



**NORTHERN TERRITORY RESPONSE TO  
CGC POSITION PAPER CGC 2008/23**

**JUSTICE SERVICES**

**February 2009**

**COMMONWEALTH GRANTS COMMISSION  
GENERAL REVENUE GRANT RELATIVITIES  
2010 REVIEW**

### **Key Points**

- Population weighted by Indigeneity and young males is the Territory's preferred indicator of Justice Services use.
- Assessing 50 per cent of police services equal per capita significantly understates the level of policing directed at those most likely to commit crime.
- Discounting police custody rates by 50 per cent is not supported by the data which suggests that over representation of Indigenous people and males is significant regardless of the severity of crime.
- The combination of assessing 50 per cent of police services equal per capita and discounting police custody rates by 50 per cent grossly understates the level of policing activities related to offenders and those most likely to commit crime.
- Cost weights for Indigeneity should be applied to justice services.
- Location and service delivery scale have a major impact on police service use and cost.

### **Introduction**

This submission details the Northern Territory's views on issues raised in the Commonwealth Grants Commission's (the Commission's) Position Paper, 2008/23, *Justice Services* and the follow-up meeting on 22 October 2008.

The Commission's assessment proposes to use police, courts and corrective services data to calculate a Justice Service use factor. Half of the police expenses are proposed to be assessed differentially using police custody rates (discounted by 50 per cent), and half assessed EPC. Criminal court expenses are proposed to be assessed differentially using the number of court defendants and civil court expenses are proposed to be assessed EPC. The Commission is proposing that law and order fees and fines are moved to the Miscellaneous Revenue category and assessed EPC. Corrective services expenses are proposed to be assessed differentially using prisoner data. The Commission also proposes to include the following disabilities in recognition of

their higher use rates: Indigenous people, males aged 15-34 and people from a low SES area.

The Commission has included the following outstanding issues for consideration in paper 2008/23.

- Should a portion of police expenses be assessed equal per capita?
- Does it make a material difference to net law and order fees and fines off civil court expenses and assess a disability or assess both equal per capita?
- Do States spend more on police services in areas with more Indigenous people?
- Are custody rates an appropriate indicator of police expenses?
- Do we have enough evidence to make an assessment for the impact of people with low SES, people from a CALD background, service delivery scale or urban complexity?

### **Should a Portion of Police Expenses be Assessed Equal Per Capita**

The Territory has previously indicated that it does not believe that police expenses should be assessed on an EPC basis, given the impact of specific population groups on all policing activities, and strongly disagrees with the Commission's current proposal to assess 50 per cent of police expenses differentially and 50 per cent EPC.

The Territory agrees with the Commission that policing activities and subsequent expenses for crime investigation and services to the judicial process reflect the population more likely to commit crimes and as such these expenses should be treated differentially. However only 40 per cent of operational police time in the Territory is spent on activities associated with these service delivery areas. The Territory contends that police services pertaining to community safety and support and road safety and traffic management are also predominantly influenced by the main population drivers of police services and that this is reflected in the Territory by the greater operational focus on these areas. Indigenous people are one of these population groups. Policies being implemented by all states and territories that aim to prevent Indigenous involvement in the criminal justice system do not

only focus on crime investigation and services to the judicial services rather they have initiatives that encompass the four service delivery areas described above<sup>1</sup>.

The Territory believes that policing activities pertaining to both undertaking crime prevention and community support programs and responding to calls for assistance (two of the three typical areas of activities described by ROGS<sup>2</sup>, as community policing) are targeted at groups most likely to commit crimes. Crime prevention by its nature targets those more likely to commit crimes, such as recidivists. For example, a recent Northern Territory Police school holiday operation (Operation RADO) focused primarily on property offenders and known antisocial areas in the Darwin and Palmerston region, successfully arresting 73 offenders, 34 of which were juveniles<sup>3</sup>; the Territory's police force also pro-actively monitors recidivist offenders of domestic violence as part of its Violent Crime Reduction Strategy. Similarly, South Australian Police have also publically stated their focus is on those most likely to commit crimes (e.g. repeat offenders) to ensure a safe and secure community<sup>4</sup>.

