

# ADMINISTRATION OF JUSTICE – ASSESSMENT RESULTS

- 1 This working paper describes the expenses assessment for administration of justice and provides information on its impact on the GST revenue distribution for the 2007 Updates. The assessment method is discussed in Volume 6 of the 2004 Review Working Papers.

## DESCRIPTION OF THE CATEGORY

- 2 The Administration of Justice category comprised expenses on administration, support, operation and review of law courts, the judicial system and legal aid programs. More specifically, the category included expenses on legal representation and advice on behalf of the government and others; costs of crown prosecutions; trusteeship services; and law reform and registration of legal titles to property.
- 3 The category also included expenses on the registration of births, deaths and marriages, regulation of the sale and supply of liquor; industrial law; prisons and corrective services; and tribunals and appeals boards classified to other categories.
- 4 Because the Special Purpose Payments for legal aid is paid for Australian Government matters only, it was not included in the category. Also excluded from the category are the following SPPs: Gun Buyback Scheme, Special Revenue Assistance to the ACT, Legal Aid, and State Grants for Indigenous purposes. The SPP for native title are included.
- 5 Table 1 shows the average expenses for the last six financial years. In 2005-06, the Australian average expenses for this category was \$118.66 per capita, which represented 1.96 per cent of average expenses.

- 6 Table 1 Administration of Justice, average expenses, 2000-01 to 2005-06

	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06
Average expenses (\$pc)	90.12	96.66	103.71	102.53	110.34	118.66
% of total State average expenses	1.84	1.87	1.94	1.88	1.94	1.96

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Source calculation: 4450 E Average expenses

## ASSESSMENT METHOD

### Description of the assessment

8 The Administration of Justice assessment was undertaken using seven components: fixed costs, criminal courts, civil courts, other services, isolation, land rights and native title.

9 The expenses assessment method for the 2007 Update is the same as was used for the 2006 Update. It is as follows.

- the expenses for fixed costs, isolation, land rights and native title were assessed using general methods.
- the expenses for criminal courts were assessed using a mix of common factors and a factor that accounted for the socio-demographic composition of populations who use criminal courts. Under the socio-demographic composition factor, assessed numbers of criminal court users were calculated using total criminal court appearances data from the ABS. The ABS data were disaggregated by age, sex and Indigeneity using State provided information. Remote Indigenous users were cost weighted by 1.1 and those with low English fluency by 1.5. Higher court users were cost weighted by 2.0. An adjustment was made to the assessed calculations for the costs of prisoners that were prosecuted against Australian government law.
- the expenses for civil courts were assessed using a mix of common factors and a factor which accounted for the economic environment in which the civil court services were provided. The economic environment factor was based on civil court lodgements data<sup>1</sup> weighted by 40 per cent, and general population data weighted by 60 per cent. These economic environment factors were also used to measure the revenue capacities in the Fees and Fines category.
- the expenses for other services were assessed using a mix of common factors.

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### Changes since the 2006 Update

10 The Commission decided that, for the 2006 Update, the national average use rates would be based on new and more reliable ABS data on the number of finalised defendants in each State (sourced from ABS catalogue *4513.0 Criminal Courts*). The ABS data were then disaggregated by Indigenous status, age, and sex of defendants using the State provided data on court appearances. This approach was retained for the 2007 Update.

### Assessment structure

11 Table 2 summarises the assessment structure for the 2007 Update.

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<sup>1</sup> Productivity Commission, *Report on Government Services*.

