



Commonwealth Grants Commission

DISCUSSION PAPER CGC 2002/36

LAW AND ORDER

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INTRODUCTION

1. This paper concentrates on issues raised by the States in their 2004 Review submissions seeking changes to the assessments of Law and Order categories — Police, Administration of Justice and Corrective Services. On the whole, State arguments were about refinements of and extensions to existing methods. They did not seek fundamental changes. Issues relating to the Public Safety category are covered in the Discussion Paper CGC 2002/41, *Public Safety*.

2. Law and order services are beginning to undergo a fundamental rethink by State governments and data to capture the changes and the relationships between services are being prepared. However, these data are not and will not be available in this review. Thus the current assessments have been critically reviewed to recognise the changes in services delivery and need, using the existing framework.

3. The category specific factors in the Law and Order group are the main focus of this paper. Issues relating to the common factors assessed in the three categories — Administrative Scale, Input Costs, Dispersion, Cross-border, Isolation, Native Title Administration and National Capital — although raised in this paper, will be addressed more fully in separate discussion papers.

GENERAL DEVELOPMENTS IN LAW AND ORDER SERVICES

General Developments

4. The view that expenditure on police, court activities and imprisonment is increasing in Australia has some validity. The recent annual average growth of 4 per cent in real terms in total Australian expenditure on justice services, exceeds population growth. However, criminal court administration and corrective services expenditure has grown at a faster rate of more than 6 per cent¹.

5. *Victims of Crime against Person*² data show somewhat modest but non-uniform changes in the rate of victimisation across Australia, from 912 per 100 000 persons in 1998 to 949 in 2000. The risk is the lowest in Victoria (519) and falling, and the highest in the Northern Territory (1495) and rising.

6. *Victims of Crime against Property*³ data show higher and generally uniform changes in the rate of victimisation across Australia from 6031 per 100 000 persons in 1998 to 6530 in 2000. The risk is the lowest in Victoria (4857) but rising, and the highest in

¹ Productivity Commission, *Report on Government Services*, 2002, Table D.1, Page 358.

² Ibid, 8A.14, Attachment 8A.

³ Ibid.

Western Australia (8424) and rising. Tasmania showed a fall of 15 per cent over the two years.

7. Important changes and shifts in emphasis in the way Australian Governments analyse incidence of crime and devise strategies to reduce the incidence and impact of crime have taken place over the past five years⁴. In particular, there is a strategic recognition of the relationship between crime, young people at risk of offending, drug-dependent criminal behaviour, and a range of ‘new’ responses to combat ‘new’ crimes.

8. States are reducing the incidence of crime by focussing on root causes that lead to the propensity to commit crime, rather than on reactive policing. Causes that encompass a variety of social and economic factors are being tackled. Whole-of-government approaches through interagency co-ordination of strategic programs and services are becoming commonplace, and are increasingly targeting:

- (i) early intervention to identify *young people* at risk of offending and families whose environments increase such risks, and the adoption of measures to divert young people away from crime; and
- (ii) liaison with *multicultural community* organisations, including those representing Indigenous communities.

9. A major policing strategy is to create a ‘local’ focus by analysing crime patterns and trends, and to involve community, business and local governments. This strategy is expected to facilitate local inputs and intelligence-led policing, resulting in a more cost-effective deployment of police resources.

10. Another major strategy is to intensify the use of technology to enhance connectivity and access to information on national databases, to improve the quality of investigative processes across State agencies. In addition, technology has enhanced the dissemination of information to the public. While technology has clearly reduced costs in certain instances, it has also improved the quality of service delivery in some regional and remote areas.

11. The impact of crime on identified potential victims, such as women and older people — particularly of repeat offences, domestic violence and crimes such as assault and robbery — has received more attention.

12. ‘New crimes’ relate to electronic fraud and the abuse of technology by ‘new’, criminals, often operating across State and national boundaries. These crimes have increased rapidly in recent times. Responses have required international co-operation, investment in technological infrastructure and new skills, and the formation of multi-disciplined investigative teams, on an unprecedented scale.

13. At the national level, the Australian Police Ministers Council (APMC) is the main forum that identifies priorities, co-ordinates legislative responses and formulates

⁴ We estimate that across the Law and Order categories, crime related expenditure is more than 80 per cent of total. Hence, this paper focuses strongly on crime.

national strategies to combat crime. Its top three agenda priorities for 2001 were CrimTrac, e-crime and drug issues.

14. CrimTrac includes: National Automated Fingerprint Identification System (NAFIS); a new national DNA database; a Child Protection Register; and immediate operational information on warrants, domestic violence orders, warnings and stolen vehicles. Besides the Commonwealth providing \$50 million, the States and Territories will meet ongoing recurrent and maintenance costs on an accrual basis. The DNA database will become operational shortly. The National Child Sex Offenders System (NCSOS) and the CrimTrac Police Reference System (CPRS) are still in the concept stage. E-crime Strategy builds on international initiatives and identifies broad based training strategies, examination of legislation and law enforcement in this area, and options for the establishment of a National Centre for Cybercrime. Similarly, the APMC co-ordinates law enforcement work through liaison with overseas partners and other key stakeholders to ensure a co-ordinated and holistic response to the issue. The Australian Federal Police have the lead role in the policing for illicit drug supply.

15. The allocation of resources for police services builds on formulating effective responses through periodic reviews of operation and workload, and the creation of specialised teams. Operational strategies focused on providing 'frontline' services with a closer analysis of the level and pattern of crimes, and demographic⁵ and offence characteristics.

16. Considerable legislative changes have taken place to complement the preventative approach to policing. These changes have generally meant getting tough on crime — such as through increased police powers in targeting street crimes and gang activities, and tougher sentencing. There is now a fuller range of sentencing options available (particularly for minor offences) and, in some instances, these recognise Indigenous customary laws. As such, courts and corrections services have experienced cost pressures.

17. The sustained growth in the prisoner population is in part due to tougher sentencing and increases in drug-related offences. To deal with increases in drug-related offences and improve processes of rehabilitation, some jurisdictions have set up drug courts⁶ and/or resorted to a wider range of sentencing mechanisms. Alternative sentencing mechanisms include intensive supervision orders, home detention and electronic surveillance, and the recognition of Indigenous customary law. Strategies for the management of court processes have also included mandating time standards.

18. In some States, intensive use of technology is assisting the courts, particularly the criminal jurisdictions, in:

⁵ Measures include population density, youth, people from low socio-economic backgrounds, people with low English fluency, Indigenous people and tourists. Western Australia also uses characteristics such as low income, unemployment, educational qualifications, and use of public housing.

⁶ Drug courts present offenders with options for long-term treatment and rehabilitation under supervision of the court. This is in lieu of, or in combination with, prison sentences and is intended to prevent recidivism among drug dependent offenders.

- (i) streamlining the management of court processes;
- (ii) exchanging information between courts;
- (iii) creating ‘virtual’ courtrooms through video conferencing to reach those in regional and remote areas (this has resulted in a reduced need for prisoner and witness transport and wider access to forensic, identification and translator services); and
- (iv) providing a range of information services to legal practitioners and the public — for example, details of crimes and images of wanted persons and suspects can be communicated by email.

19. There are also moves to integrate information on individuals as they move through different components of the law and order system. Civil jurisdictions in particular have initiated a range of diversionary programs and expanded the role of court Registrars and Deputy Registrars to facilitate diversion.

20. The allocation of resources to courts depends on demand and there are few guidelines regarding staffing levels.

21. Changes to correction services have been marked by more privatisation⁷, albeit in a strictly regulated environment, a wide range of non-custodial and post-custodial community corrections programs⁸ and a clearer focus on rehabilitation processes — in particular on those that aim to break the drug-induced cycle. While non-custodial diversions reduce cost pressures in prisons, the reduction is partially offset because many of those diverted are in the younger age group. Young people are among the most difficult and high risk groups, and require intensive supervision. Drug related diversions can also be very expensive.

22. A wide range of programs and services have continued for special groups such as Indigenous and intellectually disabled people in prison. Recent increases in the number of women in prison, with the requirement of separate accommodation and other specific needs such as enabling their care of children, have brought additional pressure on resources. There is a trend towards providing programs and services in-house. Newer facilities are therefore multi-purpose and have required significant capital investment.

23. The States generally implement staffing formulas to allocate resources to specific prisons, although the process is less formal in some than in others. The process of allocating resources to community correctional facilities is generally less clear-cut, although a ‘workload’ criterion appears to apply.

⁷ In 2000-01, there were 12 privately operated prisons in 119 facilities in Australia.

⁸ These programs vary in the extent and nature of supervision, the conditions of the order and the restrictions on the person’s freedom of movement in the community. They provide more offenders than the prisons.

Data Issues

24. Data and statistics relating to law and order hold divergent definitions, methods and rules of counting across jurisdictions. The ABS currently reports both person and non-person⁹ based data, and is working to expand its police statistics collection. However, a number of important questions about crime and the criminal justice system cannot currently be addressed.

25. In July 2001, the ABS released the 'National Criminal Justice Statistical Framework' (NCJSF) which discusses links across the main sectors of the criminal justice system, as well as across States. It allows an examination of offenders' movement through the system, and helps the development of comprehensive and integrated national criminal justice data. When these data become available, their use will be considered.

