading to maladaptive behavioural patterns. This includes increased risk for substance misuse, self-harm behaviours, and revictimisation in adolescence or adulthood. Research suggests that repeated or chronic abuse is particularly likely to precipitate complex trauma responses (Ali et.al., 2024), including what is sometimes described clinically as Complex PTSD, which involves deep-seated emotion regulation difficulties and persistent negative self-beliefs.

## Biological and Neurodevelopmental Considerations

Emerging research in psychobiology suggests that the impact of child sexual abuse extends to physiological systems. Trauma during critical developmental windows can influence stress-response mechanisms, immune function, and even neural development. Studies have documented changes in endocrine regulation and alterations in neural circuitry associated with emotion and threat processing in survivors of early life abuse, indicating long-term biological embedding of trauma (Lo Iacono, Trentini & Carola, 2021). Such changes can affect lifelong response to stress and vulnerability to health problems, further linking early psychological trauma with later physical morbidity.

## Variability and Protective Factors

It is important to acknowledge variability in outcomes. Although many individuals experience significant adverse effects, not all survivors develop chronic psychopathology. Protective factors include strong attachment to non-abusive caregivers, timely disclosure and supportive responses following abuse, and access to effective therapeutic interventions (Vera-Gray, 2023). Social support and resilience-enhancing resources can attenuate the severity of outcomes and buffer long-term impacts.

## **The Economic Case for Funding**

Child sexual abuse imposes substantial economic and social costs on individuals, families, and broader society, making the economic case for adequately funded therapeutic and support services compelling.

In Australia, government expenditure on child protection, out-of-home care, and family support services was estimated at over \$5.2 billion in 2016/17, reflecting a significant direct cost burden associated with responding to child maltreatment, including sexual abuse (Australian Institute of Family Studies, 2018). However, these figures capture only part of the picture, focusing primarily on system costs rather than the long-term health, social, and productivity costs associated with untreated trauma.

Children who experience sexual abuse are at elevated risk of enduring mental health conditions such as post-traumatic stress disorder (PTSD), anxiety, depression, substance use, and other psychosocial sequelae across the lifespan, with significant implications for health service utilisation, educational attainment, and labour market participation (see above section). These outcomes translate into indirect economic costs, including lost productivity, increased welfare dependency, higher healthcare spending, and involvement with justice systems. While quantifying these indirect costs is complex, Australian research initiatives are underway to map these broader economic impacts rigorously, especially in the context of online child sexual exploitation and abuse (National Centre for Action on Child Sexual Abuse, 2024; Rimer & Callaway, 2024).

## Direct and Indirect Costs of Untreated Trauma

From an economic perspective, untreated trauma from child sexual abuse creates costs in numerous domains. Direct costs include acute healthcare, psychological treatment, crisis support, and child protection system engagement. Indirect costs (which often far exceed direct service costs) accrue

through long-term mental and physical health conditions, employment disruptions, homelessness risk, and increased reliance on social support systems. These costs also extend to families and communities, including lost productivity, caregiver burden, and educational underachievement. Australian data on domestic and family violence highlight how trauma can compromise economic security and increase public expenditures over time (Australian Institute of Health and Welfare, 2025b). A Deloitte Access Economics report (2019) found that the estimated annual burden of violence against children and young people in Australia was \$34.2 billion, with a lifetime cost at \$78.4 billion. An early study estimated that if the impacts of child sexual, emotional and physical abuse in Australia (on an estimated 3.7 million adults) are adequately addressed through timely and comprehensive intervention, the combined budget position of Federal, State and Territory Governments could be improved by a minimum of \$6.8 billion annually (Kezelman et.al., 2015).

Economists emphasise that if trauma and its impacts remain unaddressed, the cumulative lifetime costs for survivors can far exceed the investment required for early and effective intervention. For example, international models suggest that therapeutic approaches such as trauma-focused cognitive behavioural therapy (TF-CBT) yield measurable quality-adjusted life-year gains relative to no treatment and may be cost-effective compared to non-directive therapies, though specific Australian cost-utility analyses remain limited (Gospodarevskaya & Segal, 2012).

#### Cost-Benefit and Cost-Effectiveness Evidence

Although economic evaluations specifically of CSA therapeutic services in the Australian context are still emerging, a growing body of international research supports the cost-effectiveness of prevention and early intervention across the spectrum of child maltreatment interventions. Systematic reviews indicate that prevention and tertiary interventions, including targeted support for victims and high-risk groups, demonstrate promising cost-effectiveness profiles, often yielding better outcomes per dollar spent compared to reactive spending alone (Wanni et.al., 2024).

