

Smart Justice

“Smart action for a safer community”

Justice reinvestment: investing in communities not prisons

Research shows that smart investment which tackles the causes of crime can be cost effective. Justice reinvestment is a new approach that redirects money spent on prisons to community-based initiatives which aim to address the underlying causes of crime. It promises to cut crime and save money.

Harsher sentencing, not crime, is driving prisoner numbers up and costing billions

Over the past decade, Victoria’s prison population has increased dramatically, rising 44% since 2000, largely as a result of harsher sentencing.¹ Our prisons are full and the Victorian Government is being forced into a multibillion-dollar prison expansion program to accommodate further sharp increases in prisoner numbers predicted over the next decade.² These increases will be driven by harsher sentencing policies, not crime rates; police data shows overall crime has been falling for a decade.³

Prison is a blunt, harmful and extremely expensive way to try to control crime. There are better and more effective ways of cutting crime.

Justice reinvestment: cutting crime and saving money

Justice reinvestment redirects money spent on prisons to community-based initiatives which aim to address the underlying causes of crime. In the United States, justice reinvestment is being used to better manage prison spending and redirect some of the savings to community programs that reduce re-offending and the demand to build more prisons.⁴

Research indicates that tackling disadvantage, increasing income equality and providing stable housing and employment opportunities can reduce crime.⁵ The money that would have been spent on housing medium to low security prisoners is instead invested in supporting programs and services in local communities which aim to address systemic disadvantage.⁶

How justice reinvestment could work in Victoria

Victoria’s prisons are at capacity. As harsher sentencing sends more people to prison for longer, the Government will need to build new prisons to accommodate them and pay more operating expenses to maintain them. It costs around \$87,000 a year to house each prisoner and an estimated \$500,000 per prison bed in construction cost.⁷ So if we can divert 1,000 people away from prison, this will generate around \$587 million in savings. These funds could then be reinvested in programs and services that address the causes of crime.⁸ There are currently close to 1,000 minimum security prisoners in Victoria.

How justice reinvestment works

Implementing justice reinvestment involves identifying disadvantaged communities to determine where funds can be most effectively allocated.⁹ An Australian study showed that in Victoria, 25% of prisoners came from just two percent of postcodes.¹⁰ 29 of the top 40 most disadvantaged areas of Victoria are non-metro urban areas or rural areas.¹¹ There is a significant correlation between key elements of disadvantage such as low income families, incomplete schooling and offending.¹²

Reinvesting prison spending on communities allows a broad range of programs from healthcare, housing, education or job training to be strategically implemented in these identified areas to maximise the potential to reduce crime and reoffending.¹³

Justice reinvestment saves money

Justice reinvestment provides a viable option as prison expansion costs become unsustainable. By helping to identify the local communities on which to focus, it also promotes the most efficient spending on community development.

By addressing the systemic socio-economic factors contributing to crime, justice reinvestment can provide substantial savings.¹⁴ For example, after successfully implementing a justice reinvestment program, the US state of Kansas saved \$80.2 million over 5 years while Texas achieved a saving of \$210.5 million in 2008-2009. Both states halted the growth of their prison populations by undertaking policies including funding for substance abuse programs and halfway houses for those on parole and increasing access to education opportunities in prisons.¹⁵ They also expanded specialist courts such as drug courts to ensure more effective sentencing by addressing the causes of offending.¹⁶

Justice reinvestment is being embraced in the US and the UK

Justice reinvestment programs have been successfully implemented in five states in the USA, with another 11 at various stages of research collection and implementation.¹⁷ Kansas has seen a 7.5% reduction in their prison population, and decreases in both parole revocation and reconviction by 48% and 35% respectively.¹⁸

During the same period of justice reinvestment and prison population reduction, violent crime rates have dropped by 13% in Kansas and 4% in Texas.¹⁹ While further long term analysis is required to understand the reasons for the drops in the crime rates, these figures appear to indicate that justice reinvestment can save money and reduce crime.

