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# HELD AT A COST

The cost to government of  
Aboriginal overrepresentation  
in the NSW criminal justice  
system, 2020–21 to 2024–25

## Authors

Talia Hagerty  
Aalya Sukkarieh  
Emma Whitnall

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The Just Reinvest Data Hub undertakes strategic research to support the implementation of justice reinvestment in NSW. An initiative of Just Reinvest NSW, the hub is a resource centre for community backbone teams and a free service that acts as a central repository for JR specific data resources supporting Indigenous Data Sovereignty, impact evaluation and economic modelling for reinvestment and systems change.

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## A note on language

This report's title refers to Aboriginal and Torres Strait Islander people, in line with the terminology of the National Agreement on Closing the Gap. Throughout the report, however, the term "Aboriginal" is used, referring to both Aboriginal and/or Torres Strait Islander people, unless otherwise stated. This is consistent with the terminology used by the NSW Bureau of Crime Statistics and Research (BOCSAR), which is the source of two key datasets used throughout the report.

This report also uses the term "criminal justice system" throughout, consistent with the terminology used by BOCSAR, the Productivity Commission and other sources cited. Just Reinvest NSW recognises that the term "criminal legal system" is sometimes preferred on the basis that "justice" describes an outcome the New South Wales criminal justice system does not always deliver for Aboriginal and Torres Strait Islander people, and that use of the term should not be assumed to reflect community ownership of what justice truly means. Where possible, this report uses more specific terminology, including courts, prisons, and community corrections, to refer to the system the report is actually measuring.

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## Acknowledgment

Just Reinvest NSW acknowledges the Gadigal people of the Eora Nation whose ancestral lands our organisation stands. We pay respect to Elders both past and present, acknowledging them as the traditional custodians of knowledge for these lands. We celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of Australia, and extend our acknowledgement and respect to all Aboriginal and Torres Strait Islander people represented by the data contained herein. The numbers in this report represent real people who have lived experience of the criminal justice system in New South Wales.

# TABLE OF CONTENTS

|                                                           |    |
|-----------------------------------------------------------|----|
| Executive Summary .....                                   | 4  |
| Key Findings .....                                        | 5  |
| Methodology at a glance .....                             | 6  |
| Introduction .....                                        | 7  |
| Overrepresentation in Custody .....                       | 9  |
| Adults .....                                              | 9  |
| Young People .....                                        | 10 |
| Remand .....                                              | 11 |
| Trends in the Cost to Government .....                    | 12 |
| Appendix A: How Sensitive the Estimate Is .....           | 13 |
| Appendix B: Methodology .....                             | 16 |
| Data Sources by Measure .....                             | 17 |
| Additional Assumptions and Limitations .....              | 20 |
| The Estimate Is Modelled, Not a Forecast .....            | 20 |
| Police and Child Protection Are Excluded .....            | 20 |
| Year-on-Year Change Reflects Several Things at Once ..... | 20 |
| Data Sources .....                                        | 21 |
| Endnotes .....                                            | 22 |

# EXECUTIVE SUMMARY

In New South Wales, Aboriginal and Torres Strait Islander people are imprisoned at many times the rate of non-Aboriginal people. The latest available figures show that Aboriginal people were 34 percent of the adult prison population last year, compared to 3.3 percent of the total adult population of New South Wales. Once the size of each population is taken into account, Aboriginal adults were imprisoned at 15.1 times the rate of non-Aboriginal adults. Aboriginal children and teenagers aged 10 to 17 were held in detention at 16.5 times the rate of non-Aboriginal young people.

That overrepresentation has a cost; the purpose of this report is to measure it. Not only are Aboriginal and Torres Strait Islander people overrepresented in prison in New South Wales, but so too in community corrections and their contact with the court system. The model presented in this paper answers one question: How much of current spending on prisons, community corrections and courts is attributable to Aboriginal overrepresentation?

This report estimates that the cost to government of overrepresentation was at least \$718 million for 2024–25. Further, this cost has increased 41.7 percent in just five years.

New South Wales has committed to reducing the overrepresentation of Aboriginal and Torres Strait Islander people in the criminal justice system under the National Agreement on Closing the Gap (2020).<sup>1</sup> Target 10 commits all Australian governments to reduce the rate of Aboriginal and Torres Strait Islander adults in incarceration by at least 15 percent by 2031,<sup>2</sup> while Target 11 commits to a reduction of at least 30 percent over the same period for young people aged 10–17 in detention.<sup>3</sup> On both measures, New South Wales

“ This report estimates that the cost to government of Aboriginal overrepresentation in the criminal justice system was at least \$718 million for 2024–25. ”

is not meeting its commitments, with the rate of Aboriginal and Torres Strait Islander people in custody continuing to climb in recent years.<sup>4</sup>

The money is not the argument. It is a measure of the scale of resources being spent on a pattern that governments have committed to ending. Justice reinvestment offers a different approach: redirecting these resources away from punitive responses to crime and towards the community-led work that keeps Aboriginal people out of the justice system in the first place. Justice reinvestment work encompasses services and programs designed and delivered by Aboriginal communities themselves, who are best placed to identify the local priorities that can break entrenched cycles of contact between Aboriginal people and police, courts and prisons. Where this approach succeeds, the costs set out in this report, including the scale of spending on prisons, community corrections and courts, are the costs justice reinvestment is designed to reduce. Resources are then freed for reinvestment in the community-led work that improves safety and sustains lower rates of contact over time.

This report presents these estimates to make the scale of resources visible – not as an argument in itself, but as the starting point for a conversation about where New South Wales criminal justice system resources are being spent and where they could be used more effectively.

# KEY FINDINGS

The cost to government of Aboriginal overrepresentation in the New South Wales criminal justice system was **\$718 million in 2024–25** an increase of 41.7 percent over the previous five years.

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Unsentenced prisoners were **45.8 percent of the total adult custody population** in 2025–26, and **77.8 percent** of the youth custody population.

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In 2024–25, detaining a young person cost around **8.1 times as much** per day as imprisoning an adult.

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Since 2012–13, imprisonment of Aboriginal adults has **increased by 91 percent** compared to 18 percent for non-Aboriginal adults over the same period.

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Prisons account for **77.1 percent of the total cost of overrepresentation**, community corrections for 16.7 percent, and courts for 6.2 percent.

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Of the total cost to government of this overrepresentation, **\$559 million related to adults** and **\$159 million to children and teenagers aged 10 to 17.**

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Aboriginal young people aged 10 to 17 were held in detention at **16.5 times the rate** of non-Aboriginal young people, accounting for the size of each population.