From a public health economic perspective, early and sustained therapeutic engagement can reduce the likelihood of chronic mental illness, substance dependence, and other costly lifelong outcomes, thereby generating net economic benefits over time. This aligns with cost-benefit frameworks where long-term savings in healthcare, social services, and lost productivity are weighed against the costs of delivering high-quality therapy and support services. While robust Australian cost-benefit studies are needed, the international evidence suggests that investments in trauma-informed therapy services not only improve individual wellbeing but also offer value for money for governments and taxpayers alike.

#### **Current Funding Gaps and Structural Barriers**

Despite recent Commonwealth investments aimed at expanding trauma-informed supports, significant funding gaps remain in Australia's therapeutic service landscape for victims of child sexual abuse and exploitation. In late 2025, the Australian Government announced a \$12 million grants program to enhance the capacity of specialist and community support services responding to child sexual abuse, acknowledging the need for early intervention, healing and recovery services (Department of Social Services, 2025). However, these competitive grants are relatively modest in

scale and time-limited, covering core supports for only a subset of existing services and leaving ongoing operational funding stability uncertain. Broader structural funding issues persist, including inconsistent service availability across jurisdictions and limited resourcing for culturally safe, long-term therapeutic care, particularly for complex trauma that extends beyond short-term clinical interventions.

Structural barriers compound these funding shortfalls, limiting access to high-quality support for many victim-survivors. The Royal Commission into Institutional Responses to Child Sexual Abuse identified fragmented service systems, limited collaboration between providers, and workforce capacity constraints as major obstacles that reduce the effectiveness of existing resources and discourage help-seeking behaviour among survivors (Royal Commission into Institutional Responses to Child Sexual Abuse, 2017).

In practice, funding shortfalls directly contribute to service access barriers, undermining the capacity of specialist therapeutic providers to meet demand. Service providers for child sexual abuse therapeutic services have reported that funding levels have not kept pace with rising costs, leading to reduced staffing, limited operating hours and growing waiting lists for counselling and therapy, which delays support for people in urgent need. These funding constraints also mean that there is often no capacity to expand specialist programs or innovate service models, despite recognised gaps and rising need across the country.

#### Short-term grant cycles vs. long-term need

One of the most persistent barriers to building effective therapeutic and support services for victims of child sexual abuse and exploitation in Australia is the mismatch between short-term funding cycles and long-term clinical and psychosocial needs. Many community-based and specialist services are funded through time-limited grants that typically span one to three years, with no guarantee of renewal. While these grants can catalyse innovative pilot programs and fill immediate gaps, they are poorly aligned with the longitudinal nature of trauma recovery, which often requires consistent, extended engagement over many years (Royal Commission into Institutional Responses to Child Sexual Abuse, 2017). As a result, services face chronic instability, undermining their ability to retain experienced clinicians, plan strategically, and provide continuity of care for clients whose recovery trajectories do not conform to short-term funding benchmarks.

The consequences of this funding model are multifaceted. First, short funding cycles create service uncertainty, making it difficult for providers to maintain full staffing, safeguard specialist expertise, or scale evidence-based practices that demonstrably improve outcomes. This “grant treadmill” can lead to high staff turnover and loss of institutional knowledge, which directly affects service quality and survivor engagement. This is particularly acute for smaller, regionally based providers who lack the administrative capacity of larger metropolitan organisations.

#### Administrative burden on service providers

Alongside funding instability, service providers are burdened by complex administrative requirements tied to short-term grants. Many funding agreements involve detailed reporting obligations, rigid outcome measures, and compliance demands that can overshadow clinical priorities. Moreover,

when funding is geared toward short-term outputs rather than long-term outcomes, there is a risk that services are incentivised to prioritise quantity over quality, or to adopt interventions that demonstrate quick results rather than those that address deeper, cyclical trauma. This structure not only undermines service effectiveness but also contributes to workforce stress and burnout in a sector already grappling with recruitment and retention challenges.

To better align resourcing with long-term client needs, policy analysts and sector advocates argue for sustained, multi-year funding frameworks that prioritise long-term outcomes and reduce administrative fragmentation.

