

**Submission
No 99**

COMMUNITY SAFETY IN REGIONAL AND RURAL COMMUNITIES

Organisation: Institute of Public Affairs

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Committee Manager
Legislative Assembly Committee on Law and Safety
NSW Parliament House
6 Macquarie Street
Sydney NSW 2000

Dear Committee Secretary,

Youth rehabilitation ranches an effective alternative to NSW prisons

This submission shares with the Legislative Assembly Committee on Law and Safety research and analysis by the Institute of Public Affairs (IPA) relating to the issues raised as part of the Inquiry into Community Safety in Regional and Rural Communities (the inquiry).

The inquiry terms of reference are relevant to new IPA research highlighting the shortcomings of the criminal justice system in preventing youth crime, and how alternative non-incarceration punishments for non-violent youth offenders—such as youth rehabilitation ranches—can produce better community safety outcomes and divert youth from a cycle of criminality.

The analysis finds that the current reliance on detention is not only unsustainable financially but is also not working to reduce crime. Youth rehabilitation ranches, which have operated in the United States for over two decades, are an evidence-based model that if implemented could reduce wasteful spending of taxpayer funds and improve community safety outcomes by giving youth the tools to be productive members of society.

Key Findings

The primary goal of the criminal justice system must be the protection of the community. Currently in New South Wales despite millions in taxpayer dollars being spent on the incarceration of youth offenders, youth criminals are continuing to escalate the severity of their offending with the number of violent criminals the highest it has been in the last 12 years. Sentencing must be reformed to improve the New South Wales criminal justice system to prioritise meaningful punishments for youth offenders that improves community safety and produces a better return for taxpayers. In addition, any criminals who are low-risk and non-violent should not be sent to prison, but instead punished through alternative mechanisms, as previous IPA research has established.

- In 2023, the NSW government spent approximately \$201 million on youth detention.
- It costs approximately \$2,759 to house one offender in a youth detention centre per day, or over \$1,007,082 per prisoner per year.

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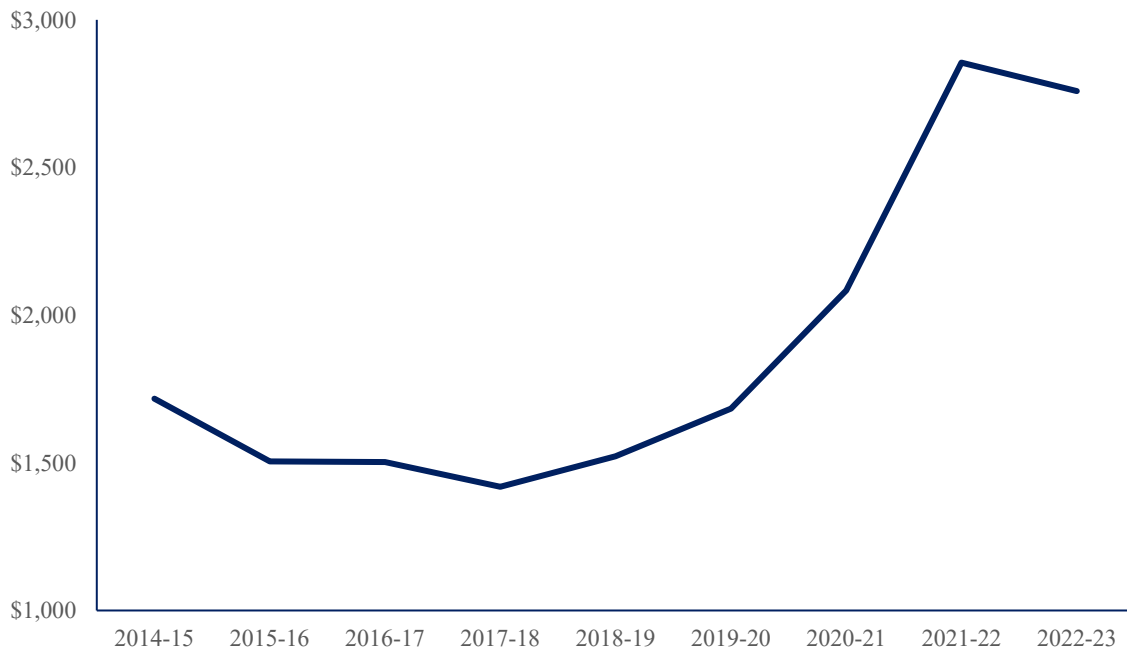
- Almost half of youth offenders released from detention will reoffend and return behind bars within 12 months of their release.
- Alternatives to prison such as rehabilitation ranches have proven effective in the United States, with one ranch reducing the reoffending rate of Californian youth prisoners by 40 per cent to 15 per cent.
- These ranches are less financially burdensome on taxpayers and improve community safety by effectively rehabilitating youth with a focus on teaching employable skills.