## Methodology at a glance

This report estimates the cost to the New South Wales criminal justice system of Aboriginal and Torres Strait Islander overrepresentation, which is when Aboriginal and Torres Strait Islander people's representative share of the system is greater than their representative share of the general population. The estimate covers three areas of the NSW criminal justice system – prisons, community corrections and courts – in 2024-25 constant prices. It does not cover contact with police, due to data availability, or the child protection system, despite its close correlation with the criminal justice system.

The report compares current spending against a parity benchmark: the level of spending that would occur if the share of prisoners, people on community corrections orders and people before the courts who are Aboriginal were the same as the Aboriginal share of the New South Wales population. It uses data from the Australian Government Productivity Commission's Report on Government Services (RoGS) and the NSW Bureau of Crime Statistics and Research (BOCSAR).

The estimate measures the scale of the resources involved and is not a forecast of budget savings. Criminal justice spending is largely fixed in the short term, committed to infrastructure, staffing and facilities that do not scale down in line with a fall in the number of people in the system, and this report has not modelled the marginal cost of reducing that contact.

No program or policy is outlined in this report. The figures describe a level of contact, not the effect of any intervention, and cannot be used as a benefit estimate in a business case or cost-benefit analysis.

As above, police and child protection costs are excluded. While police expenditure is published, RoGS does not report police cost and Aboriginality together, so an Aboriginal share of policing cost cannot be derived. Child protection is also a separate system from criminal justice, with its own funding and administration, and is outside the scope of this project.

This report also does not include the full scale of economic impacts from this overrepresentation, leaving these for future research. The estimate presented here does not include lost wages due to incarceration, lost tax revenue, or the economic flow-on effects of violence containment spending compared to more productive spending.

The full cost of overrepresentation is therefore larger than the figure reported here. Where a methodological choice was made, this report chose the option that produced a conservative estimate.

Nonetheless, this paper provides an important look at the fiscal scale of an intractable policy problem in New South Wales.

# INTRODUCTION

The cost to government of Aboriginal overrepresentation in the New South Wales criminal justice system – specifically courts, community corrections, and incarceration – has grown each year since at least 2020–21. It rose from \$506.7 million in 2020–21 to \$718.1 million in 2024–25, an increase of 41.7 percent over five years.

The spending data used in this report comes from the Productivity Commission's Report on Government Services (RoGS), which, at the time of writing, was available through the financial year 2024–2025. More up-to-date data on

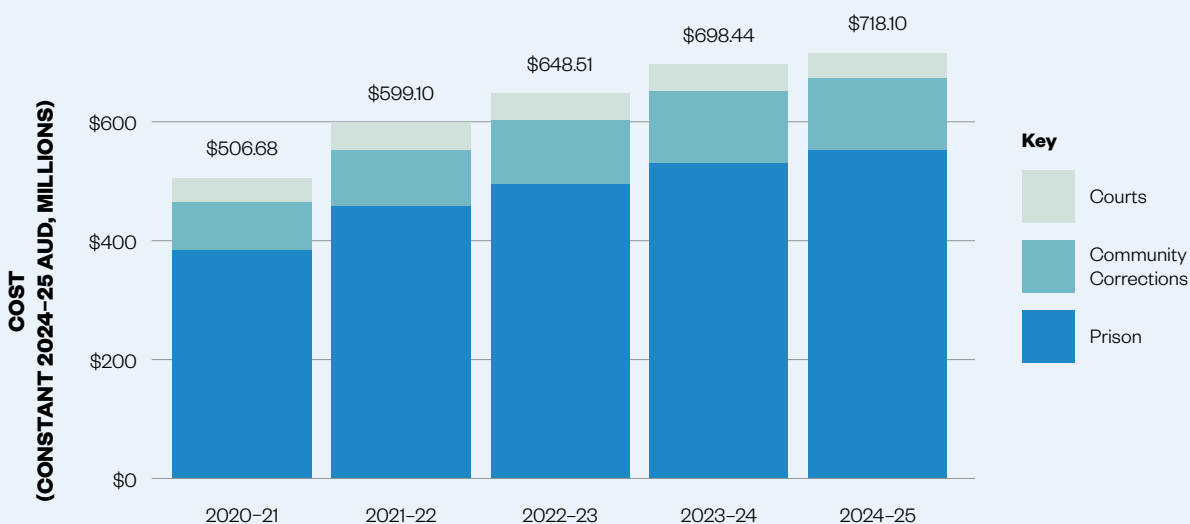
the number of people in custody is available from the NSW Bureau of Crime Statistics and Research (BOCSAR) and is included in the text where possible. The cost estimates cover prison, community corrections, and court finalisations; they do not include the cost of policing.

Prisons accounted for the largest share of this cost in every year measured, with community corrections and courts making up smaller proportions. Figure 1 shows this composition has been broadly stable across the period, as the total cost to government of Aboriginal overrepresentation has grown.

FIGURE 1

## Annual cost of Aboriginal overrepresentation in NSW justice services, 2020–21 to 2024–25

Prisons account for the largest share of the cost



Source: Report on Government Services 2026, AIHW Youth Justice National Minimum Dataset, BOCSAR NSW Criminal Court Statistics, ABS estimated resident population, JRNSW calculations

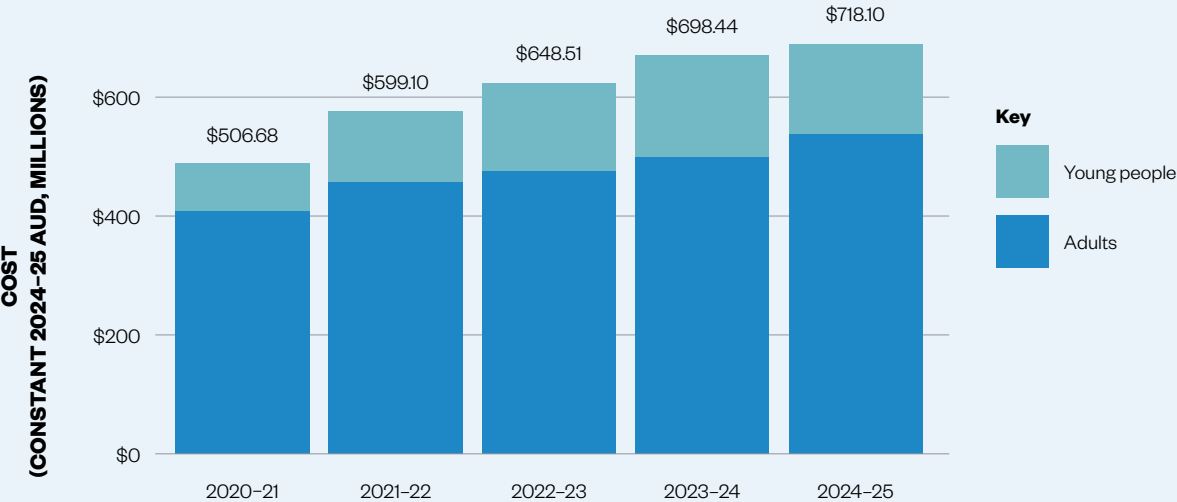
The cost to government of adult Aboriginal overrepresentation is several times the youth cost throughout the same period (Figure 2), but this reflects the number of people involved rather than the cost of holding each person. For example, as at June 2026, 4,726 Aboriginal adults were in custody in New South Wales,<sup>5</sup> compared to 130 Aboriginal young people in detention.<sup>6</sup>