26. A different conceptualisation, analysis and management of criminal investigative, judicial and punishment processes could change our future approach to the assessments of the law and order categories. When comprehensive data in the proposed integrated format become available, a fundamentally different approach might be considered and the law and order categories integrated — at present they are stand-alone and independent of one another — into a single category by focussing on standardising the flow. Different cost and component weights, and potentially different cost disabilities, would consequently apply to different parts of the flows, but standardising the flow itself could be quite straightforward. On the whole, the quality of the assessments could be simplified and improved.

27. Information available on the contact Indigenous people have with the criminal justice system is of varying quality as agencies do not always establish people's Indigenous status¹⁰. Some data, such as deaths in custody, are of high quality. Another source of Indigenous data is the Australian Institute of Criminology which produces statistical and analytical reports on these issues.

28. Information available on the contact people from Culturally and Linguistically Diverse (CALD) groups have with the criminal justice system is improving. The ABS now collects prisoner numbers by age, sex and country of birth. However, further information is required to substantiate any relationships between CALD groups and the costs they impose on law and order services.

Conclusion

29. There are a number of new influences on law and order service providers — in particular the impact of cultural diversity, 'new' crimes, and information technologies. Staff will endeavour to account for these in the assessment.

⁹ For example, person data relates to information on defendants and prisoners. Non-person data relates to cases handled by the courts.

¹⁰ Self-identification is the ABS' preferred method of identifying Indigenous clients. However, self-identification can be difficult to implement, as it may be perceived as discriminatory or prejudicial in some circumstances.

30. In Corrective Services, an increasing emphasis is also being placed on diversionary programs as a mechanism to reduce recidivism, free up prison space and reduce prison operating costs. This policy, however, increases costs (particularly unit costs) of supervision by other corrective services providers because many of those diverted are young and have drug related problems.

POLICE

31. In the 1999 Review, the Police category comprised expenditure on administration, supervision, support and operation of policing services. Specifically, the category included expenditure on:

- (i) activities concerned with the prevention of illegal activities and apprehension of criminals;
- (ii) traffic control by police; and
- (iii) police colleges, training and laboratories.

32. Table 1 shows the gross standard expenses used in the 2002 Update. In 2000-01, this category represented 4.23 per cent of total gross standard expenses.

Table 1 POLICE — GROSS STANDARD EXPENSES, 2002 UPDATE

	1996-97	1997-98	1998-99	1999-2000	2000-01
\$pc	160.49	168.76	179.25	190.66	202.21
per cent of total gross standard expenses	4.37	4.37	3.94	4.11	4.23

Source: CGC 2002 Update Working Papers.

33. Table 2 summarises the 2002 Update assessment structure for Police. The socio-demographic composition and the dispersion factors were the two most important influences in the assessment.

34. Police user charges were assessed by the equal per capita method.

Table 2 POLICE, 2002 UPDATE ASSESSMENT STRUCTURE

Expenditure component	Component weight	Factors	Basis of calculation
	Per cent		
Scale Affected Expenditure	2.83	Administrative scale	General method.
		Input costs	General method with weights of 80 per cent for wages, 2 per cent for accommodation and 1 per cent for electricity.
Police	96.88	Dispersion	General method.
		Input costs	General method with weights of 80 per cent for wages, 2 per cent for accommodation and 1 per cent for electricity.
		Socio-demographic composition	Weight of 3.5 applied to Aboriginals, 2.5 to male youth and 1.1 to people in Sydney or Melbourne.
		Service delivery scale	Assessed using catchment districts and data from CDATE96.
		Cross-border	Assessed with a 50 per cent weight applied to group 1 LGAs and a 20 per cent weight applied to group 2 LGAs.
Isolation	0.29	Isolation	General method.

Source: CGC 2002 Update Working Papers.

State Views

35. Little comment was made by States on general assessment issues concerning this category, or its scope as proposed in Discussion Paper CGC 2001/12, *Scope and Structure of the Standard Budget*.

36. Victoria, however, maintained that police services should be assessed equal per capita because it would be more accurate than the judgement-based adjustments underlying the current set of factors.

37. Victoria also criticised the decision not to update component weights in this category in each update.

General Assessment Issues

38. In the 2004 Review, the key issues for the assessment of Police expenditure concern:

- (i) whether the category should be assessed differentially;

- (ii) if differential assessment continues, whether the simple three component structure should be retained in the 2004 Review — that is, two small components to assess scale-affected and isolation-related expenditure and a large residual component to assess expenses on the general operations of police; and
- (iii) whether the model behind the socio-demographic composition factor should be re-estimated.

Options for Assessment

39. Victoria did not provide any analysis to support its suggestion that an equal per capita assessment be made for Police. While the total and locational allocation of police resources is determined by circumstances within the control of State governments, there is evidence that demand and cost impacts in providing policing services are unavoidably different across States. In the 1999 Review, for example, a model was estimated which showed a statistically significant relationship between police expenditure and socio-demographic composition influences — Indigeneity, males aged 17 to 25, and population concentration in Sydney and Melbourne. Population dispersion imposes differential costs on policing. Accordingly, subject to the outcome of the November Conference, staff are inclined to recommend to the Commission that the Victorian proposal not be pursued further.

40. The component weights for the Police category will be revised as a normal part of the review processes.

41. It is noted that most factors assessed for Police in the 1999 Review were based on 1996 Census data and have not been updated in subsequent inquiries. Only input costs and isolation factors have been updated annually. If the 2001 Census were to be the main source of data for Police assessments in the 2004 Review, the ability to update the assessment in updates after the review would continue to be limited.

SOCIO-DEMOGRAPHIC COMPOSITION

42. The socio-demographic composition factor is the main driver of this assessment. As previously mentioned, a model¹¹ based on data at police district level, was estimated in the 1999 Review to measure potential influences on crime and/or police expenditure. The model was specified:

- (i) to link expenditure and crime rates to socio-demographic composition variables; and

¹¹ It was a three-stage least square model and used a reciprocal relationship between crime and police expenditure. It was derived with help from the Australian Institute of Criminology (AIC).

- (ii) to estimate implicit weights for different socio-demographic composition influences.

It suggested a weight of 3.5 for Indigenous persons and a weight of 2.5 for young males aged 17 to 25 (reflecting a propensity to commit crimes), and a weight of 1.1 due to the cost impact of urbanisation in Sydney and Melbourne.

43. Concerning impacts due to persons with a low fluency in English, State views in the 1999 Review were conflicting. Further, the model did not establish an impact and criminological literature was not decisive on such impacts at this time. No cost weight was assigned to such people.

44. Table 3 sets out the socio-demographic composition factors assessed in the 2002 Update. The factors, based on 1996 Census data and fixed standard weights derived from the model.

Table 3 POLICE SOCIO-DEMOGRAPHIC COMPOSITION FACTOR, 2002 UPDATE

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT
Socio-demographic Composition	1.00953	0.99236	0.99293	0.99422	0.94739	0.98453	0.95862	1.58963

Source: CGC 2002 Update Working Papers.

State Views

45. **Urbanisation.** New South Wales argued that an ‘urbanisation’ cost weight of 5, for residents of CBDs, and 1.2 for those in urban areas with a population greater than 100 000, should be applied. In support, it presented results from a sixteen-country study about the risk of victimisation, by size of ‘town’ and type of crime¹². The findings are reproduced in Table 4.

¹² International Crime Victimization Survey (ICVS), 2001. It is not known if the study standardises the figures for other influences, such as the proportion of young males.

Table 4 AVERAGE RISKS OF VICTIMISATION IN SIXTEEN COUNTRIES COMBINED, 1999

	Crimes against property			Contact crimes			Any crime	
	Car Thefts (owners)	Burglary & attempts	Petty crimes	All property crimes	Robbery, assaults & threats	Sexual incidents (women)	All contact crimes	per cent victimised once or more
	%	%	%	%	%	%	%	%
Average risk	6.3	3.3	12.8	18.3	4.1	1.7	4.7	21.4
By town size								
<10 000	4.7	2.7	9.6	14.2	2.9	0.9	3.3	16.4
10 000 – 100 000	6.0	3.2	13.5	18.8	4.6	1.9	5.2	22.4
>100 000	8.8	4.2	15.6	22.6	4.9	2.6	5.7	26.2

Source: NSW submission to the 2004 Review (p 192).

46. New South Wales and Victoria submitted that investigation of crime in urban areas was more resource intensive because less information was generally available from witnesses. Instead, investigations relied more on the costly gathering, analysis and identification of physical evidence.

47. New South Wales proposed that a disability be assessed to account for its high share of the Australian drug-dependent population and the related costs of providing law and order services to that population and the affected general population. It argued that police efforts at the ‘high-end’ of the drug trade, concentrated in Sydney because of its ‘port-of-entry’ status, involved intensive and protracted investigations.

48. Victoria argued that the ‘urbanisation’ weight applied to the Sydney and Melbourne populations be raised from 1.1 to at least 1.5. In support, it referred to the potential impact of terrorism, and the need to have ‘Asian’ Squads in Sydney and Melbourne.

49. **Indigeneity.** New South Wales argued that the combined demand and cost weight due to remoteness and Indigeneity should be no more than 2, compared with the current demand weight of 3.5. It quoted a New South Wales Police study and the Commission’s Discussion Paper CGC 1998/5, *The Assessment of Socio-Demographic Influences on Police Expenditures, Commonwealth Grants Commission*, to support its case.

50. Victoria argued for a more explicit justification of the application of Aboriginality weights in all categories, and for the cost weights included in socio-demographic composition assessments. In addition it argued that the weighting of remote Indigenous populations should be justified with empirical data.

