

The Auditor-General
Audit Report No.28 2009–10
Performance Audit

**The Australian Electoral Commission's
Preparation for and Conduct of the 2007
Federal General Election**

Australian National Audit Office

© Commonwealth
of Australia 2010

ISSN 1036-7632

ISBN 0 642 81118 0

COPYRIGHT INFORMATION

This work is copyright. Apart from any use as permitted under the *Copyright Act 1968*, no part may be reproduced by any process without prior written permission from the Commonwealth.

Requests and inquiries concerning reproduction and rights should be addressed to:

Commonwealth Copyright
Administration
Attorney-General's Department
3-5 National Circuit
Barton ACT 2600

<http://www.ag.gov.au/cca>



Canberra ACT
21 April 2010

Dear Mr President
Dear Mr Speaker

The Australian National Audit Office has undertaken a performance audit in the Australian Electoral Commission in accordance with the authority contained in the *Auditor-General Act 1997*.

Pursuant to *Senate Standing Order 166* relating to the presentation of documents when the Senate is not sitting, I present the report of this audit and the accompanying brochure. The report is titled *The Australian Electoral Commission's Preparation for and Conduct of the 2007 Federal General Election*.

Following its presentation and receipt, the report will be placed on the Australian National Audit Office's Homepage—<http://www.anao.gov.au>.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ian McPhee', is positioned above the printed name.

Ian McPhee
Auditor-General

The Honourable the President of the Senate
The Honourable the Speaker of the House of Representatives
Parliament House
Canberra ACT

AUDITING FOR AUSTRALIA

The Auditor-General is head of the Australian National Audit Office (ANAO). The ANAO assists the Auditor-General to carry out his duties under the *Auditor-General Act 1997* to undertake performance audits and financial statement audits of Commonwealth public sector bodies and to provide independent reports and advice for the Parliament, the Australian Government and the community. The aim is to improve Commonwealth public sector administration and accountability.

For further information contact:
The Publications Manager
Australian National Audit Office
GPO Box 707
Canberra ACT 2601

Telephone: (02) 6203 7505
Fax: (02) 6203 7519
Email: webmaster@anao.gov.au

ANAO audit reports and information about the ANAO are available at our internet address:

<http://www.anao.gov.au>

Audit Team

Kim Bond
Patrick N. O'Neill
Alison Cerritelli
Keith Allen
Derek Thompson
Brian Boyd

Contents

Abbreviations.....	8
Summary and Recommendations	11
Summary	13
Introduction	13
Audit objectives and scope	14
Overall conclusion.....	14
Key findings by chapter.....	18
AEC response	30
Recommendations	32
Audit Findings and Conclusions	37
1. Introduction	39
Background	39
The 2007 federal general election	40
Recent Parliamentary and ANAO scrutiny.....	42
Audit approach	43
2. Enrolment and roll management.....	46
Background	46
Administration of enrolment	46
Roll information and roll products	52
Funding arrangements	57
Management and redevelopment of roll and election systems	64
3. Roll review and update.....	74
Enrolment trends.....	74
Continuous Roll Update	76
Roll integrity	83
Pre-election enrolment stimulation.....	88
Enrolment outcomes	96
4. Election planning and preparation	103
Introduction	103
Election costs	104
Staffing	107
Premises	126
5. Polling day.....	140
Introduction	140
The polling.....	144
The count	162
Physical security	172

Performance reporting	175
Series Titles.....	177
Current Better Practice Guides	180

Tables

Table 1.1	AEC divisions included in ANAO audit sample	45
Table 2.1	AEC drawings on appropriations in support of the roll, 2004–05 to 2008–09.....	58
Table 2.2	Timeline of key dates in AEC systems redevelopment.....	68
Table 3.1	Effect of sample size on the accuracy of survey results	84
Table 3.2	AEC estimates of national enrolment rates from SAF fieldwork and demographic analysis, 2004–07.....	85
Table 3.3	TES enrolment outcomes, 17 March–9 October 2007	91
Table 3.4	Comparison of pre-election enrolments, 2004 and 2007 general elections.....	97
Table 4.1	AEC election expenditure for the 2004 and 2007 general elections.....	105
Table 4.2	Rents for ordinary polling booths in sample divisions	136
Table 4.3	Rents for Pre-Poll Voting Centres in sample divisions.....	137
Table 5.1	Elector turnout at the 2007 general election as a percentage of the estimated eligible population	143
Table 5.2	Use of PDAs by state and territory electoral commissions	148
Table 5.3	Counting errors of ordinary votes in selected divisions, 24 November 2007	165
Table 5.4	Increase in the number of informal ballot papers as a result of fresh scrutiny, five selected divisions	169