The Territory believes that this is further evidenced by the different nature of community safety and support activities in remote and urban areas. For example, while Neighbourhood Watch operates in urban centres in the Territory, it is virtually non-existent in more remote areas (of the 21 programs in operation in the Territory, 17 are in highly accessible SARIA regions, 2 in moderately accessible regions and 2 in remote regions<sup>5</sup>). Community safety and support in remote communities focuses on increasing the reporting of crimes, crime prevention and responding to calls for assistance. These are specifically targeted at those with the greater likelihood of committing crime. Activities such as school based policing in these areas not only includes

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<sup>1</sup> Northern Territory response to Discussion paper 2007/18-S.

<sup>2</sup> Steering Committee for the Review of Government Service Provision. *Report on Government Services 2009*

<sup>3</sup> NT PFES Media Release. End of Operation RADO  
<http://www.nt.gov.au/pfes/index.cfm?fuseaction=viewMediaRelease&pID=9380&y=2009&mo=1>

<sup>4</sup> Steering Committee for the Review of Government Service Provision. *Report on Government Services 2008*

<sup>5</sup> Northern Territory Neighbourhood watch website accessed January 2009

<http://www.nhwnt.com.au/6cb62756-0f79-4e4a-891d-ed3fb2981b4e.aspx>

general discussion of matters such as drug use and stranger danger, but actively encourages rapport between school children and local police to encourage disclosure of criminal activity and abuse; other activities may include holding meetings with community women to discuss domestic violence prevention and diversionary activities such as football training/games for young men. The focus of these community programs shifts immediately to crime prevention once a person of interest is identified – for example if an abusive situation is disclosed at a community domestic violence prevention meeting, action may be initiated by that police officer immediately. Current accounting systems do not enable this shift of service delivery function to be adequately recognised to allow appropriate allocation of police officer expenses.

While the Territory acknowledges that a few community safety programs which fit under the description of responding to, managing and co-ordinating major incidents and emergencies<sup>6</sup> such as counter terrorism may be provided to the community as a whole, it considers that these account for a very small proportion of police expenditure.

The Territory contends that only a small proportion of road safety expenses such as those related to social marketing of safe road crossing for school children are developed for the population as a whole. The majority of both road safety and traffic management programs are directed to those components of the population who are likely to or who use the relevant policing services most frequently. This is shown by the following example. Random Breath Test (RBT) units are set up on roads at locations and times when those who drink and drive are likely to travel, not on a randomly selected road. For example, an RBT exercise which focussed on Christmas revellers in Darwin netted approximately 1 in 31 drivers with a blood alcohol concentration (BAC) higher than the legal limit<sup>7</sup>. It is highly unlikely that this would occur on a randomly selected road. Significant expenses were incurred for the 51 people caught drink driving (compared with 1 610 tested). While it

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<sup>6</sup> Steering Committee for the Review of Government Service Provision. *Report on Government Services 2009*

<sup>7</sup> [http://www.ntnews.com.au/article/2008/12/21/22941\\_ntnews.html](http://www.ntnews.com.au/article/2008/12/21/22941_ntnews.html)

takes less than one minute to deliver a RBT to any driver, a significantly greater time is required both “on the spot” and subsequently to process the “offenders” who are over the prescribed limit. NT Police estimate it takes about half an hour to process a person whose BAC is within the lower offence range (usually 0.05-0.15) and who subsequently will receive a summons. Those offenders whose BAC is in the higher range (>0.15) will be arrested (as will others where this is deemed appropriate). Immediate processing by the arresting officer can take an hour and a quarter, which is then followed by subsequent watch house and police prosecutions costs. In this exercise, 12 people had a BAC >0.15.

It should be noted that males and Indigenous are over-represented as road safety offenders. For example, drink-drivers are more likely to be male than female, and be aged under 35 years old<sup>8,9</sup>. This demographic is similar for drivers and motorcyclists killed with a BAC of 0.05 g/100ml or over<sup>10</sup>.

