



HOUSTONKEMP
Economists

The economic costs of incarcerating women in NSW

An analysis for the Keeping Women out of Prison Coalition

J U L Y 2 0 2 5



Table of Contents

	Executive summary		
01	Introduction	05	The cost of care and support services for children of incarcerated women during their imprisonment
02	Women prisoners in NSW	06	Loss of income for imprisoned women
03	Summary of the economic costs of imprisoning women in NSW	07	The cost of income support post-release
04	The cost to government of imprisoning women in NSW	08	The cost of housing support post-release

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Executive summary

I have prepared this report for the Keeping Women out of Prison (KWOOP) Coalition to estimate the indicative economic costs of remanding and sentencing women to prison in New South Wales (NSW).

This report presents a high-level, conservative assessment of the direct and indirect economic impacts of imprisoning women in NSW, drawing primarily on publicly available data from the Productivity Commission's Report on Government Services (ROGS).

In this report, I estimate the:



fiscal cost of imprisonment, ie, the cost to the NSW government of imprisoning women; and

potential costs of imprisonment, ie, potential economic costs arising from imprisonment that are dependent on the individual circumstances of each woman. These comprise:



cost of care and support services for children of incarcerated women during their imprisonment;



loss of income for women in employment prior to their imprisonment;



income support for women searching for employment post-release; and



housing support for women searching for housing post-release.

I estimate that, at a base level, the **average annual fiscal cost** to imprison women in NSW is...



\$180,000*

per woman per year during her imprisonment
for all women

When other potential economic costs are included, the **average economic cost** during a woman's imprisonment *and* following her release are...



\$314,000*

per woman per year during her imprisonment
for employed women living with at least one dependent child pre-imprisonment



\$19,500*

per woman per year post-release
for women requiring employment and housing support

Please note, these estimates are **high-level and conservative**, and likely underestimate the economic costs of remanding and sentencing women to NSW prisons.

01

Introduction

Introduction

The average economic cost of incarcerating women in New South Wales

I have prepared this report for the Keeping Women out of Prison (KWOOP) Coalition to estimate the indicative economic costs of remanding and sentencing women to prison in New South Wales (NSW).

This report presents a high-level, conservative assessment of the direct and indirect economic impacts of imprisoning women in NSW, drawing primarily on publicly available data from the Productivity Commission's Report on Government Services (ROGS). These findings aim to inform evidence-based discussions regarding alternatives to imprisonment.

It should be noted that this analysis is high-level in nature, employing conservative and reasonable assumptions where specific data points are unavailable. While the resulting figures represent approximations rather than precise calculations, they provide insight into the magnitude of economic costs borne by the government, communities, and individuals affected by women's incarceration in NSW.

The remainder of this report is structured as follows:

- section 2 – background overview of the women prisoner population in NSW and related information;
- section 3 – summary of the economic costs of imprisoning women in NSW, including an overview of the identified costs and cost estimates;
- sections 4 to 8 – explanation of the approach and assumptions used to estimate the fiscal cost of imprisonment (section 4) and the potential costs of imprisonment, comprising:
 - cost of care and support services for children of incarcerated women during their imprisonment (section 5);
 - loss of income for women in employment prior to their imprisonment (section 6);
 - income support for women searching for employment post-release (section 7); and
 - housing support for women searching for housing post-release (section 8).

Scope and approach

The scope of this analysis is confined to the economic costs that arise directly following the decision that a woman be remanded or sentenced to prison. Therefore, other economic costs incurred prior to this decision – eg, policing and court-related costs – are excluded and considered sunk.

At a high-level, the approach I have taken to develop this report is as follows:

1. Information gathering:
 1. Review data on the population of women NSW prisons and their demographics;
 2. Where demographic data is scant for NSW, review data on this population nationally; and
 3. Review research on the experience of women in prison or who have been released from prison;
2. Identify, research and classify economic costs; and
3. Quantify economic costs, where reasonable and possible to do so.

Interpretation of costs

It is important to note that I have taken an **averages** approach to developing an estimate of the economic costs of imprisoning women in NSW.

Put another way, the costs estimated and presented in this report:

- **are not marginal**, ie, they do not capture the cost of imprisoning an additional woman in NSW prisons; and
- **are not incremental or net**, ie, they are not incremental to or net of any economic benefits, eg, value associated with community feelings of safety following the imprisonment and rehabilitation of a woman sentenced to prison, nor the avoided income support post-release for those that receive a qualification within prison and find employment post-release.

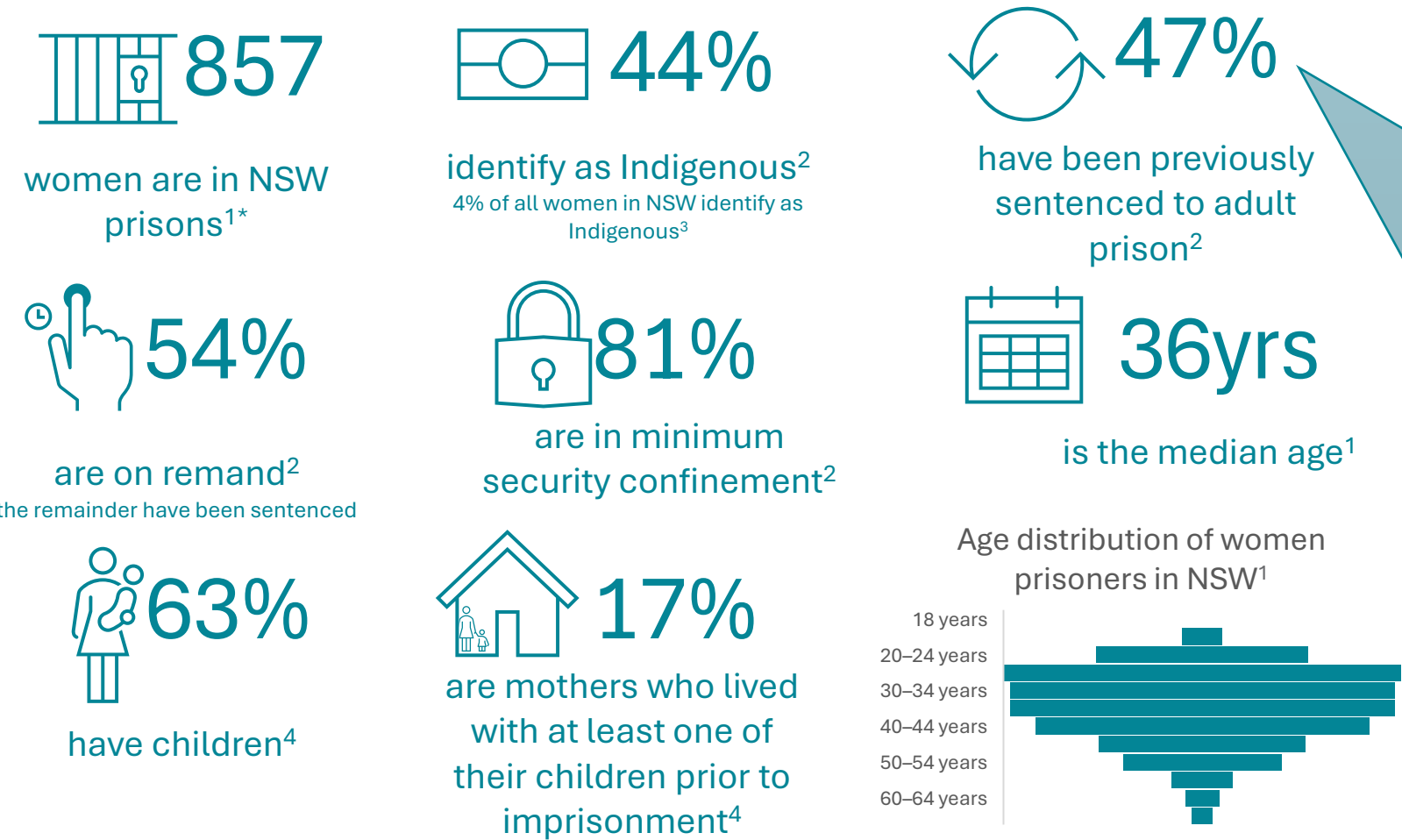
Rather, they **are the average cost** incurred after a woman is remanded or sentenced to prison in NSW, expressed in undiscounted daily, weekly or annual terms.

