

SOCIAL REINVESTMENT WA Healthy Families | Smart Justice | Safe Communities

# Discussion Paper The Case for Smart Justice Alternatives: Responding to justice issues in WA through a Justice Reinvestment approach.

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Social Reinvestment WA is an Aboriginal and sector led coalition of not-for-profits working for an effective and connected approach to justice in Western Australia, and to end the overrepresentation of Aboriginal and Torres Strait islander people in WA's justice system. Our work includes research, policy development, advocacy, and community development across WA.

SRWA Member organisations: WA Council of Social Services; Aboriginal Legal Service of WA; Youth Affairs Council of WA; Wungening Aboriginal Corporation; Save the Children; Community Legal WA; The Uniting Church in WA; White Lion; Oxfam Australia; Amnesty International Australia; Yokai; NAIDOC Perth; ConnectGroups; UnitingCare West; MercyCare; Anglicare; First Nations Deaths in Custody Watch Committee; WANADA; Outcare; Reconciliation WA; Red Cross; Life Without Barriers; Ethnic Disability Advocacy Centre.

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### **Executive Summary**

WA's incarcerated population and justice system costs are both growing rapidly, with over 7000 people detained and costs of over \$1.6 billion in the year 2018/2019. Despite this expenditure, and growth in imprisonment, WA communities are not demonstrably safer as a result.

Our current prison system fails to effectively rehabilitate offenders, with almost half returning to prison within just two years of release. Furthermore, our justice system largely responds reactively to crisis end issues, rather than resolving the underlying causes of offending, which are overwhelmingly linked to socioeconomic disadvantage.

Aboriginal and Torres Strait Islander Western Australians are amongst the most vulnerable and disadvantaged groups within our state, and account for over 40% of adults imprisoned, and over 75% of children incarcerated. At just 3% of WA's population, these staggering statistics are reflective of the highest disproportionate rates of incarceration in the nation.

Experiences of entrenched poverty and disadvantage within our communities frequently drive individuals interactions with the criminal justice system, particularly persons also experiencing homelessness, mental illness, disability and cognitive impairments, and alcohol or drug addictions. A disconnected system of support fails to provide early intervention, prevention, and diversion to struggling families and communities, through a lack of interconnected data, and siloed agencies operating in isolation.

For Aboriginal people, legacies of historical government policies and treatment have resulted in intergenerational trauma, compounding disadvantage, and distrust of government systems. Additionally, there is evidence of systemic discrimination continuing today that further stigmatises and criminalises Aboriginal people.

Our responses as a state to justice issues across all sides of politics can be ineffective due to public pressure leading to reactionary solutions, rather than evidence based policy making. However without resolving these underlying issues, we cannot hope to reduce our prison population, decrease expenditure in justice, or create safer communities and healthier families in the long term.

There are clear alternatives already succeeding notably; Justice Reinvestment policies in the United States, which saw Texas save \$443 million over 2008/2009, and in 2012 closed a prison for the first time; And the placed based Aboriginal community led Maranguka Justice Reinvestment project in Bourke, New South Wales, which is credited with cutting major offences by 18% and domestic violence and drug offences by 40% between 2015 and 2017.

A Social Reinvestment Approach is a proposed transformative solution to WA's justice issues that focuses on responding to the underlying causes of offending, reducing both crime and costs, and supporting the social and economic development of disadvantaged communities. Key elements are Justice Reinvestment; Law Reform; Place based, Community led solutions; Data driven, Targeted and Coordinated Responses; And Prioritising Cultural, Social, and Emotional Wellbeing.

There are promising initiatives within WA that have already begun to enact a Justice or Social Reinvestment approach, including the Halls Creek Olabud Doogethu Justice Reinvestment project, which has been credited with a 46% reduction in burglaries over 2019; And the Armadale Youth

Partnership Project, whose AYIP achieved a 50% reduction in reoffending for those who completed the program.

Using the existing cost benefit analyses of two example justice reinvestment programs, it is estimated if similar initiatives were introduced in WA we could reduce fiscal expenditure by a minimum of \$1billion over the next decade. And by diverting or reforming people who might otherwise offend, we create safer communities and better outcomes for all Western Australians.

The social causes of crime are complex, and a one-size-fits-all approach does not work. Creating healthier families, safer communities, and implementing smart justice approaches requires both cross government and cross sector collaboration and reform; and empowered communities leading local solutions.

If we want to reduce crime and create safer communities; Decrease expenditure whilst building stronger, healthier WA families; And reduce the over-representation of Aboriginal people our prisons- We must reform our system and take up a smarter approach to justice.

## Why Consider a New Approach to Justice in WA?

### The Cost of only funding crisis: Incarceration versus Intervention

WA's justice system is expensive and growing. Adult and Juvenile Corrective Services costs close to \$1 billion a year (DoJ Annual Report, 2018/19), and the incarcerated population has risen by 27% in the last 5 years to 6,908 people (DoJ Annual Reports 12/1318/19.) The cost of detaining these individuals during this period was \$356 for an adult person and \$1021 for a young person, totalling almost \$950 million and only accounting for detention costs. The number of prisoners has almost doubled in the last decade. According to OICS in 2016, the current model suggests facilities are already housing prisoners at a rate of 148% of maximum operating capacity. Any new prison will cost at least \$600 million to build.

Detention is the most expensive form of Youth Justice A meta-analysis on 30 years of empirical evidence exhibited that our current model of youth justice and detention is ineffective at reducing recidivism and rehabilitating offenders, but furthermore is the costliest means of dealing with youth offending<sup>1</sup> In Australia, the total average cost per day for each young person in detention in 2018-2019 was \$1579, compared to \$187 for community-based supervision and/or diversion methods.<sup>2</sup> By comparison, youth-work-based programs have been proven to reduce youth recidivism by half, with an annual cost of \$1,680 per person<sup>3</sup>. WA simply cannot afford our current justice system. The ever-increasing cost of prison growth is unsustainable. In comparison, it costs between \$40 and \$80 per

<sup>&</sup>lt;sup>1</sup> Noetic Solutions Pty Limited (2010). Review of Effective Practice in Juvenile Justice.

http://www.juvenile.justice.nsw.gov.au/Documents/Juvenile%20Justice%20Effective%20Practice%20Review%20FINAL.pdf. <sup>2</sup> Productivity Commission (2020). Report on Government Services 2020 Chapter 17 – Youth Justice Services. Retrieved from https://www.pc.gov.au/research/ongoing/report-on-government-services/2020/community-services/youth-justice/rogs2020-partf-section17.pdf

<sup>&</sup>lt;sup>3</sup> Armytage, P. & Ogloff, J. (2018). Meeting needs and reducing reoffending. Produced for the Victorian Department of Justice. Retrieved from: https://www.justice.vic.gov.au/justice-system/youth-justice/youth-justice-review-and-strategymeeting-needs-and-reducing-offending

day to supervise an adult offender in the community and \$100 per day to supervise a child in the community.<sup>4</sup>

Taking the recent DOJ statistics of 41% recidivism<sup>5</sup>, as well as the cost of custody and community supervision, the total fiscal cost quickly grows to over 1.6 Billion per year. Assuming a current trend of 2% inflation and a 2% increase in prison population, these costs are forecast to increase to 2.3 Billion annually by 2030, which equates to a \$15 Billion (discounted) fiscal expenditure over the tenyear period from 2020 to 2030. This is the expected trend based on the current policies in place and tough on crime approach in Western Australia.

