

LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY**WRITTEN QUESTION**

Ms J Carney

to Minister for Justice and Attorney-General

Lodgement Costs

1. In last year's Budget Papers, details were provided as to the 'average cost per lodgement' which was \$7,039. That indicator has been removed from this year's Budget. Why?
2. Do you believe that the public is not interested as to the average cost per lodgement?
3. Whose idea was it to remove this key indicator? What was the average cost per lodgement in 04/05?
4. The budget for the lower courts in 04/05 was \$10,883. This year's Budget is \$11,032. Please explain the reasons for the increase?
5. In last year's Budget Papers, details were provided as to the 'average cost per lodgement' which was estimated at \$521. That indicator has been removed from this year's Budget Papers. Why? Do you believe that the public is not interested as to the average cost per lodgement?
6. Whose idea was it to remove this key indicator? What was the average cost per lodgement in 04/05?

ANSWER

As advised in the 2005-06 Budget Paper 3, (p 5) during the 2004-05 year, the Northern Territory Treasury reviewed the measures of output delivery used by agencies and decided there were "inherent limitations on unit cost measures due to significant levels of fixed costs, short-term fluctuations in activity, and the aggregation of sub-outputs into output measures".

Consequently, from 2005-06 agencies are not required to measure unit cost and this is why 'average cost per lodgement' does not appear in the 2005-06 Budget papers or thereafter.

The actual average cost per lodgement in the Higher Courts in 2004-05 was \$8,086, an increase from \$7,039 the previous year. Despite the fact that the number of cases lodged fell in 2004-05 and whilst Courts has significant fixed overhead costs, variable costs in the main are driven by sitting days and not lodgements. In 2003-04 the cost per sitting day was \$5,605 compared with \$5,215 in 2004-05, indicating an improvement in efficiency over the period.

In relation to question 4 above, the figures quoted actually refer to the Higher Court's budget. The increase from 2004-05 to 2005-06 is due to parameters and back-pay and pay increases to the judiciary.

The actual average cost per lodgement in the Lower Courts in 2004-05 was \$594. As with the Higher Courts, variable costs are driven by sitting days rather than lodgements. In 2003—04 the cost per sitting day was \$370 compared with \$353 per sitting day in 2004-05, also indicating an improvement in efficiency over the year.