“ In 2024–25, detaining a young person cost around 8.1 times as much per day as imprisoning an adult. ”

In 2024–25, detaining a young person cost around 8.1 times as much per day as imprisoning an adult. This reflects both the education and support services young people in custody require,<sup>7</sup> and the largely fixed staffing and operating costs of youth detention facilities, which do not fall in proportion to a smaller and more variable detainee population.<sup>8</sup> The adult total is nonetheless larger overall, because there are far more Aboriginal adults than Aboriginal young people in custody at any given time.

FIGURE 2  
**Annual cost of Aboriginal overrepresentation in NSW, adults and young people, 2020–21 to 2024–25**

The adult cost is several times the youth cost



Source: Report on Government Services 2026, AIHW Youth Justice National Minimum Dataset, BOCSAR NSW Criminal Court Statistics, ABS estimated resident population, JRNSW calculations

# OVERREPRESENTATION IN CUSTODY

In New South Wales, Aboriginal and Torres Strait Islander people are imprisoned at many times the rate of non-Aboriginal people.

## Adults

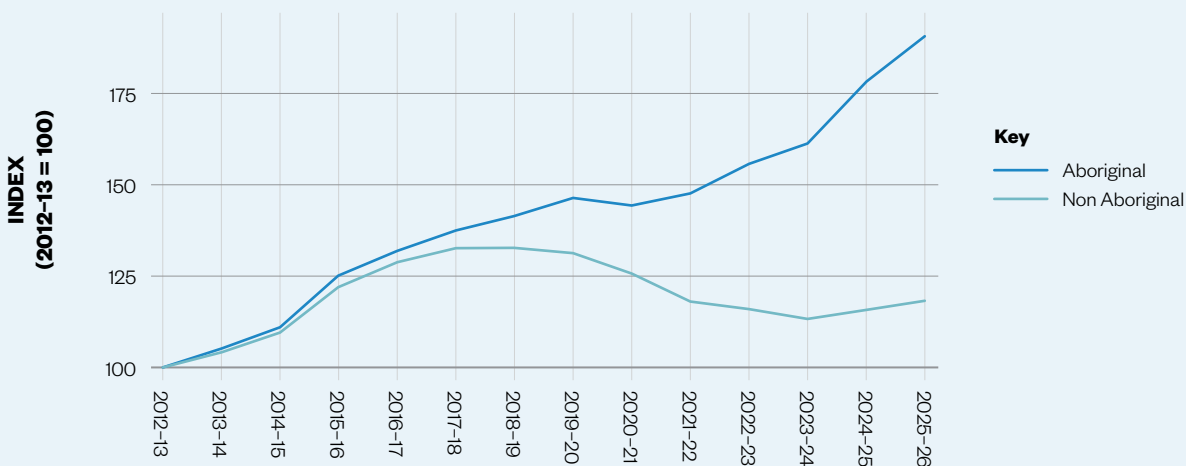
In 2025–26, an average of 4,571 Aboriginal adults and 8,869 non-Aboriginal adults were in prison in New South Wales each month, according to the latest available data from BOCSAR. Aboriginal people were 34 percent of the adult prison population, against 3.3 percent of the total adult population of New South Wales. Aboriginal adults were imprisoned at 15.1 times the rate of non-Aboriginal adults.

The two populations have diverged drastically. Aboriginal adult imprisonment has increased by 91 percent since 2012–13, whereas non-Aboriginal adult imprisonment has increased by only 18 percent over the same period. Figure 3 shows these trends on an indexed scale, so that the divergence is clearly visible. The non-Aboriginal custody population is larger, but by indexing these groups to the same starting value, Figure 3 makes the two groups comparable over time and illustrates the rising Aboriginal custody population compared to the non-Aboriginal group.

FIGURE 3

### Change in the NSW adult custody population, by Aboriginality, 2012–13 to 2025–26

Aboriginal custody has risen while non-Aboriginal custody has not



Note: Custody population is counted as at midnight on the last day of each month. Figures are financial year averages of those monthly counts. Unknown Aboriginality is counted as non-Aboriginal.

Source: BOCSAR NSW Custody Statistics, JRNSW calculations

## Young People

Overrepresentation among young people is more pronounced than among adults. In 2025–26, an average of 128 Aboriginal young people and 98 non-Aboriginal young people were in detention each month. Aboriginal young people were 56.8 percent of the youth detention population, compared to 7.4 percent of the total youth population of New South Wales aged 10 to 17. Aboriginal young people were held in detention at 16.5 times the rate of non-Aboriginal young people.

The youth trend differs from the adult one. Figure 4 shows that detention fell for both Aboriginal

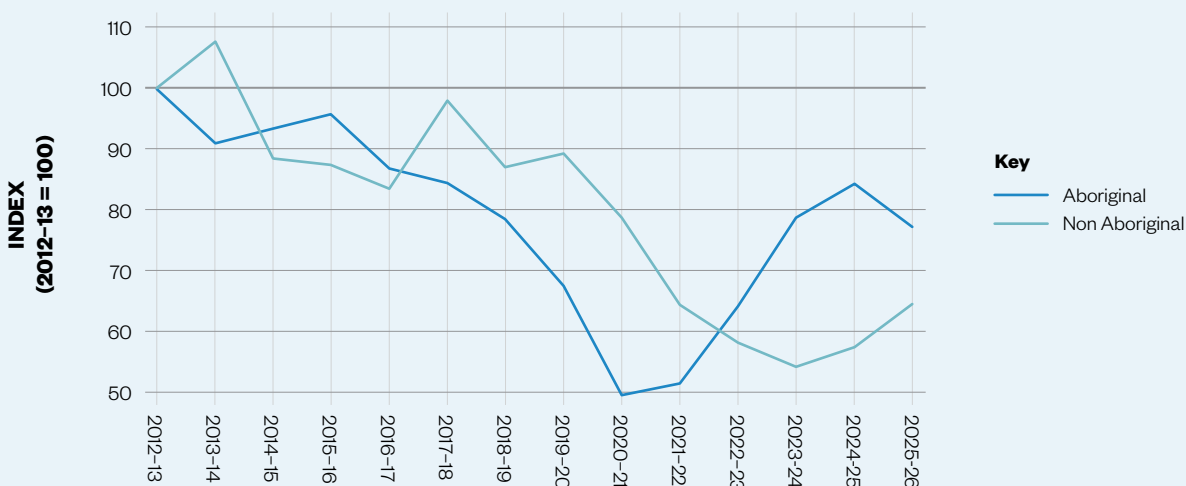
and non-Aboriginal young people from 2012–13, reaching a low point for each group by the early 2020s. Since then, however, Aboriginal custody has risen sharply, while non-Aboriginal custody remains well below its 2012–13 level.