Figures

Figure S 1	Enrolment as a percentage of the estimated eligible population, 1986–2009.....	16
Figure S 2	Annual change in number of eligible electors enrolled, 1981–2009	22
Figure S 3	Cost of administering federal elections 1984–2007, adjusted for movements in the Consumer Price Index (CPI).....	24
Figure 2.1	Enrolment forms processed, 1996–97 to 2008–09	47
Figure 2.2	AEC ordinary annual appropriations, their expenditure and AEC operating result, 1997–98 to 2008–09.....	60
Figure 3.1	Enrolment as a percentage of the estimated eligible population, 1986–2009.....	74
Figure 3.2	Enrolment rates for main CRU activities, and AEC estimated enrolment rate, 1999 to 2004–05	79
Figure 3.3	Estimated rates of enrolment by single years of age, 2005	81
Figure 3.4	Enrolment and enrolment rates, 2002–09	96

Figure 3.5	Comparative enrolment outcomes, electors 20–24 and 50–54 years of age, 2002–09	99
Figure 3.6	Comparative enrolment outcomes, electors 30–34 and 40–44 years of age, 2002–09	101
Figure 4.1	Cost of administering federal elections 1984–2007, adjusted for movements in the Consumer Price Index (CPI)	106
Figure 4.2	Ages of AEC polling officials compared to the part-time labour force, November 2007	109
Figure 4.3	Age and sex distributions of polling assistants and Officers-in-Charge, 2007 general election	111
Figure 4.4	Average number of votes taken per ordinary polling booth, 1996–2007	113
Figure 4.5	Progressive appointment of polling officials, up to and including polling day, 24 November 2007	117
Figure 4.6	Ordinary polling booths by type, 16 November 2007	127
Figure 5.1	Relative frequency of counting errors for ordinary votes in 209 polling booths in five selected divisions, 24 November 2007	166

Abbreviations

2IC	Second-in-Charge
ABS	Australian Bureau of Statistics
ADF	Australian Defence Force
AEC	Australian Electoral Commission
AEO	Australian Electoral Officer
AGS	Australian Government Solicitor
ANAO	Australian National Audit Office
APVIS	Automated Postal Vote Issuing System
BIC	Business Investment Committee [of the AEC]
CCD	Census Collection District
CEA	<i>Commonwealth Electoral Act 1918</i>
CRU	Continuous Roll Update
DRO	Divisional Returning Officer
ELMS	Election Management System
EMIS	Enrolment Management Information System
EOI	Expression of Interest
GAPS	GENESIS Application Processing Subsystem
GENESIS	General Enrolment and Election Support Information System
GPV	General Postal Voter

JRA	Joint Roll Arrangement
JSCEM	Joint Standing Committee on Electoral Matters
MOU	Memorandum of Understanding
OIC	Officer-in-Charge
PDA	Personal Digital Assistant
PPLO	Polling-Place Liaison Officer
PPVC	Pre-Poll Voting Centre
PVA	Postal Vote Application
RMANS	Roll Management System
RMP	Remote Mobile Polling
SAF	Sample Audit Fieldwork
SLA	Service Level Agreement
TES	Targeted Enrolment Stimulation

Summary and Recommendations

Summary

Introduction

1. On Sunday 14 October 2007, the then Prime Minister announced that a general election for the House of Representatives and half the Senate would be held 41 days later, on Saturday 24 November 2007. It was the ninth general election conducted by the Australian Electoral Commission (AEC) since it was established in 1984.

2. The AEC was established as an independent statutory authority as part of far-reaching reforms to the *Commonwealth Electoral Act 1918* (CEA). The AEC's formal relationship to executive government is through the Special Minister of State, who is responsible for the CEA under the Administrative Arrangements Order. The AEC's relationship to Parliament is primarily through the Joint Standing Committee on Electoral Matters (JSCEM). The current JSCEM is the most recent in a continuous succession of committees, dating back to 1983, charged with overseeing and scrutinising electoral matters, including the electoral laws, electoral practices and their administration. Among other things, the committees have inquired into the conduct of each general election since 1987.¹

3. The Constitution and the CEA set out the processes for calling, conducting and declaring elections to the Parliament. The CEA gives the AEC sole responsibility for the conduct of those elections, prescribes the timing of key events, and sets out the roles and duties of officials during the polling and the counting of ballot papers. Planning and preparation are paramount, as the AEC has no control over the timing of elections. It may be called upon to have the electoral rolls in order and all other preparations in place for the delivery of a general election with as little as 33 days notice.²

4. The AEC is dependent on annual Budget appropriations for the majority of its funding, including for the delivery of elections. The AEC's

¹ From 1983–87, the Joint Select Committee on Electoral Reform undertook the role now performed by the JSCEM.