Most people involved with the justice system experience complex social dysfunction prior to involvement with the justice system, such as unstable accommodation, substance use issues, and mental illness. Providing treatment in the community is significantly cheaper than incarceration. Our siloed system of support is ineffective at enacting intervention 'upstream', to prevent crime 'downstream'. Imprisonment swallows up vast resources we could be spending on addressing disadvantage and improving the wellbeing of all Western Australians.

# Failure to rehabilitate offenders and prevent recidivism results in less safe communities

Our prison system does not successfully rehabilitate and reintegrate offenders, with 38.5% of all offenders being sent back to prison and 45.3% to corrective services within just two years of release (Australian Productivity Commission, 2019). The rate at which Aboriginal people are returned to prison is far worse –The recidivism rate for Aboriginal adult males is 70% and for Aboriginal adult females it is 55%. Of the 86 sentenced children in detention in Western Australia on 31 December 2015, 51 (60%) had previously been sentenced to detention the past five years (36 of these children had been sentenced to detention more than once in the prior five-year period).

A review undertaken by the Office of the Inspector of Custodial Services found that 'the three factors most strongly linked to recidivism are age, prior prison admissions and problematic substance abuse'. Subsequently, harsh criminal penalties like detention imposed on low-risk offenders can adversely cause an increased likelihood of the very issues they intend to prevent; Antisocial behaviour and/or recidivism as well as a multitude of other issues As the President of the Children's Court, Judge Dennis Reynolds, has stated in relation to the potential impact of expanded mandatory sentencing for children:

'if a large number of more hardened, angry and disconnected young offenders are returned to the community....then they will have a wide sphere of influence on other disconnected children, including children even younger than them. That will create an ongoing multiplier effect, which over time, will sustain and increase serious offending and its human and financial cost to the community'.<sup>6</sup>

<sup>&</sup>lt;sup>4</sup> Department of Corrective Service, Annual Report 2014-15, 131, 136. (2015).

<sup>&</sup>lt;sup>5</sup> WA Dept Justice Annual Report 2018/2019 <<u>https://www.wa.gov.au/sites/default/files/2020-01/Department-of-Justice-Annual-Report-2018-2019.pdf</u>>

<sup>&</sup>lt;sup>6</sup> Judge Denis Reynolds, Youth Justice in Western Australia – Contemporary Issues and its future direction, Lecture, 13 May 2014, 5–6.

Furthermore, while imprisonment for serious and/or violent offending is necessary, removing people from their communities for minor offences has a detrimental social impact. For example if a single mother is imprisoned for being unable to pay a fine, her children could be taken into state care, her mother left without a caregiver, and physical and mental health issues associated with the prison environment might develop. The flow on effects are difficult to reverse upon her return home.

This continual cycle of incarceration and reoffending fails to make communities safer in the long term. These people subsequently return to their communities, with a high risk of reoffending, and often unequipped with the skills to find new ways of contributing to community life. By comparison, just 12.8 per cent of people sentenced to programs in the community have further contact with corrections within the following two-year period. As of March 2016, Western Australia had the lowest rates of persons in community-based corrections in the country.<sup>7</sup> These figures make it clear that prison is failing to rehabilitate the people we separate from the community.

# Over-representation of Aboriginal and Torres Strait Islander people in WA's Justice System

Nationally, Aboriginal and Torres Strait Islander people make up 28 per cent of adults and more than 50 per cent of children we imprison in Australia.<sup>8</sup> In Western Australia the situation is worse still. WA has the highest disproportionate rates of Aboriginal Incarceration in the entire nation. In 2019, 39% of the adults and 76% of the children imprisoned in WA were Aboriginal or Torres Strait Islander (DoJ, 2019). Aboriginal people are just 3.9 percent of our population (AIHW, 2017). We imprison Aboriginal people in Western Australia at eight times the rate of black incarceration during South African apartheid.<sup>9</sup>

Historical injustices such as Stolen Generations, wage theft, and other colonial policies have deeply impacted Aboriginal people in WA, socially, emotionally, and economically. Subsequently intergenerational trauma and entrenched disadvantage and poverty are experienced at significantly higher rates than for the non-Indigenous population. Poor life outcomes associated with poverty are social determinants of crime.

Given the significant portion of Aboriginal people incarcerated in Western Australia in 2018/2019<sup>10</sup>, there should be a far larger proportion of programs and services within the justice system that are specifically designed by and for Aboriginal people. The Office of Inspector of Custodial Services has observed that 'improvements in program availability [within prisons] have not been equitably distributed. In 2013 the gap between treatment needs and program delivery was markedly different between metropolitan and regional 'Aboriginal' prisons (those where the proportion of Aboriginal people in prison is 75 per cent or more). Prisoners released from 'Aboriginal' prisons were far more likely to have treatment needs unaddressed due to programs being unavailable'.<sup>11</sup> In 2014 the President of the Children's Court stated that there 'has been an almost complete absence of

<sup>&</sup>lt;sup>7</sup> Australian Bureau of Statistics, 'Corrective Services, Australia, June Quarter 2016', <u>2016.</u>

<sup>&</sup>lt;sup>8</sup> Law Council of Australia, Addressing Indigenous Imprisonment: National Symposium, Discussion Paper, 2015, 8.

<sup>&</sup>lt;sup>9</sup> Georgatos, G, 'South Africa, 20 years after Apartheid, doing better than Australia', 2013.

<sup>&</sup>lt;sup>10</sup> 2019, WA Department of Justice, Annual Report 2018/2019.

<sup>&</sup>lt;sup>11</sup> Office of the Inspector of Custodial Services, Recidivism Rates and the Impact of Treatment Programs (September 2014)

rehabilitation programs for Aboriginal children for many years despite the ongoing urgent need for them'.<sup>12</sup>

These grave problems are increasing. The rate of incarceration has advanced 12 times faster for Aboriginal people than non-Aboriginal people since 1989.<sup>13</sup> This discrepancy is projected to continually rise over the coming two decades as the Aboriginal youth population progresses into adulthood.<sup>14</sup>

If the status quo remains, incarceration and costs will continue to rise without a marked difference in creating safer WA communities, or alleviating disadvantage to resolve the underlying causes of offending.

## Investigating the Causes of WA's Justice Issues

### Entrenched socioeconomic disadvantage

Social and economic disadvantage is a main cause of offending behaviour. Those living in the most disadvantaged areas of Western Australia are eight times more likely to spend time in prison.<sup>15</sup> It is well known that factors such as poverty, education, mental and physical health, abuse and family violence, housing security, and generational legacies of incarceration contribute to offending behaviour.