Spending on youth incarceration has surged over the past decade

In the 2023 financial year the NSW government spent \$201.4 million on youth detention. In 2015 the state government spent approximately \$182.9 million (this is in 2023 dollars, meaning the increase is 10 per cent over inflation).¹

The average cost of detaining one young offender for one day in one of NSW's youth detention centres is over \$2,759.² This amounts to \$1,007,082 per year for just one youth offender. This cost per offender has risen sharply over the past eight years, increasing by 61 per cent. This in itself is not necessarily a negative trend as the sharp increase can be partly attributed to the decline in the number of youth detainees since 2014-15. However, NSW continues the second highest number of youth detainees than any other jurisdiction in Australia with 160 offenders held in detention each day on average in 2023.³

Figure 1: Cost per young person under detention-based supervision per day



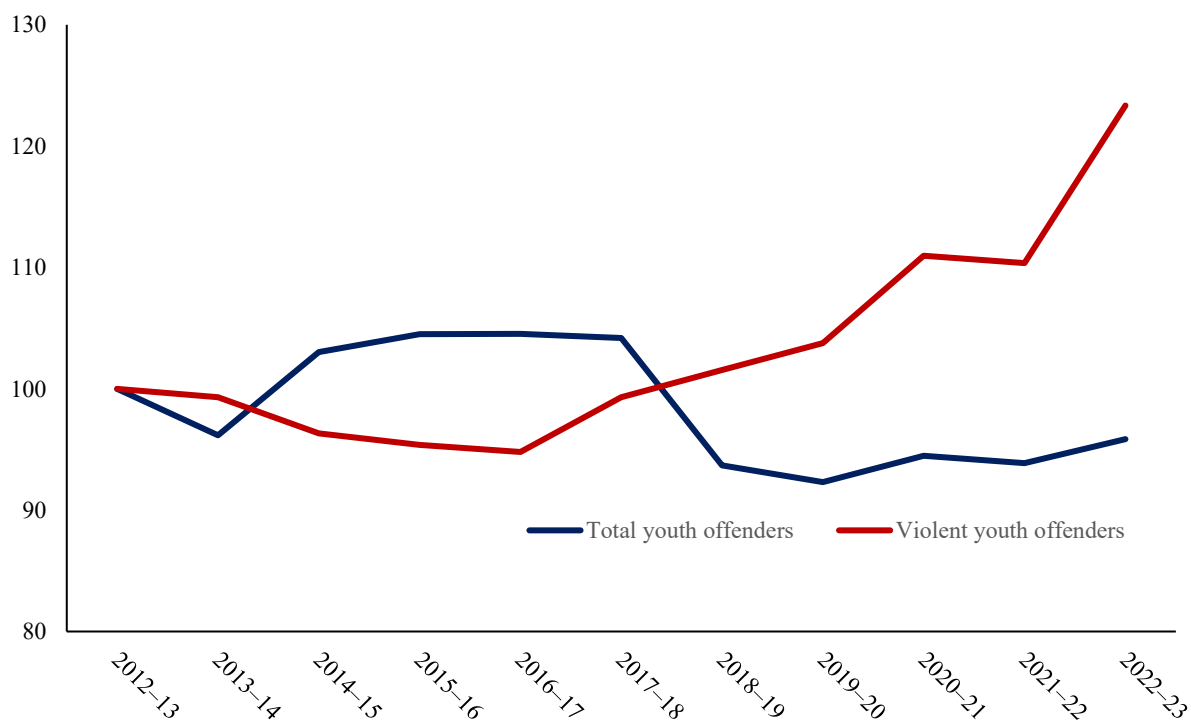
Source: Productivity Commission (2024)

Prisons are failing to deliver on community safety

Prisons are not only expensive; they often fail to deliver on community safety outcomes. Of those released from youth detention, 48 per cent will reoffend and return behind bars in less than 12 months.⁴

Of particular concern is the increasingly violent nature of youth offenders in NSW. Whilst the overall number of youth offenders has declined over the past ten years, the number of youths committing violent crimes has increased by 23 per cent since 2012-13.⁵ Violent youth offenders now make up almost a third of all youth crime in NSW and the number of violent youth criminals has not been this high since 2010-11.

Number of youth offenders in NSW, indexed (100=2012-13)



Source: Australian Bureau of Statistics (2024)

It is clear that NSW is grappling with two difficult youth offending groups. The first group is the population of youth offenders who are entering the prison system, performing poorly within the limited rehabilitation programs in prison and are committing serious offences upon their release.

