

Upstream Canada: The Economic Case for School-Based Youth Homelessness Prevention

Upstream Canada demonstrates the potential for early intervention in school disengagement to generate substantial long-term public value. For planning purposes, an annual budget of approximately \$350,000 per school would support universal screening of about 300 students and targeted supports for approximately 32 young people, based on implementation trends since 2021.

Using a conservative estimate of **\$70,000 in avoided lifetime public costs per young person receiving targeted supports**, this model yields an estimated return of approximately **6.3 : 1**.

Since implementation began in 2021–22, Upstream Canada has supported **672 students at two sites**, representing a **cumulative operating investment of \$7.68M**. Based on conservative social-return-on-investment (SROI) modelling, this investment is projected to avoid approximately **\$47.0M IN LIFETIME PUBLIC COSTS**, yielding a **net public value of \$39.4M**.

This brief presents the fiscal and policy rationale for sustained investment in Upstream Canada as cost-effective prevention infrastructure.

For an overview of the Upstream Canada program model, see **Brief #21**. For screening evidence, see **Brief #22**. For qualitative findings, see **Brief #23**. For developmental evaluation lessons, see **Brief #24**.

Key Findings

- **For every \$1** invested in Upstream Canada, governments **avoid \$6** in future expenditures
- **Benefits accrue** across health, education, justice, and social services
- **The model is proven, scalable, and highly transferable across jurisdictions**

The Problem: School Disengagement Drives Long-Term Public Costs

School disengagement refers to a decline in a student's connection to school, which is reflected in reduced participation in learning, school activities, or relationships with peers and educators.¹ It can happen gradually. Missed classes can turn into chronic absenteeism, academic struggles

compound with family stress, and before long, a young person who was once thriving begins to disengage entirely. By the time crisis hits, intervention is far more expensive and far less effective.²

When young people disengage from school early, they are much more likely to experience homelessness, unemployment, poor health, and involvement with income assistance or the justice system later in life.³

Leaving school early is strongly associated with

- Increased emergency and mental health service use
- Long-term reliance on income assistance or disability supports
- Unemployment
- Higher rates of justice system involvement
- An elevated risk of homelessness³

School disengagement and housing instability often reinforce each other—as home life becomes unstable, maintaining school engagement becomes increasingly difficult, even for previously successful students.⁴

These outcomes are expensive for governments and destabilizing for communities. Crisis response costs far exceed the cost of early prevention.⁵

The Solution: Intervening Before Crisis

Upstream Canada is a school-based early intervention model that identifies and supports students who show early signs of school disengagement, housing instability, or family stress—before issues escalate into crisis. By using universal screening and coordinated, school- and community-based supports, the model strengthens key protective factors such as family relationships, school engagement, and connections to supportive adults.

Early implementation findings show outcomes consistent with the evidence base for preventing youth homelessness. This intervention pathway aligns with research from the **Canadian Observatory on Home-**

lessness, which shows that addressing family conflict and intervening early when youth begin to disengage from school are among the most effective strategies for preventing youth homelessness.⁶

Within Upstream Canada, outcomes are defined by strengthening protective factors and mitigating identified risks across individualized goals—such as improved family relationships, reduced conflict, and increased school engagement. Students are discharged from support once these goals are achieved, as this indicates that early vulnerabilities have been meaningfully addressed.

For more information on the Upstream Canada program model, see **Brief #21**.