“ Aboriginal young people were 56.8 percent of the youth detention population, compared to 7.4 percent of the total youth population of New South Wales aged 10 to 17 ”

FIGURE 4

### Change in the NSW youth custody population, by Aboriginality, 2012–13 to 2025–26

Both fell, then Aboriginal custody rebounded and non-Aboriginal custody did not



Note: Custody population is counted as at midnight on the last day of each month. Figures are financial year averages of those monthly counts. Unknown Aboriginality is counted as non-Aboriginal.

Source: BOCSAR NSW Custody Statistics, JRNSW calculations

# REMAND

The composition of custody in New South Wales has shifted toward the unsentenced population over the past decade and a half. For adults, this reflects growth concentrated in remand: the sentenced population has barely changed, while remand has risen sharply, driving nearly all of the increase in total custody. For young people, overall custody has fallen, but the decline has come from a collapse in the sentenced population, while remand numbers have held broadly steady — so unsentenced young people now make up a much larger share of a smaller total. Unsented prisoners have grown from 28.4 percent to 45.8 percent of the adult custody population, and from 52.4 percent to 77.8 percent of the youth custody population.

A person on remand has been refused bail and is held in custody while their charge is before the courts. They have not been convicted of the offence for which they are held and may never be. Some are later found not guilty. Others are convicted and receive a sentence that does not involve custody. People on remand occupy a prison bed and are counted in the cost data on the same basis as a sentenced prisoner.

This report uses 'unsentenced' as an umbrella term covering remand for both adults and young people, for consistency across both populations.<sup>9</sup>

There has been a 213 percent increase in the number of Aboriginal adults held unsentenced since 2012-13, compared to an 88.6 percent rise for non-Aboriginal adults.

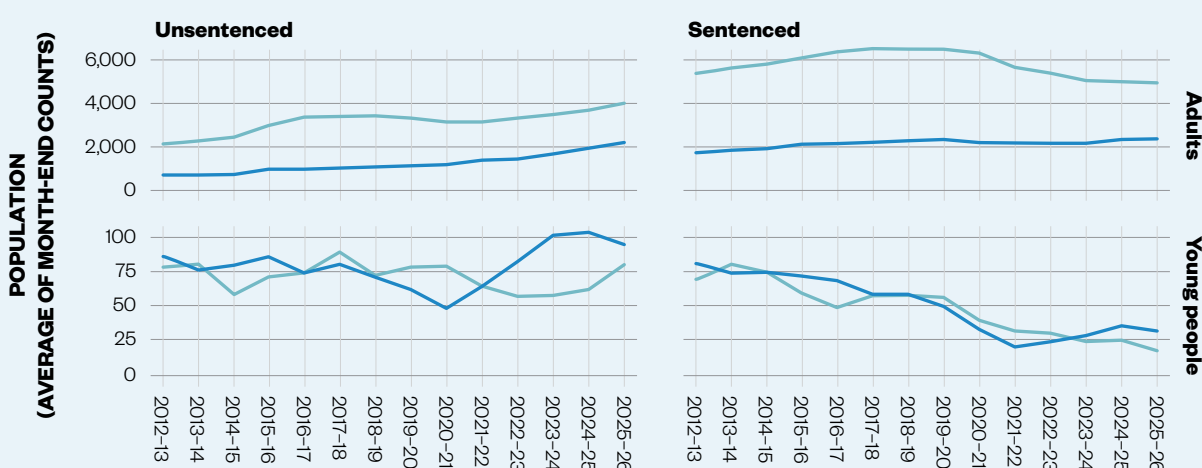
Over the same period, the sentenced population has moved differently. The number of sentenced Aboriginal adults rose 40.7 percent, while the number of sentenced non-Aboriginal adults fell nine percent.

Since 2012-13, the number of Aboriginal young people held unsentenced in custody rose 10.9 percent compared to 0.5 percent for non-Aboriginal young people. The sentenced youth population fell for both groups: 59.1 percent for Aboriginal young people and 75.1 percent for non-Aboriginal young people.

FIGURE 5

## NSW custody population, by legal status and Aboriginality, 2012-13 to 2025-26

Unsentenced custody has grown for Aboriginal people in both cohorts



Note: Each row has its own vertical scale. Adult and youth populations differ by two orders of magnitude. Custody population is counted as at midnight on the last day of each month. Figures are financial year averages of those monthly counts. Unknown Aboriginality is counted as non-Aboriginal.

Source: BOCSAR NSW Custody Statistics, JRNSW calculations

# TRENDS IN THE COST TO GOVERNMENT

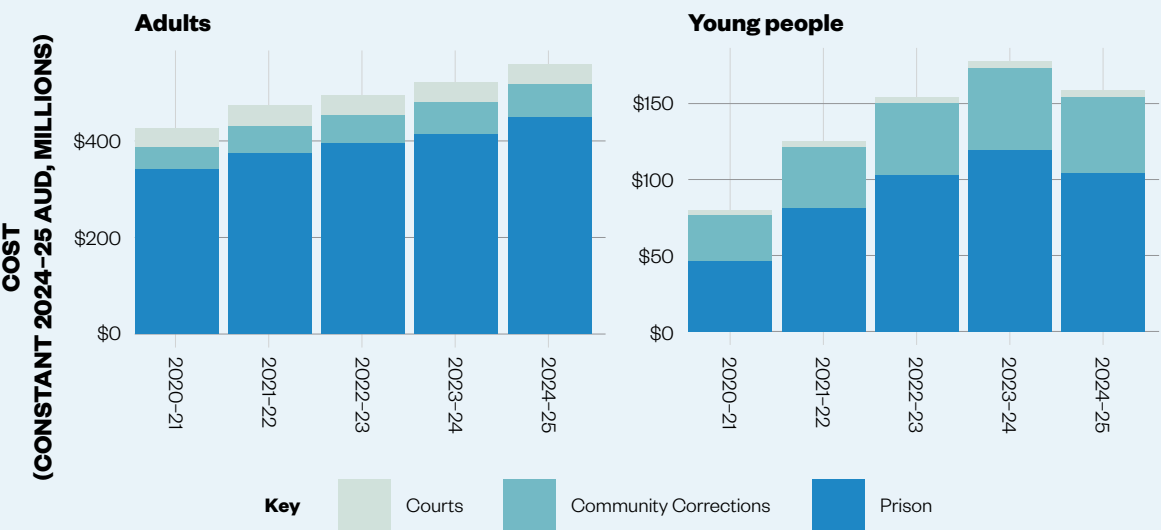
Prisons account for 77.1 percent of the cost to government of overrepresentation, because prison is expensive both per person and per day. In 2024–25, it cost \$318.66 a day to hold an adult in prison in New South Wales, against \$22.59 a day to supervise an adult in the community. Prison therefore costs 14.1 times as much as community supervision.

