Executive Summary: Employment and Recidivism

North Carolina Department of Commerce Labor & Economic Analysis Division (LEAD) 1/14/2022

Introduction:

The United States incarcerates a larger share of its population than <u>any other nation on Earth</u>, and recidivism is common: most individuals released from state prisons are <u>re-arrested within two years</u>. A <u>growing body</u> of <u>evidence</u> demonstrates that one of the surest antidotes to recidivism is a good job. In a <u>recent study</u>, we use data from the North Carolina <u>Common Follow-up System</u> to study whether post-release employment has an impact on the likelihood of recidivism in our state. We show that individuals who find work after exiting prison return to prison at a significantly lower rate than their non-employed counterparts. Additionally, higher earnings are found to correspond to decreased recidivism rates.

Data and Research Methods:

By combining data from the Department of Public Safety with employment and earnings records the Division of Employment Security, our study tracks 10,861 individuals who were released from North Carolina state prisons into community supervision over the course of 2016. Of this cohort, nearly four out of 10 individuals found employment within the first three months following their release (see Figure 1).

We compare the outcomes of these employed individuals against their non-employed counterparts to measure the impact of employment on recidivism. Because the employed have different characteristics than



their non-employed counterparts—such as having more pre-prison work experience and a lower prior criminal record level—we use a statistical adjustment technique that controls for these differences so we can make an "apples-to-apples" comparison between the two groups. (See the <u>full report</u> for more information about our methodology.)

Results:

Based on the "raw", unadjusted data on post-prison outcomes, we find that employed individuals in our sample were 26% less likely to return to prison than their non-employed counterparts. After controlling for pre-release differences between the two groups, we find the employed were 20% less likely to return to prison — a smaller impact than indicated by the raw numbers, but still quite substantial.

Our study also shows that the impact of employment on recidivism differs by the level of earnings that an individual attains. Quarterly earnings varied widely across formerly incarcerated individuals in our study: the highest-paid workers earned more than \$5,058 per quarter (or \$20,232 per year), while the lowest-paid earned less than \$1,020 (or \$4,080 per year).

Individuals earning relatively high wages had better recidivism outcomes than their lower-earning peers. The highest-paid workers in our sample were only around half as likely to return to prison, while the lowest-paid returned to prison as often as those who found no employment at all (see Figure 2).



Public Policy Implications:

The findings from our research add to a growing body of evidence demonstrating that, although employment is an important pathway out of prison, individuals' recidivism outcomes can vary depending on whether they find low- or high-quality employment. Finding "any job" after prison may be less important than finding "the right job". Reentry professionals can help improve former offenders' chances for success by preparing them for the types of high-quality employment that research like ours has consistently shown to prevent recidivism.