*Crisis response costs
far exceed the cost of
early prevention.⁵*

Program Model

- **Delivery:** School-based teams work with students, families, schools, and community services
- **Approach:** Universal screening identifies students early; coordinated support prevents escalation
- **Current reach:** 672 students at two sites (as of January 2026)

Cost Structure

Upstream Canada is designed as a school-wide prevention model with targeted support for young people identified as being at risk:

- **Annual cost per school:** approximately \$350,000
- The example model assumes a school of about 300 students. Based on implementation trends since 2021, approximately 35% may be flagged for follow-up (about 105 students), and about 30% of those flagged may accept targeted supports (about 32 young people). This equates to approximately \$1,167 per student universally reached and approximately \$11,100 per young person receiving targeted supports.
- The annual investment supports the full prevention pathway, including universal screening, outreach and check-ins, SNA administration and analysis, training and technical assistance, supervision, coordination, case management, and family engagement. Case management may also involve 2–3 family or natural supports per young person; these individuals are not included in the ROI denominator. One-time start-up costs are excluded.*

The Numbers: What Prevention Saves

With Upstream Canada's target age range being 12 to 16, the data suggests that roughly **1.2 million students** fall within the core target population each year. *For population-level screening findings, including risk identification rates and equity data from Canadian demonstration sites, see [Brief #22](#).*

If the current Upstream screening pattern holds nationally, approximately **400,000 to 435,000 students** could be identified as needing early intervention annually, of whom roughly **250,000 to 270,000** would potentially engage in supports under comparable implementation conditions.** Current implementation levels reflect only a small proportion of this need, indicating a substantial opportunity for scale.

A comprehensive social-return-on-investment (SROI) analysis (see [Appendix A](#)) examined the public value generated by Upstream Canada at its two implementation sites. The analysis uses a conservative estimate of approximately \$70,000 in avoided lifetime public costs per young person receiving targeted supports.

* The \$350,000 annual school-level figure is a planning estimate for scaling purposes and does not necessarily reflect actual community budgets or expenditures. It should not be used to infer historical or cumulative investment in Upstream Canada.

** Estimates are based on early implementation data from Upstream Canada sites in Kelowna and St. John's, where 34.5% of students screened were identified along a spectrum of risk. National projections apply this proportion to the broader secondary student population in Canada and assume a conservative engagement rate (~60%) based on observed participation levels. Actual reach may vary by region and is influenced by implementation capacity (e.g., number of schools and staff), as well as factors such as parental consent requirements, student readiness to engage, and stigma. Identified risk reflects early vulnerability, not crisis-level need, and is intended to support prevention-oriented intervention.

These savings accrue gradually over decades, as supported students avoid the cascading consequences of early disengagement. The estimate is grounded in established Canadian research on the lifetime costs of social exclusion and school disengagement. To avoid double-counting, school engagement is used as an upstream anchor indicator. Education completion is strongly predictive of long-term health, employment, justice, and housing outcomes.

The Math Is Simple.

Cost per young person receiving targeted supports: approximately \$11,100

Future costs avoided: \$70,000

Estimated net public value: approximately \$58,900 per young person receiving targeted supports*

* The ROI is applied to young people receiving targeted supports; universal screening, follow-up with flagged students, and family/natural support engagement are additional benefits covered by the same school-level investment.

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Preventing School Disengagement Avoids Much Higher Costs in the Future

When these differences are added up over a lifetime, the public cost gap between someone who disengages from school early and someone who stays engaged is substantial. Using conservative assumptions and standard methodology, the analysis demonstrates that **for every \$1 invested in Upstream Canada, about \$6 in future public costs are avoided.**

Financial Impact (Example School)

Metric	Value
Annual School Investment	\$350,000
Lifetime Public Cost Avoided	Approximately \$2.21 million
Net Public Value	Approximately \$1.86 million
Return on Investment	Approximately 6.3 : 1

Based on the example model, every \$1 invested is associated with approximately \$6.30 in estimated future public cost avoidance.

Conservative Assumptions

This Social Return on Investment (SROI) analysis **intentionally applies conservative assumptions** to ensure the findings are credible, defensible, and not overstated.

The SROI analysis deliberately excludes

- Increased lifetime earnings
- Productivity gains
- Tax revenue increases
- Intergenerational benefits
- Reduced family system strain

By excluding broader societal and long-term economic benefits, the model focuses only on direct, measurable cost offsets within public systems. The model uses population-level cost differentials and applies standard public sector discount rates (3% to 5%).