The current Northern Territory Police Road Safety Strategy specifically identifies Indigenous people as one of the groups at greater risk of having an accident and outlines a number of preventive initiatives targeted to Indigenous people<sup>11</sup>. As noted by the Commission, Indigenous people are over-represented in road accidents and as such represent a higher use rate of related police services. For example between April 2007-March 2008, 2.5 Indigenous Territorians were killed on roads for every non-Indigenous Territorian, and 13.8 Indigenous Territorian pedestrians were killed for every non-Indigenous pedestrian<sup>12</sup>.

Police are also required to respond to these fatalities, as well as other motor traffic offenses committed by Indigenous people, at a rate significantly higher

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<sup>8</sup> Leal, N, King, M and Lewis !. 2006. Profiling Drink Driving Offenders in Queensland in, Proceedings 2006 Australasian Road Safety Research, Policy & Education Conference, Gold Coast

<sup>9</sup> [http://www.bocsar.nsw.gov.au/lawlink/bocsar/ll\\_bocsar.nsf/vwFiles/CJB106.pdf/\\$file/CJB106.pdf](http://www.bocsar.nsw.gov.au/lawlink/bocsar/ll_bocsar.nsf/vwFiles/CJB106.pdf/$file/CJB106.pdf)

<sup>10</sup> <http://www.tacsafety.com.au/jsp/content/NavigationController.do?areaID=12&tierID=1&navID=A9348A54&navLink=null&pageID=164>

<sup>11</sup> NT Police Road Safety Strategy 2008-2013.

<sup>12</sup> Northern Territory Department of Planning and Infrastructure *Territory Road Crash Overview Quarterly Statistics January- March 2008*

than non-Indigenous people - illustrated by higher sentencing and incarceration rates for traffic and motor vehicle offences both in the Territory and Australia as a whole for Indigenous people. In 2007-08, Indigenous Territorians were sentenced for traffic and motor vehicle offences 119 times more than non-Indigenous Territorians<sup>13</sup> and on 30 June 2008, there were 15 times more Indigenous prisoners incarcerated nationally than non-Indigenous prisoners because of road traffic and motor vehicle regulatory offences<sup>14</sup>. The Territory contends that this over-representation in road safety and traffic management policing service use is no different to the over-representation of Indigenous people in other policing programs and as such assessing these initiatives should be undertaken on a differential, rather than EPC, basis.

With the increasing national focus on intelligence-led policing and early interventions across all service delivery areas, the Territory believes that policing activities will become more, rather than less focussed on members of the community most likely to commit crime. Indeed, the ongoing recruitment of additional police in states is on the basis of increasing capacity to fight crime and keep the community safer (as outlined over the past eight months by Police Ministers in three jurisdictions<sup>15</sup>). The Territory therefore disputes the Commission's contention that "A State government's decision to increase its police force by 100 officers was not necessarily driven by the level of crime in the State because the level of crime in most States has been declining over the last 10 years". Furthermore, not only may the increasing levels of police actually been responsible for any decline in crime rates, but also any such rates should be considered indicative at best given that recorded crimes statistics for some types of crime do not reflect the true level of crime in the community. The Bureau of Crime Statistics & Research in New South Wales warns that under-reporting occurs because some crimes are not reported to

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<sup>13</sup> Northern Territory Department of Justice - *Correctional Services Annual Statistics - 2007-08*

<sup>14</sup> ABS 4517.0 - Prisoners in Australia, 2008

<sup>15</sup> Information accessed through relevant state Hansards :Victoria (3 December 2008), Queensland (16 July 2008) and Northern Territory ( 18 September 2008)

police, and that policing practices impact on recording of offences detected by police (rather than being reported to them)<sup>16</sup>.

The Territory contends that assessing 50 per cent of police expenses EPC is a gross over-estimation of policing activities targeted equally to each member of the community. Given both the requirement for methodological simplification in the 2010 Review, and issues of data reliability in splitting GPCs to four figures to achieve the level of detail to quantify the exact quantum of EPC type policing activities, the Territory strongly supports a differential assessment for all policing activities.

### **Are Custody Rates an Appropriate Indicator of Police Expenses?**

The Territory continues to support the use of custody rates as an appropriate indicator of police expenses as it is based on robust data and enables the derivation of weights for both Indigeneity and young males from the same data source. The Territory supports the use of the Australian Institute of Criminology's 2007 National Police Custody Survey (now not due for release until April 2009) to enable a more contemporaneous assessment to be made than that currently available.