02

Women prisoners in NSW

Women prisoners in NSW

The Australian Bureau of Statistics and NSW Bureau of Crime Statistics and Research data paint a picture of the makeup of women imprisoned in NSW



This statistic only captures the proportion of women in NSW prisons – including both those sentenced and on remand – who have been previously imprisoned under sentence in an adult prison.

This figure likely understates the full extent of recidivism among women prisoners in NSW, eg, those who have previously been on remand and/or in youth detention.

Research by the Australian Institute for Health and Welfare (AIHW) suggests that the proportion of women in prison who have previously been in adult prison or youth detention, either sentenced or on remand, is much higher. Specifically, a AIHW survey of Australian female prisoners by the AIHW in 2020 – which excluded NSW – found that roughly **70%** had previously been in an adult prison and/or youth detention.⁵

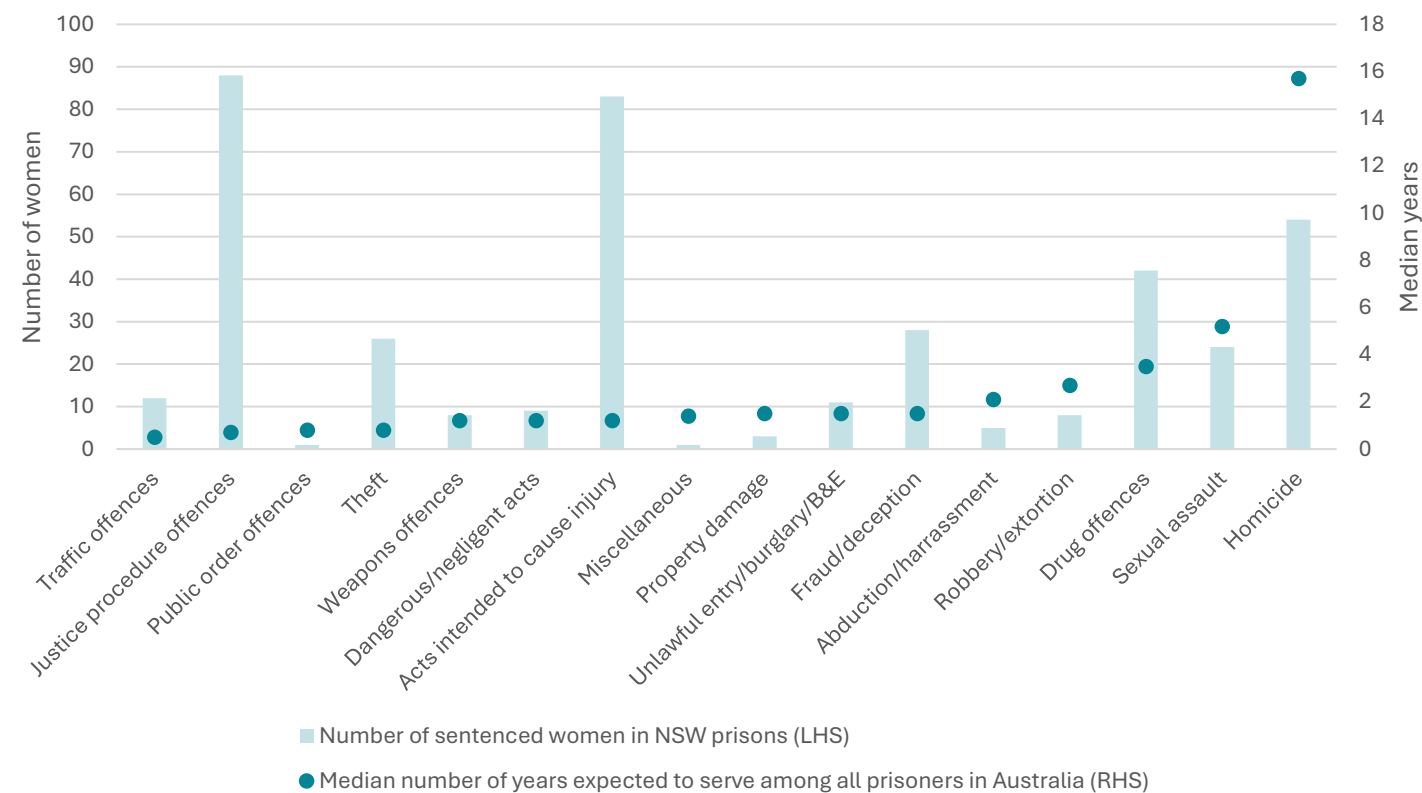


Note: *This is a census figure that captures the number of women remanded or sentenced to adult custodial corrective service agencies in NSW on 30 June 2024. Put another way, this value expresses the number of women in NSW in prison in stock, rather than flow terms.

Sources: 1. ABS, 2. *Prisoner characteristics, states and territories (Tables 14 to 35).xlsx*, December 2024; 2. HoustonKemp analysis of ABS, 2. *Prisoner characteristics, states and territories (Tables 14 to 35).xlsx*, December 2024 3. ABS, *Estimates of Aboriginal and Torres Strait Islander Australians*, August 2023; 4. Lobo, J and Howard, M, *Women in prison: An examination of the support needs of women in custody with children*, Corrective Services NSW research brief, March 2021, p 4; and 5. AIHW, *The health and welfare of women in Australia's prisons*, November 2020, p 5.