**Table 2 Administration of justice, assessment structure for the 2007 update, 2005-06**

Expense component	Component weight	Factors	Basis of calculation
	%		
Fixed costs	2.06	Administrative scale Fixed costs input costs	General method. General method with weights of 80% for wages, 2% for accommodation and 0.5% for electricity.
Criminal courts	54.45	Socio-demographic composition  Cross-border Dispersion Input costs	Indigenous and non-Indigenous age-sex use weights applied to population. Cost weights applied to remote Indigenous people (1.1) and those with low English fluency (1.5). A cost weight of 2.0 applied for higher court appearances. Adjustment was made for court appearances of Australian Government offenders. General method. General method. General method with weights of 60% for wages, 2% for accommodation and 0.5% for electricity.
Civil courts	36.3	Economic environment Dispersion Input costs	Based on weighted civil court lodgements (40%) and population data (60%). General method. General method with weights of 60% for wages, 2% for accommodation and 0.5% for electricity.
Other services	6.00	Dispersion Input costs	General method. General method with weights of 60% for wages, 2% for accommodation and 0.5% for electricity.
Land rights	0.03	Land rights	The additional costs in the Northern Territory arising from the Australian Government Aboriginal Land Rights (Northern Territory) Act 1976 weighted by 20%.
Native title	0.87	Native title	The costs associated with the administration and compensation resulting from the Australian Government Native Title Act 1993.
Isolation	0.3	Isolation	General method.

Source calculation: 4450 E Derivation of category factor – Final year

- 12 The proportions of expenses affected by fixed costs and isolation were calculated using the general methods.
- 13 Component weights for land rights and native title were calculated by dividing the expenses on land rights and native title by total category expenses.
- 14 Component weights for the other services component, which includes expenses on trusteeship services, law reform, and registration of legal titles property, were assessed at 6 per cent of the States' average expenses, based on past State financial data.

- 15 Component weights for the criminal courts and civil courts components were set at 60 per cent and 40 per cent respectively of the remaining expenses in the category.
- 16 Table 3 summarises the components, component weights and factors assessed for this category for the 2007 Update. It shows the calculation of the category factor for 2005-06.