However, the Territory does not support the Commission's proposal to discount custody rates by 50 per cent to account for the differences in complexity of criminal investigation. While acknowledging that there is a gradient of complexity of response to crimes, the Territory believes that this discounting assumes that more complex crimes are not undertaken with the same frequency by individuals who require greater policing resources on a per capita basis (such as Indigenous people) than those who do not. The Territory supports the position put by Tasmania on this matter at the October 22, 2008 CGC workshop<sup>17</sup> that police custody use rates should still apply to most of these expenses because over-representation by various population groups is likely to be similar across the majority of crimes, possibly with the exception of

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<sup>16</sup> Bureau of Crime Statistics & Research NSW. Recorded Crime statistics Explanatory notes.  
[http://www.bocsar.nsw.gov.au/lawlink/bocsar/ll\\_bocsar.nsf/pages/bocsar\\_lga\\_notes](http://www.bocsar.nsw.gov.au/lawlink/bocsar/ll_bocsar.nsf/pages/bocsar_lga_notes)

<sup>17</sup> Tasmanian Treasury. Is a 50 per cent discount for police custody rates justified?2008

serious fraud, which is committed infrequently compared to other crimes. Tasmania used data included in Staff Discussion paper 2007/12-S and from the Australian Institute of Criminology to demonstrate that for the serious crime of homicide, there was an over-representation of young and Indigenous people in both police custody data and in rates of offenders (see appendix 1).

This is further supported by NSW conviction rates for serious criminal charges (Table 1) and national prisoner offence data which shows that serious crimes often requiring complex responses also have a significant over-representation of Indigenous offenders e.g. sexual assault and related offences, where there are 10.5 times as many Indigenous as non-Indigenous male offenders<sup>18</sup>. Indeed, the Bureau of Crime Statistics and Research specifically comments “It is obvious that rates of Indigenous appearance on serious criminal charges are much higher than those for non-Indigenous offenders. For all offences, the Indigenous rate is almost nine times that of non-Indigenous offenders”<sup>19</sup>. This is consistent with the undiscounted use rates included by the Commission in Table 9 of Position paper 2008/23 and as such provides additional evidence why custody rates should not be discounted by 50 per cent.

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<sup>18</sup> ABS 4517.0 - Prisoners in Australia, 2008

<sup>19</sup> NSW Bureau of Crime Statistics and Research. Crime and Justice Bulletin Number 99. September 2006

**Table 1: NSW Rates of Conviction by Indigenous Status, 2004**

Principal Offence Type	Number of offenders			
	Indigenous		Non-Indigenous	
	Number	Rate per 100 000	Number	Rate per 100 000
Murder	5	5	33	1
Sexual Assault	62	67	339	6
Aggravated assault	106	114	311	6
Robbery	125	134	422	8
Break and enter	549	589	1 317	25
Motor vehicle theft	22	24	64	1
breach of justice order	973	1 044	3 544	67
All offence types	13047	13 994	79 031	1 490

Source: NSW Bureau of Crime Statistics and Research. Crime and Justice Bulletin Number 99. September 2006

The Territory believes that by discounting police custody rates by 50 per cent, on top of only assessing 50 per cent of police expenses EPC, the Commission is grossly underestimating the influence on policing costs by specific population groups. The proposed assessment approach is inconsistent with the Commission's proposal to use Indigenous people and young males as their population base in recognition of the higher use of justice services by these socio-demographic groups, and does not appear to satisfy a reality check as to police activity. Furthermore, while the Territory supports the use of custody rates as an appropriate indicator of police expenses as noted above, these rates do not capture all expenses relating to the management of offender behaviour. This is particularly important for police working with Indigenous offenders, where activities such as consumption of alcohol in restricted areas requires police to tip out any alcohol being consumed or likely to be consumed.