Women prisoners in NSW

The majority of women in NSW prisons are expected to serve short sentences



Sources: NSW Bureau of Crime Statistics and Research (NSW BOCSAR), custody_data_tables.xlsx, December 2024, worksheet 'Table 2 – Adult Offence Type'; and ABS, 1. Prisoner characteristics, Australia (Tables 1 to 13).xlsx, December 2024, worksheet 'Table 12'.

2 in 3



imprisoned women are expected to serve time for 1.5 years or less¹

This aligns with other reports...

58% of women are in prison for under six months²

58% of women in prison were either on remand or serving a short sentence of 12 months or less³

Two-thirds of female prisoners are sentenced for minor offences and serve less than 6 months in custody⁴

Women prisoners in NSW

The number of women entering NSW prisons on remand is increasing, yet few are later sentenced

The chart to the right illustrates the composition of women in NSW prisons by legal status, ie, on remand or sentenced.

Over the past decade, the number of women entering NSW prisons following sentencing has remained relatively stable, fluctuating around or below 50 women.

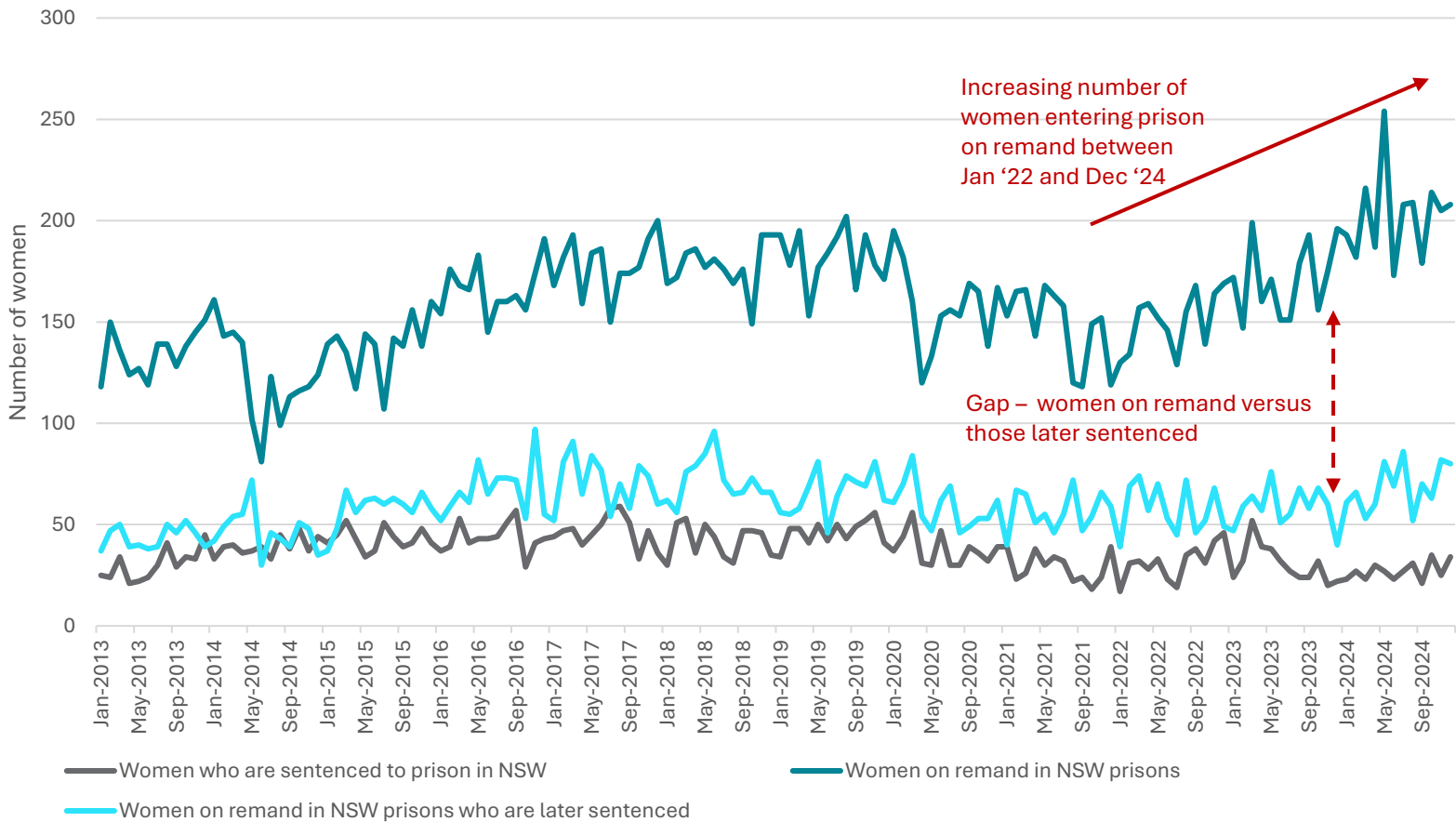
Contrastingly, the number of women entering prison on remand has been generally trending upwards.

In the two years from January 2022 to December 2024, the number of women entering NSW prisons on remand increased from 130 to just over 200.

Notably, this increase is not mirrored by the number of women on remand in NSW prisons who are later sentenced.

Rather, BOCSAR data indicates that the conversion of women from remand to sentencing has remained relatively stable at the same time the number of women entering prison on remand has increased. As a result, a considerable gap has emerged between the number of women entering NSW prisons on remand and those who were previously on remand and later sentenced.

This suggests that a small proportion of women on remand in NSW are eventually sentenced, which is indicative of the particularly disruptive nature of remand for most women entering prison under this circumstance.



Source: NSW Bureau of Crime Statistics and Research (NSW BOCSAR), custody_data_tables.xlsx, December 2024, worksheets 'Table 3 – Adult_receptions' and 'Table 5 – Adult_Remand to Sent'.

03

Summary of the economic costs of imprisoning women in NSW

Summary of the economic costs of imprisoning women in NSW

Overview of identified costs

As stated in the introduction, the scope of this analysis is confined to the economic costs that arise directly following the decision that a woman be remanded or sentenced to prison. Therefore, other economic costs incurred prior to this decision – eg, policing and court-related costs – are excluded and considered sunk.

As such, the economic costs of remanding and sentencing women to NSW prisons commence during their imprisonment and are also incurred following their release.

In the sections below, I briefly discuss the identified economic costs and whether high-level and conservative quantification is reasonable and possible.