**Table 3 Administration of justice, derivation of category factor, 2007 Update, 2005-06**

Factors	NSW	Vic	Qld	WA	SA	Tas	ACT	NT
<b>Fixed costs (component weight = 2.06 %)</b>								
Administrative scale	0.37633	0.50595	0.63736	1.25990	1.65290	5.24912	7.81806	12.47610
Input costs	1.02885	0.99514	0.97511	0.98495	0.97832	0.96027	1.02142	1.02379
Component factor	0.38718	0.50349	0.62150	1.24094	1.61707	5.04058	7.98555	12.77287
<b>A Wgted comp factor</b>	<b>0.00801</b>	<b>0.01042</b>	<b>0.01286</b>	<b>0.02567</b>	<b>0.03345</b>	<b>0.10427</b>	<b>0.16519</b>	<b>0.26423</b>
<b>Criminal courts (component weight = 54.45 %)</b>								
Socio-demographic composition	0.96097	0.85664	1.07615	1.11221	0.93233	1.02992	1.00982	3.65118
Cross border	0.99146	1.00000	1.00000	1.00000	1.00000	1.00000	1.17718	1.00000
Dispersion	0.99940	0.99392	1.00733	1.00472	0.99481	0.99427	0.98019	1.06394
Input costs	1.02254	0.99590	0.98112	0.98853	0.98249	0.96833	1.01629	1.01849
Component factor	0.97367	0.84791	1.06373	1.10470	0.91117	0.99140	1.18456	3.95215
<b>B Wgted comp factor</b>	<b>0.52899</b>	<b>0.46066</b>	<b>0.57791</b>	<b>0.60017</b>	<b>0.49503</b>	<b>0.53862</b>	<b>0.64356</b>	<b>2.14717</b>
<b>Civil courts (component weight = 36.3 %)</b>								
Economic environment	1.02825	1.08629	0.91913	0.95908	0.89550	0.93744	0.91618	0.99513
Dispersion	0.99940	0.99392	1.00733	1.00472	0.99481	0.99427	0.98019	1.06394
Input costs	1.02254	0.99590	0.98112	0.98853	0.98249	0.96833	1.01629	1.01849
Component factor	1.05081	1.07523	0.90851	0.95261	0.87517	0.90239	0.91295	1.07715
<b>C Wgted comp factor</b>	<b>0.38126</b>	<b>0.39012</b>	<b>0.32963</b>	<b>0.34563</b>	<b>0.31753</b>	<b>0.32741</b>	<b>0.33124</b>	<b>0.39082</b>
<b>Other services (component weight = 6 %)</b>								
Dispersion	0.99940	0.99392	1.00733	1.00472	0.99481	0.99427	0.98019	1.06394
Input costs	1.02254	0.99590	0.98112	0.98853	0.98249	0.96833	1.01629	1.01849
Component factor	1.02194	0.98982	0.98845	0.99325	0.97730	0.96260	0.99648	1.08243
<b>D Wgted comp factor</b>	<b>0.06132</b>	<b>0.05939</b>	<b>0.05931</b>	<b>0.05960</b>	<b>0.05864</b>	<b>0.05776</b>	<b>0.05979</b>	<b>0.06495</b>
<b>Land rights (component weight = 0.03 %)</b>								
Land rights	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	99.80879
Component factor	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	99.80879
<b>E Wgted comp factor</b>	<b>0.00000</b>	<b>0.00000</b>	<b>0.00000</b>	<b>0.00000</b>	<b>0.00000</b>	<b>0.00000</b>	<b>0.00000</b>	<b>0.02637</b>
<b>Native title (component weight = 0.87 %)</b>								
Native title	0.11919	0.51581	0.00873	4.76250	3.60924	0.00000	0.06769	8.45634
Component factor	0.11919	0.51581	0.00873	4.76250	3.60924	0.00000	0.06769	8.45634
<b>F Wgted comp factor</b>	<b>0.00104</b>	<b>0.00450</b>	<b>0.00008</b>	<b>0.04153</b>	<b>0.03147</b>	<b>0.00000</b>	<b>0.00059</b>	<b>0.07374</b>
<b>Isolation (component weight = 0.3 %)</b>								
Isolation	0.04030	0.07374	0.11575	1.86107	1.08664	2.90754	1.21355	58.91048
Component factor	0.04030	0.07374	0.11575	1.86107	1.08664	2.90754	1.21355	58.91048
<b>G Wgted comp factor</b>	<b>0.00012</b>	<b>0.00022</b>	<b>0.00034</b>	<b>0.00551</b>	<b>0.00322</b>	<b>0.00861</b>	<b>0.00359</b>	<b>0.17435</b>
<b>Category factor</b>	<b>0.98073</b>	<b>0.92530</b>	<b>0.98013</b>	<b>1.07811</b>	<b>0.93934</b>	<b>1.03666</b>	<b>1.20397</b>	<b>3.14162</b>

Source calculation: 4450 E Derivation of category factor – Final Year

Note: For each component, the component factor is calculated using the formula in the following paragraph. The weighted component factor is the component factor multiplied by the component weight. This is then population weighted to ensure that the sum of assessed expenses equals average expenses.  
Component factor rebased so that the average is 1.00000.  
Category factor = (A + B + C + D +E + F + G).

17 The category factor was calculated as follows:

category factor = fixed costs + criminal courts + civil courts + other services + isolation + land rights + native title

where

fixed costs = 0.0206 [administrative scale \* input costs]

criminal courts = 0.5445 [socio-demographic composition \* cross-border \* (dispersion + input costs other - 1)]

civil courts = 0.3630 [economic environment \* (dispersion + input costs other - 1)]

other services = 0.0600 [(dispersion + input costs other - 1)]

land rights = 0.0003 [land rights]

native title = 0.0087 [native title]

isolation = 0.0030 [isolation]

18 In each case, the contributions to the category factor were calculated as the expense component weight (the percentages in the table) multiplied by the factors (the bracketed terms in the formulas). Each contribution to the category factor was then re-scaled to ensure that the sum of assessed expenses equalled the sum of actual expenses.

## **RESULTS FOR 2005-06**

19 Table 9 at the end of this working paper summarises the results of the assessment. It shows the average, actual and assessed expenses for each State for all years of the 2007 Update.