### **Civil Court Expenses and User Charges**

The Territory agrees with the Commission that splitting civil and criminal court expenses is valid and that civil court expenses should be assessed on an

EPC basis as this better reflects service use. The data used to identify which expenses are attributable to civil courts and which to criminal courts should be as contemporaneous as possible to ensure attributed expense is aligned with service use.

While the Territory believes it would be able to split the revenue from fees into court fees and those for property titles, it supports the Commission's proposal that the assessment of revenue from fines and fees (including property titles) should be undertaken on an EPC basis and included as part of the Miscellaneous Revenue category. The Territory believes that this will increase the reliability of the information used (given the concerns with some states ability to split revenue from court fees and property titles) and is consistent with the simplification intent of the 2010 Review, whereas the proposal to net off law and order fees and fines off civil court expenses and assess a disability would increase the complexity of this assessment.

### **Service Use**

The Territory supports the Commission's intention to use an adjustment to service use on the basis of population composition of Indigenous people and young males (aged 15-34 years). The Territory has previously indicated that it believes that such a weighted population approach is appropriate as it is a simple, policy neutral measure and data is available to support the conceptual case of increased use and to quantify the weightings for these specific population groups<sup>20</sup>.

The Territory notes the modification to the use calculations proposed in January 2009 by Commission staff which would incorporate a differential use rate for children aged 10-14 and 15-16 reflecting differences in these age groups in their use of both courts and juvenile detention. Subject to materiality, the Territory supports this modification as it better reflects actual use and therefore what states do.

The Territory notes the evidence of greater use of justice services by Indigenous people presented by the Commission and their staff in Discussion

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<sup>20</sup> Northern Territory response to Commission Staff Discussion Paper 2007/17-S

Paper 2007-17S and Position Paper 2008/23. This over-representation in each of the police, criminal court and custody sectors is evident in the Territory, as shown in Table 2.

**Table 2: 2007-08 Indigenous Overrepresentation in Police, Court and Correctional Services in the Northern Territory**<sup>21,22,23</sup>

<b>Northern Territory</b>	<b>Indigenous people Number (%)</b>	<b>Non-Indigenous people Number (%)</b>	<b>Total Number</b>
Persons taken into police protective custody	27,213 (93.4)	1,922 (6.6%)	29,139
Criminal (magistrate) court appearances	39,685 (74.7%)	13,415 (25.3%)	53,100
Corrections – persons in corrective custody	699 (83%)	143 (17%)	842

The Territory supports the inclusion of an Indigenous cost weight. The increased costs are driven by both an increased complexity of delivering a mainstream service and by additional programs and services to supplement and enhance mainstream services. Child abuse investigation and prosecution is an example of a service which has an increased level of complexity given the high proportion of Indigenous victims and perpetrators. The Child Abuse Taskforce (CAT) was established in June 2006 and is the Territory's primary response to serious and complex child abuse. CAT is jointly co-ordinated by Northern Territory Police and FACS and includes staff from Northern Territory Police (22 FTE), the Australian Federal Police (8 FTE) and Northern Territory Families and Children (13 FTE). It is designed to overcome the language, cultural and other barriers which inhibit the successful criminal prosecution of perpetrators of child abuse and the removal of these offenders from the family and community. As outlined to the Commission during their workplace visit to the Territory, these processes are considerably more complex, longer and subsequently more costly than like processes for non-Indigenous victims and perpetrators.

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<sup>21</sup> Northern Territory Police Fire and Emergency Services, Annual Report, 2007/08

<sup>22</sup> NT Treasury. CGC 2009 Update Criminal court appearances Data Request response 2008

<sup>23</sup> ABS Corrective Services Australia, September Qtr 2008. 4512.0

Similarly, finalising a criminal matter in the Magistrates court for an Indigenous Territorian requires 1.3 times appearances than for a non-Indigenous Territorian (Table 3). This may be due to a requirement for interpreters and/or the presence of appropriate family members or other relevant cultural representatives, as well as a lack of familiarity by the accused with mainstream service delivery. These factors add to the complexity of the administration of court services to Indigenous clients, and subsequently to the cost of each finalisation.

