

Independent Cost Benefit Analysis of the Yuendumu Mediation and Justice Committee

What is a cost benefit analysis?

Governments spend money on lots of things. Sometimes it is really easy to see the value of those things. Schools help kids get educated, hospitals help people get well and when governments build new roads that helps transport move more easily.

Sometimes it can be hard for government to know if the money they are spending is doing a good job. This can be hard to know when something new comes along like the Yuendumu Mediation and Justice Committee. Everyone agrees the Committee has helped to bring peace to Yuendumu but what sort of benefits does this peace bring?

A cost benefit analysis is one way of working this out. A cost benefit analysis works out all the money that has been spent or all of the costs of the Committee and then looks for all the benefits or savings that have been delivered by the work of the Committee.

Sometimes benefits or savings come about straight away and sometimes they are in the future. The cost benefit analysis tries to find all these costs and benefits.

If the savings and benefits are bigger than the costs then the cost benefit analysis has shown that the program offers government good value for money.

What did the Cost Benefit Analysis of the Yuendumu Mediation and Justice Committee find?

The Yuendumu Mediation and Justice Committee saves the government lots of money and brings lots of benefits to Yapa as well.

For every dollar the government spends on the Yuendumu Mediation and Justice Committee, the work of the Committee provides benefits of \$4.30. Much of this \$4.30 goes to government because it means they need to spend less on things like police, courts, prison and housing repairs.

Some of this \$4.30 goes directly to people in Yuendumu because the work of the Committee helps to keep them safer and healthier and helps kids go to school and all of these benefits means the government saves lots of money and Yuendumu is a better place for everyone to live.

How does the Committee save the government so much money and bring so many benefits?

There are lots of ways the Yuendumu Mediation and Justice Committee saves money and brings benefits. Some of those have come about straight away.

Less money needed for police, courts and prison.

The work of the Committee in restoring and keeping peace in Yuendumu means less money is spent on police. A more

peaceful Yuendumu means less Yapa going to court and to prison. It also means less money on housing repairs and less money on mediators from the Community Justice Centre. These are some big savings for government.

The Yuendumu Mediation and Justice Committee has also saved the government lots of money into the future as well and brought lots of benefits to Yapa in Yuendumu. Some of those future benefits and savings are:

Better education for kids

A more peaceful Yuendumu means more kids are likely to go to school, they learn things more easily when they go

to school because they are not stressed and worried about the fighting and this means some kids will even stay in school for longer. All of this means kids get a better education and this means when they are grown up they will earn more money.

This does two things it brings the benefits to the kids when they are grown up and earning more money and it also saves the government money because when those kids are grown up earning their own money they are looking after themselves rather than needing welfare.



Yuendumu Mediation and Justice Program committee members in front of their community's mediation centre in central Australia

Healthier kids and adults in Yuendumu

When there is lots of fighting people can get hurt and this means they need to go to the Clinic or to hospital in Alice Springs. A more peaceful Yuendumu saves government money on health.

Also when there is fighting, adults and kids get stressed and worried and this can make them sick not just now but in the future too.

So a more peaceful Yuendumu helps adults and kids stay strong and healthy now and in the future. Strong healthy people get the benefit of being well and they cost the government less money because they need less health services and they can work longer and look after themselves rather than needing welfare.

A peaceful Yuendumu is more productive.

Whenever there is a conflict in a community it costs the government lots of money. Conflict can mean people leave the community and it can make really difficult to offer services and programs.

With less people it is more expensive for government to deliver things in communities. If the conflict also means services and programs can't be delivered this makes communities very unproductive places to live.