Fiscal cost of imprisonment

The economic cost that will be incurred with absolute certainty for all women remanded and sentenced to NSW prisons is the **fiscal cost of imprisonment**. This cost – which comprises costs associated with the provision of accommodation, staff supervision and technical services to women in NSW prisons – can be quantified using publicly available data from the Productivity Commission.

Employment, income and housing

Where a woman is in employment prior to imprisonment, imprisonment results in two economic losses, ie:

- **loss of income** for the woman; and
- **loss of productivity** for her employer.

That said, the loss of productivity for the employer is likely immaterial relative to the cost of imprisonment and (to a lesser extent) the loss of income, given an employer can be reasonably expected to find a replacement.

Additionally, research shows that individuals released from prison face significant barriers in finding employment and housing. As such, women leaving NSW prisons may require and access **income and housing support**.

These employment, income and housing costs (with the exception of loss of productivity) can be quantified via simplistic estimations using various public data and information sources.

Care and support for children

Concurrent to a woman's imprisonment, if she has children under 18, her imprisonment may also give rise to costs associated with the provision of **care and support services to her children** during her incarceration. These costs can also be separately quantified via simplistic estimations using various public data and information sources.

I acknowledge that a mother's imprisonment, or repeat imprisonment, may have significant impacts on her child or children. For instance, the experience of a mother's imprisonment, and the circumstances surrounding her imprisonment may:

- traumatise her children to the extent that they require long term specialist support and health services; and/or
- significantly disrupt her children's education to the extent that it has longer term impacts on their educational attainment and labour market outcomes.

Notwithstanding these potential impacts, I have excluded the economic costs associated with these impacts from the analysis in line with my approach to conservatively estimate the average costs of imprisoning women in NSW.

Summary of the economic costs of imprisoning women in NSW

Overview of identified costs

Mental health and wellbeing

Some women enter NSW prisons with poor mental health or are predisposed to poor mental health. For instance, among surveyed women entering Australian prisons in 2022:¹

- 63 per cent reported having a mental health condition at some point in their lives; and
- 19 per cent reported having fair or poor mental health upon entry.

This is complemented by international research by the World Health Organisation that indicates it is common for women prisoners to have experienced traumatic events prior to their imprisonment, which can predispose them to mental health concerns.² Additionally, imprisonment may separate women from dependent children which can add to mental health difficulties.

This research is suggestive of the potential for imprisonment to negatively affect a woman's mental health and wellbeing. However, quantifying the economic costs arising from the poor mental health and wellbeing of women in and exiting NSW prisons is difficult.

First, whether or not a woman's mental health improves or worsens during their time in prison can depend on the support and treatment available.³ Put another way, the causal impact of prison on a woman's mental health on average is unclear.

Second, although there are reports on the aggregate cost of health and social services – eg, the Productivity Commission reports that mental illness and suicide costs the Australian economy roughly \$70 billion annually⁴ – it is difficult to attribute these costs to women in and exiting NSW prisons with the same level of confidence as the fiscal cost of imprisonment or to a satisfactory level as with costs associated with employment, income, housing and care and support for children.

Therefore, I do not quantify the economic costs of women's poor mental health and wellbeing triggered or exacerbated by their time in prison. As such, the total estimated costs likely underestimate the economic costs of remanding and sentencing women to NSW prisons.

Consideration of recidivism

It is well established that some individuals enter prison only to reoffend on one or more occasions in future.

ABS data on women in prison as of 30 June 2024 indicates that almost one in two women in NSW prisons have been previously incarcerated (see slide 7).



For simplicity – and in line with the objective of providing high-level, indicative costs – I estimate the economic costs during and following a single term in prison.

That said, these costs can be used in an additive fashion to estimate the cost of multiple prison terms, thereby accounting for recidivism.

Summary of the economic costs of imprisoning women in NSW

Imprisoning women costs the NSW government \$180,000 per woman per year during her imprisonment, with costs escalating for those with dependent children and post-release support needs

Estimated economic costs

I have quantified the fiscal cost of prison as well as all potential costs in weekly and annual terms (where possible) in the table below. At a base level, imprisoning a woman in NSW will give rise to an average fiscal cost of approximately **\$3,500 per week** or **\$180,000 per year during her imprisonment**.

Timing	Group	Cost category	Cost per woman	
			Per week	Per year
During imprisonment	All women in NSW prison	Fiscal cost of prison	\$3,500	\$180,000
	Women living with at least one child pre-imprisonment	Care for children of incarcerated women	-	\$110,000
		Support services for children of incarcerated women	-	\$2,000
	Women employed pre-imprisonment	Loss of income	\$450	\$22,000
Post-release	Women looking for work post-release	Income support	\$350	\$18,500
	Women looking for housing post-release	Housing support	-	\$1,000

Note: Costs are in 2023-34 dollars; and costs are averages expressed in undiscounted terms.
Source: HoustonKemp analysis.

It is important to note that all costings presented above are **approximations or indicative** for the purposes of informing the magnitude of economic costs associated with remanding and sentencing women to NSW prisons. Further, some costs are only reported in yearly terms due to a lack of sufficient information to determine a reasonable estimate in weekly terms.

Sample case studies

I provide sample case studies below to illustrate the approximate economic costs per woman during her sentence and post-release under different circumstances.

Case study 1	Pre-sentence		Post-release	
				
Woman serving a 1-year prison sentence who was previously employed and will leave prison requiring income support post-release the following year.				
Approximate cost during sentence			= Fiscal cost of prison per year + Loss of income per year	
			= ~ \$202,000	
Approximate cost per year post-release			= Income support per year	
			= ~ \$18,500	
Case study 2	Pre-sentence		Post-release	
				
Woman serving a 1-year prison sentence who was living with one dependent child and was previously employed who will leave prison requiring housing and income support post-release the following year.				
Approximate cost during sentence			= Fiscal cost of prison per year + Cost of care and support services for children + Loss of income per year	
			= ~ \$314,000	
Approximate cost per year post-release			= Income support per year + Housing support per year	
			= ~ \$19,500	

04

The cost to government of imprisoning women in NSW

The cost to government of imprisoning women in NSW

Keeping women in NSW prisons costs the NSW government approximately \$180,000 per women prisoner per year

The Productivity Commission reports OPEX and CAPEX incurred by all state-operated corrective services, including those that imprison women

Corrective services providers incur costs associated with the provision of accommodation, staff supervision and technical services including risk assessments, program delivery, health services and transport of offenders.¹

The Productivity Commission publishes an annual report on corrective services provided by state and territory governments, among other government services, referred to as the report on government services or 'ROGs'. This report includes estimates of total corrective services costs and total costs per prisoner per day.

Specifically, the Productivity Commission reports several operating expenditure (OPEX) and capital cost (CAPEX) items.