**Table 3: Appearances per Finalisation, Territory Magistrates court, 2007-08**

<b>Indigenous status</b>	<b>Gender</b>	<b>Appearances</b>	<b>Finalisations</b>	<b>Appearances per finalisation</b>
Indigenous	Male	33,673	4,958	6.8
	Female	6,012	1,180	5.1
	<b>Total</b>	<b>39,685</b>	<b>6,138</b>	<b>6.5</b>
Non-Indigenous	Male	11,931	2,301	5.2
	Female	1,484	424	3.5
	<b>Total</b>	<b>13,415</b>	<b>2,725</b>	<b>4.9</b>
<i>Total</i>		<i>53,100</i>	<i>8,863</i>	<i>6.0</i>

Source: Northern Territory Department of Justice

The Territory has previously outlined a range of justice programs specifically designed to enhance the delivery of justice services to Indigenous people in its response to Discussion Paper 2007/17-S and its documentation for the Commission's workplace visit. Costs for the provision of a range of Indigenous specific justice programs are outlined in Table 4.

**Table 4: Indigenous Specific Justice Programs in the Northern Territory**

<b>Initiative</b>	<b>2006-07 Cost</b>
	<b>\$</b>
Aboriginal Community Police Officers - training	458 000
Aboriginal Community Police Officers	14 125 000
Community and Circuit Courts in Darwin, Alice Springs and Katherine	498 938
Elders Program	66 999
Aboriginal Community Corrections Officers	185 005

Data sourced through the Territory's Indigenous Expenditure Review 2006-07; only programs with 100% Indigenous attribution are included.

### **Service Use-Low Socio Economic Status**

The Territory accepts that there is a conceptual link between SES and justice service use and that this is supported by the data provided in Position Paper 2008/23. While the Territory notes that the use weighting for SES (1.6) derived by the Commission is based on limited use data, it is based on an appropriate SEIFA Index (Level of Disadvantage) and appears to use a legitimate cut off point (given the distribution of data presented in Figure 2 of Position Paper 2008/23). The Territory supports the modification proposed in January 2009 by Commission staff as to the apportionment of SES status in this assessment.

Commission staff have advised that Census Collection Districts (CDs) are being considered as the geographic locality for SEIFA scores for this assessment. SEIFA scores are not available for some of CDs in the Territory. Where data is unavailable, it should be imputed from like CDs.

## **Service Delivery Scale**

The Territory disagrees with the Commission's intention not to include a service delivery scale assessment for police services and contends that it is erroneous to dismiss the impact of service delivery scale on police staffing requirements as outlined in the Commission's Justice services (2008/23) and Location – wage costs (2008/14) position papers. The Territory believes that there is a strong conceptual case for diseconomies of scale (also agreed by Commission staff in Discussion paper 2007/17-S), and that this can be demonstrated by the realities of police station locations in the Territory.

The Territory acknowledges that there is a significant impact of Indigeneity on the nature and cost of services in small remote locations. However, it believes that there is an additional effect of service delivery scale. Police stations are required to service the Territory population irrespective of their nature. Due to the dispersed nature of the population, police stations are spread across the Territory and may not be based in an Indigenous community. Pragmatics of service delivery related to the distances that may be required to travel, as well as the size of the population they serve, means that this contributes to the Territory's higher per capita staffing (Table 6). An example is Avon Downs Police Station, which is located 10km west of the Northern Territory-Queensland border on the Barkly Highway. The officer in charge of this station has the same administrative responsibilities as the officer in charge of an urban station including financial management, procurement etc. The Avon Downs police station is specifically located to enable a prompt response to road accidents on the Barkly Highway; the nearest community, Alpururulam, is about 100km south, whilst the nearest police station is in Tennant Creek, about 400km west.

**Table 6: Operational Police per 100 000 population**

	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	AUST
Total operational police staff numbers	16 316	11 052	11 136	4 761	5 710	1 375	1 329	750	52 429
Total operational police staff numbers per 100 000 population	236	211	263	299	268	277	611	220	248

Source: Productivity Commission. Report on Government Services 2009. Table 6.1 Police Staff per 100 000 population 2007-08.

### **Urban complexity**

The Territory supports the Commission's position not to assess an urban complexity disability in the Justice Services category on the basis that the data as outlined in the Commission's paper 2008/23 does not support either the premise that urban complexity increases the number of crimes per capita or the need for higher staffing levels.