51. The Northern Territory contended that the current Indigeneity weighting used in the socio-demographic composition factor was appropriate and argued strongly against any reductions to the weight applied.

52. ***Cultural and Linguistic Diversity.*** New South Wales proposed that the higher demand for services associated with culturally and linguistically diverse communities be considered in areas where particular cultural groups congregated, because resources are allocated in addition to those expected, based on crime rates.

53. Victoria argued that a 'low English fluency' weight of 1.5 per cent per capita and a cultural diversity weight of at least 1.1 per cent be assessed, to reflect demand and use costs associated with communication and cultural differences with people from such groups.

54. ***Young males.*** The ACT argued that the cost weight assigned to young males should be increased from 2.5 to 5 because, while males aged between 17 and 25 account for approximately 8 per cent of the ACT population, they represent 36 to 40 per cent of all offenders.

55. ***Unemployment and low income.*** South Australia argued that economic variables such as unemployment or low-income should be reflected in the modelling for police resources. In workplace discussions, Tasmania argued that linkages between socio-economic disadvantage and policing demands were reflected in greater policing resources per capita being directed to areas of lower socio-economic status relative to other areas.

56. ***Commonwealth Detention Centres.*** South Australia also submitted that the cost impact of Commonwealth Detention Centres on State Police services be assessed. It contended that South Australia Police (SAPOL) is liable for expenses incurred while exercising duty of care arrangements with persons in immigration detention.

Issues and Options for Assessment

57. In general, State arguments relate to refinements and extensions of the assessment of socio-demographic composition. At the centre of this assessment is the model estimated for the 1999 Review.

58. The model clearly established the higher propensity of young males to commit crimes and the influence of urbanisation on costs (but not necessarily on crime¹³). It left some doubts about the influences of Indigeneity and gave no support for a weight due to the non-English speaking background population. But States now claim that culturally and linguistically diverse population groups are increasingly exerting influence on the costs of delivering police services and having a greater influence than previously recognised.

59. Taking these State claims at face value and recognising the findings of current research, a recalibration of the weights derived from the model is possibly required. This means that the model would need to be:

- (i) re-estimated using new expense and socio-demographic characteristics data, while maintaining the existing specification; or

¹³ This is consistent with many studies. The interpretation is that higher levels of crime manifest through socio-demographic/economic influences, and not urbanisation per se.

- (ii) completely respecified and re-estimated with new data.

In either case, staff would ask States to supply new expense data at the police district level to undertake the work, as was done in the 1999 Review.

60. Staff suspect that if the model were re-estimated without respecification, the weights produced would be similar to those estimated in the 1999 Review, because the socio-demographic characteristics of the general population have not changed substantially in the five years between Censuses. If the model were respecified and re-estimated, the task would need to be done completely. To understand the precise impact of urbanisation on delivery of police services, for example, would require simultaneous consideration of all potential influences, such as those listed in the earlier section on general developments in the law and order services.

61. The key issue is whether either of these options would produce a result which would address the concerns raised by States (especially New South Wales, Victoria, and to a lesser extent South Australia), and show that police resources are linked to crime trends arising from increased urbanisation and other drivers.

62. A third approach that the Commission might pursue would be to retain the existing model and review the outputs from the model using the available evidence and judgment, in the light of State arguments. State arguments about the model and the assessment of socio-demographic composition are discussed in the following paragraphs.

63. **Urbanisation.** The New South Wales proposal for an additional urbanisation weight to be applied to urban areas of greater than 100 000 people is difficult to understand. The composition of the populations of such large urban centres are not similar to those of Melbourne and Sydney. Therefore, the suggested weight of 1.2 is not directly comparable¹⁴ with the current weight of 1.1 applied to Sydney and Melbourne. Further, even if the suggested weight were to be adopted, the overall effect may be small.

64. In fact, many Australian studies have found no evidence of urbanisation effects on crime rates. For example, in Bell Planning Associates, *Crime, Safety and Urban Form*¹⁵, no urbanisation influence was found when the narrowest interpretation of urban form as 'built form' was adopted; and in C Devery, *Disadvantage and Crime in NSW*¹⁶, crime rates were linked to socio-economic status in urban areas, and not to urbanisation *per se*.

65. The Australian Institute of Criminology paper *Regional Development and Crime*, July 2000, reported that official crime statistics show that violent and property offences have increased at faster rates in urban centres than in major urban centres. In addition, areas with high concentrations of young males experience higher crime rates. The report found that densely populated areas usually have crime rates higher than sparsely

¹⁴ The argument that the relative 'risk' of being a crime victim in a town with a population greater than 100 000 is 1.2 times the overall *average* (that is, 26.2/21.4 – for the 16 countries, not just Australia), ignores the composition of population across towns of various sizes in Australia.

¹⁵ Urban Futures Journal No. 21, 1996.

¹⁶ The final weight ignored State specific effects as being counter-intuitive.

populated areas. However, residential mobility may reduce communities' ability to develop informal and formal social control mechanisms, which may lead to an increase in crime.

66. In addition, while CBD areas are possibly more prone to crime because of the large number of retail establishments and floating populations, the New South Wales' suggested weight of 5 for the residents of CBDs would have only a minor effect because of the relatively small number of residents in CBDs.

67. On the argument that investigation of crime is more resource intensive in urban areas because less information is made available from witnesses in such areas, further information is sought from the States. The current urbanisation weight of 1.1 for Sydney and Melbourne is a cost-side weight and arguably captures such influences.

68. Concerning Sydney's 'port-of-entry' status, its 'high end' concentration of the drug trade and the related costs of law and order services, it is noted that the current urbanisation weight of 1.1 applied to the Sydney population was intended to capture costs related to the impact of such effects. Whether there is a disproportionate effect due to a higher level of drug related activity relative to other States is not immediately clear. However, in the light of the New South Wales workplace discussions and its submission, this argument is being followed up. Staff therefore ask New South Wales to provide data that establishes this effect as additional to the current urbanisation weight.

69. On Victoria's proposal to raise the urbanisation weight to 1.5 for Sydney and Melbourne residents to account for the potential threat of terrorism and the need for special police squads dedicated to policing gangs, the risks and measures of 'standard' levels of State response to such activities are unknown. A policy-neutral assessment may be difficult to achieve. The response to gangs may be indirectly included in the current weight for urbanisation. However further evidence to support Victoria's proposal would be appreciated.

70. **Indigeneity.** The Commission assigned the weight due to Indigeneity based on estimates from the model it had developed with the Australian Institute of Criminology. Weights assigned to Indigenous populations are generally problematic because of the lack of reliable disaggregated data, and are controversial. However, broad analysis indicates that a general weight applied to all Indigenous people, regardless of location and other characteristics, may be incompatible with the whole picture¹⁷. Additional evidence supporting New South Wales' suggestion that a combined Indigeneity/remoteness weight of 2.0 is more appropriate than the currently assessed 3.5, would be required before a change to the weight could be contemplated. Access to the internal Police study mentioned by New South Wales may assist.

71. **Culturally and Linguistically Diverse Populations.** Concerning New South Wales' proposal to account for the additional costs of delivering police services to culturally and linguistically diverse (CALD) population groups, it is noted that locations could be studied on the basis of their ethnic concentration or their concentration of cultural and

¹⁷ In a rigorous analysis, focus should be made on pockets of demonstrably high rates of crime that could be correlated to concentration of Indigenous population, and weights should be assigned accordingly.

linguistic diversity, where crime patterns are starkly different. The 1999 Review model did not find a relationship between ethnic characteristics and police expenditure.

72. As for the Indigenous population, assigning weights to the CALD population groups is problematic because of the lack of reliable, disaggregated data necessary to identify segments of the CALD population which influence crime rates. A general weight applicable to *all* CALD people, regardless of location and other characteristics, is incompatible with the aggregate picture.

73. In emphasising the need to identify CALD segments of the population more likely to commit crime or require higher police resources, a parallel has been drawn with issues concerning the Indigenous population. It has been assumed that, in addition to general factors such as age, sex and socio-economic characteristics that influence criminal activities, a further impact may arise from entrenched socio-economic disadvantages, and cultural alienation. The difference between the two groups may be in degree, but not in kind.

74. Nevertheless, there is some justification for acknowledging the influence on service delivery costs of CALD and Indigenous populations that have certain socio-economic and locational characteristics. These impacts may in part be captured in the urbanisation weight for Melbourne and Sydney — urban areas where the impact of CALD populations, and drugs, have the greatest impact on policing.

75. Concerning the assessment of weights, the weight that might be applicable to some (or all) CALD groups in the assessment of Police might be partially reflected in the urbanisation weight (set at 1.1 for Sydney and Melbourne). There is evidence to justify this assessment. For example it is known that:

- (i) a large proportion of the national intake of immigrants from non-English speaking backgrounds are attracted to and settle in these two cities;
- (ii) the National Crime Authority and the Parliamentary Joint Committee of the Commonwealth Parliament have confirmed that the geographic spread of Chinese and Vietnamese organised crime is very much concentrated in these two cities, particularly with respect to illicit drugs; and
- (iii) both New South Wales and Victoria police directly employ resources to deal with organised crime and the drug trade — Victoria, as mentioned previously, runs a special ‘Asian’ squad dedicated to provide specialist policing services to people of Asian origin.

76. Preliminary analysis also indicates that the cost impact which some CALD groups have on policing is captured in the weight of 2.5 currently assigned to young males aged 17 to 25. Staff will recommend, however, that the Commission assess an additional weight if it can be demonstrate that CALD groups cause States to incur extra delivery costs, above those assessed for young males and urbanisation.