The most recent ROGS reports that the NSW government spent a total of \$2.4 billion on corrective services for both men and women in FY2023/24. This equates to **over \$500 per prisoner per day, almost \$3,700 per prisoner per week and over \$190,000 per prisoner per year**. I provide a breakdown of these costs in the table to the right.

NSW government expenditure on corrective services in FY2023/24*				
	Total (\$'000)	Per prisoner (\$)		
		per day	per week	per year
OPEX				
Net OPEX				
Open	\$320,721	\$284	\$1,987	\$103,620
Secure	\$1,125,525	\$329	\$2,303	\$120,077
All	\$1,446,246	\$318	\$2,224	\$115,990
Transport and escort services**	\$ 44,800	\$10	\$69	\$3,594
Health expenditure**	\$208,597	\$46	\$321	\$16,734
Payroll tax**	\$54,409	\$12	\$84	\$4,365
Net OPEX	\$1,754,053	\$386	\$2,699	\$140,710
CAPEX				
User cost of capital				
Land	\$23,260	\$5	\$36	\$1,867
Other Assets	\$405,038	\$89	\$623	\$32,483
Debt servicing fees	\$23,427	\$5	\$36	\$1,878
Depreciation	\$206,197	\$45	\$317	\$16,537
Total CAPEX	\$657,923	\$145	\$1,012	\$52,778
Total net OPEX and CAPEX	\$2,411,976	\$530	\$3,710	\$193,448

Note: *Costs have been inflated to FY2024/25 dollars using ABS CPI data; **in lieu of per prisoner costs in the ROGS for these OPEX cost items, I estimate per prisoner costs using the number of prisoners inferred by total and per prisoner costs for other reported cost items; and I calculate all per prisoner costs in weekly and annual terms based on the per day costs reported in the ROGS. Source: Productivity Commission, rogs-2025-partc-section8-corrective-services-data-tables.xlsx, worksheets 'Table 8A.1' and 'Table 8A.19'.

***Note, I exclude payroll tax from the indicative fiscal cost of imprisoning women given this is an economic transfer. Sources: 1. Productivity Commission, Australia's prison dilemma, Research paper, October 2021, p 58; and 2 ABS, 2. Prisoner characteristics, states and territories (Tables 14 to 35).xlsx, December 2024.

Estimated fiscal cost of imprisoning women in NSW

The fiscal cost of imprisoning women in NSW can be estimated by calculating the average net operating expenditure per prisoner and totalling all the OPEX and CAPEX incurred by corrective services in the ROGS, except payroll tax.^{***}

Given 81 per cent of women in NSW prisons who are sentenced or on remand are in minimum security confinement (ie, an open environment),² I estimate the net operating expenditure per prisoner per day as follows using a weighted average approach:

Approximate net OPEX per woman per day

= (net OPEX for open x proportion of women in open environment) + (net OPEX for secure x proportion of women in secure environment)
= (\$284 x 81%) + (\$329 x 19%)

Adding the above to all other OPEX and CAPEX items per prisoner per day yields an indicative average cost of approximately \$490 per prisoner per day.

Adopting a similar approach to costs per prisoner on a weekly and annual basis yields averages of approximately:

~\$3,500

per woman per week

~\$180,000

per woman per year

The cost to government of imprisoning women in NSW

The Productivity Commission’s averaging approach masks the impact of women’s entry into and exit out of NSW prisons on fiscal cost

The average fiscal cost is derived using the stock of women in NSW prisons rather than the flow, which has been increasing

I adopt the Productivity Commission’s averaging approach to derive an estimate of the fiscal cost of imprisoning women to the NSW government. Under this approach, annual fiscal costs are averaged in daily terms and subsequently averaged by the average number or stock of people in prison on a given day. In FY2023/24, the daily average number of women in NSW prisons was around 850, which is slightly above the 815 daily average in the three years to FY2023/24.

However, the volume of women entering and exiting NSW prisons is much higher than this stock number. In 2024 alone, approximately 2,700 women entered NSW prisons on remand or following sentencing, roughly three times the average daily number of women prisoners. Furthermore, the number of women entering and exiting prison has increased in recent years post-COVID.



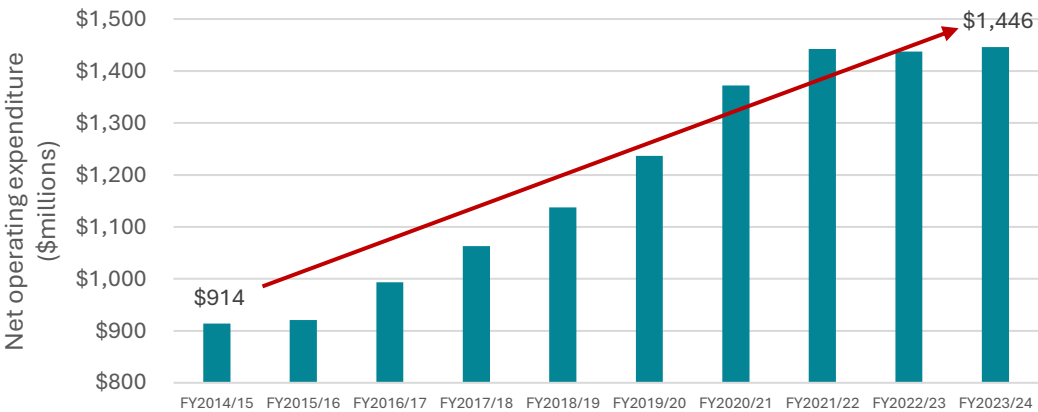
Source: NSW Bureau of Crime Statistics and Research (NSW BOCSAR), custody_data_tables.xlsx, December 2024, worksheets 'Table 3 – Adult_receptions' and 'Table 4 – Adult_discharges'.

*Note, NSW government expenditure on corrective services is not disaggregated between men and women.

The increasing flow of women in and out of NSW prisons in recent years may be inflating the average fiscal cost per woman per day

The increasing number of women entering and exiting NSW prisons in recent years has likely resulted in higher operating costs. In fact, over the past decade, NSW government total net operating costs on corrective services has gradually increased from around \$900 million to over \$1.4 billion.* This increase coincided with a simultaneous increase in the flow of both women and men in and out of NSW prisons.

My estimate of fiscal cost includes total OPEX and therefore captures the costs associated with the stock and flow of women in and out of prison. As such, the estimated average fiscal cost per woman per year for FY2023/24 on the previous slide captures the costs associated with receiving and discharging women prisoners and is likely relatively higher than the average fiscal cost per woman ten years ago, when the flow of women in and out of NSW prisons was much lower.



Note: Costs are in FY2024/25 dollars and exclude operating revenues, payroll tax and expenditure on prisoner health and on transport and escort services.
See: Productivity Commission, rogs-2025-partc-section8-corrective-services-data-tables.xlsx, worksheet 'Table 8A.2'.