### **Culturally and linguistically diverse (CALD) background**

Although the Territory considers that there is a conceptual case for a CALD disability in the Justice Services category, the Commission's proposal not to assess this disability is supported by the Northern Territory, given the lack of comprehensive data.

### **Cross-border**

The Territory supports the assessment of a cross-border disability for Justice Services, recognising the strong conceptual case in this category for the additional costs incurred by the Australian Capital Territory arising from use of its services by New South Wales residents.

## **Location**

The Territory strongly supports the inclusion of a location factor in the assessment of Justice Services, and agrees that this should recognise both intra and inter-state wage and non-wage differences. However, while the Territory notes that the Commission has recognised the increased wage and non-wage costs of service delivery in remote areas, it is concerned that the current proposal does not adequately reflect the actual gradient of greater wage and non-wage costs in regional and more remote areas. The Territory will provide specific commentary on the methodology in its response to the Commission's position paper 2008/14 *Location- wage costs* and 2008/15-s *Location- non-wage costs*: the following provides further examples of the additional costs of delivering police services in remote areas.

Police wage costs in remote areas are impacted by both the scope and quantum of allowances available. These include:

- second members at two member stations receive access to an extra increment for length of service in a remote location;
- housing<sup>24</sup>;
- airfares out of remote localities;
- subsidies for electricity and water;
- perishable freight allowances;<sup>25</sup> and
- remote area service bonuses<sup>26</sup>.

Relieving staff for those remote areas police who are sick, on recreation leave or attending training may also be eligible for these allowances, further increasing the costs for a given remote police station.

Costs associated with Operation Themis provide a good illustration of remote policing costs. 17 of the 18 stations are in Very Remote SARIA locations, the other is in a remote location. As outlined in the documentation for the

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<sup>24</sup> All Northern Territory police are entitled to housing. However, the cost of providing government employee housing in remote areas is significantly higher.

<sup>25</sup> Provided to staff in communities where fresh food is not readily available and it is necessary to freight in all perishable supplies.

<sup>26</sup> Linked to tenure in remote postings after two and three years service at identified hardship or difficult to staff stations.

Commission's workplace visit to the Territory, the implementation and ongoing police service delivery through Operation Themis police stations have significantly higher costs than the establishment of a police station in urban or regional areas.

Costs incurred in 2007-08 to set up the infrastructure and fund the Themis stations in the first year approximated \$10.9 million. This did not include wages for the Australian Federal Police auspiced staff, which is estimated at about \$6.5 million, and which reflects the generous allowances provided for these staff which included \$1 000 per week for the time staff were living in remote communities, a further \$164 living away from home allowance per week and two return air fares for the duration of their deployment (~6 months). In addition, the Territory also provided an officer in charge for each of these stations (~\$3.8 million) as well as standard operational support. Additional infrastructure such as satellite communications infrastructure were also required to be installed - many of the communities did not have any Telstra infrastructure and the Territory therefore had to implement a satellite solution for these communities Lease costs for the infrastructure are \$14 000 per month per station (~\$1.7 million per annum). This figure does not include usage charges. These have not yet been received but are believed to be significant and probably comparable to the same as the lease costs.

As acknowledged earlier in this submission, the Territory believes that a component of the high costs associated with delivering police services in remote areas in the Territory are due to the high proportion of Indigenous people living in these regions. However, the Territory strongly believes that this does not account for all the variation in costs with more accessible areas, and that there is a material effect of location on both wage and non-wage policing costs.

### **Administrative scale**

The Territory supports the incorporation of administrative scale disabilities in this category, reflecting the increased costs of small jurisdictions such as the Territory in the administration of justice services.

### **Other expenses**

The Territory supports the assessment of national capital and native title and land rights expenses as the “other services” component of the Justice services category. The Territory believes it appropriate to recognise the additional wage costs incurred by the Australian Capital Territory for Australian Federal Police services.

The costs of native title and land rights expenses for the Justice services category are material for the Northern Territory. As provided to the Commission in the 2009 data Updates, these costs amounted to \$2.830 million in 2006-07 and \$2.660 million in 2007-08.