20 Table 4 shows actual, average and assessed expenses per capita and the assessed cost of providing services ratios for the assessment in 2005-06. The assessed cost of providing services ratio is equivalent to the category factor shown in Table 3.

21 Table 4 Administration of justice, assessment results, 2005-06

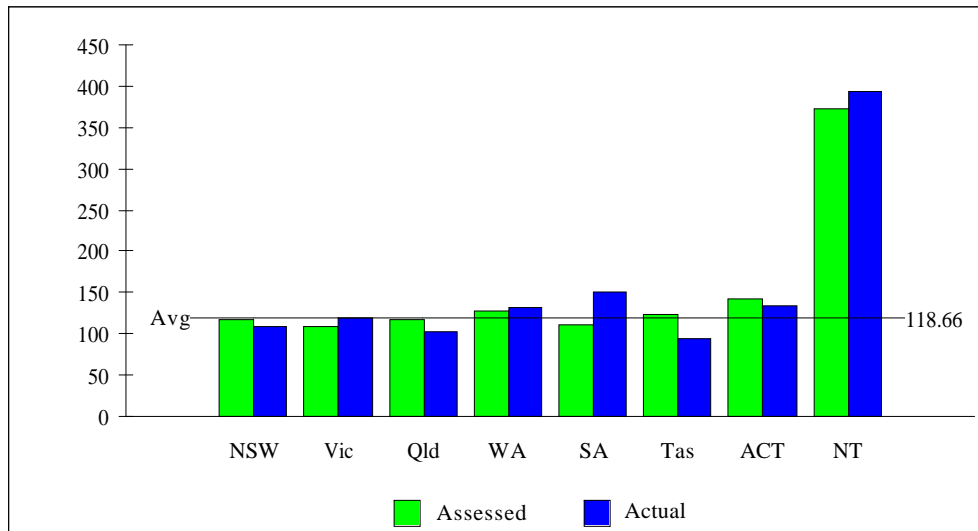
	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Avg
	\$pc	\$pc	\$pc	\$pc	\$pc	\$pc	\$pc	\$pc	\$pc
Actual expenses	108.84	120.00	102.82	131.14	150.28	94.16	134.27	392.89	118.66
Assessed expenses	116.38	109.80	116.31	127.93	111.47	123.01	142.87	372.80	118.66
Assessed cost of providing services ratio (a)	%	%	%	%	%	%	%	%	%
	98.07	92.53	98.01	107.81	93.93	103.67	120.40	314.16	100.00

Source calculation: 4450 E Assessment results

(a) The assessed cost of providing services ratio is the ratio of standardised to standard gross expenses per capita.

22 Figure 1 illustrates the per capita assessed, actual and average expenses for administration of justice for 2005-06.

23 Figure 1 Administration of justice, gross expenses per capita – assessed, actual and average, 2005-06



Source calculation: 4450 E Expenses per capita – assessed, actual and average.

### CONTRIBUTION TO GST REVENUE DISTRIBUTION

24 Table 5 shows the category's contribution to the distribution of GST revenue and health care grants (hereafter GST revenue). It also shows the contribution of each factor and component to the GST revenue distribution.