The second group of offenders posing a concerning community safety threat are those falling through the gaps of the criminal justice system. Due to the widespread acknowledgement that imprisoning a young offender in a detention centre is likely to result in lasting negative effects to their development as a productive member of society, the punishment of prison is only used when no other suitable community or fiscal punishment is available. As a result, those offenders whose crime don't warrant imprisonment often receive punishments that are too lenient and fail to address the cause of their law-breaking behaviour. For instance, currently, the maximum community service hours that can be given to a child under 16 is 100 hours.⁶

Many youth offenders don't fear the consequences of breaking the law because the penalties they face are relatively minor and don't impose significant inconvenience for the offender. If the criminal justice system doesn't intervene effectively at the first signs of law-breaking and address the underlying issues, these offenders are likely to escalate into more violent crime which poses a significant community safety threat.

Analysis of successful alternatives to prison in the United States

Wholesale criminal justice reform is urgently required to address this youth offender crisis. The NSW government should consider the successful reforms implemented in the United States to yield better community safety outcomes.

Rancho Cielo was established in the early 2000's to address California's own youth reoffending crisis. The ranch was established as a voluntary program for non-violent probationers and at-risk youth with a focus on rehabilitating young offenders so that they could become contributing members of society. Instead of being sentenced to a period of imprisonment, the offenders are sent to the ranch as students where they receive a typical high school education but are also enrolled in workshops that teach practical and employable skills in areas such as auto tech, building trades, agriculture, and hospitality.⁷

The program found considerable success. Approximately only 15 per cent of court placed students reoffended compared to the 40 per cent reoffence rate for youth offenders who go through the county's juvenile justice system. The program also resulted in savings to taxpayers: in the county it costs \$110,000 (USD) to house a youth offender in prison, whilst it cost only \$25,000 (USD) to keep a student at Rancho Cielo.

Rather than placing the burden on taxpayers to house youth offenders in prison where they have minimal chances for rehabilitation, Rancho Cielo strives to turn troubled young people into productive, working members of society who can eventually graduate to contribute their newly developed skills to the community.

The best way to break the cycle of criminality for youth offenders is to teach them the skills they need to find employment so that they can live a self-sufficient life with economic and social stability. Several conservative jurisdictions in the United States such as Texas and Georgia have each implemented reform that recognise the value of placing non-violent, low risk offenders in employment rather than terms of imprisonment. Not only have these reforms resulted in billions in savings to taxpayers by reducing the number of offenders incarcerated, but community safety rates have also improved due to improved rehabilitation and reoffending outcomes. Texas saved taxpayers over \$3 billion by closing ten prisons in ten years and the violent crime rate reduced from 511 violent crimes per 100,000 of the population to 443 violent crimes in 2020.⁸

Youth rehabilitation ranches can reduce costs and improve community safety for NSW

Implementing a youth rehabilitation ranch as a sentencing option for judges could improve community safety by intervening at the early stages of offending. By reforming non-violent offenders and helping them become independent and productive members of society, their progression into more violent and dangerous crime will be halted. Savings would also be made by preventing their future contact with the criminal justice system and their potential need for incarceration. Instead of cycling through the criminal justice system and relying on the state to pay for their housing in prison, these young people could become working members of society paying their own taxes.

For those youth who were directed to the rehabilitation ranch rather than incarceration, if the results seen at Rancho Cielo were applied in NSW, the number of youths returning to supervised detention within 12 months of their release would be reduced from 48 per cent to 18 per cent. Therefore, over the next 12 months 48 offenders would be prevented from re-entering detention. This would result in savings of approximately \$48 million per year.⁹

The taxpayer funds saved from reducing incarceration costs could therefore be redirected to other policing efforts which serve to limit the incidence of crime and thus the number of victims suffering at the hand of offenders. When contemplating an offence, offenders consider the possibility of apprehension into their decision making.¹⁰ If police presence was increased, so would be the fear of apprehension, thus decreasing the incidence of crime.

I wish to thank the committee for the opportunity to provide this submission. Please do not hesitate to contact me at [REDACTED] for further consultation or discussion.

Kind regards

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¹ Productivity Commission, Report on Government Services (Report, 22 January 2024) Part F, Section 17, Table 17A.10.

² Ibid Table 17A.21.

³ Ibid Table 17A.1.

⁴ Ibid Table 17A.26

⁵ Australian Bureau of Statistics, *Record Crime – Offenders, 2022-23* (Catalogue No 4519.0, 8 February 2024).

⁶ *Children (Community Service Orders) Act 1987* (NSW) s 13.

⁷ Elizabeth Weise, 'Build a home, fix a car get a job: How an innovative school is keeping kids out of jail', *USA Today* (online, 23 November 2023)

⁸ Mia Schlicht, *Criminal Justice Reform in the United States: Lessons for Australia* (Institute of Public Affairs, Forthcoming).

⁹ Productivity Commission (2024), Part F, Section 17, Table 17A.21; IPA Calculations.

¹⁰ Marta Nelson, Samuel Feineh and Maris Mapolski, *A New Paradigm for Sentencing in the United States* (Research Report, Vera Institute of Justice, February 2023).