Youth detention costs even more. A day in youth detention costs \$2,573.26, and a day of community-based supervision for a young person costs \$367.68. Detaining a young person therefore costs 8.1 times as much as imprisoning an adult and 7 times as much as community supervision for a young person.

Court costs vary across the system. A finalised matter costs \$692 in the Local Court, \$1,222 in the Children’s Court, \$12,743 in the District Court and \$58,221 in the Supreme Court. A Supreme Court matter therefore costs 84.1 times as much as a Local Court matter. Because the costs differ so widely, this report applies each court’s own cost to its own caseload rather than a single average across all. Using an average would understate the cost of higher-court matters.

The cost to government is larger for adults, whereas the cost for youth has grown faster. In 2024–25, the cost of adult overrepresentation across all three system areas was \$559 million, while the youth cost was \$159 million.

FIGURE 6  
**Annual cost of Aboriginal overrepresentation in NSW, by service and cohort, 2020–21 to 2024–25**  
 The adult cost is larger; the youth cost has grown faster



Note: Each panel has its own vertical scale.  
 Source: Report on Government Services 2026, AIHW Youth Justice National Minimum Dataset, BOCSAR NSW Criminal Court Statistics, ABS estimated resident population, JRNSW calculations

# APPENDIX A: HOW SENSITIVE THE ESTIMATE IS

This section presents the results of a sensitivity analysis, based on the methodology's choices and limitations.

The methodology as presented does not use age-standardisation to model overrepresentation because not all of the necessary datasets were disaggregated criminal justice system contact by age cohort other than "youth" and "adult". Adult prison data and youth detention data allow for age standardisation. However, adult community corrections, court finalisations, and youth community corrections for years prior to 2024-25 only report age as under or over 18. As a result, the methodology only looks at two cohorts – youth and adult – and the sensitivity analysis (results below) presents the impacts of applying age standardisation to the custody data in order to understand the impact of this limitation.

Two of the choices behind this estimate could defensibly have been made differently, and in both cases, a more conservative estimate was prioritised.

Firstly, there are two feasible data series for measuring the adult custody population: the numbers reported by RoGS on an annual basis or BOCSAR on a monthly basis. The central estimate in this paper uses the RoGS adult custody data, but a sensitivity analysis was performed to determine how much the other data series would alter the findings.

Secondly, both of the data sources used in this model – BOCSAR and RoGS – report some number of people for whom Aboriginality is unknown. In 2024–25, 9.7 percent of Local Court finalisations and 4.4 percent of adult community corrections records had no Aboriginality recorded. This report counts each of these people as non-Aboriginal. Counting them as Aboriginal instead,

which is the opposite bound rather than a likely case, gives \$783 million for 2024–25 in place of \$718 million, an increase of 44.6 percent over five years rather than 41.7 percent.

Table 1 gives the results of the sensitivity analysis, varying each of these parameters. For the most part, the results of the sensitivity analysis indicate that the estimate reported here is conservative, and that the cost of Aboriginal overrepresentation in the criminal justice system has increased substantially.

Every alternative tested other than age-standardisation produces a larger estimate than the one published in this report. That is because the parity benchmark holds non-Aboriginal contact constant, so moving a record of unknown Aboriginality into the Aboriginal count raises the estimate twice over – once by raising the Aboriginal count and once by lowering the benchmark it is measured against.

These choices move the size of the gap more than they move its direction of travel. Under the widest scenario, the five-year change is 44.6 percent, against 41.7 percent as published, and the range of scenarios only varies by 3.4 percentage points.

Three further known uncertainties are not quantified in Table 1, either because disaggregated data is not available to do so or because the alternative scenario cannot be considered comparable.

The first two pertain to court finalisation data. Court costs make up 6.2 percent of the total estimated cost of overrepresentation. Court costs are calculated using BOCSAR counts of court finalisations because RoGS does not disaggregate court finalisations by Aboriginality.

The way that Aboriginality is counted in the court data overestimates Aboriginal representation in the court system.<sup>10</sup> Aboriginality in NSW court data is based on records made by the NSW Police Force, not recorded directly by the courts. In the December 2025 release of the NSW Criminal Courts Statistics used in this report, a person is classified as Aboriginal if any police record has identified them as Aboriginal. A court record with no Aboriginality therefore means that no police contact has ever identified that person as such. Further, police recording of Aboriginality became mandatory in January 2022, part way through the time series, which decreased the share of persons with unknown Aboriginality. BOCSAR reports that the “ever identified” method of attributing Aboriginality is known to have overestimated the number of Aboriginal defendants, and has since changed this method. However, this report uses a dataset released before the change; therefore this method of counting Aboriginality biases the estimate in this paper upwards.

At the same time, BOCSAR’s count of court finalisations omits some types of contact with the NSW court system. The BOCSAR figures for court finalisations are roughly 60,000 fewer than the RoGS count per year, based on three differences:<sup>11</sup>

- RoGS includes District Court appeals. BOCSAR reports these separately, in Table 8 of its criminal court statistics, and excludes them from its total number of finalisations.
- RoGS includes contested infringement notices. These matters arise when a person elects to have an infringement, such as a parking or speeding fine, dealt with by a court. They are not initiated by the NSW Police Force, and BOCSAR does not count them as criminal court finalisations.
- RoGS includes warrants. BOCSAR does not treat the issuing of a warrant as a finalised court appearance, because the matter remains unfinalised and a warrant has been issued for the arrest of the defendant.

These differences bias the estimate used in this report downwards. RoGS calculates its cost per finalisation by dividing court expenditure by its own count of finalisations. Because that count is larger, the published unit cost is spread across more matters than this report prices. BOCSAR advises that contested infringement notices are brief and use considerably less court resourcing than a defended hearing in the Local Court. The issuing of a warrant is an administrative step rather than a hearing. Both are cheaper than the average matter, and both sit in the Local Court, where most finalisations occur.