The cost to government of imprisoning women in NSW

Diversiónary programs present alternatives to imprisonment that are less expensive than the cost of imprisonment incurred by the NSW government

The estimated financial cost to government of imprisoning women in NSW – ie, \$184,000* per woman per year – likely exceeds the cost of diversionary programs that offer alternatives to women's incarceration.

Diversiónary programs fall into two main categories – residential and non-residential models – both of which are designed to support women in addressing the underlying causes of offending and ultimately break cycles of disadvantage that often lead to criminal behaviour. One notable example is the Women's Diversion Pathway Program, overseen by the Community Restorative Centre, which provides non-residential diversionary support for women released into the community before the end of their sentence or on parole. Although the program does not pose a complete alternative to imprisonment, it indicates the potential benefits of and the relatively lower financial costs associated with delivering diversionary services that serve as alternatives to women's imprisonment.

An overview of the program and its indicative costs – which are significantly lower than the estimated financial cost of \$184,000 incurred by the NSW government per woman per year – are provided below.

Women's Diversionary Pathway Program

In August 2021, the Community Restorative Centre (CRC) secured funding from Corrective Services NSW to pilot the Women's Diversion Pathway Program.

The program utilises the provisions under section 26 of the *Crimes (Administration of Sentences) Act*, ie, that a female prisoner who is a mother of a young child or children may serve her sentence in a manner which enables her to be with her child/children 'in an appropriate environment determined by the Commissioner'.

Specifically, the program allows women who are pregnant or who have dependent children to be released into the community before end of sentence or on parole under the section 26 provisions with the support of the Miranda Project. The Miranda Project – a program also overseen by the CRC – provides assistance to vulnerable women attending court, on community orders or exiting prison.

The Women's Diversionary Pathway Program reported a success rate of 100 per cent in 2024, with all participants retaining care of their children, remaining in the community and completing their orders. The success of the program to date demonstrates the positive outcomes possible when legislative provisions are effectively utilised to support women in the criminal legal system.

The cost of delivering the program – assuming a case load of 12 to 15 clients – ranges between **\$18,000 to \$25,000 per woman** based on the complexity of her needs and circumstances.



Source: KWOOP Coalition.

05

The cost of care and support services
for children of incarcerated women
during their imprisonment

The cost of care for children of imprisoned women

The estimated cost of out-of-home care and other supported placement services for children of incarcerated women is approximately \$110,000 per child per year

Some women in NSW prisons are mothers. Although research and data on mothers in NSW prisons is limited, a 2021 brief by Corrective Services NSW on women entering custody in NSW provides an indication of the proportion of women entering prison who are mothers with dependent children.

The 2021 brief by Corrective Services NSW found that 63 per cent of women entering custody between 2015 and 2019 had one or more children (ie, 8,310 of 12,900).¹ Of this group of mothers, 27 per cent reported that one or more of their children lived with them prior to entering custody.

Among this group of women who lived with one or more of their children prior to entering custody, 2 in 3 reported that their children were in the care of either the child’s father or grandparent while they were in custody.² A smaller percentage – 3 per cent – reported that their child or children were in state care.

Regardless of a child’s placement, there is a fiscal cost associated with the provision of care services to children living in out-of-home care and other supported placements. Such arrangements include foster care; relative/kinship care; family group homes; residential care; and independent living.³

Approach and assumptions

The fiscal cost of care services can be estimated using the Productivity Commission’s ROGS. Examples of these costs include costs incurred in:⁴

- finding suitable placement(s) for the child;
- assisting the child or young person to maintain contact with his/her family;
- in some cases, staff payments for recruiting and training carers;
- assessing suitability of potential kinship carers;

- assisting the child or young person to maintain contact with their family; and
- working with out-of-home care service providers exercising case management responsibility.

The Productivity Commission reports government recurrent expenditure on care services as a total as well as total cost per child aged 0-17 years old. For FY2023/24:⁵

- total recurrent expenditure on care services was \$1.9 billion (FY2024/25 dollars); and
- total recurrent expenditure on care services per child in care as at 30 June was almost \$137,000 (FY2024/25 dollars).

However, the Productivity Commission warns that the above per child cost estimate is overstated as it is calculated by dividing total costs by the number of children in care at the end of the reporting year, rather than the total number of children in care across the year.⁶ The latter is typically higher and is reported by the AIHW.

The most recent AIHW data on the total, annual number of children in care in NSW is reported for FY2022/23 – totalling 17,901 children.⁷ Dividing total recurrent expenditure on care services for FY2022/23 reported by the Productivity Commission in the ROGs (ie, also \$1.9 billion in FY2024/25 dollars) by this total yields a lower approximate cost of \$110,000 per child per year:

Approximate cost of
care per child per
year

= Total recurrent expenditure on care services for FY2022/23 / total
children in care in FY2022/23
= \$1,859,000,000 / 17,091

~\$110,000
per child per year

Sources: 1. Lobo, J and Howard, M, *Women in prison: An examination of the support needs of women in custody with children*, Corrective Services NSW research brief, March 2021, pp 3-4; 2. Lobo, J and Howard, M, *Women in prison: An examination of the support needs of women in custody with children*, Corrective Services NSW research brief, March 2021, p 8; 3. Productivity Commission, *rogs-2025-partf-section16-child-protection-data-tables.xlsx*, worksheet ‘Table 16A.21’, cells D6:D14; 4. Productivity Commission, *Report on Government Services 2025 | Community services (part F)*, January 2025, p 168; 5. Productivity Commission, *rogs-2025-partf-section16-child-protection-data-tables.xlsx*, worksheet ‘Table 16A.37’, cells V23 and V51; 6. Productivity Commission, *rogs-2025-partf-section16-child-protection-data-tables.xlsx*, worksheet ‘Table 16A.37’, cell C83; and 7. AIHW, *AIHW-CWS-95-Child-protection-data-tables.xlsx*, July 2024, worksheet ‘Table 2.2’, cell B7.

The cost of support services for children of imprisoned women

The estimated cost of support services for the children of incarcerated women is relatively smaller than the cost of care at approximately \$2,000 per child per year

The imprisonment of a parent can have detrimental impacts on their children. Although every child is different, the incarceration of a parent can give rise to feelings including grief, confusion, helplessness, worry, anger, shame or embarrassment, guilt and loneliness.¹ It can also give rise to changes in behaviour including withdrawal from friends and family, sleeping issues, difficulty concentrating and engaging at school and developmental issues.

In NSW, there are a few organisations that provide services to support children with a parent in prison, ie:²

- **SHINE for Kids** – a non-government organisation that provides specialised support to children with a parent in prison, including individual child and family support, preparation for prison visits and mentoring;
- **Community health centres** – provide a range of services including child and family counselling; and
- **Kids Help Line** – provides free telephone counselling to young people aged 5 to 25.