**Table 5 Administration of justice, contribution of assessment to GST revenue distribution, 2007 Update**

Factor	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total redist'd
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>Fixed costs</b>									
Administrative scale	-11.6	-6.8	-3.8	1.5	2.7	5.6	6.0	6.4	22.1
Input costs	0.6	0.0	-0.3	-0.1	-0.1	-0.1	0.0	0.0	0.7
Component factor	-11.3	-6.8	-4.0	1.4	2.5	5.3	6.2	6.7	22.1
<b>Criminal courts</b>									
Socio-demographic composition	-16.0	-40.7	17.4	13.6	-6.8	0.5	0.5	31.7	63.6
Cross-border	-3.8	0.0	0.0	0.0	0.0	0.0	3.8	0.0	3.8
Dispersion	-0.3	-2.1	2.0	0.6	-0.5	-0.2	-0.4	0.9	3.5
Input costs	11.7	-0.8	-6.4	-1.9	-2.2	-1.1	0.4	0.3	12.4
Component factor	-9.5	-43.8	12.2	11.9	-9.6	-0.9	4.3	35.5	63.8
<b>Civil courts</b>									
Economic environment	9.7	16.2	-14.2	-2.4	-7.2	-1.0	-1.0	-0.1	25.9
Dispersion	-0.2	-1.4	1.3	0.4	-0.4	-0.1	-0.3	0.6	2.4
Input costs	7.8	-0.5	-4.3	-1.3	-1.5	-0.7	0.3	0.2	8.3
Component factor	17.3	14.0	-17.0	-3.3	-8.9	-1.8	-1.1	0.7	32.1
<b>Other services</b>									
Dispersion	0.0	-0.2	0.2	0.1	-0.1	0.0	0.0	0.1	0.4
Input costs	1.3	-0.1	-0.7	-0.2	-0.2	-0.1	0.0	0.0	1.4
Component factor	1.3	-0.3	-0.5	-0.1	-0.3	-0.1	0.0	0.1	1.4
<b>Land rights</b>									
Land rights	-0.3	-0.2	-0.2	-0.1	-0.1	0.0	0.0	0.8	0.8
Component factor	-0.3	-0.2	-0.2	-0.1	-0.1	0.0	0.0	0.8	0.8
<b>Native title</b>									
Native title	-7.6	-3.5	-3.1	6.9	5.9	-0.6	-0.4	2.2	15.1
Component factor	-7.6	-3.5	-3.1	6.9	5.9	-0.6	-0.4	2.2	15.1
<b>Isolation</b>									
Isolation	-2.5	-1.8	-1.4	0.7	0.1	0.3	0.0	4.6	5.7
Component factor	-2.5	-1.8	-1.4	0.7	0.1	0.3	0.0	4.6	5.7
<b>Redistribution from EPC resulting from the 2007 Update assessment</b>									
	-12.7	-42.3	-14.0	17.4	-10.3	2.3	9.0	50.6	79.3

Source calculation: 4450 E Contribution of assessment to GST revenue distribution.

**Differences from an equal per capita assessment**

- 25 Table 5 indicates that the disabilities that had the largest impact on the assessment were:
- socio-demographic composition — it recognises the differences between States in the characteristics of populations subject to criminal courts proceedings;
  - economic environment — it recognises the differences between States in per capita use of civil court services;
  - input costs — it recognises the differences between States in the prices of labour, accommodation and electricity faced, for reasons beyond the control of individual States;
  - administrative scale — it recognises the unavoidable costs each State incurred to have the policy and administrative infrastructure necessary to provide the service, regardless of the size of the task;
  - native title — it recognises the additional costs incurred by the States due to the operation of the Australian Government's *Native Title Act 1993*. and
  - dispersion — it recognises the differences in per capita costs of service provision associated with the spread of population.
- 26 The category factors reflected the following on a State by State basis.
- 27 *New South Wales* and *Victoria* — their negative GST revenue redistributions were primarily due the combination of their lower per capita costs of providing policy and administrative infrastructure and lower than average proportions of Indigenous people, who are higher users of criminal courts. These were partly offset by their higher than average civil court lodgements as a result of a relatively higher proportion of large businesses.
- 28 *Queensland* — Its negative GST revenue redistribution reflected its lower than average civil court activity and significantly lower than average wages. These were offset partly by higher than average proportions of Indigenous people, who are higher users of criminal courts.
- 29 *Western Australia* — Its positive GST revenue distribution reflects its higher than average proportion of Indigenous people, who are higher users of criminal courts and its significant per capita native title claims, which are assessed actual per capita.
- 30 *South Australia* — South Australia has a lower than average proportion of Indigenous people, wages are lower than average and it has lower than average civil court lodgements.
- 31 *Tasmania* and *ACT* — The biggest disability for both States was the relatively high per capita costs of providing the policy and administrative infrastructure necessary for administration of justice services. The ACT also faced extra costs associated with the cross-border use of criminal courts.
- 32 *Northern Territory* — The Northern Territory's positive GST revenue distribution reflects its higher than average proportion of Indigenous people, who are higher users of criminal courts and its significant per capita native title claims, which are assessed actual per capita.