Applying a unit cost derived from less expensive incidents to a narrower count of total incidents produces a figure below the cost of the matters actually priced.

District Court appeals are the exception to this reasoning. An appeal from the Local Court is normally shorter than a trial on indictment, so it is likely to sit below the District Court average, but this report has not established that it does. Appeals are the one component of the difference that could run in the opposite direction.

The third element pertains to youth detention data. Both BOCSAR and RoGS publish youth custody statistics. Across the ten financial years both sources cover, 2015–16 to 2024–25, the BOCSAR youth custody count runs between 121 and 133 percent of the RoGS youth detention total, and its Aboriginal share runs 1.1 to 7.0 percentage points lower, not higher. Both the size of the difference between the two sources and its direction are unlike adult prison, where the two sit within 1 to 2 percent of each other and BOCSAR’s Aboriginal share runs higher, not lower.

This report uses the RoGS youth figures throughout, for the same reason it uses the RoGS adult figures: they share a basis with the cost data. The divergence is not included in the sensitivity analysis, because treating the two counts as measures of the same thing would assert an equivalence that cannot currently be supported.

**Table 1: Scenario results for sensitivity analysis**

| Scenario                                                          | Estimated cost to government of overrepresentation | Percentage difference from model's central estimate | Trend since 2020–21 for given scenario |
|-------------------------------------------------------------------|----------------------------------------------------|-----------------------------------------------------|----------------------------------------|
| ① Central estimate                                                | \$718.1m                                           | –                                                   | 41.7%                                  |
| ② Unknown Aboriginality split proportionally                      | \$739.8m                                           | +3.0 %                                              | 43.1%                                  |
| ③ Unknown Aboriginality counted as Aboriginal                     | \$783.2m                                           | +9.1%                                               | 44.6%                                  |
| ④ BOCSAR custody series                                           | \$728.5m                                           | +1.4%                                               | 42.7%                                  |
| ⑤ Unknown split proportionally with BOCSAR custody                | \$738.7m                                           | +2.9%                                               | 42.4%                                  |
| ⑥ Unknown counted as Aboriginal with BOCSAR custody               | \$758.3m                                           | +5.6%                                               | 41.2%                                  |
| ⑦ Age-standardised parity benchmark (adult and youth prison only) | \$715.0m                                           | -0.4%                                               | 42.4%                                  |

# APPENDIX B: METHODOLOGY

The estimate modelled in this report answers one question: If Aboriginal people came into contact with the New South Wales criminal justice system at the same rate as their share of the population, how much less would that contact

cost the NSW Government? Figure 7 steps out how this is estimated, using the average number of Aboriginal adults in prison (by day) during the financial year 2024-25.

FIGURE 7

## How the cost of Aboriginal overrepresentation is calculated

Adult prisons in 2024–25. The same four steps are applied to each system area and cohort, then added together



Note: Worked example for adult prisons only. The published total applies the same method to prisons, community corrections and courts, for adults and young people, and sums the result.

Source: Report on Government Services 2026, ABS estimated resident population, JRNSW calculations

The calculation includes four steps, for each system and each age group separately:

1. Given the total number of Aboriginal and non-Aboriginal people in contact with the system,
2. Determine the parity benchmark: if the number of Aboriginal people in contact with the system was equal, as a percentage, to their share of the New South Wales population, how many Aboriginal people would be in contact with the given system area?
3. Calculate the difference between the actual number and the parity benchmark.
4. Multiply that difference by the published unit cost of the contact.

Thus, the parity benchmark for each of prisons, courts, and community corrections, for the youth and adult systems, is

$$E=(N\div P_{non})\times P_{Ab}$$

and the cost to government of overrepresentation is

$$Cost=(A-E)\times c$$

where N is the number of non-Aboriginal people in contact with a given system, A is the number of Aboriginal people in contact with that system,  $P_{non}$  and  $P_{Ab}$  are the non-Aboriginal and Aboriginal populations, respectively, and c is the given unit cost.

Prison and community corrections unit costs are published per person per day; to arrive at the headline annual estimates, these costs are multiplied by 365 to give an annual figure. Court costs are published per finalised matter, and counted on an annual basis.

The model's counterfactual is a reduction in Aboriginal contact with the justice system, not a transfer of contact from one group to another, so the total number of people in contact falls.

The parity benchmark is not a base case as that term is used in the NSW Government Guide to Cost-Benefit Analysis. A base case describes what would happen if current policy continued. The parity benchmark describes a level of contact that has not occurred and that no current policy is projected to produce.

Where this report states that one group is imprisoned or detained at a greater rate than another, the figure is a rate ratio: the number of Aboriginal people in custody per head of the Aboriginal population, divided by the number of non-Aboriginal people in custody per head of the non-Aboriginal population. It is the comparison the parity benchmark is built on, expressed as a ratio rather than as a count of people. The ratios reported here use the Bureau of Crime Statistics and Research custody figures for 2025–26 and are not age-standardised.

## Data Sources by Measure

Population shares used in this report come from Australian Bureau of Statistics Estimated Resident Population [TH1.1] data and are calculated for each year in the model. Youth is defined as aged 10 to 17, because ten is the minimum age of criminal responsibility in NSW. Adult is defined as aged 18 and over.

Unit costs come from the Australian Government Productivity Commission's Report on Government Services (RoGS). RoGS re-bases its cost data (i.e., adjusts for inflation) to its latest year at every release. As such, RoGS always gives cost figures in real (constant) values as at the latest financial year. The numbers in this report use the latest data and cannot be compared to prior RoGS releases.

RoGS unit costs are average costs per event. RoGS divides net operating expenditure by the relevant population for prisons and community corrections<sup>12</sup>, and net recurrent expenditure by the number of finalisations for courts.<sup>13</sup> The court costs used here only apply to criminal court finalisations. Both measures are net of any revenue the system receives.

Averaging in this way spreads costs across everyone who comes in contact with the system, rather than reflecting the marginal cost of one additional person. The cost of one additional person entering or leaving a system in the short term is lower than this average. The estimates therefore describe the average cost of the contact that occurs. They do not estimate the amount by which spending would change if contact fell.

These unit costs also exclude the cost of capital, such as land, buildings and other assets, and the rates, rent or depreciation on those assets. RoGS defines 'net operating expenditure' and 'net recurrent expenditure' as such.<sup>i</sup> Therefore, the figures understate the full cost of operating the system.

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<sup>i</sup> See Table 7A.31 notes for costs excluded from net recurrent expenditure and Section 8, Explanatory material, available on the RoGS website, for explanations of net operating expenditure.