² The minimum period between the issue of writs for an election and polling day is prescribed in the CEA. From the date of the issue of writs for an election, ten days must be allowed in which candidates may nominate (CEA sections 156 and 175) and polling must occur between 23 and 31 days after the close of nominations (CEA section 157).

Budget appropriations rise in years when there are general elections or referendums, and fall in non-election years. The AEC has estimated the total cost of preparing for and conducting the 2007 general election at \$114 million.

Audit objectives and scope

5. During the preparation of the ANAO's *Planned Audit Work Program 2006–07*, JSCEM suggested that the ANAO consider a possible performance audit into the efficiency and effectiveness of the AEC's management of elections. JSCEM's suggestion was considered in the planning and preparation for this performance audit, which focuses primarily on the AEC's administration of the CEA in the lead-up to and conduct of the 2007 general election. In this way, the audit complements JSCEM's June 2009 report on the 2007 general election, which dealt principally with matters of legislative policy. The audit objectives were to assess the effectiveness of:

- the measures taken by the AEC to ensure the accuracy and completeness of the electoral roll, particularly during the period prior to the announcement of the 2007 general election; and
- the AEC's planning and preparation for and conduct of the 2007 general election.

6. The scope of the audit work undertaken included an examination of the AEC's preparation of the electoral roll; it also reports on the AEC's progress in implementing relevant recommendations of previous ANAO audits, in 2001 and 2004, of the integrity of the electoral roll. The planning and execution and outcomes of the AEC's data-matching, visits to electors and enrolment advertising were examined, especially over the two years prior to polling day. The audit also examined the AEC's inspection and selection of suitable polling booths, the appointment of temporary staff for polling day, the flow of voters through polling booths and the accuracy of the election-night counting of votes in selected electoral divisions.

Overall conclusion

7. Transparent, timely federal elections conducted with integrity are central to an effective electoral system. Each federal election is a complex logistical event, and the 24 November 2007 general election was the largest to date. Out of an estimated 14.8 million eligible electors, 13.6 million were enrolled to vote, 13.3 million turned out to vote and 12.9 million votes were

counted. Accordingly, 87.5 per cent of the eligible population cast a vote that counted in the final result but 12.5 per cent did not.³

8. The challenges faced by the AEC in conducting elections are increased by the uncertain timing and the short period of time between an election being called and polling day (41 days for the 2007 election). These circumstances make more difficult the tasks of mobilising some 70 746 temporary staff in 2007, operating 7723 polling booths, conducting mobile polling at over 200 remote locations and collecting votes at 104 overseas posts.

9. The counting of ballot papers started after the close of polls, and the AEC published progressive tallies on the internet and in the National Tally Room. Before polling day ended, enough House of Representatives ballot papers had been counted for political leaders to announce that the responsibility for the executive government of the Commonwealth would change.

10. Such is the confidence in the AEC's processes and count that a new ministry was sworn in and a change of governing party effected on 3 December 2007, nine days after the election. This was before the AEC had completed its final count of the 12.9 million votes admitted to the count and well before it had officially declared the election results, which occurred between 14 and 21 December 2007 as the results for each state and territory were finalised.⁴

11. The most significant long-term issue facing the AEC remains the state of the electoral roll. Notwithstanding the significant effort made by the AEC to recover and improve the enrolment rate prior to the 2007 federal election, on polling day the enrolment rate was well below the target of 95 per cent of the estimated eligible population. As a result, an estimated 1.1 million eligible electors were missing from the rolls on polling day.