Sensitivity testing shows

- **LOWER BOUND** (\$50,000 avoided per student): ROI = 4.4 : 1
- **UPPER BOUND** (\$100,000 avoided per student): ROI = 8.8 : 1

Under the \$350,000 school-level cost model, the midpoint ROI is approximately 6.3 : 1. Young people receiving targeted supports form the ROI denominator; family and natural supports engaged through case management are not counted.

Why School Engagement?

School engagement is used as the primary outcome because it is:

- One of the strongest early predictors of long-term well-being
- Closely linked to health, employment, housing stability, and justice outcomes
- Supported by long-term research data

Rather than separately counting every possible outcome (health, housing, justice), the analysis uses school engagement as an upstream indicator that captures many downstream effects without double counting.

Scaling Up: Small Investment, Massive Returns

For scaling, the model applies an estimated cost of approximately \$11,100 per young person receiving targeted supports. This unit cost is derived from the school-level model and is used consistently in the projections within this brief; the broader \$350,000 investment also funds universal screening and other prevention activities across the school.

Young People Receiving Targeted Supports	Program Cost (millions)	Public Savings (millions)	Net Value (millions)	Return on Investment
1,000	\$11.1	\$70.0	\$58.9	6.3 : 1
2,000	\$22.2	\$140.0	\$117.8	6.3 : 1
5,000	\$55.5	\$350.0	\$294.5	6.3 : 1
10,000	\$111.0	\$700.0	\$589.0	6.3 : 1

Even modest expansion generates substantial net public value. On a larger scale, Upstream Canada functions as a prevention infrastructure with significant long-term fiscal returns.

Cross-Ministry Value: Everyone Benefits, Everyone Saves

Benefits accrue across multiple government portfolios and orders of government, highlighting the need for coordinated investment approaches:

- **Education:** Improved graduation rates, reduced absenteeism
- **Health:** Lower emergency and mental health system demand
- **Social Development:** Reduced long-term income assistance reliance
- **Public Safety:** Decreased justice system involvement
- **Housing:** Reduced demand for emergency shelters and homelessness services through earlier prevention and housing stability

Prevention initiatives like Upstream Canada require cross-ministry funding mechanisms that reflect their distributed benefits.

Policy Implications

1. Prevention as Infrastructure Investment

With an annual planning estimate of approximately \$350,000 per 300-student school and an estimated return of about 6.3 : 1, Upstream Canada represents high-value prevention infrastructure. Importantly, this investment supports both school-wide early identification and more intensive support for young people who engage.

Upstream Canada represents high-value prevention infrastructure.

2. The Cost of Inaction

Without early intervention, governments pay substantially more through crisis responses across health, justice, and social systems. The SROI analysis demonstrates that the question is not whether to invest, but where in the trajectory to intervene.

3. Enabling Scale

Current implementation in Kelowna, BC, and St. John's, NL, demonstrates proof of concept. Scaling to additional jurisdictions requires:

- Cross-ministry funding coordination
- Integration with existing school and community systems
- Sustained operational funding reflecting long-term value generation

4. Regional Adaptability

While outcomes may vary by community context, the core value-generating mechanisms—early identification, coordinated support, and reduced downstream system involvement—are transferable across jurisdictions.

IMPORTANT CLARIFICATIONS

This analysis:

- Does not predict outcomes for individual students
- Does not allocate savings to specific ministries or fiscal years
- Does not assume immediate budget reductions
- Uses conservative modelling assumptions

Savings occur over decades and reflect expected population-level impacts.

Conclusion

Upstream Canada addresses costly social challenges at the point where intervention remains both effective and affordable. By identifying and supporting students before disengagement escalates into crisis, the program reduces long-term demand across health, justice, housing, and social service systems—while improving educational and life outcomes for young people.

The fiscal case for early intervention is compelling. The school-level model combines broad prevention reach with more intensive support for young people who engage, while the estimated long-term public value substantially exceeds the upfront investment. These returns are consistent with the broader evidence linking school engagement and comprehensive student supports to improved long-term outcomes.