All figures are annual and are expressed in constant 2024–25 prices as published by RoGS. Each year is reported separately rather than combined into a single figure, and no discount rate is applied. Discounting converts costs and benefits occurring in future years into present values. The estimates in this report describe spending that has already occurred, so there is no future stream to convert.

The total estimate for prisons, courts and community corrections can only be produced from 2020-21 onwards, because court data is not available prior.

The table below sets out every measure used to construct the estimate, and which specific table of which agency's release it comes from. Full citations – publication, release date, and web address – are given in the Sources section at the end of this report; this table exists so that a reader who wants a particular number can go straight to the table that produced it. The table includes figures used in the sensitivity analysis above and elsewhere in the report, in addition to those used to arrive at the central estimate.

**Table 2. Data Sources by Measure**

| Area                         | Measure                                                                                | Source                                                       | Table                            | Unit                                 | Used in          |
|------------------------------|----------------------------------------------------------------------------------------|--------------------------------------------------------------|----------------------------------|--------------------------------------|------------------|
| <b>Community Corrections</b> | Community corrections population by Indigenous status (adult)                          | Productivity Commission Report on Government Services (RoGS) | Table 8A.7                       | daily average population             | Central estimate |
|                              | Net operating expenditure per person per day                                           | Productivity Commission RoGS                                 | Table 8A.20                      | AUD per person per day               | Central estimate |
|                              | Young people under community-based supervision by Indigenous status                    | Productivity Commission RoGS                                 | Table 17A.6                      | average daily number of young people | Central estimate |
|                              | Net recurrent expenditure per average day per young person under community supervision | Productivity Commission RoGS                                 | Table 17A.21                     | AUD per person per day               | Central estimate |
| <b>Courts</b>                | Court finalisations by Aboriginality                                                   | NSW Bureau of Crime Statistics and Research                  | Table 1, sheet 1-Summary by year | count of finalised court appearances | Central estimate |
|                              | Net recurrent expenditure per finalisation, by court type                              | Productivity Commission RoGS                                 | Table 7A.31                      | AUD per finalisation                 | Central estimate |

| Area                        | Measure                                                                 | Source                                      | Table                                                  | Unit                                               | Used in                                                                                         |
|-----------------------------|-------------------------------------------------------------------------|---------------------------------------------|--------------------------------------------------------|----------------------------------------------------|-------------------------------------------------------------------------------------------------|
| <b>Youth detention</b>      | Young people in detention by Indigenous status                          | Productivity Commission RoGS                | Table 17A.5                                            | average daily number of young people               | Central estimate                                                                                |
|                             | Net recurrent expenditure per average day per young person in detention | Productivity Commission RoGS                | Table 17A.20                                           | AUD per person per day                             | Central estimate                                                                                |
|                             | Youth custody population by Indigenous status (month-end)               | NSW Bureau of Crime Statistics and Research | stock_data                                             | count as at midnight on the last day of each month | Report figure 4 (custody population by legal status)                                            |
|                             | Youth custody population by age band and Indigenous status (month-end)  | NSW Bureau of Crime Statistics and Research | Table 1a (all people) and Table 2a (Aboriginal people) | count as at midnight on 30 June each year          | Sensitivity: age-standardised parity benchmark                                                  |
| <b>Adult incarceration</b>  | Net operating expenditure per person per day                            | Productivity Commission RoGS                | Table 8A.20                                            | AUD per person per day                             | Central estimate                                                                                |
|                             | Prisoner population by Indigenous status                                | Productivity Commission RoGS                | Table 8A.5                                             | daily average population                           | Central estimate                                                                                |
|                             | Adult custody population by Indigenous status (month-end)               | NSW Bureau of Crime Statistics and Research | stock_data                                             | count as at midnight on the last day of each month | Sensitivity: BOCSAR custody series; report figures 3 and 5 (custody population by legal status) |
|                             | Adult custody population by age band and Indigenous status (month-end)  | NSW Bureau of Crime Statistics and Research | Table 1a (all people) and Table 2a (Aboriginal people) | count as at midnight on 30 June each year          | Sensitivity: age-standardised parity benchmark                                                  |
| <b>Population estimates</b> | Aboriginal and Torres Strait Islander estimated resident population     | Australian Bureau of Statistics             | Table 1, Persons block, single year of age             | population count                                   | Central estimate                                                                                |
|                             | Total NSW estimated resident population                                 | Australian Bureau of Statistics             | Data1/Data2, Persons block, single year of age         | population count                                   | Central estimate                                                                                |

## Additional Assumptions and Limitations

Several of the choices, assumptions, and known limitations within this methodology are stepped out in Appendix A, which explains the accompanying sensitivity analysis. Namely,

- Different possible methods of capturing Aboriginality in criminal justice system records,
- Differences in the data series reporting on custody populations and court finalisations, and
- Limitations of publicly available age-disaggregated data, which precludes age-standardisation in the model.

Additional assumptions and limitations are outlined here, including how this estimate should be interpreted, what is excluded from the model, and how to interpret year-on-year change.

### **The Estimate Is Modelled, Not a Forecast**

The estimate prices a counterfactual level of contact at published average costs. Actual expenditure would not fall by this amount if overrepresentation ended. Justice system costs are largely fixed in the short run: a prison with fewer people in it still has to be staffed and maintained. The figure is an estimate of the cost of overrepresentation and an indication of the scale of resources involved. It is not a savings projection, and it should not be read as one.

### **Police and Child Protection Are Excluded**

Police costs are excluded from the estimate due to data limitations, even though policing is a significant component of the criminal justice system. RoGS publishes police expenditure in Section 6, but does not sufficiently disaggregate police contact by Aboriginality for use in this project. Relevant data is available from the NSW Department of Communities and Justice (standard values for avoided police costs) and BOCSAR (counts of people proceeded against by police, by Aboriginality), however, the work required to generate comparable estimates across these data sources was outside the scope of this project.

Thus, the full cost of Aboriginal overrepresentation in the New South Wales criminal justice system is larger than the figure reported here.

### **Year-on-Year Change Reflects Several Things at Once**

The parity benchmark is recalculated each year from that year's estimated resident population, so a change in the estimate from one year to the next reflects three things moving at once: the number of people in contact with each area of the system, the unit cost of that contact, and the Aboriginal share of the New South Wales population. These cannot be separated out within the headline figures in this report.