People who have been imprisoned or are otherwise involved in the criminal justice system generally experience disability, mental illness and cognitive impairment at much higher levels than the general population. It has been reported that internal modelling in Western Australia has estimated that 59% of the adult prison population and 65% of the juvenile prison population has a mental illness (and this is almost three times the prevalence in the general population).<sup>16</sup> Another example, tenancy evictions and resulting homelessness and/or overcrowding may lead to anti-social behaviour and/or criminal offending. In addition, Another key criminogenic risk factor is mental illness.

It is evident that certain social circumstances will greatly increase a person's likelihood involvement in the criminal justice system. Non-Retention of young people in school is one critical contributing factor to individuals likelihood of offending. A 2008 study of female prisoners in Western Australia found that almost half (48%) of the women had not completed Year 10 at school.<sup>17</sup> Sixty-five percent of the Aboriginal female prisoners failed to complete Year 10 in comparison to 33% of the non-Aboriginal

<sup>&</sup>lt;sup>12</sup> Judge Dennis Reynolds, Youth Justice in Western Australia – Contemporary Issues and its future direction, (University of Notre Dame, 13 May 2014)

<sup>&</sup>lt;sup>13</sup> Creative Spirit, 'Aboriginal Prison Rates', 2016.

<sup>&</sup>lt;sup>14</sup> Australian Bureau of Statistics, 'Estimates of Aboriginal and Torres Strait Islander Australians, June 2011', 2013.

<sup>&</sup>lt;sup>15</sup> Jesuit Social Services & Catholic Social Services Australia, *Dropping Off the Edge 2015: Persistent Communal* 

*Disadvantage in Australia*; ABC News, 'Dropping Off the Edge: Select suburbs stuck in cycle of disadvantage with little being done to help, report shows', 21 July 2015.

<sup>&</sup>lt;sup>16</sup> Mental Health Commission of Western Australia, *Western Australia Mental Health, Alcohol and Other Drug* Services Plan 2015–2025 (2015) 16.

<sup>&</sup>lt;sup>17</sup> At this time, Year 10 was the last year of compulsory schooling.

female prisoners.<sup>18</sup> More recently, the Victorian Ombudsman's observed that only 6% of male prisoners and 14% of female prisoners had completed secondary school.<sup>19</sup>

Social disadvantage and a lack of security in an individual's home life also increase the likelihood of a person ending up in the prison system. Processes such as The Department of Housing Disruptive Behaviour Management Strategy can contribute to a decrease in family and community safety, it has been observed in situations of family and domestic violence that some women will not contact police for assistance due to a fear that they will receive a 'strike' and may be evicted.<sup>20</sup> Children with complex needs in the care of the Department for Child Protection and Family Support also need appropriate accommodation. According to the Department, residential group homes and family homes for children with challenging behaviours were operating at near full capacity.<sup>21</sup> Involvement in out-of-home care (in particular, residential care) may increase the likelihood of involvement in the criminal justice system.<sup>22</sup> Lack of representation and assistance in relation to family violence and child protection matters may have dire consequences for families and children such as homelessness, increased substance abuse and loss of connection to community, family and culture.

### Disconnected Responses and a lack of Targeted, Integrated Support Services

There are some systematic and practical issues within our justice system, that further compound the problems associated with high incarceration. Most people involved in the justice system experience a multitude of social issues and have complex needs.

"Noah, an Aboriginal child in a remote community, is born with ear disease. When he starts school, he can't properly hear the teacher's instructions, so he falls behind in work. He is afraid to speak up and ask for help. He starts to feel stupid, and isolated from his peers. As he gets older and falls further and further behind with no hearing aid, he is held back a class in Year 8. Not hearing instructions or information properly makes Noah bored in class, his teachers and classmates think he is a troublemaker and very disruptive. Noah starts skipping school, because "what's the point anyway?" Despite attending no more than half of Year 9, Noah leaves school in Year 10. With little education, and few job prospects, he starts breaking into houses with a few older boys to make some cash to get by. He is eventually caught and is sent to a juvenile detention facility."

We know that crime is caused by a multitude of disadvantages, and we cannot combat them independently. Poor education outcomes caused by hearing impairment has been linked to criminal behaviour; for example, an investigation of 44 Aboriginal prisoners in Darwin found that more than 90% had a significant hearing loss (Burns & Thomson, 2013)

Yet often agencies do not work together to provide holistic support. Services often overlap and without community codesign can miss crucial community needs. We cannot work in silos, fixing justice issues requires whole-of-government solutions.

<sup>&</sup>lt;sup>18</sup> Department of Corrective Services, Profile of Women in Prison 2008 (2009) 63.
<sup>19</sup> Victorian Ombudsman, Investigation into the republikation and reintegration of the second sec

Victorian Ombudsman, Investigation into the rehabilitation and reintegration of prisoners in Victoria (September 2015) 150.

<sup>&</sup>lt;sup>20</sup> See WACOSS, *Leaving No-One Behind: A brighter future for our children, families and* community, Pre budget submission for the Western Australia State Budget 2016–2017, 32.

<sup>&</sup>lt;sup>21</sup> Department of Child Protection and Family Support, *Annual Report 2014-2015* (2015) 34.

<sup>&</sup>lt;sup>22</sup> VCOSS, The Role of Out-of-Home-Care in Criminal Justice Outcomes, <u>http://insight.vcoss.org.au/the-role-of-out-of-home-care-in-criminal-justice-outcomes/</u>.

In order to ensure the effective use of public funds, it is essential that reliable data is maintained during all stages of the justice process and by all government agencies. Furthermore, data must be interconnected and easily comparable between agencies for it to offer meaningful information, and must be publicly accessible. Western Australian justice agencies do not have a good track record in this regard. As an, there is no publicly available data in Western Australia to demonstrate the proportion of Aboriginal children under the care of the Department for Child Protection and Family Support who are simultaneously involved in the criminal justice system. Anecdotally, there are a high number of cross-over cases where children are involved in both the justice and child protection systems. It has been observed that 'knowledge about the extent of multiple-sector involvement and the types of children and young people who are involved would allow government and non-government agencies to provide more targeted services'.<sup>23</sup> The recent initiation by the WA Department of Treasury of the Social Investment Data Resource (SIDR) is a promising step towards more effective data collection and utilisation across government for purpose.