### **Social and Ethical Imperatives**

From a social justice and human rights perspective, government investment in therapeutic and support services for victims of child sexual abuse and exploitation is not merely desirable but an ethical imperative. Children have a fundamental right to safety, protection from harm, and access to services that support their holistic development and wellbeing, as recognised by international frameworks such as the United Nations Convention on the Rights of the Child, which informs Australian child protection policies and practice. In the Australian context, repeated inquiries and policy reviews (including the Royal Commission into Institutional Responses to Child Sexual Abuse and subsequent National Strategy to Prevent and Respond to Child Sexual Abuse) emphasise that responding to the profound physical, psychological and social harms of abuse requires coordinated, trauma-informed responses that extend well beyond criminal justice and statutory protection functions (Royal Commission into Institutional Responses to Child Sexual Abuse, 2017). These ethical commitments reinforce that survivors are owed not only recognition and justice, but ongoing therapeutic support and recovery pathways that respect dignity, autonomy and the long-term impacts of trauma.

Beyond individual rights, there is a societal obligation to address the deep and often intergenerational impacts of child sexual abuse. Ethically, this commitment aligns with principles of equity and justice: ensuring that all survivors, regardless of circumstance, have access to safe, culturally appropriate and effective support is fundamental to fulfilling government obligations to protect and uphold the wellbeing of children and young people.

### **Bravehearts Position**

Stable funding enables services to deliver developmentally appropriate care for children and young people, ongoing support for adult survivors, and culturally safe programs for diverse populations, including First Nations communities. In this sense, funding is not just about maintaining service provision, it is about affirming the rights and dignity of survivors, strengthening families, and committing to long-term social wellbeing through sustained, evidence-based healing responses.

Bravehearts advocates for:

- **Sustainable Core Funding Models:** Funding systems should prioritise service continuity through multi-year funding cycles, allowing organisations to invest in stable staffing, supervision, and infrastructure rather than focusing on short-term program delivery. Funding

agreements should include baseline operational support to cover essential non-clinical functions such as administration, safeguarding compliance, and community engagement.

- **Workforce Development:** Investment in workforce capability is essential given chronic shortages of trauma-specialised clinicians. Funding should support specialised training pathways in complex trauma, developmental trauma, child protection practice, and culturally safe therapeutic care, including continuing professional development. Services should be resourced to provide regular clinical and trauma-informed supervision, including external review mechanisms for complex cases. Workforce wellbeing initiatives are critical to reducing turnover and burnout, and should include manageable caseload expectations, reflective practice time, and access to psychological support.
- **Integrated Service Systems:** Service responses should be better integrated across education, health, justice, and child protection sectors. Funding should support cross-sector partnerships that enable coordinated care pathways, including school-based counselling access, collaboration with primary and specialist healthcare providers, and linkage with justice and child protection services. Case support or client advocacy roles should be funded to reduce service fragmentation, improve referral continuity, and minimise client drop-out.
- **Equity, Accessibility, and Cultural Safety:** Services should be designed to reach populations with the highest unmet need. This includes funding culturally informed and community-led trauma care models, expanding telehealth and remote service delivery, and ensuring disability-inclusive therapy access and language interpretation support. Priority investment should target high-risk groups including children in out-of-home care, rural and remote communities, migrant and refugee survivors, and LGBTQ+ young people experiencing sexual abuse trauma.
- **Innovation and Technology:** Investment in secure digital infrastructure should support teletherapy, youth-friendly therapeutic platforms, and tools that reduce administrative burden on clinicians. Technology should be used to enhance service accessibility and efficiency rather than replace clinical judgement.
- **Data Collection, Evaluation, and Research;** Funding arrangements should explicitly include dedicated resources for service evaluation, data collection, and research activities, recognising that high-quality monitoring and evidence generation require specialist time, infrastructure, and expertise. Funding models should support the development and maintenance of standardised, trauma-informed outcome measurement systems that track recovery-oriented indicators such as symptom improvement, safety, social and functional wellbeing, and client experience. Longitudinal evaluation capacity is particularly important for understanding survivor recovery pathways and the long-term effectiveness of therapeutic interventions. Performance monitoring infrastructure such as data dashboards, secure data storage, and reporting systems should be considered legitimate program costs within funding agreements. Where feasible and ethically appropriate, funding should also support linkage of de-identified administrative datasets across sectors to enable comprehensive service evaluation and population-level outcome analysis.

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