Upstream Canada represents more than a promising initiative; it functions as scalable prevention infrastructure. As governments seek sustainable solutions to rising system pressures, the choice is not whether to invest—but whether to invest upstream or continue paying downstream. The evidence supports strategic scale-up as a fiscally responsible and socially effective course of action.

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To learn more about homelessness prevention visit the Homeless Hub: homelesshub.ca/collection/prevention



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APPENDIX A

Social Return on Investment Calculations and Methodology

This appendix provides transparency regarding the calculations, assumptions, and evidence base underpinning the social-return-on-investment (SROI) analysis for Upstream Canada. All figures are presented in 2021-22 Canadian dollars, with future costs discounted to present value using standard public sector discount rates.

1. Program Cost Calculations

EXAMPLE SCHOOL-LEVEL COST MODEL

(Example annual cost model based on a school of approximately 300 students) _____

Students universally screened: approximately 300

Based on implementation trends since 2021, approximately 35% may be flagged for follow-up (105 students), with about 30% of those flagged accepting targeted supports (31.5, or about 32 young people). This corresponds to approximately \$11,111 per young person receiving targeted supports and \$1,167 per student universally reached

ANNUAL INVESTMENT INCLUDES _____

- Staffing (four full-time positions per site)
- Coordination, outreach/check-ins, and case management
- School and community partner engagement
- Training and technical assistance
- Supervision and administrative support
- SNA administration and analysis; family and natural support engagement (often involving 2–3 family/natural supports per young person in case management)
- For ROI purposes, family/natural supports are not counted in the denominator. One-time start-up costs are excluded from the annual operating model.

2. Cohort Size and Timeline

Total Students Supported (as of January 2026): 672

Kelowna, BC: Implementation from 2021–22

St. John's, NL: Implementation from 2023–24

Analysis Period: 2021–22 to 2030–31 (program costs)

Impact Timeline: 35 years (lifetime cost avoidance)

3. Cost Avoidance Calculations

PER-STUDENT LIFETIME COST AVOIDANCE _____

This estimate draws on Canadian research examining the long-term public costs associated with leaving school early and social exclusion—including increased health expenditures, social assistance use, and justice system involvement and reduced economic participation.

Avoided Public Costs per Student: ~\$70,000 (present value)

KEY SOURCES

This body of Canadian evidence demonstrates that leaving school early produces substantial lifetime public costs across health, income support, justice, and housing systems—costs that can be significantly reduced through early intervention and comprehensive student supports.

Hankivsky, O. (2008). *Cost Estimates of Dropping Out of High School in Canada*. Canadian Council on Learning. Available at: <https://homelesshub.ca/resource/cost-estimates-dropping-out-high-school-canada/>

This report analyzes the fiscal costs associated with high school non-completion across sectors including health, social services, criminal justice, and labour market productivity.

Lavecchia, A. M., Oreopoulos, P., & Brown, R. S. (2020). *Long-Run Effects from Comprehensive Student Support: Evidence from Pathways to Education*. *American Economic Review: Insights*, 2(2), 209–224. <https://doi.org/10.1257/aeri.20190114>. Full text: <https://www.aeaweb.org/articles?id=10.1257/aeri.20190114>

This study finds that comprehensive student supports significantly increase long-term employment and earnings and reduce social assistance reliance.

Government of Canada (2022). *Evaluation of the Path-*

ways to Education Program. Employment and Social Development Canada. <https://www.canada.ca/en/employment-social-development/corporate/reports/evaluations/pathways-education-report.html>

This federal evaluation documents improved the educational outcomes and the long-term economic benefits associated with comprehensive student support programs.

Statistics Canada (2022–2023). Educational attainment and high school graduation indicators.