12. After the election, the enrolment rate has deteriorated. By December 2009 it was estimated that just under 1.4 million eligible electors were not

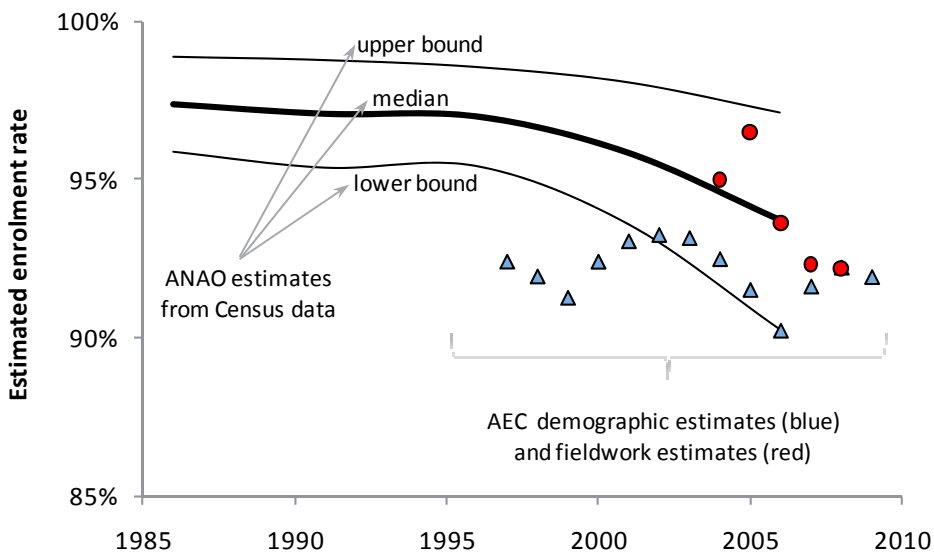
³ The AEC estimates the eligible population using ABS census data and its own enrolment data. On polling day, the estimated eligible population was 14 783 394, compared to 13 645 073 electors enrolled, indicating that there were 1 138 321 potential electors missing from the roll on polling day. Detailed figures are in Table 5.1.

⁴ All results were declared by the AEC between 14 and 21 December 2007. This was well within the statutory deadline for the return of the writs for the election on 4 February 2008, 110 days after the writs were issued on 17 October 2007, as provided for by CEA section 159.

enrolled to vote. As illustrated by Figure S 1, the AEC's existing approaches to improving enrolment rates have become less effective (as well as becoming more costly). In addition, the number of enrolment forms being processed by the AEC has been falling since 2001–02 and, for 2008–09, was at the lowest level since 1996–97. A continuation in this decline would further reduce the completeness of the electoral roll at future federal elections.

Figure S 1

Enrolment as a percentage of the estimated eligible population, 1986–2009



Source: ANAO analysis of ABS Census data and AEC enrolment data.

13. Improving the enrolment rate is one of the greatest challenges facing the AEC. Accordingly, four of the nine audit recommendations are suggestions for improving the accuracy and completeness of the electoral roll through:

- improvements to roll maintenance and a review of funding arrangements;
- re-examining the privacy arrangements for roll information and roll products, together with the AEC assessing the extent to which the broad use of electoral-roll information by non-government entities may be impacting on the willingness of Australians to enrol to vote;
- expanding and enhancing the methodology for undertaking habitation visits as part of the roll-management activities; and

- a program of research into the key demographic characteristics of those that have not enrolled to vote, and the reasons for this, so as to enable better informed and more focused efforts to improve the enrolment rate.

14. The AEC's planning and preparation for the 2007 federal election was effective, but there is evidence that elements of the existing approaches may be reaching their limit in terms of cost-effectiveness. A significant proportion of persons on the electoral roll did not vote. Some polling booths were less than optimal, making voting more onerous for electors and officials alike; and the AEC experienced difficulties in recruiting and training polling-booth staff to a suitable standard. Accordingly:

- two recommendations encourage a more strategic approach to election workforce planning with a particular focus on the selection, recruitment, training and performance evaluation of polling staff; and
- a further recommendation suggests various ways to improve the suitability and accessibility of polling booths.

15. In addition, while the AEC's processes supported the fair and accurate counting of votes, transport and security arrangements for ballot papers completed by electors could be improved and the process by which election-night results are communicated from polling booths would benefit from being made more secure. The AEC also does not report upon its performance in undertaking the 24 key election activities it has identified. Accordingly, the final two recommendations seek to:

- address risks to the integrity of the electoral process from the relatively insecure means currently used for reporting of election-night counts by Officers-in-Charge of polling booths, as well as the transport of completed ballot papers; and
- encourage more transparent and accountable performance reporting by the AEC on its conduct of elections.