The Economic Regulation Authority observed that the Department of Corrective Services does not have an effective process for allocating prisoners to rehabilitation programs. Moreover, rehabilitation programs are not available to short-term prisoners or prisoners on remand. In order to develop an Individual Management Plan and receive rehabilitation programs, the Department requires a prisoner to have a minimum six months' sentence to serve in custody.<sup>24</sup> The Office of the Inspector of Custodial Services has consistently called through reviews for changes to Banksia Hill Detention Centre, most of which have not been implemented. Young people inside are receiving an inadequate education, with 28 young people (about a quarter of the incarcerated population) not receiving acess to education while detained in the facility in 2017/2018. That same year Two children attempted suicide and a minor self-harm incident was recorded, on average, every two days (174 in total).<sup>25</sup>

Without rehabilitation, imprisonment in its current form does little to address the underlying problems that lead to crime, or prevent offending, and for less serious offenders has little tangible benefits in terms of community safety. Western Australians also bear the moral burden of knowing that we separate Aboriginal and Torres Strait Islander children, women and men from their families through imprisonment at the highest disproportionate rates in Australia.

### Aboriginal Western Australians: Intergenerational trauma and Systemic Discrimination

For Aboriginal and Torres Strait Islander peoples particularly, the situation is dire. They have experienced a complex history of discrimination, abuse and institutionalisation. Many have suffered from unresolved trauma, grief and loss of cultural identity, a product of intergenerational dispossession and forced separation of families and communities.<sup>26</sup> These factors have led many Aboriginal and Torres Strait Islander people to become trapped in a cycle of entrenched poverty, drug and alcohol dependence, mental health issues, homelessness and over-crowding issues.

<sup>&</sup>lt;sup>23</sup> Australian Institute of Health and Welfare, *Children and Young People at risk of social exclusion: links between homelessness, child protection and juvenile justice* (2012) 1.

Economic Regulation Authority, *Inquiry into the Efficiency and Performance of Western Australian Prisons* (2015)
 126.

<sup>&</sup>lt;sup>25</sup> Productivity Commission's Report on Government Services, 2019

<sup>&</sup>lt;sup>26</sup> See, for example, Human Rights and Equal Opportunity Commission 1997, *Bringing them home: report of the National Inquiry into the Separation of Aboriginal and Torres Strait Islander Children from their families*, HREOC, Sydney.

20 years ago the Royal Commission into Aboriginal Deaths in Custody found that underlying issues behind the overrepresentation of the Aboriginal men, women and juveniles in the justice system included unemployment, poverty, the inability to pay fines, poor health (particularly mental health), lack of education, alcoholism and drug addiction, race discrimination, homelessness, as well as police practices, prison procedures and judicial processes. RCIADIC recognised that only through addressing the underlying causes for the high representation, would there be any long term reduction in the levels of overrepresentation.

Aboriginal people battle further unique challenges when facing the criminal justice system. Many Aboriginal people feel alienated from the justice system and experience distrust of the police and legal system. This is a product of innumerable contributing factors, including language barriers, cultural differences between Western criminal justice processes and Aboriginal Customary Law, the negative history of Aboriginal peoples' interactions with the justice system and insufficient cultural understanding by justice system agents.<sup>27</sup>

There is also evidence of over-policing and under cautioning of Aboriginal and Torres Strait Islander young people. Statistics show that Aboriginal children who are found by WA Police to be breaking the law are more likely to end up in court than non-Aboriginal children, who are more often given cautions and other diversionary options.<sup>28</sup> WA Police Commissioner, Chris Dawson, commented in June 2019 that the 'vast volume' of Aboriginal children who are charged with a criminal offence in this State could be dealt with through community justice arrangements and not end up in custody. The House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs stated in 2011 found concerning "evidence suggesting that over-policing of Indigenous communities continues to be an issue affecting not only relations between Indigenous people and the police, but also the rate at which Indigenous people come into contact with the criminal justice system."<sup>29</sup>

The Aboriginal Legal Service of WA positions that over-policing of Aboriginal and Torres Strait Islander peoples is a key contributing factor to incarceration rates, and that decisions to charge people with low level offending will have repercussions for future involvement in the justice system. They cited several cases as part of their submission to that Inquiry<sup>30</sup> including: A 12-year-old Aboriginal boy with no criminal convictions was charged with receiving a stolen freddo frog worth 70 cents. The boy was later arrested by police and detained in antiquated police cells because he failed to answer his bail after missing his court date. Other examples included a 15-yearold boy from a regional area being charged with attempting to steal an ice-cream who subsequently spent 10 days in custody in Perth before the charge was eventually dismissed; a 16-year-old boy who attempted to commit suicide by throwing himself in front of a car was charged with damaging the vehicle; and an 11-year-old with no

<sup>&</sup>lt;sup>27</sup> Law Reform Commission of Western Australia, Aboriginal Customary Laws, Discussion Paper, 2005, 15.

<sup>&</sup>lt;sup>28</sup>The Guardian, 'WA police says 'vast volume' of Indigenous children shouldn't be in custody', 3 June 2019, accessed: https://www.theguardian.com/australia-news/2019/jun/03/wa-police-says-vast-volume-of-indigenous-children-shouldnt-be-in-custody 23

<sup>&</sup>lt;sup>29</sup> 21 House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs, Doing Time — Time for Doing: Indigenous youth in the criminal justice system (2011) [7.22].

<sup>&</sup>lt;sup>30</sup> ALSWA, Submission to the Parliament of Australia, House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs, Inquiry into the High Level of Involvement of Indigenous Juveniles and Young Adults in the Criminal Justice System (December 2009).

prior contact with the justice system was charged with threats to harm following an incident at her primary school where she allegedly threatened teachers with plastic scissors.<sup>31</sup>

These issues are further compounded by a lack of culturally appropriate support programs and services specifically designed for Aboriginal people, bearing in mind the overrepresentation of Aboriginal people in the Western Australian criminal justice system,. The Office of Inspector of Custodial Services has observed that 'improvements in [culturally appropriate prison] program availability have not been equitably distributed. In 2013 the gap between treatment needs and program delivery was markedly different between metropolitan and regional 'Aboriginal' prisons (those where the proportion of Aboriginal people in prison is 75 per cent or more). Prisoners released from 'Aboriginal' prisons were far more likely to have treatment needs unaddressed due to programs being unavailable'.<sup>32</sup> Numerous parliamentary inquiries and a recent Productivity Commission report have found that Aboriginal legal services are significantly underfunded.<sup>33</sup> Under-resourcing of Aboriginal-specific legal services creates gaps in effective service delivery for civil and family law problems in Aboriginal communities. A further example is the absence of a state-wide Aboriginal language interpreter service in Western Australia.<sup>34</sup>

It is imperative that everyone involved in the justice system (eg, police, lawyers, community corrections officers, judiciary and other justice staff) have effective and ongoing cultural competency training. Despite past recommendations in relation to cultural competency training, deficiencies remain. A failure to understand cultural issues may have dire consequences for the way in which an Aboriginal person is dealt with. Amnesty International reported that cultural competency training is provided at the Police Academy when recruits first join the police force but that there is little follow up by way of cultural training in the local context once the police have taken up their posts. Familiarisation with the local cultural context through discussions with local Aboriginal organisations or Elders is done only in an ad hoc way.<sup>35</sup>

### Reactionary, Rather Than Responsive Justice Policy and Legislation

Justice issues and crime generally promote an evocative and emotional response in the population. It is reasonable and understandable- nobody wants themselves or a loved one to be a victim of crime. Justice must also be seen to be served. Sometimes these emotional responses are manifested into public outcry when a particular incident catches public attention. However public and media attention often mount into political pressure to take rash action to appear tough on crime. What

<sup>&</sup>lt;sup>31</sup> ALSWA, Submission to the Parliament of Australia, House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs, Inquiry into the High Level of Involvement of Indigenous Juveniles and Young Adults in the Criminal Justice System (December 2009).