## **CHANGES SINCE THE 2006 UPDATE**

### **Major changes in this update**

- 33 An increase in the use of civil courts in Victoria combined stable and declining use for the other States resulted in greater cost of providing civil courts services.
- 34 An error in the derivation of the national average use of criminal courts was corrected. This resulted in higher use rates for Indigenous persons being applied in the calculation.

### **Effect of assessment on the distribution of GST revenue**

- 35 Table 6 shows the redistribution of GST revenue resulting from the assessments in the 2006 Update and the 2007 Update. It also shows the sources of changes.
- 36 Changes in the distribution of GST revenue between the 2006 Update and the 2007 Update were brought about because the Commission:
- used revised financial data in the average expenses and other revised data in factor calculations for the years 2000-01 to 2004-05; and
  - replaced 2000-01 average expenses and factors with those of 2005-06 to move forward the five-year period on which the GST revenue distribution was based. Moving the five-year period forward in this way ensures the assessments reflect recent trends in State priorities on the services provided and recent trends in State demographic and economic circumstances on the relative cost of those services.
- 37 Compared with an equal per capita (EPC) assessment, the 2007 Update redistributed \$79.3 million away from New South Wales, Victoria, Queensland and South Australia to the other States,.
- 38 Table 6 shows the changes in GST revenue attributable to changes in each factor, arising from both revisions over 2000-01 to 2004-05 and replacing 2000-01 with 2005-06 data.

**Table 6 Administration of justice, effect of assessment on GST revenue distribution, 2006 Update to 2007 Update**

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total redist'd
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>Redistribution from EPC resulting from the 2006 Update assessment (a)</b>	-9.3	-37.4	-17.2	15.8	-9.9	2.1	10.0	46.0	73.9
<b>Effect of revising category averages and factors for 2000-01 to 2004-05</b>									
Category average	0.2	0.3	0.2	-0.2	0.1	0.0	-0.1	-0.5	0.8
Category factors	-2.8	-4.8	2.5	0.9	0.0	0.4	-0.4	4.2	8.0
Interactions	0.2	0.2	-0.1	0.0	0.0	0.0	0.0	-0.2	0.4
Total	-2.4	-4.3	2.6	0.7	0.1	0.4	-0.5	3.5	7.2
<b>Effect of replacing 2000-01 category averages and factors with those for 2005-06</b>									
Category average	0.1	0.2	0.1	-0.1	0.0	0.0	-0.1	-0.2	0.4
Category factors	-1.0	-0.8	0.6	1.1	-0.5	-0.2	-0.5	1.4	3.1
Interactions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Total	-1.0	-0.6	0.7	1.0	-0.5	-0.2	-0.5	1.1	2.8
<b>Redistribution from EPC resulting from the 2007 Update assessment (a)</b>	-12.7	-42.3	-14.0	17.4	-10.3	2.3	9.0	50.6	79.3
<b>Total effect of revisions and updating (b)</b>	-3.3	-4.9	3.3	1.7	-0.4	0.1	-1.1	4.6	9.7

(a) Assuming same pool and a constant population.

(b) This figure shows the change in the amount redistributed among the States between the 2006 Update and the 2007 Update. It does not necessarily equal the difference in the total redistribution from EPC between the two enquiries.