16. In addition to the audit recommendations, there are a number of places where this report identifies dated administrative provisions within the CEA that would benefit from review at the next opportunity.⁵ Consistent with its

⁵ See paragraphs 2.7, 2.8, 2.16, 2.50, 4.41, 5.18, 5.22, 5.38 and 5.51.

functions under the CEA, there would be benefit in the AEC providing advice to government on options for improving the administrative provisions of the CEA.

Key findings by chapter

Enrolment and roll management (Chapter 2)

17. Compulsory enrolment and compulsory voting are two of the pillars of Australian democracy. In this respect, the electoral roll provided for under the CEA is the key to voter entitlement at the federal, state, territory and local-government levels.

18. The AEC has in place a centralised roll-management system (RMANS) that is used, amongst other things, to generate the roll that is available for public inspection and the certified lists of electors used at polling booths on polling day. Another key computer system is the AEC's Election Management System (ELMS).

19. The staged redevelopment of the AEC's election-management and electoral-roll systems (ELMS and RMANS) has been underway since mid-2004. However, the project has not proceeded as planned, with the AEC:

- informing the ANAO that the cost estimate had risen from the original \$27 million to 'somewhere between \$56 million and \$60 million';
- estimating that the redevelopment would be completed by December 2014 if it was to proceed, 42 months after the originally planned completion date of June 2011; and
- in October 2009, placing on hold any further development of the next stages of the systems-redevelopment project until it has a more comprehensive understanding of the implications of the JSCEM report on the 2007 federal election, the Government's second Green Paper on electoral reform⁶ and this ANAO performance audit.

20. More broadly, the AEC has created a Business Investment Committee and informed the ANAO that it has established a more robust project-management process.

⁶ Australian Government, *Electoral Reform Green Paper: Strengthening Australia's Democracy*, Canberra, September 2009.

Funding arrangements

21. To provide the electoral roll, the AEC draws on four sources of funding: ordinary annual appropriations, a special appropriation under the CEA, income from Joint Roll Arrangements (JRAs) with the states and territories, and capital appropriations.

22. The JRAs provide a significant source of funding to the AEC. The underlying assumption of the JRAs is that the costs of maintaining the electoral roll should be shared between the AEC and its joint roll partners. However, a robust costing model has not been implemented and there are significant variations between the states and territories as to their rate of contribution per elector.

23. In addition to the funding received through JRAs, the bulk of the funding for maintaining the roll is provided by a combination of ordinary annual and special appropriations. The Department of Finance and Deregulation (Finance) has informed the ANAO that the same funding outcome for the AEC could be achieved by providing all of the AEC's appropriations for roll management through the annual appropriation Acts.

Privacy

24. The roll is a public document and is available for public inspection which enables participants to verify the openness and accountability of the electoral process and object to the enrolment of any elector. In this context, the question of what personal information should or may be recorded on the electoral roll and included in related products is important to the AEC, as this directly affects the conduct of elections as well as the production of various roll products.

25. Current arrangements are such that electors' details, collected and processed by the AEC, are regularly made available to a wide range of entities. The value of such information, marrying electors' common-law and verifiable identities,⁷ is illustrated by the wide range of users and uses to which it can be put. An appropriate counterbalance is a coherent framework to ensure that the privacy of individuals is maintained and that improper use is discouraged. However:

⁷ Verifiable identity refers to documents set out in legislation (such as in the Electoral and Referendum Regulations 1940).

- a broad range of data is collected from a variety of sources, including electors, some of it without a clearly evident purpose under the CEA;
- ownership of roll information can be unclear, for instance, when collected and/or provided under the JRAs; and
- the proper uses of the data by third parties are not clearly defined, with the result that the prohibitions on the unlawful disclosure of roll information are difficult to codify and enforce, minimising any intended deterrent effect of the significant penalties that could apply.

Roll review and update (Chapter 3)

26. Maintaining an accurate, complete and trustworthy electoral roll is fundamental to the AEC's administration of electors' entitlement to vote. The AEC's stated target is to ensure that at least 95 per cent of people eligible to vote are on the electoral roll. To measure its performance, the AEC compares recorded enrolments to estimates of the eligible population derived from Australian Bureau of Statistics (ABS) population statistics.

