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# Response to the Senate Legal and Constitutional Affairs Committee Inquiry: Value of a justice reinvestment approach to criminal justice in Australia

Prepared by BoysTown

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**BoysTown**

Fresh start.  
New hope.

Authorised By:

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## Introduction

This submission specifically addresses Terms of Reference (d) whereby the Committee is tasked to investigate the cost, availability and effectiveness of alternatives to imprisonment.

Effective diversionary and rehabilitative strategies in relation to offending must address the issue of long term unemployment. Research has consistently identified that long term unemployment is associated with criminal behaviour.<sup>1</sup>

BoysTown in partnership with Griffith University has recently completed a four year research project into the effectiveness of Intermediate Labour Market (social enterprises) programs in re-engaging marginalised youth with education and/or work. These youth generally experience chronic unemployment. A primary finding from this research is that these programs are not only effective in providing young people with a pathway into work and education but also in reducing offending behaviour. This change also appears to be sustainable. The cost to support participants in these Intermediate Labour Market programs is small compared to current estimates concerning the cost of incarceration. This submission will outline the key findings from the BoysTown – Griffith University Research project relevant to the Senate Committee's investigation of the viability of the justice reinvestment approach. These research findings are supportive of a justice reinvestment approach being implemented in Australia.

Based on these findings a recommendation is also offered to the Committee concerning the nature of a justice reinvestment approach in Australia:

### **Recommendation 1:**

**That the Commonwealth Government include the development of Intermediate Labour Market-Social Enterprises as a key strategy in any justice reinvestment framework**

## About BoysTown

BoysTown is a national youth service organisation and registered charity that specialises in helping disadvantaged young people who are at-risk of social exclusion. Established in 1961, BoysTown's mission is to 'enable young people, especially those who are marginalised and without voice, to improve their quality of life'. BoysTown believes that all young people in Australia should be able to lead hope-filled lives, and have the capacity to participate fully in the society in which they live.

In addition to operating Kids Helpline, Parentline, family refuges and parenting programs, BoysTown provides regionally-based personal development, training

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<sup>1</sup> Andersen, M.A. 2012. Unemployment and crime: A neighborhood level panel data approach. *Social Science Research*, 1615-1628

and employment assistance programs for marginalised young people. These programs include:

- **Job Services**

BoysTown is a specialist youth provider within the Job Services Australia (JSA) provider network.

BoysTown's eight Job Services Australia providers are located in some of the most disadvantaged areas of Australia. As part of its service delivery model, BoysTown deliberately targets young people with higher levels of social exclusion. Based on the Employment Services System (ESS) data, BoysTown's average monthly caseload across JSA services is approximately 4,000 participants.

- **Education Retention, Re-engagement and Transition**

BoysTown's Education Retention, Re-engagement and Transition programs provide educational re-engagement and training to young people who have disengaged or are at-risk of disengaging from school. These programs consist of State and Commonwealth Government-funded programs that include:

- Youth Connections which aims to reconnect disengaged youth with education and or work in south-east Queensland
- Flipside which is a school to work transition program in South Australia
- Indigenous Employment Programs aimed at increasing employment outcomes for indigenous young people in south-east Queensland
- South Australia Works – SA Works, Skills for the Future, Building Your Future and Growing Your Future programs which are transition to work programs in South Australia

- **Intermediate Labour Market Programs**

Intermediate Labour Market (ILM) programs are time-limited labour market interventions designed to prepare unemployed people for mainstream employment.<sup>2</sup> These programs usually incorporate training, personal support, employment placement and post placement support. BoysTown's ILM-social enterprise programs are consistent with this service model with the added value of providing benefit for the community, for example, through work on public housing areas and community parks and gardens.

In relation to BoysTown, paid work opportunities are provided to disadvantaged young people through different activities. The program's objective is for young people to acquire vocational skills through paid work and on-the-job training as well as empowering them to overcome their personal barriers to employment to enable them to make a successful transition to sustainable employment. Some of the current and most recent transitional employment programs include:

- Construction, landscaping, car washing, graffiti removal, and office furniture assembly in Queensland
- Construction, cabinet-making and other related manufacturing activities in South Australia
- Horticulture and landscaping, tree-planting, graffiti removal and grounds maintenance in New South Wales

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<sup>2</sup> Bodsworth, E. 2013. Working Futures Initiative evaluation, p1

Young participants receive training from qualified and experienced Vocational Trainers along with individualised and ongoing case management.

For the current financial year 2012-2013, it is expected that BoysTown, through its various social enterprises, will employ 271 young people from some of the most disadvantaged regions in Australia. These include: Logan City, Redlands, Ipswich and Inala in Queensland, Blacktown and Campbelltown in NSW, Elizabeth and Port Pirie in SA and the East Kimberley in remote WA.