Approach and assumptions

In lieu of publicly available information on the costs associated with delivering services such as those listed above, the fiscal cost of providing family support services associated with child protection reported in the Productivity Commission’s ROGS can serve as a proxy. The Productivity Commission reports total costs associated with the delivery of:³

- **generic family support services** – provides services including identification and assessment of family needs, provision of support and diversionary services, some counselling and active linking and referrals to support networks; and
- **intensive family support services** – provides specialist services such as individual and family counselling, drug and alcohol counselling and domestic and family violence support, and practical and financial support.

I assume that the cost per child receiving generic family support services is likely an appropriate conservative proxy for the cost of support services for children of incarcerated women. However, the Productivity Commission only reports cost per child receiving family support services for its intensive services in NSW, ie, \$8,470 (FY2024/25 dollars).⁴ It does not report cost per child receiving generic family support services in NSW.

That said, costs for both services are reported for Queensland and Western Australia in per child terms for the three years to FY2023/24.⁵ Across these two states and time periods, the average ratio of cost per child receiving generic support to cost per child receiving intensive support is 0.25. Assuming a similar ratio applies in NSW, support services per child in NSW can be approximated as follows:

Approximate cost of support services per child per year

= Cost per child receiving intensive family support services in FY2023/24 x Assumed ratio of generic to intensive family support costs per child

= \$8,470 x 0.25

~\$2,000
per child per year

I believe the approximation derived from this approach is reasonable and conservative on the basis that it is of a similar magnitude to the cost per child receiving generic family support services in Queensland and Western Australia in recent years.

06

Loss of income for imprisoned women

Loss of income for imprisoned women

Women who were employed prior to their imprisonment will incur a loss of income of at least \$22,000 per year while in prison

Some women may hold stable employment prior to prison. However, data and research on the employment and education status of women entering Australian prisons more broadly is scant.

That said, a report published by the AIHW on the health of prisoners in 2022 provides some indication of the employment status of women prisoners across the country. Among female prisoners surveyed, in the 30 days before entering prison:¹

- 18 per cent reported that they were in full-time employment; and
- 13 per cent reported that they were in part-time or casual employment.

I caveat this with the acknowledgement that the sample size used to derive these statistics (ie, 60 women) is small. Regardless, for any woman entering a NSW prison who was previously employed, her imprisonment represents a loss of income that she could have otherwise earned if she were able to remain within her community.

Approach and assumptions

The loss of income for imprisoned women can be conservatively estimated based on the current minimum wage, which serves as an ‘income floor’. As of 1 July 2024, the national minimum wage is \$24.10 per hour or \$915.90 per 38-hour week.²

Using the above minimum wage, I can apply an assumed number of hours worked per woman to estimate loss of income in weekly and annual terms.

The above metrics from AIHW indicate that not all women who were employed prior to entering prison in NSW held full-time employment. Therefore, to conservatively estimate the loss of income, I derive a reasonable assumption for hours worked by women employed prior to their imprisonment using data on part-time employment published by the ABS.

The ABS publishes monthly labour force data, including total monthly hours worked by and the total number of Australians in full-time and part-time employment. In lieu of data on monthly hours worked by and the total number of women in part-time work in NSW, I assess this data on women at the national-level.

I find that, for the year ending February 2025, Australian women in part-time employment work approximately 76 hours per month on average.^{3,4} This is equivalent to approximately 19 hours per week.

I find that this average serves as a reasonable assumption for weekly hours worked by a woman employed pre-sentencing. This is because I expect that a woman entering prison would have only worked beforehand if she earned at least what she could have otherwise earned in JobSeeker payments. At a minimum, this would be \$712.30 per fortnight (see JobSeeker rates provided overleaf).⁵ The number of hours worked on the minimum wage to earn at least this amount would be approximately 30 hours per fortnight, or 15 hours each week on average. This is slightly below the 19-hour weekly average for women working part-time.

On this basis, I can conservatively estimate the loss of income per woman during her imprisonment on a weekly and annual basis using the minimum wage of \$24.10 per hour:

<i>Approximate loss of income per woman per week</i>	<i>= Minimum wage per hour x Assumed weekly part-time hours</i>
	<i>= \$24.10 x 19</i>
<i>Approximate loss of income per woman per year</i>	<i>= Minimum wage per hour x Assumed monthly part-time hours x Number of months in a year</i>
	<i>= \$24.10 x 76 x 12</i>

~\$450

per woman per week

~\$22,000

per woman per year

Sources: 1. AIHW, *AIHW-PHE-334-03_Determinants-of-health-data-tables_National.xlsx*, worksheet ‘S64’, cells B20 and C20; 2. Fair Work Ombudsman, accessed on 26 February 2025 from <https://www.fairwork.gov.au/tools-and-resources/fact-sheets/minimum-workplace-entitlements/minimum-wages>; 3. ABS, *Table 1. Labour force status by Sex, Australia - Trend, Seasonally adjusted and Original.xlsx*, February 2025, worksheet ‘Data1’, cells AA:AA; 4. ABS, *Table 19. Monthly hours worked in all jobs by Employed full-time, part-time and Sex and by State and Territory - Trend and Seasonally adjusted.xlsx*, February 2025, worksheet ‘Data1’, cells S:S ; and 5. Services Australia, accessed on 26 February 2025 from <https://www.servicesaustralia.gov.au/how-much-jobseeker-payment-you-can-get?context=51411>.

07

The cost of income support post-release

The cost of income support post-release

Women searching for employment following their release from prison will require at least \$18,500 in income support per year

Women exiting NSW prisons who enter or return to the labour market may face significant challenges in finding employment, which can lead to increased reliance on income support while they search for work.

According to a 2022 report by the Australian Institute of Health and Welfare (AIHW), most women leaving Australian prisons do not have paid employment arranged upon release. The survey found that among 60 discharged female prisoners: ¹

- only 23 per cent had paid employment organised to start within 2 weeks of release; and
- 75 per cent did not have any paid employment organised within the same period.*

Women seeking employment post-release may encounter various barriers, including lack of support, discrimination, and systematic criminal background checks, as evidenced by a research report conducted by the University of Sydney for Success Works, an organisation that provides employment and associated support to women leaving prison in NSW.²

Moreover, numerous studies have reported a negative relationship between imprisonment and post-release employment and earnings. One causal study in the US found that for each additional year spent in prison, incarcerated individuals were 3.6 percentage points less likely to be employed and earned 34 per cent less income.³

Consequently, as women exiting NSW prisons search for employment, they may need to rely on income support, such as JobSeeker, which imposes additional economic costs.

Approach and assumptions

The income support received by women leaving prison is JobSeeker. JobSeeker rates are expressed in terms of fortnightly payments and depend on the circumstances of each individual.