77. **Young males.** National data were used to estimate the current weight applied to males aged 17 to 25, and this weight represented one of the more robust results from the 1999 Review statistical model. Staff are inclined to recommend to the Commission that this issue be investigated further only if there is evidence of a prima-facie large change, at the national level, in the propensity of younger males to commit crime.

78. **Unemployment and low income.** Concerning South Australia's and Tasmania's suggestion that economic variables such as unemployment and low income be incorporated into the model, it is noted that such influences were studied within the 1999 model specification and estimation process and it was concluded that their impacts were captured in other influences. Moreover, theoretical and empirical literature¹⁸ does not conclusively support the existence of such links. On balance, staff are not inclined to recommend that this argument be further considered.

79. **Commonwealth Detention Centres.** South Australia also raised the issue of Commonwealth Detention Centres and their influences on the costs of delivery of police services in that State. This appears not to be a 'standard' service. However, more information on this issue will emerge during the 2003 Update.

80. **Summary.** Based on the analysis of States' arguments, the case for modifying the socio-demographic composition assessment to account for the additional costs imposed on policing by culturally and linguistically diverse groups seems strongest one put. Further evidence on other issues will clearly need to be considered, but the staff think a cost weight for CALD groups could be incorporated into the overall assessment without having to re-estimate or respecify the police model.

81. Therefore, subject to discussion at the November Conference, staff propose to recommend that CALD groups be incorporated into the assessment of socio-demographic composition. Further evidence will need to be provided by States on the level of additional cost attributable to the identified groups.

82. The socio-demographic composition factor assessed for Police in the 1999 Review, was not computed by the joint factor method because we did not have access to the required cross classification of 1996 Census data. For the 2004 Review, irrespective of whether the model is respecified and/or re-estimated, staff intend to recommend that the joint factor approach be used to calculate the factor based on a suitable disaggregation of Census socio-demographic composition data.

83. If, for illustrative purposes, it is assumed that a per capita weight of 1.5 should be applied to a subset of people from a CALD background comprising men of Chinese and Vietnamese origin, the standard per capita weights that might apply in the calculation of the socio-demographic composition factor would be those set out in Table 5. Although the link is not strong, staff note that a per capita weight of 1.5 was assessed for low English fluency in the socio-demographic composition factor for Administration of Justice.

¹⁸ 'Economics of Criminal Behaviour: Survey and Bibliography' by E. Erling, 1995: '*Illegal activity will decrease with increasing unemployment under the standard assumptions of decreasing absolute risk aversion*'.

Table 5 SOCIO-DEMOGRAPHIC COMPOSITION FACTOR, POLICE SERVICES COMPONENT, ILLUSTRATIVE STANDARD PER CAPITA WEIGHTS^(a)

	Males aged 17 to 25	Males not aged 17 to 25	Females
Indigenous residents of Sydney or Melbourne	5.1	3.6	3.6
Indigenous people not resident in Sydney or Melbourne	5.0	3.5	3.5
CALD group ^(b) residents of Sydney or Melbourne	3.1 ^(c)	1.6 ^(c)	1.1
CALD group ^(b) people not resident in Sydney or Melbourne	3.0 ^(c)	1.5 ^(c)	1.0
Non-Indigenous and non-CALD residents of Sydney or Melbourne	2.6	1.1	1.1
Non-Indigenous and non-CALD people not resident in Sydney or Melbourne	2.5	1.0	1.0

(a) Assumes males aged 17 to 25 attract a per capita weight of 2.5, Indigenous people attract a per capita weight of 3.5, and residents of Sydney and Melbourne attract a per capita weight of 1.1.

(b) Illustrative, based on the assumption that males of Chinese or Vietnamese origin attract a of 1.5.

DISPERSION

84. In the 2002 Update, dispersion disabilities were assessed in the Police component by the standard method — to account for additional costs of communications, freight, travel and locality allowances imposed on States in delivering police services to dispersed populations in their jurisdictions. Table 6 sets out the cost weights for dispersion expenditure assessed in the Police category.

Table 6 COST WEIGHTS FOR DISPERSION

Telephone	Freight	Air Travel	Road Travel		Remote Removals	Locality Allowances
			Inter Regional	Local		
0.02003	0.00235	0.00521	0.01805	0.0476	0.00354	0.0159

Source: CGC 2002 Update Working Papers.

85. Table 7 sets out the dispersion factors assessed in the 2002 Update, based on 1996 Census data. The factors have not been updated since the 1999 Review.

Table 7 POLICE SERVICES COMPONENT, DISPERSION FACTORS, 2002 UPDATE

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT
All years	0.98193	0.96226	1.03039	1.08733	0.97886	0.97352	0.95011	1.42413

Source: CGC 2002 Update Working Papers.

State Views

86. Victoria argued that *Information and Communication Technology* (ICT) has resulted in a significant reduction in the per unit cost of service delivery. ICT has led to improved data gathering, sharing and access to policing information, a reduced need for prisoner transport, and improved access to forensic, identification and translator services. For example, details of crimes and images of wanted persons and suspects can be communicated through the Intranet.

Issues and Options for Assessments

87. Evidence is growing that advances in communications technology are having an impact on service delivery costs in a number of functions. The issue is whether the assessment of the telephone, air travel and road travel cost elements of the dispersion factor, the associated cost weights, needs to be reviewed to account for the technological developments in Police service delivery.

88. Staff intend to investigate the evidence of take-up rates of ICT in policing throughout the States, and whether communications infrastructure allows all jurisdictions to utilise ICT systems to the same extent. We will also investigate whether service delivery costs have been reduced and, if appropriate, suggest to the Commission refinements to demand and unit cost weights.

89. This investigation will be undertaken as part of the review of the dispersion assessments.

CROSS-BORDER

90. A cross-border factor was applied in this category in the 1999 Review, to compensate the ACT for the cost it incurred in providing services to New South Wales residents. The factor took account of 50 per cent of the total population in the Queanbeyan, Yass, Yarrowlumla and Gunning Local Government Areas (LGAs), and 20 per cent of the total population in the Bega Valley, Bombala, Boorowa, Cooma-Monaro, Crookwell, Eurobodalla, Goulburn, Harden, Mulwaree, Snowy River, Tallaganda and Young LGAs.

91. Table 8 shows the cross-border factors applied to the Police Services component in the 2002 Update.

Table 8 POLICE SERVICES COMPONENT, CROSS-BORDER FACTORS, 2002 UPDATE

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT
All years	0.99176	1.00000	1.00000	1.00000	1.00000	1.00000	1.16543	1.00000

Source: CGC 2002 Update Working Papers.

State Views

92. The ACT submitted that its assessed cross-border disability be increased from 16 to 18 per cent.. It supported its argument with data on cross-border offenders, by State.

Issues and Options for Assessment

93. The data provided by the ACT are potentially policy contaminated and the impact of suggested changes are small. Assessing a policy-neutral cross-border effect is difficult and the current method, which treats the ACT as a regional centre and in effect inflates its population¹⁹, passes that test. Subject to a review of the general method used to assess cross-border factors, staff are inclined to recommend the common factor approach be retained in the 2004 Review.

ADMINISTRATION OF JUSTICE

94. In the 1999 Review and subsequent updates, the Administration of Justice category comprised expenditure on administration, support, operation and review of law courts, the judicial system and legal aid programs. More specifically, the category included expenditure on:

- (i) legal representation and advice on behalf of the government and others;
- (ii) costs of crown prosecutions;

¹⁹ As an offsetting measure, the assessment deflates the population of New South Wales.

- (iii) trusteeship services; and
- (iv) law reform and registration of legal titles to property.

The category excluded expenditure on:

- (i) the registration of births, deaths and marriages;
- (ii) regulation of the sale and supply of liquor;
- (iii) industrial law;
- (iv) prisons and corrective services; and
- (v) tribunals and appeals boards classified to other categories.

95. Table 9 shows the gross standard expenses for the six years ending 2000-01. In 2000-01, this category represented 1.82 per cent of total gross standard expenses.

96. Table 10 summarises the 2002 Update assessment structure for Administration of Justice. The key drivers of the assessment – socio-demographic composition, economic environment and input costs – are updated annually.

97. Administration of Justice user charges were assessed equal per capita. Two associated user charges categories — Property Titles, and Law and Order Fees and Fines — were assessed differentially. We do not intend to change the assessment in these categories.

Table 9 ADMINISTRATION OF JUSTICE — GROSS STANDARD EXPENSES

	1995-96	1996-97	1997-98	1998-99	1999-2000	2000-01
\$pc	61.31	68.86	81.96	77.13	81.17	86.87
per cent of total gross standard expenses	1.73	1.87	2.12	1.69	1.75	1.82

Source: CGC 2002 Update Working Papers.

State Views

98. The direction of State arguments suggests that the category assessment structure and the set of disability factors are generally well-identified.

Issues and Options for Assessment

99. Based on research and States' submissions, staff propose to recommend that the 1999 Review assessment structure for the Administration of Justice category be retained, with one adjustment –the national capital component will be deleted (refer later for a discussion of this issue). However, staff intend to make refinements to the assessment.