<sup>&</sup>lt;sup>32</sup> Office of the Inspector of Custodial Services, Recidivism Rates and the Impact of Treatment Programs, 2014, 27.

<sup>&</sup>lt;sup>33</sup> Productivity Commission, *Access to Justice Arrangements*, Inquiry report, Volume 2, 2014, 700; See Parliament of Australia, Senate Standing Committee on Legal and Constitutional Affairs 2013, Value of a justice reinvestment approach to criminal justice in Australia; Parliament of Australia, House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs 2011, *Doing Time - Time For Doing: Indigenous youth in the criminal justice system*.

<sup>&</sup>lt;sup>34</sup> See Law Reform Commission of Western Australia, *Aboriginal Customary Laws*, Discussion Paper, 2005, 401; K. Allingham & D. Eggington, 'WA calls for a Statewide Aboriginal Interpreter Service' [2006] IndigLawB 52; (2006) 6(22) Indigenous Law Bulletin 6.

<sup>&</sup>lt;sup>35</sup> Amnesty International, *There is always a brighter future: Keeping Indigenous kids in the community and out of detention in Western Australia* (2015) 23.

might appear tough on crime does not necessarily correspond to policies and legislations that evidence demonstrates would be the most effective at reducing crime, and/or creating fair outcomes.

Currently, in Western Australia, people who do not pay their court-imposed fines may be imprisoned at a cut-out rate of \$250 per day. What this means is that for every day spent in prison, \$250 worth of unpaid fines is written off. The amount of the fine is never recouped. Alarmingly, this option costs taxpayers \$345 per day. It has been estimated that the total cost of imprisoning fine defaulters in 2013 would have been approximately \$4 million. For vulnerable and disadvantaged people the failure to pay outstanding fines is rarely a choice, instead, it is typically the result of poverty, mental and/or physical illness, disadvantage and other complex life circumstances such as family violence and substance abuse. Imprisonment is highly likely to cause further disadvantage and trauma such as risks to physical and mental health including deaths in custody, such as that of Ms Dhu in 2014.; disruption to family and children; and the possibility of children being removed by child protection authorities. Aboriginal woman are 65% of the women incarcerated for unpaid fines. These sentences of imprisonment are imposed by the Fines Enforcement Registrar, a public servant, rather than a member of the judiciary. The option of imprisonment does nothing to address the underlying problems or prevent offending as opposed to alternatives such as the NSW Work and Development Permit Scheme. It is incongruous that Western Australia imprisons people who cannot pay fines at such an enormous expense without any tangible benefits in terms of community safety. Cases of inefficient laws such as incarceration of fine defaulters are vastly expensive, separate families, and are of little to no benefit to community safety,

Western Australian also currently enforces mandatory sentencing laws that apply to children. There is no evidence that mandatory sentencing contributes to ongoing community safety. Mandatory sentencing adds to the overall high cost of imprisonment without any long-term discernible benefits to community safety. Mandatory sentences of imprisonment are highly unlikely to deter young people without the capacity for consequential thinking, or people suffering from mental impairment, alcohol or drug dependency, or extreme social and economical disadvantage<sup>36</sup>19. Nine out of ten detainees in Banksia Hill were found to have a cognitive impairment<sup>37</sup>. It was estimated that the introduction of mandatory sentencing laws in WA would cost taxpayers \$43 million (to accommodate an estimated additional 60 juvenile detention places and 206 adult prisoners), many of whom may pose little threat to the community, and would be better rehabilitated outside the prison system. The government at the time also acknowledged that a further \$93 million spent to build a new prison as a direct consequence of the legislation.<sup>38</sup>

Measures that are designed to address the underlying causes of offending behaviour are more likely to reduce the true incidence of offences subject to mandatory sentencing, such as programs like the Yirriman Project in the Kimberley, Western Australia. The Yirriman Project Diversion Program is a

<sup>&</sup>lt;sup>36</sup> New South Wales Law Reform Commission, *Sentencing*, Report No. 139 (2013) 31-32.

<sup>&</sup>lt;sup>37</sup>Carol Bower et. Al. "Fetal alcohol spectrum disorder and youth justice: a prevalence study among young people sentenced to detention in Western Australia - April 01, 2018" *BMJ Open*.

<sup>18</sup> Amnesty International, There is always a brighter future: Keeping Indigenous kids in the community and out of detention in Western Australia (2015) 23. 19 New South Wales Law Reform Commission, Sentencing, Report No. 139 (2013) 31-32.

<sup>&</sup>lt;sup>38</sup> See Joint Statement to the Western Australian Government on the *Criminal Law Amendment (Home Burglary and Other Offences) Bill 2014.* 

community-based youth diversionary program run by the Kimberly Aboriginal Law and Culture Centre. The Yiriman Project in Fitzroy Crossing takes young people at risk of offending on country and supports them to undertake culturally based activities. It has demonstrated evidence in both improving the health outcomes of Aboriginal young people with FASD as well as helping to prevent their involvement in the juvenile justice system.<sup>39</sup>

Whilst the causes of crime, and systematic issues within our justice system contribute heavily to increasing incarceration rates, they are not often focused upon in our responses to justice issues. Too often when faced with increasing crime rates in the WA community, official responses are to implement "band aid" solutions such as imprisoning more people who have committed crimes. In the short term such measures may appease the public, but will long term fail to reduce crime rates and make communities safer, and will contribute to unnecessary spending on incarceration as prison populations climb.

## The Solution: Justice Reinvestment

Justice Reinvestment shifts the emphasis and funding of justice from incarceration to less costly early intervention, prevention, and rehabilitation. It targets and responds to the underlying causes of offending, resolving these issues at the root preferably before crime occurs, rather than reacting to the consequences once damage has been done. This involves redirecting expenditure to focus on supporting families early to address the underlying causes of offending; Diversion of people in contact with the criminal justice system into support programs that will rehabilitate or prevent future crime; And assisting people to safely and successfully reintegrate into the community. Expenditure may come from funds previously allocated to the tertiary end of the justice system.



### History of JR: The United States

Justice Reinvestment originated in the U.S. as a means for states with unsustainable prison populations to reduce their rate of incarceration and associated economic burdens, by diverting resources from the tertiary end of the criminal justice system upstream, where costs are significantly cheaper, to early intervention, prevention, diversion and rehabilitation.