## Data Sources

**Table 3. Data sources used in this model**

| Agency                                      | Publication                                                                     | Table reference                                                                                                           | Release date | URL                                                                                                                                                                                                                                                                                                                                                                                                   |
|---------------------------------------------|---------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|--------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Australian Bureau of Statistics             | Aboriginal and Torres Strait Islander estimated resident population projections | Table 1 New South Wales                                                                                                   | 24/07/2024   | <a href="https://www.abs.gov.au/statistics/people/aboriginal-and-torres-strait-islander-peoples/estimates-and-projections-australian-aboriginal-and-torres-strait-islander-population/latest-release">https://www.abs.gov.au/statistics/people/aboriginal-and-torres-strait-islander-peoples/estimates-and-projections-australian-aboriginal-and-torres-strait-islander-population/latest-release</a> |
| Australian Bureau of Statistics             | National, state and territory population                                        | New South Wales by single year of age                                                                                     | 18/06/2026   | <a href="https://www.abs.gov.au/statistics/people/population/national-state-and-territory-population/latest-release">https://www.abs.gov.au/statistics/people/population/national-state-and-territory-population/latest-release</a>                                                                                                                                                                   |
| NSW Bureau of Crime Statistics and Research | NSW Criminal Court Statistics July 2020 to June 2025                            | Table 1 Summary by year                                                                                                   | 02/12/2025   | <a href="https://bocsar.nsw.gov.au/research-evaluations/2025/criminal-court-statistics-jun-2025.html">https://bocsar.nsw.gov.au/research-evaluations/2025/criminal-court-statistics-jun-2025.html</a>                                                                                                                                                                                                 |
| NSW Bureau of Crime Statistics and Research | NSW Custody Statistics – Adult custodial population                             | 3. Custody population                                                                                                     | 08/2026      | <a href="https://bocsar.nsw.gov.au/content/dam/dcj/bocsar/documents/publications/custody/Adult_Custody_Report_-_June_2026.xlsx">https://bocsar.nsw.gov.au/content/dam/dcj/bocsar/documents/publications/custody/Adult_Custody_Report_-_June_2026.xlsx</a> (xlsx)                                                                                                                                      |
| NSW Bureau of Crime Statistics and Research | NSW Custody Statistics – Youth detention population                             | 3. Custody population                                                                                                     | 08/2026      | <a href="https://bocsar.nsw.gov.au/content/dam/dcj/bocsar/documents/publications/custody/Youth_Custody_Report_-_June_2026.xlsx">https://bocsar.nsw.gov.au/content/dam/dcj/bocsar/documents/publications/custody/Youth_Custody_Report_-_June_2026.xlsx</a> (xlsx)                                                                                                                                      |
| Productivity Commission                     | Report on Government Services 2026                                              | Part C Section 7 Court administration<br>Part C Section 8 Corrective services<br>Part F Section 17 Youth justice services | 03/06/2026   | <a href="https://www.pc.gov.au/ongoing/report-on-government-services">https://www.pc.gov.au/ongoing/report-on-government-services</a>                                                                                                                                                                                                                                                                 |

# ENDNOTES

<sup>1</sup> Australian Government & Coalition of Peaks. (2020). *National Agreement on Closing the Gap: 2. Formalities*. Closing the Gap. <https://www.closingthegap.gov.au/national-agreement/national-agreement-closing-the-gap/2-formalities>

<sup>2</sup> Productivity Commission. (2026). *Socio-economic outcome area 10 – Aboriginal and Torres Strait Islander adults are not overrepresented in the criminal justice system* [Dashboard]. Closing the Gap Information Repository. <https://www.pc.gov.au/closing-the-gap-data/dashboard/outcome-area/criminal-justice/>

<sup>3</sup> Productivity Commission. (2026). *Socio-economic outcome area 11 – Aboriginal and Torres Strait Islander young people are not overrepresented in the criminal justice system* [Dashboard]. Closing the Gap Information Repository. <https://www.pc.gov.au/closing-the-gap-data/dashboard/outcome-area/youth-justice/>

<sup>4</sup> Productivity Commission. (2026). *Justice* [Chapter]. In *Closing the Gap: Annual data compilation report – July 2026* (pp. 112–126). <https://assets.pc.gov.au/2026-07/closing-the-gap-annual-data-compilation-july-2026.pdf>

<sup>5</sup> NSW Bureau of Crime Statistics and Research. (2026, August). *Adult Custody Report – June 2026* (Sheet 2: Aboriginal summary) [Data set]. [https://bocsar.nsw.gov.au/content/dam/dcj/bocsar/documents/publications/custody/Adult\\_Custody\\_Report\\_-\\_June\\_2026.xlsx](https://bocsar.nsw.gov.au/content/dam/dcj/bocsar/documents/publications/custody/Adult_Custody_Report_-_June_2026.xlsx)

<sup>6</sup> NSW Bureau of Crime Statistics and Research. (2026, August). *Youth Custody Report – June 2026* (Sheet 2: Aboriginal summary) [Data set]. [https://bocsar.nsw.gov.au/content/dam/dcj/bocsar/documents/publications/custody/Youth\\_Custody\\_Report\\_-\\_June\\_2026.xlsx](https://bocsar.nsw.gov.au/content/dam/dcj/bocsar/documents/publications/custody/Youth_Custody_Report_-_June_2026.xlsx)

<sup>7</sup> NSW Government. (n.d.). *What support does Youth Justice provide to young people in custody?* <https://www.nsw.gov.au/legal-and-justice/youth-justice/parents-guardians-carers/support-young-people-custody>

<sup>8</sup> Productivity Commission. (2026). *17 Youth justice services: Context – Size and scope*. In *Report on Government Services 2026*. <https://www.pc.gov.au/ongoing/report-on-government-services/community-services/youth-justice/>

<sup>9</sup> NSW Bureau of Crime Statistics and Research. (2026, August 5). *Definitions and explanations – NSW custody statistics*. <https://bocsar.nsw.gov.au/statistics-dashboards/custody/custody-definitions-and-explanations.html>

<sup>10</sup> NSW Bureau of Crime Statistics and Research. (2026 July 23). *Upcoming change to Aboriginality reporting in NSW Criminal Courts data*. Email correspondence to Just Reinvest NSW.

<sup>11</sup> NSW Bureau of Crime Statistics and Research. (2026 March 17). *Differences between BOCSAR and Report on Government Services counts of criminal court finalisations*. Email correspondence to Just Reinvest NSW.

<sup>12</sup> Productivity Commission. (2026). *8 Corrective services: Explanatory material – Key terms – Corrective services*. In *Report on Government Services 2026*. <https://www.pc.gov.au/ongoing/report-on-government-services/justice/corrective-services/>

<sup>13</sup> Productivity Commission. (2026). *7 Courts: Indicator results – 12. Cost per finalisation*. In *Report on Government Services 2026*. <https://www.pc.gov.au/ongoing/report-on-government-services/justice/courts/>