100. Staff also intend to review the component weights as a normal part of the review processes.

Table 10 ADMINISTRATION OF JUSTICE ASSESSMENT STRUCTURE, U2002

Expenditure component	Component weight	Factors	Basis of calculation
	%		
Scale-affected expenditure	5.37	Input costs	General method with weights of 80% for wages, 2% for accommodation and 1% for electricity.
Criminal courts	52.51	Administrative scale	General method.
		Dispersion	General method.
		Input costs	General method with weights of 60% for wages, 2% for accommodation and 1% for electricity.
Civil courts	35.00	Socio-demographic composition	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 applied for higher court appearances. Adjustment was made for court appearances of Commonwealth offenders.
		Cross-border	General method.
		Dispersion	General method.
		Economic environment	General population (weight of 1), small businesses (weight of 2) and large businesses (weight of 6).
Other services	6.00	Input costs	General method with weights of 60% for wages, 2% for accommodation and 1% for electricity.
		Cross-border	General method.
		Dispersion	General method.
Isolation	0.41	Isolation	General method.
National capital	0.01	National capital	A national capital allowance of \$200 000 a year was assessed.
Land rights	0.07	Land rights	The additional costs in the Northern Territory arising from the Commonwealth <i>Aboriginal Land Rights (Northern Territory) Act 1976</i> discounted by 20%.
Native title administration	0.63	Native title administration	The costs associated with the administration of <i>Commonwealth Native Title Act 1993</i> .

Source: CGC 2002 Update Working Papers.

SOCIO-DEMOGRAPHIC COMPOSITION IN CRIMINAL COURTS

101. The socio-demographic composition factor for criminal courts was calculated in the 2002 Update as a joint factor covering age, sex, Indigeneity (including the costs of serving Indigenous people in remote areas), English fluency, costs of higher courts and Commonwealth offenders.

102. To calculate the factor, specific age-sex standard use weights²⁰ were applied to Indigenous and non-Indigenous populations²¹. A weight of 1.5 was applied to reflect the impact on the length of proceedings and cost for interpreters, using arguments in State submissions and workplace discussions, including for Indigenous people with low fluency in English.

103. For Indigenous people, it was considered that language difficulties and cultural differences contributed to additional costs in providing court services to remote Indigenous people, and an additional cost weight of 1.1 was applied to them. In addition, a cost weight of 2 was applied to cases heard in higher courts²².

104. The 2002 Update socio-demographic composition factor, based on 1996 Census data, assessed in the criminal courts component is shown in Table 11.

Table 11 CRIMINAL COURTS COMPONENT, SOCIO-DEMOGRAPHIC COMPOSITION FACTOR, 2002 UPDATE

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT
Socio-demographic composition	0.95663	0.84226	1.09916	1.11366	0.92032	1.08463	1.00257	3.92021

Source: CGC 2002 Update Working Papers.

State Views

105. New South Wales argued that the processing time for criminal cases, from lodgement to finalisation in the higher courts, is generally longer in New South Wales than in other States because cases tend to be more complex in Sydney.

106. Victoria argued that the information used to determine standard use pattern for criminal courts should be more representative than those used in the 1999 Review when the Commission based its calculations on age/sex data for New South Wales, Queensland, Western Australia and the Northern Territory only, because data for other States were not available.

²⁰ Based on actual use data by age and sex for Australia.

²¹ Because of data inadequacies concerning Indigenous court appearances, the Indigenous court use rates for 40-59 and 60+ age groups were discounted by 30 per cent.

²² Using Productivity Commission 'expenditure per lodgement' data for the whole of Australia.

107. Victoria further argued that estimated standard use rates should be adjusted by levels of total use in each State before applying cost and use weights. It also submitted that the data used to determine the number of Commonwealth offenders in State courts²³ be reviewed because they represented only the prosecutions by the Commonwealth Director of Public Prosecutions. They excluded those by other Commonwealth agencies.

108. Victoria also submitted that the basis of the current cost weight of 1.1 for remote Indigenous populations due to cultural differences should be explained, and that the same process applied to other population segments, such as the CALD population, with cultural differences.

109. During workplace discussions, Victoria argued that ethnic and cultural diversity lead to increased demands for and costs of providing law and order services. It argued that service delivery costs of some ethnic groups were very large but unpredictable in nature because of the different needs within communities. It proposed:

- (i) the NESB assessment be expanded to incorporate cost drivers beyond low English fluency; and
- (ii) the NESB cost weights for low English fluency.

110. The Northern Territory contended that the current weight for remote Indigenous people be raised from 1.1 to 2. While it supported the adjustment for Commonwealth offenders, it suggested a weight of 2 be applied because of the need to process cases relating to Commonwealth offenders in higher courts.

Issues

111. The socio-demographic composition factor for the criminal courts component is one of the two largest drivers in the assessment. The key issue is whether changes can be made to the weights to better recognise the impacts of population groups.

Options for Assessment

112. ***General issues.*** In essence, the socio-demographic composition factor is calculated by applying standard use and cost weights by level of court to the socio-demographic characteristics of the States' populations, before an adjustment is made to include Commonwealth offenders. While the approach is reasonably standard, data from four States were used to calculate the standard weights. A more comprehensive coverage will be attempted in this review, but the factor will be assessed using data from whatever States have them available.

113. The cost weight of 1.1 for remote Indigenous populations due to cultural differences was added to a weight of 1.5 for 'low fluency in English' resulting in longer

²³ That is, criminal prosecutions conducted in the State judicial system and relate to offences against Commonwealth laws.

court processing time. Identifiable expenditure did not support the weight, but evidence relating to additional court time did. The weight was thus based on judgement.

114. *Specific issues.* Reducing processing times has been a key focus for improvement in many courts across Australia.²⁴

115. Victoria argued that the information the Commission used to determine standard use patterns for non-Indigenous people in criminal courts should be more representative. The Commission derived standard age-sex use weights for non-Indigenous people from data for New South Wales, Queensland, Western Australia and the Northern Territory. The data provided by Western Australia and the Northern Territory on criminal court appearances by age, sex and Aboriginality were used to calculate Indigenous use weights. In the absence of such data for other States, the Commission compared the age-sex profile of court use for the two States with the age-sex-Aboriginality profile of prisoners for Australia as a whole. Given data limitations, the derived standard use patterns are as representative as possible. If age-sex-Aboriginality data are available from other States, they will be incorporated into the assessment.

116. Victoria argued that ‘the standard usage rates should be adjusted for total use before applying the cost and usage weights for specific population segments.’ Victoria submitted that lodgements presented in Victoria, Queensland, Western Australia and South Australia, especially in the magistrates court, were higher because these States use electronic means for various cases, including traffic offences. In calculating the higher and lower court use weights, the higher lodgement rates in these four States is reflected in the average. Therefore, staff intend to recommend to the Commission that no adjustment for total use is required.

117. Currently, only criminal prosecutions are included when determining the number of Commonwealth offenders in State Courts, on the understanding that the Commonwealth Director of Public Prosecution conducts all such proceedings. On investigating this issue, staff have found that the DPP does not conduct prosecutions under the Customs Act 1901, except in the case of narcotics offences. The responsibility for prosecuting non-narcotics matters rests with the Australian Government Solicitor. Subject to the availability of data and confirmation that the matters are heard in State counts, staff intend to investigate whether an adjustment might be introduced.

118. In the 1999 Review, a weight of 1.5 was assigned to all people with low fluency in English and an additional weight of 1.1 to remote Indigenous populations. There is a parallel with issues concerning the Indigenous and the CALD population groups and available data are being investigated in an effort to fine-tune this part of the assessment. However, the nature of diversionary programs, and the degree and range of interactions with the Indigenous community representatives or organisations is now more

²⁴ For example, in 1999, an Australian National Audit Office report into Supreme Court waiting times made five key recommendations that were consistent with improvements already under way. Among these were *developing time standards, monitoring case progression and establishing court users’ groups*. In early 2001, the Court reported on the time standards it had introduced to ensure litigation is conducted efficiently and expeditiously.

comprehensive²⁵. There is much less evidence of equivalent programs for CALD groups. Without such data, it is unlikely that the Commission could make as informed a judgment about CALD groups as is done for Indigenous peoples. Staff therefore ask States for data on:

- (i) specific diversionary programs;
- (ii) interactions with CALD community representatives or organisations;
and
- (iii) evidence of additional service delivery costs of CALD groups;

which might assist in determining an appropriate socio-demographic composition weight for CALD populations, or subsets of those populations.

119. Subject to data availability, the Northern Territory's argument that the weight for remote Indigenous people be raised from 1.1 to 2, will be investigated.

120. Approximately 5 per cent of all prisoners on 30 June 2001 were held under one or more Commonwealth warrants. Of these 42 per cent had a serious offence/charge relating to illicit drug offences²⁶. This supports the Northern Territory's argument that many Commonwealth offenders need to be processed in higher courts and staff propose to recommend that the weight for Commonwealth offenders be increased. Data regarding any additional service delivery costs attributable to Commonwealth offenders would be beneficial.

ECONOMIC ENVIRONMENT IN CIVIL COURTS

121. This factor was assessed using the number of entities that could be involved in litigation²⁷. These entities were split between Individuals, Companies, Partnerships, Trusts and Funds. Although there were no quantitative data available to determine a use or cost weight for business entities, the assessment reflected a higher propensity of commercial entities to engage in civil litigation and greater complexity of matters involving large complaints.

122. Based on the assumptions that small businesses were more likely to engage in civil litigation than individuals, and that large businesses were more likely to engage in civil litigation than small businesses, use weights of 1.0 were assigned for the general population (measured using the mean resident population), 1.5 for small business entities (other than individuals), and 4.0 for large business entities (other than individuals).