39 The main reasons for the changes in GST revenue distribution were as follows.

#### Changes due to revising average expenses and factors for years 2000-01 to 2004-05

- 40 **Revising average expenses.** A combination of upward and downward revisions to the average expenses for 2000-01 to 2004-05 resulted in minimal GST revenue redistributions.
- 41 **Revising category factors.** Two changes were mainly responsible for the change in GST revenue shares. Revisions to Victoria's number of lodgements for civil courts for 2004-05 in the assessment of the demand for civil courts benefited Victoria. The impact of this change on revenue shares was offset by the correction of an error in the socio-demographic composition assessment. The indigenous use rates had been under estimated. The correction of the error resulted in increased GST shares for Queensland Western Australia, Tasmania and the Northern Territory.

**Table 7 Administration of justice, effect of assessment on GST revenue distribution by factor, 2006 Update to 2007 Update**

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total redist'd
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>Fixed costs</b>									
Administrative scale	0.7	0.3	0.0	-0.1	-0.1	-0.3	-0.3	-0.3	1.0
Input costs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
<b>Criminal courts</b>									
Socio-demographic composition	-2.3	-8.0	3.3	1.7	-0.6	0.5	-0.5	5.8	11.3
Cross-border	0.1	0.0	0.0	0.0	0.0	0.0	-0.1	0.0	0.1
Dispersion	-0.1	0.0	-0.1	-0.1	0.0	0.0	0.0	0.3	0.3
Input costs	-1.4	-0.1	1.0	0.1	0.5	0.0	0.0	-0.1	1.6
<b>Civil courts</b>									
Economic environment	0.1	2.4	-1.0	-0.9	-0.5	-0.1	-0.3	0.4	2.8
Dispersion	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Input costs	-0.9	-0.1	0.6	0.1	0.3	0.0	0.0	0.0	1.1
<b>Other services</b>									
Dispersion	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Input costs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Land rights</b>									
Land rights	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Native title</b>									
Native title	0.2	0.2	-0.9	0.9	-0.2	0.0	0.0	-0.2	1.3
<b>Isolation</b>									
Isolation	0.1	0.1	0.0	0.0	0.0	0.0	0.0	-0.1	0.1

Source calculation: 4450 E Contribution of assessment to GST revenue distribution, previous enquiry to current enquiry.

#### Changes in State circumstances – replacing 2000-01 with 2005-06 data

- 42 Table 8 shows the actual expenses and implied costs of service provision for 2000-01, the year that drops out of the assessment period, and 2005-06, the year that comes in, for the 2007 Update assessment.
- 43 **Replacing average expenses.** Since 2000-01, the category average expenses have increased by 31.67 per cent, less than the increase in the pool of 43.3 per cent. This difference was not sufficient to materially alter revenue share between the two updates.

**Table 8 Administration of justice, actual and assessed expenses and assessed cost of providing services, 2000-01 and 2005-06**

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Avg
	\$pc	\$pc	\$pc	\$pc	\$pc	\$pc	\$pc	\$pc	\$pc
Actual expenses									
2000-01	76.59	87.35	92.64	89.78	139.31	76.67	100.14	203.25	90.12
2005-06	108.84	120.00	102.82	131.14	150.28	94.16	134.27	392.89	118.66
	%	%	%	%	%	%	%	%	%
Changes between 2000-01 and 2005-06									
	\$pc	\$pc	\$pc	\$pc	\$pc	\$pc	\$pc	\$pc	\$pc
2000-01	88.90	83.91	87.76	95.24	85.87	95.03	113.79	258.51	90.12
2005-06	116.40	109.82	116.32	127.93	111.47	122.91	142.69	371.69	118.66
	%	%	%	%	%	%	%	%	%
Assessed cost of providing services ratio									
2000-01	98.65	93.10	97.38	105.68	95.28	105.44	126.26	286.84	100.00
2005-06	98.10	92.54	98.03	107.81	93.94	103.58	120.25	313.23	100.00

44 Source calculation: 4450 E Assessment data, Year 0 and Year 5.

45 **Replacing category factors.** An increase in the number of lodgements in civil courts in Victoria, combined with stable and declining use for the other States resulted in relatively greater cost of providing civil court services for Victoria.

