



Sabina Wynn
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Australian Law Reform Commission
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23 August 2017

Dear Sabina

Submission to the ALRC inquiry into the Incarceration Rates of Aboriginal and Torres Strait Islander Peoples

Despite representing just 3 per cent of the population, Indigenous Australians now account for 27 per cent of the adult prison population and 55 per cent of children and young people in detention.

PwC's purpose is to build trust in society and solve important problems. In 2016, PwC launched a #Purpose campaign, inviting PwC staff across Australia to put forward ideas for projects to invest in that focus on addressing important societal issues. PwC's Executive Board agreed to invest significantly in the project *Indigenous incarceration: Unlock the facts*. This project is also entirely consistent with PwC's Indigenous Consulting (PIC)'s mission to power positive change for Indigenous Australians.

PwC and PIC collaborated with a group of Aboriginal, sporting and human rights organisations on this project, including to develop a report. PwC, PIC, Change the Record, the Richmond Football Club and the Korin Gamadji Institute have come together to show our commitment to tackling this issue. Our intent is to raise awareness of an important challenge for Australia and to harness our capabilities (for example in economic modelling) to make a contribution to the evidence base on this issue.

The high numbers of Indigenous people in prison has consequences for virtually all Indigenous people. This impacts on the individuals who are incarcerated, as well as their families and communities. Children with a parent in prison are particularly vulnerable, increasing their risk of contact with the justice system later in life.

We are pleased to submit a copy of our recently released report to your inquiry. The report contributes new economic modelling to the evidence base through estimating the costs of Indigenous incarceration and the potential savings if Indigenous incarceration rates were no different to those of the non-Indigenous population. Our report shows that the disproportionately high Indigenous incarceration rates are unfair, unsafe and unaffordable and that it doesn't have to be this way.

Our modelling shows that Indigenous incarceration is costing the Australian economy almost \$8 billion (\$7.9 billion) per year and this cost is rising. If nothing is done to address disproportionately high rates of Indigenous incarceration, this cost will rise to \$9.7 billion in 2020 and \$19.8 billion in 2040. Closing the gap between Indigenous and non-Indigenous rates of incarceration would generate savings of \$18.9 billion in 2040.

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Our findings also suggest that implementing a holistic suite of initiatives would contribute significantly to closing the gap between Indigenous and non-Indigenous rates of incarceration, but this alone will not be enough. The report also recommends:

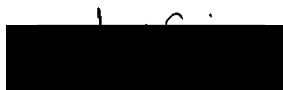
1. Prioritising the right of Indigenous communities to self-determination and ensuring Indigenous people have a meaningful stake in the design, delivery and ownership of solutions.
2. Establishing a national set of Closing the Gap justice targets to encourage a focus on outcomes and improve accountability.
3. Ensuring mainstream services are more culturally aware and responsive.
4. Investing in smarter solutions that focus on addressing the key drivers of Indigenous incarceration.
5. Enhancing the focus on support for Indigenous-specific throughcare and reintegration programs to reduce re-offending.
6. Increasing innovation in new and existing initiatives, and evaluation of these initiatives so that we know what works.

Reducing the rates at which Indigenous Australians are imprisoned is a complex issue that will require the combined efforts of the public sector, the private sector, the not for profit sector and Indigenous organisations working together. It is our hope that this report can be used to inform meaningful collaboration and provide the impetus for systemic reform.

We acknowledge that Indigenous incarceration in Australia has been the subject of many thorough and well evidenced reports and reviews over the past three decades, including the landmark Royal Commission into Aboriginal Deaths in Custody report.

We would be pleased to discuss any aspect of this report further with the ALRC and we would also be happy to provide an overview presentation to explore the report's findings in more detail and ways that, together, we can work to solve this important challenge.

Yours sincerely

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Jodie Sizer
Co-CEO
PwC's Indigenous Consulting

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James van Smeerdijk
Partner
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