²⁵ For example, establishing the Indigenous conflict management unit (New South Wales), Koori Court (Victoria), and more generally support mechanisms for those appearing in court for the first time, and in recognition of Indigenous customary laws.

²⁶ Australian Bureau of Statistics, *Prisoners in Australia*, No 4517.0, March 2002, p 8.

²⁷ The estimate was derived from data on the number of entities paying tax in each State.

123. It was also decided that the relative cost of cases involving different types of entities in different courts should be reflected in the assessment. Combined use and cost weights of 1.0 were assessed for the general population, 2.0 for small businesses and 6.0 for large businesses based on assumptions about relative cost and use of different types of court services, as set out in Table 12.

124. Table 13 shows the economic environment factor assessed in the civil courts component in the 2002 Update.

Table 12 ASSUMED COURT USE RATES BY ENTITIES, 2002 UPDATE

	Higher courts		Lower courts		Combined use and cost weights
	Proportion	Cost weight	Proportion	Cost weight	
	%		%		
Individuals	20	2	80	1	1.0
Small Businesses	50	2	50	1	2.0
Large Businesses	80	2	20	1	6.0

Source: CGC 1999 Review Working Papers.

Table 13 CIVIL COURTS COMPONENT, ECONOMIC ENVIRONMENT FACTOR, 2002 UPDATE

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT
Economic environment	1.00048	1.00507	0.99606	1.01401	1.00185	0.96397	0.95888	0.93721

Source: CGC 2002 Update Working Papers.

State Views

125. Victoria argued that the relative numbers of small and large businesses in each State are policy contaminated because of government interventions, such as payroll tax. It also argued that the definitions adopted for 'small' and 'large' businesses (the ABS' definitions for the purpose of Taxation Statistics) are arbitrary and that Australian Taxation Office (ATO) definitions be applied.

126. It also submitted that the cost weights applied to courts are completely arbitrary. They argued that around 90 per cent of civil court cases relate to personal injury, and that there is a great deal of variance in the complexity and cost of these types of cases. Supporting data were not provided.

127. The Northern Territory argued that the current economic environment factor relating to civil courts be reconsidered to reflect the Territory's disability caused by limited legal resources coping with high demand.

Issues

128. The economic environment factor for the civil courts component is one of the two main drivers in the assessment.

129. Most personal injury litigation appears to involve business entities. While the complexity of such cases differs, data that measures complexity and related costs are not easy to obtain.

Options for Assessment

130. The arguments that the relative numbers of small and large businesses used in each State are policy contaminated because of government interventions, such as payroll tax, is not convincing. Using the ATO definition of 'small' and 'large' business has been further investigated and found to be subjective. Staff are therefore not keen to recommend that the ATO definitions be adopted.

131. The Northern Territory's argument that its courts face more adjournments because of relatively less legal resources arising from inadequate professionals raises issues associated with the isolation disability. Staff note that the higher costs of sourcing interstate professional expertise is assessed for the Territory in the isolation assessment, but not wasted time in courts because legal resources are not available.

DISPERSION

132. This factor takes into account the additional costs associated with the provision of services to dispersed populations, arising from cost disabilities associated with telecommunications, freight, travel and locality allowances.

133. The proportions of dispersion related cost weights for the Administration of Justice category are shown in Table 14, and the factors assessed in the 2002 Update are shown in Table 15. They have not been updated since the 1999 Review.

134. The same dispersion factors were assessed in the criminal courts, civil courts and other services components.

Table 14 COST WEIGHTS FOR DISPERSION

Telephone	Freight	Air Travel	Road Travel		Remote Removals	Locality Allowances
			Inter Regional	Local		
0.00591	0.00080	0.00116	0.01073	0.00572	0.00000	0.00040

Source: CGC 2002 Update Working Papers.

Table 15 CRIMINAL COURTS COMPONENT, DISPERSION FACTORS, 2002 UPDATE

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT
All years	0.99936	0.99525	1.00278	1.00694	0.99755	1.00770	0.98567	1.04242

Source: CGC 2002 Update Working Papers.

State Views

135. Victoria argued that ICT has reduced costs in the Administration of Justice because of the introduction of videoconferencing. Costs have been reduced, for example, through the remote hearing of remand/bail applications and rehearings, and the capacity for giving evidence and receiving expert advice from distant centres. Savings were also realised from a reduction in costs of witness travel and the transportation of prisoners.

136. Western Australia argued that unit costs of ICT are high and that the infrastructure was not available in many areas. In Western Australia, ICT is primarily used to facilitate better service provision rather than to replace existing service delivery methods with a low cost alternative.

Issues and Options for Assessment

137. As for Police, the key issue is whether improvements in communications technologies have changed the nature and costs of service delivery.

138. Staff propose to follow up Victoria's arguments and investigate the use of ICT in the review of the dispersion assessment — to determine the extent to which this and other techniques have been adopted in other States, and whether communications infrastructure allows all jurisdictions to utilise ICT systems equally.

CROSS-BORDER

139. The cross-border factor aims to compensate the ACT for the cost incurred in providing services to New South Wales residents. A cross-border factor was applied to the criminal and civil courts component, taking into account 50 per cent of the population aged 10 and over in Queanbeyan, Yass, Yarrawlumla and Gunning Local Government Areas (LGAs) and 20 per cent of the population aged 10 and over in the Bega Valley, Bombala, Boorowa, Cooma-Monaro, Crookwell, Eurobodalla, Goulburn, Harden, Mulwaree, Snowy River, Tallaganda and Young LGAs.

140. Table 16 shows the cross-border factors assessed in the 2002 Update, based on 1996 Census data. The factors have remained unchanged since the 1999 Review.

Table 16 CRIMINAL COURTS COMPONENT, CROSS-BORDER FACTORS, 2002 UPDATE

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT
All years	0.99304	1.00000	1.00000	1.00000	1.00000	1.00000	1.13985	1.00000

Source: CGC 2002 Update Working Papers.

State Views

141. While the ACT supported the continued assessment of a cross-border factor, it suggested a modified general method.

Issues and Options for Assessment

142. The discussion paper on cross-border assessments will cover this issue for all relevant categories, with possible implications for the Administration of Justice category.

NATIONAL CAPITAL

143. The national capital factor takes account of the additional costs incurred by the ACT in the provision of services because of its status as the nation’s capital.

144. In the 1999 Review, a national capital allowance of \$0.2 million was assessed in the Administration of Justice category to reflect the additional costs incurred in providing court services for Commonwealth related matters.

State Views

145. The ACT proposed that the national capital allowance no longer be assessed. New legislation has meant payments made with regard to criminal injuries claims as a result of a defendant charged with Commonwealth offences are now less than \$100 000.

Issues and Options for Assessment

146. Staff propose to recommend that no national capital factor be assessed in the 2004 Review.

OTHER ISSUES

Service Delivery Scale Assessment

147. *State views.* Tasmania argued that a service delivery scale disability be assessed to reflect above average accommodation and travel times relating to the operation of small circuit courts.

148. *Issues and options for assessment.* Travel and accommodation matters are conceptually 'dispersion' issues. It is not clear whether the cost impact of the court locations and associated catchment areas would in concept be similar (albeit to a lesser extent) to those impacts caused by the location of schools and police stations, for which service delivery scale factors are assessed.

149. During workplace discussions in the Northern Territory, a Magistrate said the operation of circuit courts was a more efficient way of providing services in remote areas. It is not clear whether circuit courts are cheaper in other jurisdictions. However, as it can be assumed that States provide services in a cost-effective way, it would be inappropriate to assess disabilities relating to services provided in a different way. Staff are inclined to recommend that a service delivery scale factor not be assessed in the Administration of Justice category.

150. Nevertheless, the travel cost element of the dispersion assessment will be reviewed, and cost weights will be updated to better reflect the current costs of travel by service deliverers.

User Charges Assessments

151. Two user charges categories associated with the Administration of Justice expenditure category — Law and Order Fees and Fines, and Property Titles — were assessed differentially in the 1999 Review. Other user charges related to Administration of Justice were assessed by the equal per capita method.

152. In the 2002 Update, the assessment of Law and Order Fees and Fines was based on two user charges components:

- (i) court fees which were assessed by an economic environment factor based on the weighted numbers of individuals, small businesses and large businesses; and
- (ii) fines which were assessed by the equal per capita method.

The court fees component comprised 47.11 per cent of the category and the fines component the remainder.

153. In the 2002 Update, the assessment of Property Titles was based on the weighted average of (i) the number of transactions for Stamp Duty on Conveyances, and (ii)

the value of transactions, adjusted to reflect standard policies on the taxing of goodwill and the range of taxable transactions. In combining the elements of the assessment, the number of transactions were weighted by 60 per cent and the adjusted value of transactions by 40 per cent.

154. *Issues and Options for Assessments.* Subject to the outcome of the review of the Stamp Duty and Conveyances assessment, staff propose to recommend that the assessment method adopted in the 1999 Review for Property Titles be retained.

155. Staff also propose to recommend that Law and Order Fees and Fines be assessed by the method adopted in the 1999 Review.

CORRECTIVE SERVICES

156. In the 1999 Review and subsequent updates, the Corrective Services category comprised expenditure on the administration, support and operation of prisons and other places of secure detention for convicted and alleged offenders, and of non-institutional corrective services. Expenditure on juvenile correction was included in the Family and Child Welfare category in the 1999 Review assessment.

157. Table 17 shows the gross standard expenses for the six years ending 2000-01. In 2000-01, the category represented 1.28 per cent of total standard expenses.