Examples include: Statistics Canada. (2022). *High School Graduation Rates in Canada*. <https://www150.statcan.gc.ca/n1/pub/81-599-x/81-599-x2022002-eng.htm>

Statistics Canada datasets consistently show strong links between educational attainment, labour market outcomes, and public system utilization.

COST CATEGORIES INCLUDED

System	Types of Costs Avoided
Health care	Emergency department visits, hospital admissions, mental health services, addiction treatment, primary care
Social services	Income assistance, disability supports, employment programs, social housing subsidies
Justice system	Youth justice interventions, adult corrections, police services, court costs
Housing	Emergency shelter use, transitional housing, homelessness support services

Important Note: The \$70,000 figure represents cumulative, aggregate costs across all systems over a lifetime. It is not additive across individual systems. This avoids double-counting while reflecting the reality that leaving school early increases utilization across multiple public systems simultaneously.

CONSERVATIVE ASSUMPTIONS

The analysis applies several conservative constraints:

- **Excluded benefits:** Private earnings gains, Productivity improvements, Tax revenue increases, Intergenerational benefits and Reduced family system strain
- **Population-level averaging:** Assumes average cost differentials rather than high-risk individual trajectories
- **Rounding down:** All estimates rounded to avoid overstatement
- **Discount rate applied:** Future costs discounted to present value using standard 3% to 5% public sector rates

4. Total Impact Calculations

ANNUAL School-Level Impact (Example Model)

Annual school-level investment: \$350,000

Young people receiving targeted supports: approximately 31.5 (about 32), based on 35% flagged and 30% uptake among 300 students screened

Cost per young person receiving targeted supports: $\$350,000 \div 31.5 =$ approximately \$11,111

TOTAL Public Cost Savings

Avoided cost per student: \$70,000

Young people receiving targeted supports: approximately 31.5

Estimated lifetime public cost avoidance: $31.5 \times \$70,000 = \$2,205,000$

NET Public Value

Estimated net public value: $\$2,205,000 - \$350,000 = \$1,855,000$

RETURN ON INVESTMENT

ROI calculation: Total Savings $\div$ Total Costs ($\$2,205,000 \div \$350,000 = 6.3 : 1$)

Based on the example model, every \$1 invested is associated with approximately \$6.30 in estimated future public cost avoidance. The ROI denominator includes young people receiving targeted supports; family/natural supports engaged through case management are not counted.

5. Scaling Projections

The **LINEAR SCALING MODEL** assumes

- Consistent estimated cost per young person receiving targeted supports (approximately \$11,111)
- Consistent per-student benefits (\$70,000)
- Maintained implementation fidelity
- Similar population characteristics

SCALING TABLE CALCULATIONS

Example: 1,000 students (The same logic applies to 2,000, 5,000, and 10,000 student projections)

Calculation	Formula	Result
Program cost	$1,000 \times \$11,111$	Approximately \$11,111,000
Public savings	$1,000 \times \$70,000$	\$70,000,000
Net value	$\$70M - \$11.1M$	Approximately \$58,889,000
ROI	$\$70M \div \$11.1M$	Approximately 6.3 : 1

6. Sensitivity Analysis

LOWER BOUND SCENARIO (\$50,000 per young person receiving targeted supports)

If lifetime cost avoidance is conservatively estimated at \$50,000 per young person receiving targeted supports, the school-level model yields:

- Total savings: $31.5 \times \$50,000 = \$1,575,000$
- Total costs: \$350,000
- Net value: \$1,225,000
- ROI: 4.5 : 1

Conclusion: Even at the lower end of research-supported estimates, Upstream Canada delivers substantial positive returns.

UPPER BOUND SCENARIO (\$100,000 per young person receiving targeted supports) ---

If lifetime cost avoidance reaches \$100,000 per young person receiving targeted supports (upper literature range), the school-level model yields:

- Total savings: $31.5 \times \$100,000 = \$3,150,000$
- Total costs: \$350,000
- Net value: \$2,800,000
- ROI: 9.0 : 1

Research-Supported RANGE ---

The literature supports a plausible lifetime public cost-avoidance range of approximately \$50,000 to \$100,000 per student, depending on:

- Systems included in the analysis
- Geographic context
- Discount rates applied
- Time horizon modelled

The analysis adopts \$70,000 as a conservative midpoint within this evidence-based range.