Similarly, the Justice Committee of the United Kingdom House of Commons has recognized the benefits of justice reinvestment for providing more responsive programs to local needs for services, and in restructuring the organisation and funding of the criminal justice system to reflect the correlation between social exclusion and offending.²⁰

Justice reinvestment in Australia

Two recent parliamentary committee reports have recommended state governments consider or trial justice reinvestment programs.²¹ Similarly organisations like the Australian Human Rights Commission have recognised the potential of justice reinvestment to reduce over-representation of Aboriginal and Torres Strait Islander peoples in the criminal justice system given it can target high recidivism rates and patterns of intergenerational offending through its community based approach.²²

Smart Justice Solutions

- Greater investment in programs that tackle the causes of crime like justice reinvestment rather than greater investment in prisons.
- Research, evaluation and pilot programs to determine the viability and impact of justice reinvestment in Victoria.

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- 1 Ombudsman Victoria and Office of Police Integrity, Conditions for persons in custody review (2006) 12. Australian Bureau of Statistics, *Prisoners in Australia* (2010) 26.
- 2 Millar, 'Super jails to cost billions,' *The Age*, 11 June 2011.
- 3 Victoria Police, Crime Statistics 2010/11, 4 and 7. The Victorian Department of Justice Annual Report 2010-11 notes at page 30 that sentencing reform will be the "main driver of growth in prison bed demand".
- 4 For e.g.: Council of State Governments Justice Center Justice reinvestment State Brief: Kansas (2007).
- 5 Weatherburn, *Law and Order in Australia: Rhetoric and Reality* (2004) 179-182; 190-197.
- 6 Schwartz, Building Communities not Prisons: Justice Reinvestment and Indigenous Over-Imprisonment, *Australian Indigenous Law Review*, 14, 1 (2010) 2.
- 7 For e.g.: In the 2010/11 Victorian State Budget, the Victorian Government announced \$126 million spending to build 244 additional prison beds – a cost of over \$500,000 per prison bed; Minister for Police, Corrections & Emergency Services, 'State Budget 2010: 1,966 More Frontline Police To Keep Our Community Safe' (Media release, 4 May 2010). The average daily real net operating expenditure per Victorian prisoner is \$240.66, see: Productivity Commission, Report on Government Services (2010), Table 8A.35. In contrast, the average real net operating expenditure per community corrections offender per day is only \$18.50.
- 8 Statistical Profile of the Victorian Prison System 2005-06 to 2009-10, Corrections Victoria (2010) 23, Table 14.
- 9 'Making our Prisons Work', Community Development and Justice Standing Committee, Parliament of Western Australia (2010).
- 10 Vinson, *Community adversity and resilience* (2004) Table 3.1, 49.
- 11 Vinson, *Dropping off the Edge: the distribution of disadvantage in Australia* (2007) 97.
- 12 Vinson, above n 11, 51.
- 13 Above n 6, 5.
- 14 Above n 6, 3.
- 15 Oakshott, 'True Justice', *About the House* (2010) 47.
- 16 Above n 4 and State Brief: Texas 5.
- 17 See State Profiles at: www.justicereinvestment.org/states.
- 18 Above n 15, 47-48.
- 19 See: Uniform Crime Reports 2009 & 2010, Federal Bureau of Investigation, Table 4.
- 20 Justice Committee, House of Commons, UK, Cutting Crime: The Case for Justice reinvestment, First Report (2009) [237], [240].
- 21 The Senate and Constitutional Affairs Committee References Committee, *Access to Justice Report* (2009) 110. The Standing Committee on Environment and Public Affairs, *Legislative Council of Western Australia, Inquiry into the transportation of detained persons: the implementation of the Coroner's recommendations in relation to the death of Mr Ward and related matters* (2011) 85.
- 22 Australian Human Rights Commission *Social Justice Report* (2010) 47.