

CORRECTIONAL SERVICE CANADA

CHANGING LIVES. PROTECTING CANADIANS.

Current Knowledge on Economic Impacts of Correctional Programs

Background

Correctional programming within the Correctional Service of Canada (CSC) is intended to reduce criminogenic risk factors via evidence-based interventions, with the underlying goal of reducing recidivism and promoting public safety. CSC's suite of interventions is based on the "Risk-Needs-Responsivity" model, whereby the level of intervention corresponds with level of risk, programs address criminogenic risk factors, and delivery of programming is tailored to the characteristics and needs of the offender (Andrews et al., 2011; CSC, 2021).

A key measure of the efficacy of correctional programming is recidivism (reoffence or returns to custody). Analysts have also considered outcomes from an economic framework, with a focus on organizational, governmental and/or societal costs. Two main models of economic analysis have been used; i.e., cost effectiveness analysis (CEA) and cost benefit analysis (CBA; Welsh, 2004). CEA discerns the *cost* (in monetary value) and *impact* (in non-monetary value) of a program; for example, number of crimes prevented for every \$1,000 program dollars spent (Welsh, 2004). Cost benefit analysis monetizes the impact, e.g., tax dollars saved for every program dollar spent (Brown, 2000), thereby focusing on the 'costs avoided.' Across studies, cost avoidance measures vary, however, common considerations include taxpayer costs associated with crime and criminal justice (e.g., police, emergency services, courts, prisons, community supervision), offender costs (income loss), monetary costs to victims (e.g., healthcare services, property loss, income loss), and intangible (quality of life) costs to victims (Aos et al., 2001; Schabbses 2013; WSIPP, 2024).

A foundational framework for CBA was developed by the Washington State Institute for Public Policy (WSIPP). The approach is intended to empirically estimate the benefits and costs of programs and policies so as to inform strategic spending and decision-making. The model involves: identification of evidence-based programs with proven results ("what works"); assessment of the outcome in monetary terms ("return on investment"); and calculation of risk of investment and likelihood that the program will at least break even ("riskiness"; WSIPP, 2024). The WSIPP maintains a program inventory that includes a cost benefit analysis and classification of programs as evidence-based, research-based, or promising (Goodvin et al., 2024).

Economic Assessments of CSC Programs

Within the Canadian federal correctional context, different analyses have included economic assessments of CSC programs.

- A 2009 study (Conference Board of Canada, 2009) employed the WSIPP framework to analyze the cost benefits of CSC programs. Reduced likelihood of re-offence and reduced crime severity were factored into the model to calculate fiscal benefits. The study found that most CSC programs had a positive fiscal net benefit for taxpayers. Overall, costs of program delivery¹ (\$21.5 million) were outweighed by benefits (\$58.4 million), with a net benefit of \$36.8 million. When analysis was expanded to include broader tangible benefits beyond those incurred by the federal government (e.g., foregone income), benefits (\$84.9 million) resulted in a net benefit of \$63.3 million.
- A 2009 evaluation of CSC's program suite included assessments of cost effectiveness, measured in relation to saved costs associated with "avoided incarceration days" (tied to earlier releases and absence of readmissions; CSC Evaluation Branch, 2009). Overall, for every dollar spent on programming, between \$1 and \$8 were saved.
- More recently, a 2019 evaluation of CSC's updated programming model (i.e., the Integrated Correctional Programming Model) found the men's model to be cost-effective when considered in relation costs saved by successful release/avoidance of readmissions (CSC Evaluation Branch, 2019). Specifically, there was a cost savings of \$5,675 per program participant (compared to eligible non-participants) in avoided readmission costs.

¹ Based on the 2006-2007 fiscal year.

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International Findings

International studies have generally demonstrated positive economic benefits in relation to a wide range of correctional programming, including multisystemic therapy (Klietz et al., 2010), education (Davis et al., 2014; Stickle & Schuster, 2023), faith-based programming (Duwe, & Johnson, 2013), substance use treatment (Daley et al., 2004; French et al., 2010; McCollister et al., 2003; Zhang et al., 2009), sex offender treatment (Donato & Shanahan, 1999), peer-based health programs (South et al., 2014), and animal therapy (Cooke et al., 2021). Systematic reviews have also synthesized the results of cost benefit analyses of correctional programs:

- A recent “benefit-to-cost” review of 19 correctional treatment studies primarily conducted within the United States (Zane et al., 2023) found that all studies had positive benefit-to-cost ratios, with financial benefits substantially outweighing costs.
- A review by Duwe (2017) included an examination of cost benefit results for a range of correctional programs in the United States, including education, employment, Cognitive Behavioral Therapy (CBT), chemical dependency (CD), sex offender treatment, social support, domestic violence (DV), mental health, and re-entry programs. Findings across studies provide evidence for positive returns on investment for nearly all programs (except DV programs), with CBT programs demonstrating the strongest returns.
- A review by Settumba et al. (2018) synthesized economic evaluations of behavioral interventions intended to reduce offending. Results demonstrated that program investment yielded positive economic benefits, although the authors noted only 17 studies met inclusions criteria.

What it means

Effective correctional programming is integral to achieving the core correctional objectives of reducing the likelihood of future criminal behaviour. Efficacy in service delivery translates into direct and indirect costs benefits for taxpayers, with studies consistently demonstrating positive returns on investment in evidence-based correctional programs.

For more information

Please email the [Research Branch](#). You can also visit the [Research Publications](#) section for a full list of reports and one-page summaries.

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