46 Other changes were small.

This chapter was prepared by the Expense — Law and Order section of the Commonwealth Grants Commission. If you have any questions about its content, please contact Marc Boisseau on (02) 6229 8889 or marc.boisseau@cgc.gov.au.

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**Table 9 Assessment of expenses – Administration of justice**

	2001-02		2002-03		2003-04		2004-05		2005-06	
	Amount	Per Capita	Amount	Per Capita	Amount	Per Capita	Amount	Per Capita	Amount	Per Capita
	\$m	\$	\$m	\$	\$m	\$	\$m	\$	\$m	\$
<b>Average Expenses</b>		96.66		103.71		102.53		110.34		118.66
New South Wales										
Assessed difference	- 2.976	- 0.45	- 7.135	- 1.07	- 13.711	- 2.05	- 16.248	- 2.41	- 15.552	- 2.29
Expenses - Assessed	635.767	96.21	683.495	102.63	673.507	100.48	728.009	107.93	791.448	116.38
Actual	525.760	79.56	587.913	88.28	607.142	90.58	702.405	104.14	740.176	108.84
Victoria										
Assessed difference	- 30.643	- 6.34	- 31.953	- 6.54	- 28.674	- 5.81	- 42.655	- 8.54	- 44.837	- 8.86
Expenses - Assessed	436.424	90.32	474.669	97.16	477.686	96.72	508.458	101.80	555.413	109.80
Actual	419.326	86.78	489.000	100.10	463.244	93.80	530.876	106.29	606.986	120.00
Queensland										
Assessed difference	- 13.589	- 3.70	- 11.117	- 2.96	- 12.470	- 3.24	- 8.860	- 2.25	- 9.470	- 2.36
Expenses - Assessed	341.057	92.96	378.584	100.75	381.835	99.29	424.969	108.09	467.018	116.31
Actual	336.283	91.65	348.000	92.61	372.376	96.83	418.859	106.53	412.856	102.82
Western Australia										
Assessed difference	10.811	5.65	13.069	6.75	13.238	6.74	17.237	8.64	18.827	9.27
Expenses - Assessed	195.791	102.31	213.892	110.45	214.659	109.27	237.314	118.98	259.874	127.93
Actual	235.049	122.82	212.081	109.52	217.925	110.93	249.588	125.14	266.389	131.14
South Australia										
Assessed difference	- 8.570	- 5.66	- 8.945	- 5.87	- 5.379	- 3.52	- 10.050	- 6.54	- 11.145	- 7.20
Expenses - Assessed	137.893	91.00	148.951	97.83	151.469	99.01	159.584	103.80	172.590	111.47
Actual	239.693	158.19	282.443	185.51	253.043	165.41	186.831	121.53	232.696	150.28
Tasmania										
Assessed difference	2.339	4.95	1.568	3.30	1.441	3.00	2.081	4.30	2.121	4.35
Expenses - Assessed	47.979	101.61	50.800	107.01	50.673	105.53	55.496	114.64	59.977	123.01
Actual	46.005	97.43	43.839	92.34	44.550	92.78	51.121	105.60	45.911	94.16
Australian Capital Territory										
Assessed difference	7.353	22.95	7.695	23.86	8.007	24.75	7.129	21.95	7.923	24.20
Expenses - Assessed	38.320	119.61	41.146	127.56	41.178	127.28	42.962	132.29	46.768	142.87
Actual	39.655	123.78	44.779	138.83	48.664	150.42	43.971	135.40	43.954	134.27
Northern Territory										
Assessed difference	35.275	178.03	36.819	185.71	37.548	188.76	51.366	254.92	52.132	254.13
Expenses - Assessed	54.427	274.69	57.379	289.42	57.942	291.29	73.600	365.26	76.474	372.80
Actual	45.889	231.60	40.861	206.10	42.003	211.16	46.741	231.97	80.595	392.89

Source calculation: 4450 E Assessment of expenses

Note: Refer to Attachment A, *Relative Fiscal Capacity of States* for how these figures are compiled