Roll integrity

27. The AEC conducts Sample Audit Fieldwork (SAF), an annual review of a statistically valid sample of Australian addresses, derived using a methodology provided to the AEC by the ABS. The SAF data, collected in accordance with the approach advised by the ABS, provides statistically sound demographic information on potential electors and an opportunity to estimate the number of resident non-citizens to the level of reliability determined by the sample size. There would be benefits in the AEC expanding and enhancing the sampling methodology for undertaking habitation visits so as to:

- attain more reliable estimates at the state and territory level; and
- assist it to identify the key demographic characteristics of missing electors and resident non-citizens.

Roll completeness

28. Since 1999, the AEC has managed the electoral roll by a process of data-matching referred to as Continuous Roll Update (CRU).⁸ Where CRU data-matching suggests that an elector has become eligible or has changed their address, a CRU mail-out or field visit can result in enrolment. Otherwise, non-response can lead to the removal of the elector from the roll. Over time, the unit costs of each CRU enrolment have risen by some nine per cent annually and, notwithstanding the addition of new data sources to CRU, the initial success rates of mail-outs and fieldwork have declined. By mid-2005, the AEC was consistently removing more people from the roll than were enrolling or re-enrolling.

29. By late 2006, the AEC was aware that the fall in enrolment after the 2004 general election had been more pronounced than anticipated. Responding to the marked decline in enrolment during 2005–06, the AEC reviewed its CRU operations. Combined with the usual impetus of an impending general election, the AEC made a considerable effort to increase the enrolment rate, with \$36 million spent on:

- a large-scale Targeted Enrolment Stimulation (TES) program involving extensive mailing to electors' addresses, supplemented by fieldwork visits and telephone contact;⁹ and
- an integrated communications strategy including extensive media advertising.

30. The outcome of the communication strategy and TES activities was more complete electoral rolls (see Figure S 2). However, while the enrolment rate rose from 90.2 per cent at June 2006 to 92.3 per cent of eligible electors by polling day on 24 November 2007,¹⁰ it remained well below the 95 per cent target. Accordingly, notwithstanding the extra effort and expense, an

⁸ Under CRU, the personal information on electors held by the AEC is matched with external data, usually obtained from other Commonwealth, state or territory agencies, from Australia Post and from some utility companies. The prior approach—habitation reviews—had been found to be inefficient to the extent that up to 60 per cent of fieldwork visits resulted in no changes to the roll, although they did confirm enrolment at those addresses.

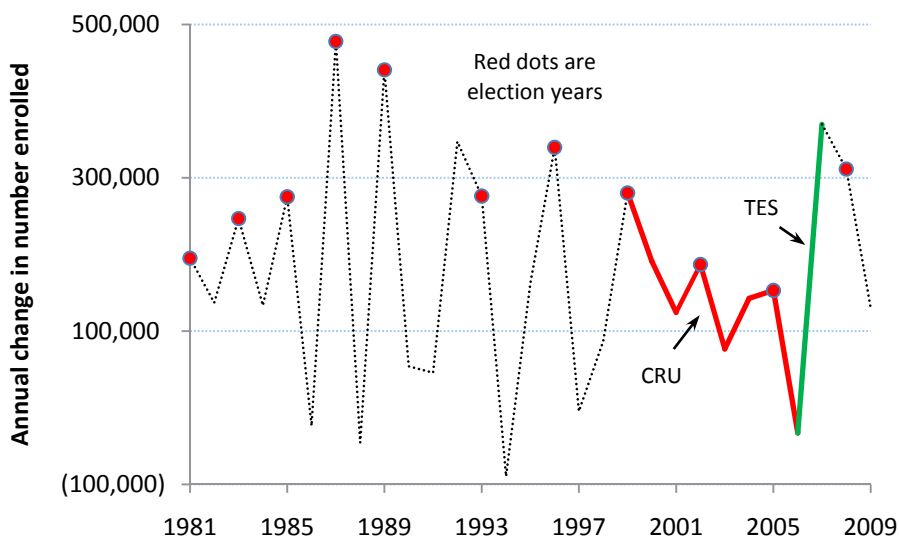
⁹ The design of the TES program adopted certain findings of the AEC's 2007 CRU review. These included more sophisticated data-mining and data-matching to identify populations of potential new electors or re-enrolling electors for targeted mailing and fieldwork visits.

¹⁰ This compared favourably to an enrolment rate of 91.5 per cent on polling day on 9 October 2004.

estimated 1.1 million eligible electors remained missing from the rolls on polling day 2007.