Table 17 CORRECTIVE SERVICES — GROSS STANDARD EXPENSES, 2002 UPDATE

	1995-96	1996-97	1997-98	1998-99	1999-2000	2000-01
\$pc	44.50	51.26	52.85	56.28	59.76	61.08
per cent of total gross standard expenses	1.25	1.40	1.37	1.24	1.29	1.28

Source: CGC 2002 Update Working Papers.

158. Table 18 summarises the assessment structure used for Corrective Services in the 2002 Update. The key drivers of the assessment – socio-demographic composition and input costs – are updated annually.

Table 18 CORRECTIVE SERVICES ASSESSMENT STRUCTURE, 2002 UPDATE

Expenditure Component	Component weight	Factors	Basis of calculation
	per cent		
Scale affected expenditure	3.74	Administrative scale Input costs	General method. General method with weights of 80 per cent for wages, 2 per cent for accommodation and 1 per cent for electricity.
Prisons	95.83	Socio-demographic composition Dispersion Input costs Cross border	Standardised numbers of high and low risk prisoners calculated for each State using data from Prisoners in Australia (based on the crime profile of prisoners), and dissected according to their age, sex and Indigeneity. Indigenous prisoners are cost weighted by 1.1 and high risk (secure) prisoners by 2.5 for NSW and 2.0 for all other States. The effects of relevant population and Commonwealth offenders are included the factor. General method. General method with weights of 70 per cent for wages, 2 per cent for accommodation and 1 per cent for electricity.
Isolation	0.43	Isolation	General method.

Source: CGC 2002 Update Working Papers.

State Views and Options for Assessment

159. State arguments suggest that there is a need to introduce new components into this category and to review the factors assessed. The proposals for change relate to which population groups in prisons have non-standard demand and cost patterns, a re-examination of weights and a new component to capture the effects of 'diversionary' strategies through community corrections.

160. In addition, staff propose to recommend that the scope of the category be changed, as foreshadowed in the Commission's Discussion Paper CGC 2001/12, *Scope and Structure of the Standard Budget*, to include a separate assessment of juvenile detention.

161. The component weights for Corrective Services will be revised as a normal part of the review processes.

SOCIO-DEMOGRAPHIC COMPOSITION IN PRISONS

162. The socio-demographic composition factor was calculated as a joint factor incorporating assessment of age-sex and Indigeneity influences, and costs of high risk prisoners and Commonwealth offenders. In the 1999 Review, the following decisions were taken concerning this factor.

163. *Age-sex use weights.* Australian standard use rates by age, sex and Indigenous/non- Indigenous prisoners were calculated using Australia-wide data²⁸.

164. *Non-English Speaking Background, low English fluency and Indigeneity.* Three issues relating to NESB prisoners were:

- (i) whether they are more represented in the prison population than in the general population;
- (ii) whether they impose higher costs due to low English fluency; and
- (iii) whether they were more likely to be 'gang' members in the maximum security prisons, and therefore cost more due to added security and extra supervision.

165. The Commission decided not to assess differential use rates for NESB prisoners, or a cost weight for prisoners with low fluency in English. It was unable to find any reliable data.

166. In the absence of data that would have allowed direct calculation of age-sex-Indigeneity use rates by security level, it was decided to calculate use rates for high and low risk prisoners by sex and Indigeneity based on prisoner crime profiles. Prisoners convicted or charged with offences such as homicide, assault, sex offences, other offences against a person, robbery, and extortion were assessed to require high security. Other prisoners were classed as low security.

167. This method was policy neutral, but allowed the sex and Indigeneity profile of State populations to influence the disabilities assessed in respect of levels of security required in prisons.

168. In recognition of the difficulty posed by inmates of NESB origin, particularly affecting New South Wales, a higher cost weight of 2.5 was assigned to high risk prisoners in New South Wales, while a weight of 2 was allowed for other States.

169. For Indigenous prisoners, a cost weight of 1.1 recognised additional costs involved in providing corrective services to such prisoners

170. The socio-demographic composition factors assessed in the 2002 Update are shown in Table 19.

²⁸ Prisoners in Australia, ABS.

Table 19 PRISONS COMPONENT, SOCIO-DEMOGRAPHIC COMPOSITION FACTOR, 2002 UPDATE

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT
1996-97	1.06544	0.79617	1.02417	1.08146	0.90019	0.99823	0.89763	3.59768
1997-98	1.07379	0.79905	1.01586	1.07189	0.88591	1.00797	0.91088	3.51267
1998-99	1.06213	0.79418	1.02338	1.07044	0.89662	1.03165	0.91786	3.72457
1999-2000	1.06448	0.79983	1.01022	1.06460	0.89899	1.04307	0.92419	3.73647
2000-01	1.06532	0.79522	1.00288	1.06712	0.90657	1.05243	0.92210	3.85264

Source: CGC 2002 Update Working Papers.

State Views

171. New South Wales argued that cost weights that currently apply to demographic and other characteristics of the prison population should extend to Commonwealth inmates, particularly because the number of such inmates is increasing faster than the State average.

172. New South Wales submitted that it has a significantly higher proportion of elderly inmates, who are more expensive than the general population to service. It contended that the Commission's model should be modified to accommodate the additional costs of these inmates.

173. New South Wales argued that it provided specialist services for witness protection inmates across Australia, without any compensation, despite this being at the highest end of the cost spectrum. It contended that these additional costs should be reflected in the assessment.

174. Victoria argued that the weight of 2.5 for high-risk (secure) prisoners applied to New South Wales should also apply to Victoria. It noted that the Commission did not support this weight with data, and argued that differences in measured security risks between the States may reflect policy choices, or differences in classification systems. In support, Victoria said it had the highest rate of serious assaults by prisoners on other prisoners²⁹.

175. Victoria argued that a cost weight of at least 10 per cent should apply to prison populations for 'cultural differences', at a comparable level to populations assessed in other categories for language differences. It noted that the growth of prisoners from culturally different backgrounds linked to drug-source countries contributed to the growth of the drug-dependent prison population.

²⁹ In 2000-01, Victoria recorded the highest rate of 'serious assaults' by prisoners on other prisoners. New South Wales had the highest rate of 'assaults' by prisoners on other prisoners. (Productivity Commission, *Report on Government Services 2002*, Table 10.1)

176. Victoria contended that a cost weight of 1.5 be applied to prisoners with drug dependency because of high costs associated with these offenders. It further argued that drug dependency was high in Victorian prisons because, like Sydney, Melbourne suffered the ‘port-of-entry’ effect.

177. South Australia argued that the Commission should continue to assess expenditure on Juvenile Justice within the Welfare group of categories.

178. The ACT argued that the cost weight applied to New South Wales high-risk prisoners be extended to ACT high-risk prisoners³⁰.

179. The ACT also argued that persons on Community Based Orders (CBOs) should be included in the assessment of the socio-demographic composition factor.

180. The Northern Territory supported the current assessment approach. However it did not consider that the assessment adequately recognised the Territory’s disabilities, and argued that the current weight for Indigeneity was too low because it understated the additional costs of servicing this population, particularly remote area, traditional Aboriginals. The Territory proposed that an Indigeneity weighting of 1.5 to 2 be applied.

Issues

181. The key issues are whether new information is available to improve the assessment of cost and demand weights — especially where judgement played a part in their 1999 Review settings.

182. Australia's prisoner population has increased by 52 per cent since 1990, and 21 714 people as at 30 June 2000. The data indicate that:

- (i) sixty per cent of all prisoners were males aged between 20 and 34;
- (ii) Indigenous prisoners represented nearly 20 per cent of total prisoner population and have an imprisonment rate more than 14 times the non-Indigenous population — however, the Indigenous imprisonment rate in 2000 was 7 per cent lower than the 1999 rate; and
- (iii) of those prisoners who were serving a sentence in 2000, 56 per cent had previously served a prison sentence — for Indigenous prisoners, the proportion was 76 per cent³¹.

183. These data and the comments of States appear to support refinements to the assessment of this disability.

³⁰ The ACT accommodates its full-time prisoners in New South Wales prisons on a fee for service basis.

³¹ Australian Bureau of Statistics, *Prisoners in Australia No 4517.0 March 2002*

Options for Assessment

184. All socio-demographic composition cost weights will be re-examined in the 2004 Review, in particular the impact of cultural and linguistic diversity on service delivery costs. Use of ABS data on prisoners, disaggregated by age, sex, Indigeneity and country of birth, is available to measure demand weights. Data is sought from States to substantiate claims of increased cost weights for specific groups of inmates,.

185. In terms of examining and taking into account the socio-demographic composition of Commonwealth offenders, disaggregated data are available. However, the population group is very small, and the ABS is currently investigating the quality of Federal prisoner data as it appears that States gather these data differently. Staff are not inclined to recommend that a socio-demographic composition assessment be made of Commonwealth prisoners.

186. However, we are inclined to recommend that the cross-border costs to New South Wales of specialist services for witness protection inmates across Australia, be investigated if more data can be made available.

187. Staff also ask States to provide evidence to support any claim of increased costs of servicing *elderly inmates*, although it is suspected that less supervision may counterbalance any additional costs.

188. In regard to *high-risk (secure) prisoners*, it is possible that the assault rates presented by Victoria are heavily policy contaminated. However, as at 30 June 2001, 0.6 per cent of New South Wales inmates and 0.7 per cent of Victorian inmates were born in South East Asia³² —cultural groups linked to drug-source countries. These data support Victoria's argument regarding this prisoner group. Staff are therefore inclined to recommend that the assessment of such inmates for Victoria match that of New South Wales, so that a weight of 2.5 would be applied to high-risk (secure) prisoners in Victoria as well.