## **BoysTown-Griffith Research Project**

The BoysTown-Griffith University research project examined the effectiveness of these programs. BoysTown partnered with Griffith University Queensland in an Australian Research Council (ARC) Linkage Project (LP0776519) entitled 'Reconnecting Disaffected Youth Through Successful Transition to Work'. The aims of the research project were to:

- Identify the key variables that assist marginalised young people to achieve employment or educational outcomes
- Assess the personal change and improvement in marginalised young people as they progress through social enterprises
- Disseminate these findings across Government and the Community sectors to increase the effectiveness of services in engaging with this demographic group

The remainder of this submission will summarise key findings relating to the effectiveness of social enterprises in reducing the offending behaviour of program participants.

A full copy of the research report is available at:

[www.boystown.com.au/research/research.php](http://www.boystown.com.au/research/research.php)

## **ILM-Social Enterprise Program Participants**

Young people participating in BoysTown's ILM-social enterprise programs were monitored as part of this research project. A total of 542 young people were surveyed during entry, midway through and/or upon exiting the programs across all of BoysTown's sites in south-east Queensland, western Sydney in New South Wales, northern Adelaide and Port Pirie in South Australia, and Balgo in remote Western Australia. Key demographic characteristics of these participants included:

- 75.1% were male and 24.9% female
- 24.7% were of Aboriginal or Torres Strait Islander cultural backgrounds
- 17% were from Culturally and Linguistically Diverse ethnic backgrounds
- The average age of participants were 18.8 years and ranged from 14 to 55 years

Incarceration was a major issue for many of those participating in BoysTown's ILM-Social Enterprise programs. Eighty-two participants had been in detention prior to enlisting in BoysTown's social enterprise programs. This represented just over 15% of the sample and was predominantly male (n = 73). Furthermore,

among indigenous participants 30.4% had prior histories of detention. Greatest numbers of detentions occurred among youth in the 16-18 years category, whereas in the 22-30 year age group most had a history of detention than did not.

## **ILM-Social Enterprise Program Employment and Diversionary Outcomes**

Overall the investigation showed that BoysTown's ILM-Social Enterprise programs were effective in achieving educational and employment outcomes for most participants as:

- **Program engagement**
  - 77.4% of participants remained engaged with BoysTown and completed their program
- **Outcomes**
  - 73.2% obtained positive employment, training or education outcomes at exit from the program
- **Sustainability** - Of the participants who obtained a positive outcome:
  - 89% remained in their outcome for at least 13 weeks
  - 80.3% remained in their outcome for at least 26 weeks

In relation to indigenous participants, outcomes were at similar levels to that for the whole sample group:

- **Outcomes (Indigenous specific)**
  - 60.2% obtained positive employment, training or education outcomes
- **Sustainability** - Of the participants who obtained an outcome:
  - 90.5% remained in their outcome for at least 13 weeks

As stated a significant proportion of the total sample of participants had histories of offending and detention. At entry to the BoysTown program 43.3% of all participants reported that they were frequently in trouble with the police. At exit this proportion had reduced to 22.1%. Furthermore, 15.2% of all research participants had been in juvenile or adult detention prior to participating in BoysTown social enterprises. However during their involvement in the ILM-Social Enterprises only 3.9% (n=21) returned to detention or went into detention for the first time. This data indicates that BoysTown's ILM-Social Enterprise programs are likely to divert participants from further offending and detention.

## **Comparative Cost Analysis: Prison and Social Enterprises**

A key principle in the justice reinvestment approach is that expenditure in community corrections and prisons is redirected to fund local community projects to reduce levels of offending which produce savings in government expenditure over time. Consequently consideration needs to be given to the comparative cost of incarceration and social enterprise programs.

A recent research paper published by the National Indigenous Drug and Alcohol Committee (NIDAC) on the costs of prison versus residential treatment, noted that the annual average daily cost for housing a prisoner in correctional custodial

facilities in Australia was estimated to be \$315 per prisoner<sup>3</sup>. Based on this rate, the cost to detain a prisoner in Australia amounts to approximately \$115,000 per annum.

Social enterprises usually show a productivity deficit as revenue does not match operating costs. Social enterprises have higher cost profiles than similar commercial activities due to the need to provide case management, specialist counselling, training and other support to participants<sup>4</sup>. BoysTown social enterprise programs have an annual productivity deficit of about \$12,000 for each participant. BoysTown's own independent funding provides for the conduct of social enterprises both in funding the deficit position but also through the provision of capital funds for equipment etc.

There is a strong argument based on these financial estimates that Government should invest in social enterprise programs as an alternative to community corrections and imprisonment. These programs are effective in diverting youth from crime and cost the taxpayer significantly less. Social enterprises need to be a prominent feature of any national justice reinvestment strategy.

**Recommendation 1:  
That the Commonwealth Government include the development of  
Intermediate Labour Market-Social Enterprises as a key strategy in any  
justice reinvestment framework**

## **Conclusion**

This paper outlines evidence that supports the view that viable alternatives to community corrections and imprisonment already exist in Australia to support a justice reinvestment strategy. Recent research indicates that ILM-Social Enterprise programs are effective in diverting young people from offending behaviour at about a tenth of the cost of incarceration.

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<sup>3</sup> Deloitte Access Economics, 2012

<sup>4</sup> Bodsworth, E. 2013. Working Futures Initiative evaluation, p57