Figure S 2

Annual change in number of eligible electors enrolled, 1981–2009



Source: ANAO analysis of AEC data. The red lines correspond to the period when Continuous Roll Update (CRU) was in operation, the green line to the 2006–07 financial year, during which the bulk of the AEC's Targeted Enrolment Stimulation (TES) activity occurred. The 2007 general election is shown in the data for the 2007–08 financial year.

31. ANAO analysis is that TES activities were the more cost-effective and efficient component of the AEC's 2007 pre-election enrolment activities. However, there was a lower rate of return (in relation to the unit cost per enrolment transaction) on the extra expenditure incurred in 2007 compared to that undertaken prior to the 2004 election.¹¹ In respect of these matters, the AEC:

- informed the ANAO that it faced a far greater challenge in 2007, as there were only three days in which new electors could enrol or nine days in which they could update their existing enrolment details before the close of rolls. The AEC therefore could not rely on the approach taken in 2004 and previous elections, when electors had a full seven

¹¹ Including the costs of TES for 2007, the AEC spent \$36 million on enrolment activities, promotion and advertising prior to the 2007 election, compared to a little over \$10 million prior to the 2004 election.

days to finalise their enrolment before the close of rolls and most AEC advertising took place after the election was called; and

- has recognised that the strategy of roll stimulation through large-scale advertising funded by the AEC is not sustainable and that it is unable to rely on a peak of enrolment activity in the lead-up to an election announcement to boost enrolment participation.

32. In addition, ANAO analysis is that, while it was an effective and timely innovation for the 2007 election, TES has its limitations, most notably that of self-selection. Specifically, because it relies on data-matching the details of previously identified electors or potential electors, the TES approach is inherently biased toward tracking people who have had prior contact with the AEC. It is less effective at identifying either those who have never enrolled, or those whose personal details have no currency in the electronic data held by the entities with which the AEC conducts its data-matching. In this context, ANAO analysis of available data indicates that a program of research into elector enrolments and enrolment trends would assist the AEC to identify potential electors missing from the roll and the reasons why they may not be enrolling (so as to focus efforts at increasing the number of eligible electors who are enrolled).

Election planning and preparation (Chapter 4)

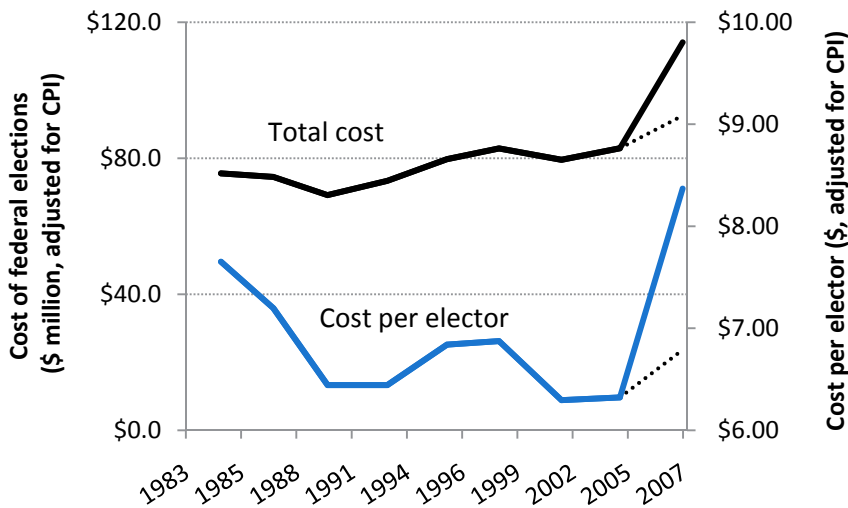
33. The AEC's 2007 election planning and management aimed to bring together in a timely fashion the staff, polling facilities and polling materials necessary to conduct the election at short notice. As it has no control over the setting of the dates of federal elections and may be called upon to deliver an election in a matter of weeks, the AEC entered into contracts well in advance of the election to print ballot papers and certified lists of electors, produce cardboard polling equipment and transport polling materials across Australia and overseas.

34. The AEC's total operating costs for the 2007 general election were estimated to be some \$114 million, \$38 million (or 50 per cent) higher than the \$76 million cost of the 2004 general election. A significant proportion of the increased costs related to the enrolment-stimulation activities undertaken during 2007.

