

31 January 2023

AUSTRALIA'S INCARCERATION CRISIS HIGHLIGHTED BY NEW PRODUCTIVITY COMMISSION REPORT

"Australia's criminal justice system is fast approaching breaking-point, with urgent reform now required to stop wasteful spending of taxpayers' money, improve community safety, and reduce unnecessary incarceration," said Daniel Wild, Deputy Executive Director of the Institute of Public Affairs.

Released today, the Productivity Commission's *Report on Government Services 2023* revealed;

- The cost of operating prisons in Australia was \$4.4b in 2021-22, a 66.2% real increase over the past decade, and 4.5% up on just last year.
- The average number of prisoners in Australia was 41,176 in 2021-22, a 36.9% increase on a decade ago.
- The per prisoner cost of incarceration is now \$107,639 per year, which is an increase of 21.5% on a decade ago.

"Too many low-risk, non-violent offenders are being locked up, which is causing costs to skyrocket without improving community safety," said Mr Wild.

"It is imperative that Australia pursue genuine sentencing reform to ensure we are locking away dangerous criminals, rather than wasting resources on low-risk, non-violent offenders who can be punished in other safe and effective ways."

The Productivity Commission's findings follow a key research report released by the Institute of Public Affairs that found:

- 42% of prisoners in Australia are non-violent, low risk offenders.
- Since a low in 1984, Australia's incarceration rate has increased by over 4% per year, which is three times Australia's population growth rate.
- On current trends, Australia's incarceration rate could reach 300 prisoners per 100,000 adults by 2030, which would be inside the top five for OECD nations.

"The community is not made any safer when it locks up low-risk, non-violent offenders," said Mr Wild.

"Reforms in the United States over the past decade show targeted reforms can reduce incarceration rates without compromising community safety, delivering significant savings to the taxpayer."

"At a time of severe worker shortages, governments need to consider whether they should waste money housing low-risk non-violent offenders or have them make a contribution to the community through work."

The IPA's research on Australia's incarceration crisis can be found [here](#).

For media and comment: Andrew Hudgson, Director of Communications, on 0404 020 896, or at ahudgson@ipa.org.au