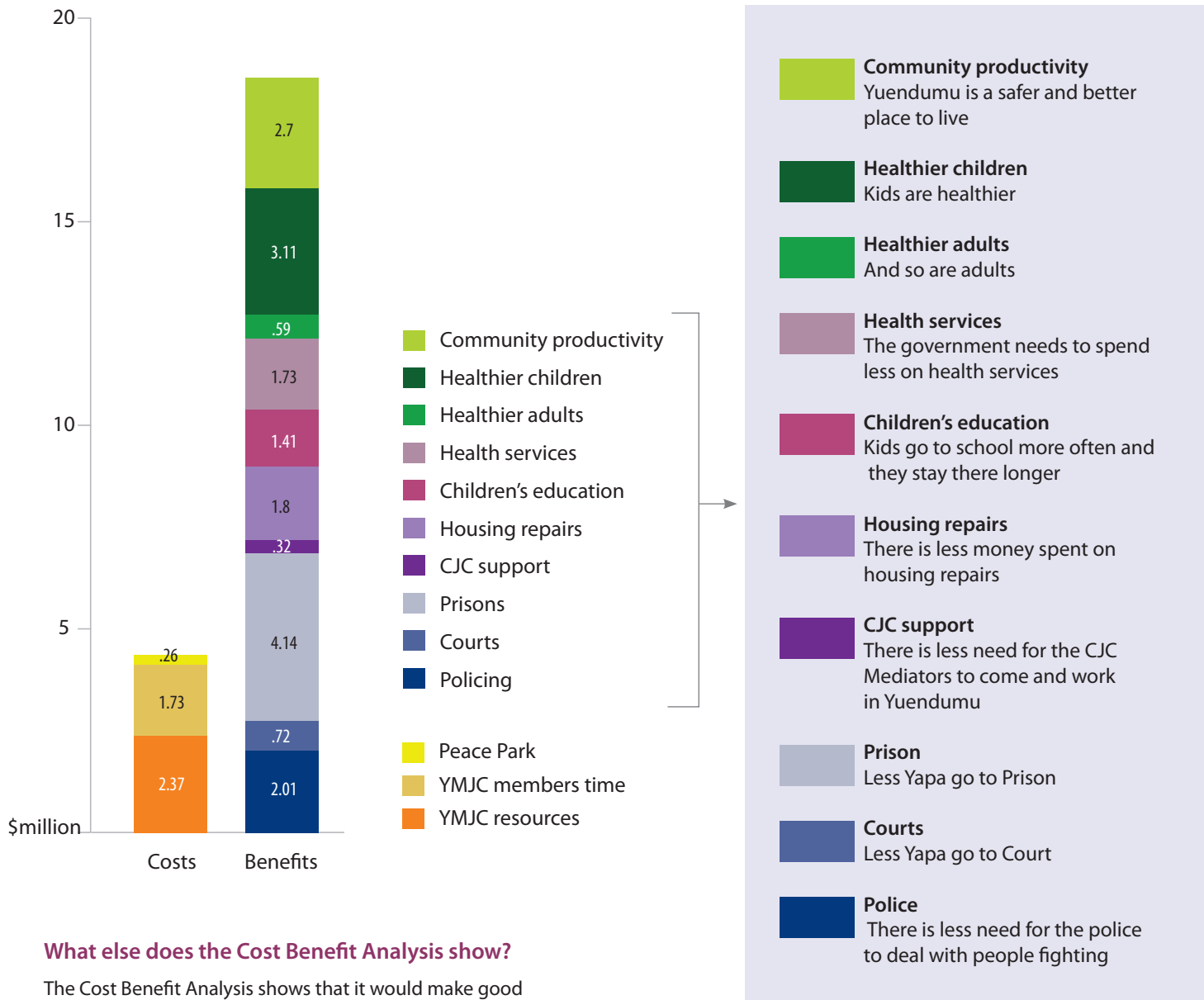
By helping to deal with conflict the Yuendumu Mediation and Justice Committee has kept people in community and has meant services and programs can be delivered. All of this makes Yuendumu a safer, healthier, happier and more productive place to live. And safer, healthier, happier and more productive places to live save the government money.

Every \$1.00 spent on the Yuendumu Mediation and Justice Committee returns \$4.30 in benefits. This is an excellent result.

The graph below compares the costs and benefits of the Yuendumu Mediation and Justice Committee. It looks at this over a 10 year period. Ten years is good amount of time to get a clear picture of both the costs and the benefits of the work of the Committee.

Costs and benefits of the Yuendumu Mediation and Justice Committee

2014 dollars discounted by 2% over ten years



What else does the Cost Benefit Analysis show?

The Cost Benefit Analysis shows that it would make good economic sense to make wider use of the YM&JC mediation model.

For example, if a Community Mediation Service like the one in Yuendumu was set up in Willowra this would also bring lots of savings to government and benefits to the people in Willowra and surrounding communities.

The Yuendumu Mediation and Justice Committee have with the support of Central Desert Regional Council done the hard work of bringing and maintaining peace in Yuendumu. They have worked very hard and this hard work has brought lots of benefits in lots of ways. These benefits are being experienced right now and will continue into the future. This Cost Benefit Analysis has shown that this hard work and all these benefits will make the work of government easier and more efficient.