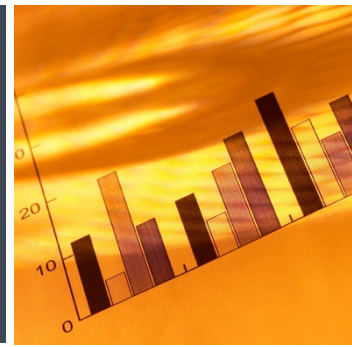


Costs of Crime and Criminal Justice Responses



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BUILDING A SAFE AND RESILIENT CANADA

Homicides, on average, cost society between \$4.8 and \$5.9 million per incident.

BACKGROUND

A recent report by the Office of the Auditor General of Canada indicates that about half of all federal institutions are running above their rated capacities (Office of the Auditor General of Canada, 2014). In addition, the average cost of housing inmates is just under \$118,000, an increase of 46 percent between 2002 and 2012. These figures, combined with a 66 percent increase in total criminal justice system expenditures (from \$13.4 billion to \$20.3 billion) over the same period, have created concerns about the sustainability of justice system programs and services (Story & Yalkin, 2013).

The costs of crime fall into four broad categories: (1) victim costs, that is, the direct economic losses to crime victims, including property loss and damage, lost wages, and medical costs related to injuries; (2) criminal justice system expenditures for law enforcement, the courts, and correctional facilities, programs, and services; (3) opportunity costs incurred when an individual chooses to participate in illegal activities as opposed to the legitimate marketplace; and (4) intangible costs, which include pain and suffering of crime victims and a diminished quality of life.

Although there is a growing body of international literature on the costs of crimes and responses to crime, little has been done to synthesize this literature. The principal aim of this study was to conduct a comprehensive review of international research on the costs of crime and of justice system responses.

METHOD

A global literature search was conducted in order to locate publications relevant to the issue of the costs of crime and justice system responses. To be included in the study, a publication had to provide original data or

analyses on the costs of crime and/or the costs of justice system responses to crime. The publication dates of the studies ranged from 1988 to the present. A total of 65 studies met the project requirements and were included in the final report.

Over half of the costing studies were conducted in the United States and close to a quarter were undertaken in either the United Kingdom or Australia. Three studies were conducted in both Canada and South Africa. Additional studies took place in Chile, France, New Zealand, Poland, and Italy. The vast majority of studies based their cost estimates on data drawn from crime victims and/or offenders who were adults or a combination of adults and youth. Fewer than 10 percent of the studies based their cost estimates exclusively on youth.

FINDINGS

Methods for estimating the costs of crime varied considerably across the 65 studies analyzed in this review, resulting in substantial variability in average costs of crime per incident and criminal justice responses.

Major findings from the study included the following:

- Homicides, on average, were estimated to cost between \$4.8 and \$5.9 million;
- Sexual assaults/rapes were estimated to cost around \$136,000 to \$164,000;
- Robberies ranged between \$28,000 and \$92,000;
- Thefts cost between \$1,300 and \$2,600;
- Secure custody for adults or where the inmate population was unspecified averaged \$81,820 per prisoner annually;

- Secure custody for youth averaged \$51,742 per person annually, while open custody for youth averaged \$3,292 per person;
- Arrests cost an average of \$15,364, whereas police cautions cost \$1,402;
- Studies conducted in the United States reported the highest costs of crime, with a per incident average of over \$1.1 million, a cost more than twice the cost of an offence in the United Kingdom; and,
- Studies covering the adult population estimated the average cost of a crime over \$2.2 million. By contrast, studies of youth estimated the average cost of an offence at \$34,782.

NEXT STEPS

The report concluded with the following recommendations:

1. There is a further need for Canadian-specific research, as this literature review did not uncover a single Canadian study in which per incident costs of specific crimes were estimated;
2. More comprehensive studies are required, as just a fraction of the studies estimated the four categories of costs (victims' tangible and intangible costs, criminal justice system costs, and criminal opportunity costs) of major crimes and, on that basis, generated overall per incident costs;
3. Multiple costing methods should be used to establish a range in costs rather than a precise number for different offences; and,

When using average crime costs in economic analysis of prevention programs, a conservative approach should be used where extremely high or low cost estimates are excluded from the calculation, in order to improve accuracy.

SOURCE

Gabor, Thomas. (2014). *Costs of Crime and Criminal Justice Responses: Final Report*.

ADDITIONAL SOURCES

Office of the Auditor General of Canada. (2014). *Report of the Auditor General of Canada. Chapter 4: Expanding the Capacity of Penitentiaries—Correctional Service Canada*. Ottawa: Minister of Public Works and Government Services.

Story, R., & Yalkin, T.R. (2013). *Expenditure analysis of criminal justice in Canada*. Ottawa: Office of the Parliamentary Budget Office.

For more information on research at the Community Safety and Countering Crime Branch, Public Safety Canada, to get a copy of the full research report, or to be placed on our distribution list, please contact:

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