The Territory believes that changes to the relevant native title and land rights legislation by the Commonwealth will not decrease expenditure in this area by the Northern Territory, given the ongoing nature of many of the service activities encompassed by the GPCs in this category.

## Appendix 1: Tasmanian supporting evidence for over-representation of young and Indigenous people in both police custody data and in rates of offenders for homicide

### National rates of offending by age and sex<sup>27,28,29</sup>

**Table 1 – Police custody rates, Oct 2002**

per 100,000 persons			
	Males	Females	Total
0 – 34 years	342	71	208
35 yrs and over	122	23	71
Total	231	45	138

Source: Staff Discussion Paper 2007/17-S, Table 12

**Table 2 – Homicide offenders, 2005-06**

per 100,000 persons			
	Males	Females	Total
0 – 34 years	4.1	0.5	2.3
35 yrs and over	1.7	0.3	1.0
Total	2.8	0.4	1.6

Source: AIC, National Homicide Monitoring Program

**Table 3 – Police custody rates, Oct 2002**

Rate of incidents relative to total population			
	Males	Females	Total
0 – 34 years	2.5	0.5	1.5
35 yrs and over	0.9	0.2	0.5
Total	1.7	0.3	1.0

Source: Staff Discussion Paper 2007/17-S, Table 12

**Table 4 – Homicide offenders, 2005-06**

Rate of offending relative to total population			
	Males	Females	Total
0 – 34 years	2.5	0.3	1.4
35 yrs and over	1.0	0.2	0.6
Total	1.8	0.2	1.0

Source: AIC, National Homicide Monitoring Program

<sup>27</sup> Population estimates are from *Population by Age and Sex* (ABS cat. no. 3201.0) and are as at 30 June 2002 and 2006.

<sup>28</sup> Homicide rates for 2005-06 have been used because this is the latest year available.

<sup>29</sup> Rate of incidents/offending relative to total population is calculated as the rate of offending for a given population group divided by the average rate of offending for the total population

**Table 5 – Difference**

Table 4 <i>minus</i> Table 3			
	Males	Females	Total
0 – 34 years	0.1	-0.2	-0.1
35 yrs and over	0.1	0.0	0.1
Total	0.1	-0.1	—

**National rates of offending by indigenous status and sex<sup>30,31,32</sup>**

**Table 6 – Police custody rates, Oct 2002**

	per 100,000 persons		
	Males	Females	Total
Indigenous	2,707	781	1,734
Non-indigenous	186	31	107
Total	241	47	143

Source: Staff Discussion Paper 2007/17-S, Table 12

**Table 7 – Homicide offenders, 2005-06**

	per 100,000 persons		
	Males	Females	Total
Indigenous	25.0	4.8	14.7
Non-indigenous	2.3	0.3	1.3
Total	2.8	0.4	1.6

Source: AIC, National Homicide Monitoring Program

<sup>30</sup> Population estimates are from the 2002 and 2006 Population Censuses. Non-indigenous population estimates include those people who did not state their indigenous status.

<sup>31</sup> Homicide rates for 2005-06 have been used because this is the latest year available.

<sup>32</sup> Rate of incidents/offending relative to total population is calculated as the rate of offending for a given population group divided by the average rate of offending for the total population.

**Table 8 – Police custody rates, Oct 2002**

	Rate of incidents relative to total population		
	Males	Females	Total
Indigenous	19.0	5.5	12.2
Non-indigenous	1.3	0.2	0.8
Total	1.7	0.3	1.0

Source: Staff Discussion Paper 2007/17-S, Table 12

**Table 9 – Homicide offenders, 2005-06**

	Rate of offending relative to total population		
	Males	Females	Total
Indigenous	15.8	3.0	9.3
Non-indigenous	1.4	0.2	0.8
Total	1.8	0.3	1.0

Source: AIC, National Homicide Monitoring Program

**Table 10 – Difference**

Table 9 minus Table 8			
	Males	Females	Total
Indigenous	-3.2	-2.5	-2.9
Non-indigenous	0.1	-0.0	0.1
Total	0.1	-0.1	—