Texas once earned its reputation as a tough-on-crime state through harsh sentences; abusive and, sometimes, deadly prison conditions; proud use of the death penalty; and a direct legacy of slavery

<sup>&</sup>lt;sup>39</sup> The Centre for Best Practise in Preventing Aboriginal and Torres Strait Islander Suicides, Accessed 2020. "Clearing House/Best Practice Programs & Services/Prevention" < https://www.cbpatsisp.com.au/clearing-house/programs-services/programs-for-preventing-youth-suicide/#H7>

(Perkinson, 2010). Between 1968 and 1978, the Texas state population grew by 19%, but the prison population increased by 101%, reaching 22,439 in 1978. All told, between 1980 and 2004, Texas built 94 state prisons and increased the number of people it incarcerated by 566% (Perkinson, 2010). The Texas corrections budget increased from \$600 million in 1985 to \$2.4 billion in 2005 (ACLU, 2007), as the number of people the State incarcerated climbed to 159,255 (Bureau of Justice Statistics, 2005). In 1997, the House Research Organization stated that growth in incarceration was caused by "a burgeoning state population; more punitive policies toward offenders, especially for violent crimes; tighter restrictions on parole, including longer minimum periods behind bars before parole eligibility and tougher policies for granting time off sentences for good conduct; and a stepped-up 'war on drugs'".

As incarceration increased in Texas, overcrowding of prisons and budget shortfalls were experienced. After a deep analysis and projection, Texas decided to embark on a journey of Justice Re-investment aiming at cutting down crime and saving money. By collaborating with the Council of State Governments Justice Center, state officials developed plans to address the crisis. Consequently, a budget that proposed expansion of community strengthening, diversion, and greater rehabilitative treatment in the prisons and parole systems was adopted by the legislature. The measures translated into net savings \$443.0 million over 2008/2009, and in 2012 Texas closed a prison for the first time. Justice reinvestment was significantly cheaper than building more prison facilities. It has been adopted in over 11 US states.

### Development in Australia

In Australia, JR has developed further. The town of Bourke, NSW has achieved recognition as the first place based, Aboriginal community led JR site, through the Maranguka JR Project in partnership with JustReinvest NSW. Maranguka Bourke is credited with cutting major offences by 18% and domestic violence and drug offences by 40% between 2015 and 2017.<sup>40</sup> Additionally KPMG found it generated a net benefit of \$3.1 million in 2017.<sup>41</sup>

Justice Reinvestment was adopted as policy by the ACT Government in 2019.

In WA, Social Reinvestment WA is the key coalition of NGO's working to support the introduction of JR, which we advocate is integral to reducing the over-representation of Aboriginal people in WA's justice system. SRWA recommends 5 key approaches to achieving healthy families, safe communities, & cost savings, using smart justice; Justice Reinvestment; Law Reform; Prioritising Cultural, Social, and Emotional Wellbeing; Inter-agency Collaboration, Evidence & Data sharing to create Holistic Responses; and Community Co-designed Place Based approaches.

### A Social Reinvestment Approach

A Social Reinvestment Approach is a transformative approach to justice issues. One that focuses on responding to the underlying causes of offending, reducing both crime and costs, and supporting the social and economic development of disadvantaged communities. The social causes of crime are

<sup>&</sup>lt;sup>40</sup> KPMG, 2018, "Maranguka Justice Reinvestment in Bourke: impact"

<sup>&</sup>lt; <u>http://www.justreinvest.org.au/wp-content/uploads/2018/11/Maranguka-Justice-Reinvestment-Project-KPMG-Impact-Assessment-FINAL-REPORT.pdf</u>>

<sup>&</sup>lt;sup>41</sup> KPMG, 2018, "Maranguka Justice Reinvestment in Bourke: impact"

<sup>&</sup>lt; <u>http://www.justreinvest.org.au/wp-content/uploads/2018/11/Maranguka-Justice-Reinvestment-Project-KPMG-Impact-Assessment-FINAL-REPORT.pdf</u>>

complex, and a one-size-fits-all approach does not work. Creating healthier families, safer communities, and implementing smart justice approaches requires both cross government and cross sector collaboration and reform; and empowered communities leading local solutions. It is supported by research, best practise evidence, and the collective knowledge and experiences of 25 WA organisations. Social Reinvestment is the natural progression of Justice Reinvestment, the differing term is used here to distinguish between the "top down" only focus of US based models, to the more integrated Australian approach of widespread policy reform working in conjunction with community led, place based initiatives. Key tenements of a Social Reinvestment approach are:





PLACE BASED, COMMUNITY LED DECISION MAKING AND CO-DESIGN



DATA DRIVEN, TARGETED, COORDINATED RESPONSES



PRIORITISING CULTURAL, SOCIAL, AND EMOTIONAL WELLBEING



Redirecting expenditure to focus on supporting families early to address the underlying causes of offending; Diversion of people in contact with the criminal justice system into support programs that will rehabilitate or prevent future crime; Assisting people to reintegrate into the community. This spending may come from funds previously allocated to the tertiary end of the justice system. Future savings and contributions are projected to occur across multiple areas.

Reform of legislation and policies that intentionally or unintentionally result in discrimination within the justice system, or inadvertently cause 'unfair' outcomes. A key example of an area requiring reform is the 2012 Fines, Penalties, and Infringements Enforcement Act; In March 2020 an amendments bill which SRWA advocated significantly for is before WA's upper house of Parliament.

Community Development principles should be at the heart of leading Community co designed, place-based solutions. This ensures solutions address the causal factors *unique* to individual communities; Are owned and driven by an empowered community to ensure longevity and responsibility; And Selfdetermination is fostered and upheld for Aboriginal peoples.

Data sharing and Collaboration between government agencies, the NGO services sector, researchers, and place-based service providers will develop more accurate understandings of the experiences of disadvantage across WA. Once communities and/or individuals in need are identified, *in conjunction with community led design*, these understandings can subsequently inform more effective, targeted, and holistic solutions to social issues.

Healing trauma and building healthy, strong families and individuals is critical to overcoming many of the social causes of crime. Mental health and AOD issues are prevalent among persons in the justice system, and resolving these issues must be prioritised. Culture plays a critical role in forging strong identities and healing symptoms of intergenerational trauma for Aboriginal people impacted by the Stolen Generations and Colonisation.

### Prevention and Rehabilitation Create Long Term Gains.

Social Reinvestment responds to the evidence that prisons are not effective or efficient deterrents and do not properly rehabilitate. The overwhelming majority of people who we send to prison will eventually return to the community, so strategies other than imprisonment are needed. We need to identify, and work together to solve, the social and economic causes of crime, rather than just reacting to criminal behaviour.

A 2017 Report by PWC Consulting in partnership with Change the Record and Richmond Football Club<sup>42</sup> found that **closing the gap on Aboriginal Incarceration will save almost \$19 billion dollars nationally by 2040.** Under a Social Reinvestment approach, the enormous resources currently wasted on a failing prison system are freed up to be spent on improving the wellbeing of people, families, and communities. Social Reinvestment strategies work to improve opportunities, health, and education in at risk communities, and allow people to rebuild their lives after their sentence, so they can contribute to their community.

