

Employment Opportunities for Justice-Involved Individuals

The Problem

Louisiana has the highest rate of incarceration in the country. As a result, 1 in 3 Louisianans have a criminal record - approximately 1.5M people. However, this is not because incarcerated individuals do not want to work. Analysis of formerly incarcerated individuals between 25 and 44 years old indicates that 93.3% were employed or actively looking for work, versus 83.8% of the general public in this age range. However, prior research suggests that some employers are reluctant to consider individuals with criminal records.

5x

Unemployment rate for formerly incarcerated compared to general public

\$78-87B

National GDP loss due to lack of employment opportunities for formerly incarcerated people

While the lack of employment opportunities negatively impacts those with a criminal history, it also impacts their families. The children of justice-involved individuals are especially affected. Many of the women caught up in the justice system are mothers and the primary caretakers and breadwinners for their children. Additionally, the lack of employment opportunity impacts the economy by reducing the number of workers contributing to the workforce. Each year, the unemployment of justice-involved individuals creates a loss of about \$78 to \$87 billion in the national GDP.

\$4.5B

The annual loss in Louisiana GDP is \$4.5 if people released from supervision are not hired

Assumptions

- If people released from supervision are unemployed, the LA unemployment rate will increase to 9.7%
- A 1% decrease in employment for a consecutive 3 month period will result in a 1.2% GDP decrease across the state.

The Opportunity

Employment provides economic stability after release, while also reducing recidivism and associated state costs. A study conducted in Ohio, Illinois, and Texas showed that the more wages one earned two months after their release, the lower their likelihood of reoffending.

The predicted probabilities of reincarceration dropped by 30% (from 23% to 16%) for people who had a job that paid at least \$7 per hour. Additionally, employment creates more opportunities for the children of incarcerated people. The alternative (living below the poverty line) has adverse effects on children's educational readiness and physical health.

The expansion of employment opportunities could also impact employers. A study based on 1.3M U.S. military enlistees showed that those with criminal records were promoted quicker and to higher ranks than other enlistees. Moreover, the attrition rates due to poor performance were comparable regardless of criminal background.

14.6%

of released Louisiana prisoners reincarcerated within one year

\$3.2M

in potential annual cost reductions for each percentage point reduction in the one-year reincarceration rate

Employment opportunities could generate \$12.8M/yr in annual operating cost associated with reduced recidivism.

Assumptions

- \$17,742.65 is the average cost per person in prison (2020).
- If the reincarceration rate drops similarly to that of other states, LA's first-year reincarceration rate will drop by 30% from 14.6% to 10.2%.

Employing formerly incarcerated people could help upwards of 57,000 families.

Assumptions

- 4.7% of the prison population is female, so roughly 71,250 women are formerly incarcerated
- 80% of women in jail are mothers and most of them are primary caretakers of their children.