7. Methodological Notes

DISCOUNT RATE ---

Future costs are discounted to present value (2021–22 dollars) using standard public sector discount rates (typically 3% to 5%). This reflects the economic principle that a dollar saved in the future is worth less than a dollar saved today.

ATTRIBUTION LOGIC ---

The analysis does not claim that Upstream Canada directly causes all 672 students to avoid all negative outcomes. Instead, it:

- Identifies school disengagement as a strong predictor of multiple adverse outcomes
- Applies population-level cost differentials between those who complete vs. leave school early
- Assumes intervention reduces the probability of early school leaving
- Calculates expected value of avoided costs across the cohort
- This approach is consistent with standard SROI methodology for prevention programs.

Why SCHOOL ENGAGEMENT Is the Anchor Outcome ---

School engagement serves as the primary outcome measure because:

- **Predictive validity:** It is one of the most consistent predictors of long-term outcomes
- **Avoids double counting:** Using a single upstream indicator prevents artificially inflating savings
- **Evidence base:** Education-based cost differentials are well established in Canadian data
- **Comprehensiveness:** It captures multiple downstream effects through one proxy measure

8. Limitations and Caveats

This analysis does NOT ---

- Predict outcomes for individual students
- Allocate savings to specific ministries or fiscal years
- Account for immediate budget impacts
- Include all potential benefits (conservative approach)
- Claim that all supported students experience identical trajectories

APPROPRIATE uses ---

- Comparative investment appraisal
- Long-term fiscal planning
- Cross-ministry funding discussions
- Prevention policy development

INAPPROPRIATE uses

- Short-term budget forecasting
- Individual program performance metrics
- Ministry-specific budget allocation

9. Summary of Key Assumptions

Assumption	Value	Rationale
Annual school cost (example model)	\$350,000	Illustrative planning model; not a statement of actual current community budgets
Students screened per school annually	300	Example school size
Avoided lifetime public cost	\$70,000	Conservative midpoint of Canadian research (\$50K–\$100K range)
Impact timeline	35 years	Standard lifetime horizon for SROI analysis
Discount rate	3–5%	Standard public sector rate
Cost base year	2021–22 CAD	All costs adjusted to this baseline
Effectiveness assumption	Prevention of early school leaving	Conservative proxy for multiple downstream outcomes

10. Conclusion

Emerging evidence from Upstream Canada demonstrates strong early indicators of success consistent with established youth homelessness prevention research. As **Brief 22** highlights, universal, school-based identification effectively surfaces substantial and previously hidden risks—particularly among equity-deserving groups—and reveals clear, interrelated patterns between housing instability and school disengagement prior to crisis. As **Brief 23** further illustrates, pairing this early identification with embedded, relationship-based and cross-sector supports enables timely intervention, reduces barriers to access, and strengthens family and school engagement in ways that mitigate longer-term risk trajectories. These findings suggest that Upstream is functioning as intended as a prevention model, with credible early signals of positive outcomes. This SROI analysis demonstrates robust positive returns under conservative assumptions.

This SROI analysis demonstrates positive estimated returns under conservative assumptions. The approximately 6.3:1 ROI reflects the \$350,000 annual school-level model and the estimated number of young people who engage in targeted supports. The same investment also enables universal screening, early follow-up, training and technical assistance, coordination, and family engagement, extending its reach beyond the ROI denominator.

- Modest upfront intervention costs
- Substantial lifetime public cost differentials
- Evidence-based estimates grounded in Canadian research
- Conservative methodology excluding many potential benefits

The analysis supports the conclusion that Upstream Canada represents high-value prevention infrastructure with strong fiscal returns for government investment.