# Case Study 1. Olabud Doogethu: Community Designed Justice Reinvestment In The Shire Of Halls Creek

Olabud Doogethu is an Aboriginal community designed place based solution to reduce incarceration, and provide better outcomes for the young people of Halls Creek and surrounding communities. Led by the Shire of Halls Creek, Co-Design, Data Mapping, Justice Circuit breaking for high risk young people, and transitioning to responding to underlying causes of offending with parents have been undertaken or commenced across Halls Creek Shire encompassing 11 Aboriginal communities. It provides culturally secure end to end support for at risk individuals and families. Through a collective impact approach, expanding to more partners, and further collaboration across all levels of government and agencies we can overcome silos that prevent effective change. It is the most advanced Justice Reinvestment project in WA.

One of the first initatives; The establishment of the Youth Engagement Night Officers (YENO's), has demonstrated great success

"Since the inception of the Halls Creek Shire Youth Engagement Night Officers there has been a 46% reduction in Burglary offences and a 12% reduction in Stealing offences within the Halls Creek townsite. I believe their role is a significant contributor to this reduction. [Additionally] when the YENO team are not working my officers report the street presence and anti-social behaviour of the youth increases notably" - Halls Creek Senior Sergeant Dean Bailey, Jan. 2020.<sup>43</sup>

Additionally the project includes: Establishment of program by the Shire to provide a guaranteed 12 month paid traineeship for every high school graduate in the Halls Creek region, of which 11 have begun, to combat extremely high drop out rates; The employment of Learning on Country Coordinators (LOCC's) in 3 remote communities to lead development of culturally secure youth rehabilitation and alternative education models; Providing free entry into the Halls Creek Swimming

<sup>&</sup>lt;sup>42</sup> PWC Consulting, Change the Record, Richmond Football Club, (2017), Indigenous Incarceration: Unlocking the Facts, < https://www.pwc.com.au/indigenous-consulting/assets/indigenous-incarceration-may17.pdf>

<sup>&</sup>lt;sup>43</sup> Shire of Halls Creek and Social Reinvestment WA, (2019), "Olabud Doogethu: WA's First Justice Reinvestment Site Brief" available at < https://www.socialreinvestmentwa.org.au/jr-sites>

Pool to improve community health outcomes; Olabud Doogethu Intensive Case Management Team, delivering end to end case management and clinical social work support to the most at risk young people; The employment of Aboriginal Parent Support Team Workers to do outreach support to struggling families identified through OD; Early Childhood Intervention Initiative; And establishing Halls Creek Youth Hub a youth centre open from 3pm-8pm to engage young people in recreational activities after school hours.

### Case Study 2. Youth Partnership Project

The Youth Partnership Project (YPP) – Armadale, Western Australia: The YPP is a youth intervention framework begun in 2016led by Save the Children, that aims to engage State Government agencies and the community sector to work better together to improve outcomes for at-risk young people.

As part of this the Armadale Youth Intervention Partnership (AYIP) has developed an early intervention model that aims to reduce the demand on the youth justice service system. It seeks to get the right supports to the right young people, at the right time. Working with young people at risk of transitioning from the youth to adult justice system, **AYIP achieved a 50% reduction in reoffending for those who completed the program.**<sup>44</sup>

The program not only create significant cost savings in expenditure on tertiary services, but more importantly, ensures young people will thrive in their communities.

### Social and Economic Benefit Analysis

#### Template Model: Example Cost Benefit Analysis of Existing Projects

The Department of Justice (DOJ) reported 6,908 adults in detention and 134 young persons in detention in Western Australia during the 2018-2019 financial year. The cost of detaining these individuals during this period was \$356 for an adult person and \$1021 for a young person, totalling almost 950 million and only accounting for detention costs. Taking the recent DOJ statistics of 41% recidivism<sup>45</sup>, as well as the cost of custody and community supervision, the total fiscal cost quickly grows to over 1.6 Billion per year. Assuming a current trend of 2% inflation and a 2% increase in prison population, these costs are forecast to increase to 2.3 Billion annually by 2030, which equates to a 15 Billion (discounted) fiscal expenditure over the ten-year period from 2020 to 2030. This is the expected trend based on the current policies in place and tough on crime approach in Western Australia. There is substantial evidence that the population of those incarcerated and the cost to the government, can be reduced significantly if targeted prevention, intervention and diversion techniques are implemented. Crucially, to address the Indigenous incarceration rate, which is over-represented in the WA prisons, a cultural healing aspect must be considered throughout the various prevention, intervention and diversion stages.

<sup>&</sup>lt;sup>44</sup> Youth Partnership project 2017, Change the Story Report,

<sup>&</sup>lt;http://www.youthpartnershipproject.org.au/uploads/files/publications/CHANGE%20THE%20STORY.pdf>

<sup>&</sup>lt;sup>45</sup>2019, Department of Justice Annual Report < <u>https://www.wa.gov.au/sites/default/files/2020-01/Department-of-Justice-Annual-Report-2018-2019.pdf></u>

To affect substantial and sustainable change, the targeted services can be tailored to address the three broad categories including but not limited to:

- 1. Prevention: Targeting early life for example, fostering safe homes and communities, providing the right to education and good health care in order to break the cycle.
- 2. Intervention: Targeting those at risk of offending for example, Indigenous community and providing adequate intervention services for drug abuse, domestic violence, targeted employment skills.
- 3. Diversion: Tackling recidivism and enabling another pathway leading to employment & purpose and therefore breaking the recidivism cycle.

To truly break the cycle and achieve social and economic equity amongst Indigenous and non-Indigenous Australians, a tailored cultural healing program for the Indigenous community run by the Indigenous community is highly recommended. This can be implemented at all 3 stages outlined, prevention, intervention and diversion.

'(My colleague) has been using the (Red Dust Healing) tools in her own life and with her clients. She teaches the tools and she's got some really challenging clients - these are people who've done the mental health merry-go-round. They're constantly in and out of facilities and they're on alcohol, on ice. She was able to get some of these people housed, people who'd been in and out of jail for the last 20 years, are now housed and functioning. (Apart from) the cost of people being in jail, this is the longest time that one person has spent out of jail. For someone to have not been to jail for the last 4 years when for the last 20 years.<sup>46</sup>

Project	Location	BCR
Healing Foundation – Murri	QLD	8.85 <sup>47</sup>
School Healing Project		
Healing Foundation – Case	Various World Case Studies	Between 4.4 - 1 <sup>48</sup>
Studies		

Some services and case studies in this area are tabulated below.