I provide the current JobSeeker rates for a sample of circumstances in the table below.

Circumstances	Maximum fortnightly JobSeeker payment from 1 July 2024
Single, no children	\$778.00
Single, with a dependent child or children	\$833.20
Partnered	\$712.30

Source: Services Australia, accessed on 26 February 2025 from <https://www.servicesaustralia.gov.au/how-much-jobseeker-payment-you-can-get?context=51411>.

I conservatively assume that a woman exiting prison would earn at least the lowest maximum fortnightly JobSeeker payment, ie, the fortnightly rate of \$712.30 for those are partnered.

I estimate this income support in weekly (annual) terms by dividing the payment by two (multiplying the payment by 26):

Approximate income support payment per woman per week	= Assumed fortnightly JobSeeker payment / Number of weeks per fortnight = \$712.30/2
Approximate income support payment per woman per year	= Assumed fortnightly JobSeeker payment x Number of fortnights per year = \$712.30 x 26



*Note, proportions do not sum to 100% because data was not reported for all women surveyed.
Sources: 1. AIHW, *AIHW-PHE-334-03_Determinants-of-health-data-tables_National.xlsx*, worksheet 'S65', cells B20:320; 2. van den Broek, D, Black, P, and Psillakis, E, *Female ex-offenders, discrimination and work | The role of the Success Works Initiative*, 2020; and 3. Mueller-Smith, *The criminal and labour market impacts of incarceration*, August 2015, pp 28-29.

08

The cost of housing support post-release

The cost of housing support post-release

Women without stable housing following their release from prison may require housing support that is (very conservatively) estimated to cost at least \$1,000 per woman per year on average, but is likely much higher

Some women released from NSW prisons may not have stable or adequate housing that they can immediately return to. Although there is no information on the housing circumstances of women entering and discharged from prison in NSW, a report published by the AIHW on the health of all Australian prisoners in 2022 indicated that, of the 60 surveyed women discharged from prison:¹

- 53 per cent already had their own accommodation or rental agreement; and
- 47 per cent were expecting to enter short-term or emergency accommodation.

Consequently, the release of women from NSW prisons may give rise to the need for housing, or rather, homelessness services.

Approach and assumptions

At the time of writing, there is no publicly available information on the aggregate and per person cost of providing specialist housing support to women following their release from NSW prisons. That said, this cost can be proxied by reference to the fiscal cost of providing accommodation and accommodation related assistance to those facing homelessness more broadly.

In its annual ROGS, the Productivity Commission reports the total recurrent real expenditure on all homelessness services, which in FY2023/24 was \$317.9 million in NSW (FY2024/25 dollars).² These services are diverse and address the various needs of those facing homelessness, comprising accommodation/accommodation related assistance as well as assistance to sustain housing tenure; mental health services; family services; disability services; drug/alcohol assistance; legal/financial services; immigration/cultural services; family and domestic violence assistance; other specialist services; and general services.³

Although the Productivity Commission does not report the cost of providing accommodation and accommodation related assistance per client served, it does provide a breakdown of the total clients accessing each service offering. In FY2023/24, 67,891 clients were engaged with homelessness services, 22.9 per cent of whom were provided with accommodation and

accommodation related support.⁴

The cost of housing support services per woman per year can be approximated by calculating the average cost of homelessness services per client across all services, and assuming the proportion attributable to accommodation and accommodation related services is equivalent to the proportion of clients accessing this service:

Approximate cost of
housing support services
per woman per year

$$= \frac{\text{Total cost of homelessness services in FY2023/24}}{\text{Total clients in FY2023/24}} \times \text{proportion of clients accessing accommodation and accommodation related services in FY2023/24}$$
$$= (\$317.9 \text{ million} / 67,891) \times 22.9\%$$

This yields an approximation of:

~\$1,000
per woman per year

I believe this approximation is reasonably conservative on the basis that the total recurrent costs used to derive this approximation excludes capital costs.

Furthermore, the cost of providing these services specifically to women leaving prison could be higher on the basis that their needs are more complex than the average person accessing these services. For example, more (economic) resources might be required in order to provide housing support to women released on parole, whose housing arrangements may need to meet set criteria.

Relatedly, I provide a case study of a tailored post-release program on the following slide which indicates that the cost of providing housing support and holistic services to women leaving NSW prisons are likely much higher than \$1,000 per woman per year.

Sources: 1. AIHW, *AIHW-PHE-334-03_Determinants-of-health-data-tables_National.xlsx*, worksheet 'S69', cells C20:D20; 2. Productivity Commission, *rogs-2025-partg-section19-homelessness-services-data-tables.xlsx*, worksheet 'Table 19A.1', cell M5; 3. Productivity Commission, *rogs-2025-partg-section19-homelessness-services-data-tables.xlsx*, worksheet 'Table 19A.6', cells D6:D15; and 4. Productivity Commission, *rogs-2025-partg-section19-homelessness-services-data-tables.xls*, worksheet 'Table 19A.6', cells M6 and M16.

The cost of *adequate* housing and holistic support post-release

Tailored residential and holistic service support for women exiting NSW prisons demonstrates an appropriate level of service costs that is much higher than \$1,000 per woman per year

Notwithstanding the conservatively estimated cost of housing support post-release on the previous slide, which provides an indicative average cost of these services per woman exiting NSW prisons, the cost of providing *adequate* housing and holistic support to women post-release is likely much higher.

Residential diversionary programs, such as the From Now program overseen by the Women's and Girls' Emergency Centre (WAGEC), provide targeted, gender-responsive interventions that aim to redirect women away from the criminal legal system while addressing their complex needs and disadvantages that often lead to criminal behaviour. The From Now program, which provides *adequate* housing and holistic support for women post-release, is relatively more costly to deliver compared to the earlier estimated average cost. An overview of the program and its indicative costs are provided below.

From Now program

From Now is a residential program provided by WAGEC that supports women exiting prison, with a particular focus on pregnant women and mothers.

Operating from a residential house with on-site staff, the program provides women and their children with immediate access to a safe, welcoming, and warm environment where they can live together while rebuilding their lives.

The comprehensive support model combines stable accommodation with intensive, trauma-informed case management and practical life skills training. Women are provided dedicated assistance with education and employment pathways, specific support for pregnancy and parenting needs, and ongoing guidance from on-site staff. This integrated approach allows women to address multiple complex needs simultaneously while maintaining or rebuilding relationships with their children.

By providing stable housing alongside wraparound therapeutic and practical support, the From Now program is designed to effectively break cycles of disadvantage and create pathways to lasting change for mothers and their families.

The cost of providing this residential service is calculated to be **\$100,000 per bed per year**, noting the current home that the From Now program operates within can host five women and their child(ren).

Source: KWOOP Coalition and WAGEC.





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