189. Approximately 5 per cent of all prisoners on 30 June 2001 were held under a Commonwealth warrant. Of these, 42 per cent had a serious offence/charge relating to illicit drug offences³³. ABS data, over the three year period that Federal Prisoners data has been collected by State, support the New South Wales claim that the numbers of such prisoners are increasing over time. Table 20 indicates a general increase in the number of Federal prisoners since 1998-99 — a 27 per cent increase nationally, 35 per cent increase in New South Wales, 17 per cent increase in Victoria and a 28 per cent increase in Western Australia. However, the data also indicate that the number of Federal prisoners in New South Wales decreased by 7 per cent between 2000 and 2001, while that for Victoria and Western Australia increased by 7 per cent and 23 per cent respectively.

Table 20 NUMBER OF FEDERAL PRISONERS

³² ibid Table 5 – Number of Prisoners by country of birth.

³³ Australian Bureau of Statistics, *Prisoners in Australia No 4517.0 March 2002*, pg 8

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT
1998-99	433	109	45	148	90	1	0	19
1999-2000	630	119	52	154	0	9	0	140
2000-01	585	127	22	189	0	6	1	144

Source: Australian Bureau of Statistics, *Prisoners in Australia No. 4517.0*, 1999 Table 20, 2000 Table 41 and 2001. Table 39.

190. Given the general emphasis on rehabilitation of prisoners, staff are investigating the issue of *prisoners with drug dependency* further³⁴, although it appears that a policy-neutral measure will be difficult to establish. States are asked to provide data on specific costs associated with prisoners with drug dependency, including rehabilitation programs and medical costs.

191. Given that the high-risk prisoners weight is applied to reflect the ‘gang effect’, not ‘high-risk’ prisoners per se, in addition to the fact that it is a policy decision of the ACT Government to use New South Wales prisons, staff do not think that the cost weight should extend to ACT prisoners.

192. Staff are investigating the Northern Territory’s argument that the Indigeneity weight is too low.

CROSS-BORDER

193. The cross-border factor aims to compensate the ACT for the cost incurred in providing services to New South Wales residents. A cross-border factor was applied to the prisons component, taking into account 10 per cent of the population aged 17 and over in Queanbeyan, Yass, Yarrowlunla and Gunning and 5 per cent of the population aged 17 and over in the Bega Valley, Bombala, Boorowa, Cooma-Monaro, Crookwell, Eurobodalla, Goulburn, Harden, Mulwaree, Snowy River, Tallaganda and Young Local Government Areas.

194. Table 21 shows the cross-border factors applied in the 2002 Update.

Table 21 PRISONS COMPONENT, CROSS-BORDER FACTORS, 2002 UPDATE

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT
All years	0.99862	1.00000	1.00000	1.00000	1.00000	1.00000	1.02772	1.00000

Source: CGC 2002 Update Working Papers.

³⁴ Using Australian Bureau of Criminal Intelligence and ABS data.

State Views

195. The ACT argued for a ‘more accurate’ cross-border factor which accounts for the greater proportion of New South Wales residents who come in contact with and impose costs on ACT corrective services.

Options for Assessment

196. Staff intend to investigate the data provided by the ACT on this issue.

OTHER ISSUES

197. Other issues which the Commission has proposed for consideration, or which States have raised concerning Corrective Services are:

- (i) the introduction of a Juvenile Justice component into the assessment;
- (ii) Tasmania’s argument for the assessment of a service delivery scale in the proposed Juvenile Justice component; and
- (iii) the introduction of a Community Based Corrections component into the assessment.

State Views

198. Tasmania argued that the Commission should introduce a service delivery scale factor for juvenile detention centres to reflect their small size and the fact that detention is only a part of a range of services offered by such centres. It argued that due to the significant scale disabilities incurred by small States, it is essential that a service delivery scale disability factor be included in this assessment.

Options for Assessment

199. **Juvenile Justice.** Staff have recommend that the Juvenile Justice assessment be moved to the Corrective Services category because the GFS includes such expenditure under ‘Prisons and Corrective Services’. Some disabilities faced by providers of juvenile justice services are more related to the provision of welfare services; some are more related to provision of corrective services. However, staff propose to recommend that expenses on Juvenile Justice services be assessed in a similar way to that which was undertaken for the relevant component in the 1999 Review Family and Child Welfare category — that is, factors would be assessed for:

- (i) socio-demographic composition, derived by applying weights to population subsets for age, Indigeneity, low English fluency/culturally diverse groups, and remote Indigeneity;

- (ii) dispersion;
- (iii) input costs; and
- (iv) cross border.

States are requested to provide any data which would assist us in assessing standard cost and demand weights for the socio-demographic composition assessment.

200. Juvenile detention centres are smaller than mainstream prisons. Their size could require a balance between dispersion and service delivery scale type costs. As the overall effect is likely to be immaterial, staff are not inclined to recommend that a service delivery scale factor be assessed in the Juvenile Justice component.

201. ***Community Based Corrections.*** The use of diversionary measures, which are low-cost alternatives to imprisonment, has increased significantly since the 1999 Review. If offenders given such sentences have socio-demographic characteristics which are different from the mainstream prison population, staff will recommend that a separate Community Based Corrections component be introduced into the Corrective Services assessment. This is expected to be relatively small, and factors would be assessed for:

- (i) socio-demographic composition, derived by applying use and cost weights to population subsets for age, sex, Indigeneity, low English fluency/ culturally diverse groups, and remote Indigeneity;
- (ii) dispersion; and
- (iii) input costs.

202. To help set standard cost and demand weights for assessing the socio-demographic composition of offenders given community based corrections, staff seek States' assistance in providing data on the relationships between costs and the socio-demographic characteristics proposed. Information is also sought on the proportion of total juvenile correction service costs these type of corrections represent.

SUMMARY

203. Staff intend to focus primarily on the following issues concerning the 2004 Review of the Police, Administration of Justice and Corrective Services assessments.

- (i) For the three categories, all current factors, component weights, and cost and use weights will be reconsidered — except those that cannot be obtained for Police without remodelling;
- (ii) For Police, subject to discussion at the November Conference, staff are inclined to recommend that the 1999 Review model for assessment of socio-demographic composition not be respecified or re-estimated. However, staff are inclined to recommend that:
 - investigations be undertaken to determine whether the effect on crime due to ‘cultural factors’ associated with culturally diverse and Indigenous populations could be linked to population ‘concentrations’ and, if there is an apparent link, recommend that these data be used as a basis for identifying relevant populations and assigning weights; and
 - refinements be made to the assessment to reflect the impact of culturally diverse population groups on policing costs, if they can be identified as additional to existing weights.

Subject to data availability and materiality, it is proposed to investigate whether:

- there is a ‘port-of-entry’ effect for Sydney and Melbourne that leads to higher drug-dependency and associated influences on crime levels;
 - there is evidence of a sizeable take-up rate of ICT in policing throughout the States and if appropriate communications infrastructure would allow all jurisdictions to reduce costs; and
 - any service provided by State police in South Australia relating to Commonwealth Detention Centres is a ‘standard’ service and not cost neutral, and if so, formulate a basis for assessing the cost impact.
- (iii) For Administration of Justice, subject to availability of data and materiality, staff propose to recommend that investigations be made to determine whether:
 - for the socio-demographic composition factor, more comprehensive data are available (while continuing to assess the factor using data from those States that have them available);

- the Northern Territory's argument that the weight for remote Indigenous people should be raised from 1.1 to 2; and
 - the category assessment could be improved by incorporating the savings impact of ICT on the administration of justice.
- (iv) For Corrective Services, subject to availability of data and materiality, staff propose to recommend that investigations be made as to determine whether:
- a weight should apply to prisoners from culturally diverse backgrounds;
 - elderly inmates cause additional or lower service delivery costs;
 - prisoners with drug dependency cause additional costs and should therefore be given an additional weight; and
 - a separate community based corrections component should be introduced into the assessment.

SUMMARY OF DATA REQUESTED FROM STATES

Table B1 LAW AND ORDER CATEGORIES, SUMMARY OF DATA REQUESTED FROM STATES

2004 Review Category	Component	Factor	Data Request from States
Police	Police	Socio-demographic composition	Evidence of crime due to 'cultural factors' associated with 'concentrations' of CALD and Indigenous populations.
Administration of Justice	Criminal Courts	Socio-demographic composition	Specific diversionary programs Evidence of interactions with CALD community representatives or organisations. Evidence of additional service delivery costs of CALD groups Additional service delivery costs attributable to Commonwealth offenders.
Corrective Services	Prisons	Socio-demographic composition	Evidence of expenditure on: (i) inmates from culturally and linguistically diverse backgrounds; (ii) specialist services for witness protection inmates and Commonwealth offenders; and (iii) elderly inmates. Specific costs associated with prisoners with drug dependency including rehabilitation programs and medical costs.
	Juvenile Justice	Socio-demographic composition	Evidence of Juvenile Justice expenditure. Standard cost and demand weights.
	Community Based Corrections (CBC)	Socio-demographic composition	Relationship between costs of providing CBC services and socio-demographic characteristics such as age, sex, Indigeneity, low English fluency/CALD groups, and remote Indigeneity. Evidence of CBC expenditure. The proportion of total correction service costs CBCs represent