### Case Studies

The 2 case studies used for the Cost Benefit Analysis focus on the intervention and diversion stage as these strategies provide the quickest economic benefit but to be sustainably effective, must also be implemented in conjunction with prevention techniques. This includes but is not limited to the basic

<sup>&</sup>lt;sup>46</sup> Caritas (2018) Red Dust Healing Evaluation Final Report, <<u>https://www.caritas.org.au/learn/programs/australia---red-</u> <u>dust-healing-program</u>>

<sup>&</sup>lt;sup>47</sup> Deloitte Access Economics, 2017, Cost Benefit Analysis of the Murri School Healing Program The Healing Foundation February<<u>https://www.healingfoundation.org.au//app/uploads/2017/09/HF2017\_Murri\_School\_Healing\_Program\_Report\_V9\_WEB.pdf></u>

<sup>&</sup>lt;sup>48</sup> Aboriginal and Torres Strait Healing Foundation. (2014). *Prospective cost benefit analysis of healing centres*. Canberra, ACT: Aboriginal and Torres Strait Islander Healing Foundation.

human rights such as, a sound education, access to services to obtain and sustain good health, safe housing. It is ineffective to focus on diversion and intervention without these basic preventative services.

### Case Study 1 Diversion Example Fairbridge Binjareb Project (FBP)

The Fairbridge Bindjareb Project provides Aboriginal and Torres Strait Islander people in custody with mining industry training and 'real guaranteed jobs'. It also includes an 'intensive lifestyle development program' and focuses on reconnection to and respect of Aboriginal culture. A preliminary review found overwhelmingly positive outcomes including that only 18% of participants returned to prison within two years of being released (and only 4% for new offences), compared to 40% for the general prison population recidivism rates. Furthermore, 73% of participants had successfully gained and retained full time employment at the time of review, (7 months post conclusion of the program.) An independent analysis suggests the cost savings to government for the first five intakes of the project is approximately \$2.9 million (Deloitte Access Economics, 2016)<sup>49</sup>

The Fairbridge Binjareb Project (FBP) can be quickly implemented as capital is minimal and economic benefit is realised after the first year of implementation. The project is designed to train Indigenous prisoners with mining industry skills. The results below are the most conservative estimate.

#### Assumptions

- Data collected from publicly available sources
- Focussing on adult incarceration only
- Low level offenders
- Sample size per prison program: 54 prisoners, 44 graduated, data available on 35 candidates, 29 employed, 5 returned to prison, 1 unemployed.<sup>i</sup>
- Cost per participant \$58,151
- Capital Costs \$1,830,647 per prison
- 15 WA state run prisons (1 of which already contains capital facilities for the program)
- 2 private prisons in WA are not included in the analysis
- Average salary \$38,522 plus 19% income tax (conservative assumption based on minimum wage. The wage will be at least 2 times higher if targeting the mining industry)
- Secondary economic benefits from individual business 30% (conservative) plus 30% company tax revenue
- Secondary costs not included: welfare system savings on housing services, job seeker allowance, rehabilitation services...

#### Benefit Cost Ratio

The BCR is a based on conservative assumptions. For every \$1 spend, an economic benefit of \$2.70 is returned to the economy. The largest savings are in the fiscal cost of incarceration. (graph)

Target Demographic	Adult Diversion (Indigenous)
Current estimated cost of adult incarceration	
based on current trend 2020-2030 (NPV)	15 Billion

<sup>&</sup>lt;sup>49</sup>Deloittes Access Economics, 2016, Cost benefit analysis of the Fairbridge Bindjareb Project

Benefits of offender rehabilitation and training, <<u>https://www2.deloitte.com/au/en/pages/economics/articles/fairbridge-bindjareb-project-reducing-offender-recidivism.html></u>

Cost of Program (NPV)	400 Million
Benefits (2020-2010) (NPV)	1.1 Billion
BCR	2.7

### Case Study 2: The Neighbourhood Justice Centre Model

The Neighbourhood Justice Centre Model was conducted in 2018 and was based on the results of the Neighbourhood Justice Centre (NJC) in Collingwood, Victoria. The NJC Model is not as quickly and easily implemented as the FBP Model. Place based solutions are needed which requires a careful feasibility plan and knowledge of the local community needs and services available. The idea is to implement a 'community hub' including a magistrate with needed services based on the demographic. It is therefore tailored but has shown much success in Collingwood.

### Assumptions

- Data collected from publicly available sources
- Focussing on adult and young offenders in the community
- Focussing on low level offenders in the community (city of Armadale as an example)
- Capital and Concept Development Costs \$23,944,136
- Community Hub is 17.3% more expensive to operate than a traditional Magistrates model<sup>50</sup>
- Total operating costs \$1,276,183
- Reduced sentencing based on 31% decrease in crime rate over 5 year period<sup>51</sup>. This study extrapolates 30% reduction over a 10-year period for added conservatism

### Benefit Cost Ratio

The BCR is a based on conservative assumptions. For every \$1 spend, an economic benefit of \$1.70 is returned to the economy.

Target Demographic	Low Level Offenders (Indigenous & Non-	
	Indigenous) in Armadale	
Costs of Program (NPV)	35 Million	
Benefits (2020-2010) (NPV)	60 Million	
BCR	1.7	

#### So What?

The high cost of incarceration and high proportion of Indigenous representation needs to be addressed in Western Australia for our state's economic benefit, as well as our social and cultural benefit. The cost of justice and community support services within the justice system equates to

<sup>&</sup>lt;sup>50</sup> 17.3%. Calculated using info from: Ross S 2015. Evaluating neighbourhood justice: Measuring and attributing outcomes for a community justice program. Trends & Issues in Crime and Criminal Justice no.499. <u>http://aic.gov</u>. au/publications/current%20series/tandi/481-500/tandi499.html

<sup>&</sup>lt;sup>51</sup> Crime and Criminal Justice no.499. <a href="http://aic.gov.au/publications/current%20series/tandi/481-500/tandi499.html">http://aic.gov.au/publications/current%20series/tandi/481-500/tandi499.html</a>

\$1.6 Billion annually, not including opportunity costs or secondary costs attributed to the welfare system.

Implementing the above case studies **can reduce fiscal spending by \$1 Billion over the next ten years.** These are primary incarceration, custody and community supervision costs only, from just two programs that had existing cost benefit analysis done. They do not include the savings across courts and social welfare systems, neither does it capture the widespread social and economic benefits former offenders could contribute to society if effectively rehabilitated.

## Conclusion

The evidence is clear that there are proven effective alternative approaches to justice. If such smart justice approaches like Justice or Social Reinvestment were to be implemented with bipartisan support in WA, we could reduce crime and subsequently reduce the prison population, generate cost savings, create safer communities, and resolve entrenched disadvantage and poor socioeconomic outcomes among our most vulnerable communities.

Justice Reinvestment solutions make economic and social sense and are better for families and communities- they provide a "win-win" scenario for our state. While historically punitive only focused approaches to justice have failed to produce positive outcomes such as increased safety and reduced recidivism, WA stands to benefit greatly from considering a new effective, coordinated approach.

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