35. Figure S 3 shows the AEC's operational election expenses in price-adjusted terms. If allowance is made for the additional advertising expenses

and the cost of electronic-voting trials (the dotted lines in Figure S 3), the cost of the last seven general elections has been between \$6 and \$7 per elector, in price-adjusted terms, indicating that the AEC’s core election costs have remained fairly stable over that time, while total election costs have slowly grown (in price-adjusted terms) as the number of enrolled electors has grown. The available data also indicate that the AEC has contained costs and achieved efficiencies over the period, partly by containing growth in the number of polling booths as well as by allowing only modest increases in payments to polling staff.

Figure S 3
Cost of administering federal elections 1984–2007, adjusted for movements in the Consumer Price Index (CPI)



Source: ANAO analysis of AEC Annual Reports and price data from the Reserve Bank of Australia.

Staffing

36. Staffing costs are the largest single component of the election budget, and the costs of polling-booth staff are the majority of overall election staffing costs. One clear strength of the AEC’s approach to election staffing is that it has in place sound methods and systems for estimating the likely number of electors who will cast votes at ordinary polling booths. For the immediate future, these votes are likely to remain the overwhelming majority of votes cast on polling day and, applying its current staffing model, the AEC is well-placed to estimate the likely number of polling-booth staff required for a general

election. However, other aspects of the AEC's approach to staffing are not as well-developed.

37. Obtaining sufficient suitable staff was one of the main challenges facing Divisional Returning Officers (and the AEC as a whole) in the lead-up to the 2007 federal election. For example, in the last week before polling day, the AEC was still to recruit, appoint and train more than 10 per cent of the final number of polling officials, including 280 Officers-in-Charge of polling booths.¹² This meant that a significant number of polling officials were appointed with little time in which they could be trained and for the AEC to be confident that they were competent in the exercise of their assigned duties. The AEC's ability to assess the extent and impact of these issues has been impeded by shortcomings in its implementation of the performance-rating process for polling staff. Against this background, there would be benefit in the AEC:

- undertaking comprehensive research to better understand the nature of its election workforce and develop strategies to better manage recruitment and retention;
- establishing systems to identify former and potential senior polling staff with previous extensive electoral experience, and commencing the engagement process for key staff earlier in the electoral cycle for the purposes of better assessing their competencies and providing sufficient training; and
- improving the implementation of the performance-rating process for polling staff which, among other things, can be used to inform the recruitment processes for future electoral events as well as to identify areas in which employment practices might be improved.

Premises

38. On Saturday 24 November 2007, more than 10 million Australians cast their vote by going to one of 7723 ordinary polling booths, often a school or community hall.

39. Divisional Returning Officers select, inspect and abolish polling booths, with guidance and final approval from the AEC's national and state offices. In general, for the 2007 federal election the AEC sought the same venues for hire

¹² Similarly, 1194 polling staff were appointed on polling day, and another 920 were appointed the day before.

as were used in the 2004 election. The exceptions were generally new polling booths created since the previous election, old polling booths that were no longer available, and old polling booths that were closed either because of declining voter numbers or because they were deemed by the AEC to be unsuitable and could be replaced by an alternative venue.

40. At the divisional level, the AEC gathers data on the physical state of polling booths. The AEC's inspection regime and the polling-booth profiles completed by OICs provide a de facto standard for polling booths. However, not all polling booths were inspected by the AEC prior to the 2007 election, notwithstanding that the AEC has reported that inspections of all polling booths had been conducted.¹³ The AEC received some complaints and, whilst few in number in comparison to the number of polling booths provided, the complaints did identify shortcomings with some polling booths (as well as raising doubts about whether the AEC is able to rely upon advice from third parties about the suitability of the venue without AEC staff inspecting the venue themselves).

41. In the context of the short time-frame between the election being called and polling day, the existing approach of placing the major responsibility for securing polling booths with Divisional Returning Officers provides the AEC with little bargaining power in relation to the rents charged by venues. One result was that the rents paid for polling booths varied widely, an outcome that may persist without a more strategic approach to finding and renting polling premises.

42. In these circumstances, it is noteworthy that there are presently no arrangements in place for the AEC to use premises owned by the Commonwealth for the purposes of an election, and the AEC presently has only one agreement in place at the national level or at the state level to assist it with access to venues—in particular public schools—for election purposes, or to other premises owned by state or local governments.¹⁴ In addition to seeking to negotiate such agreements, there would be benefit in the AEC working with:

- the Commonwealth agencies that provide education funding to state and territory governments (including, in some instances, funding for

¹³ AEC, *Annual Report 2007–08*, p. 146.

¹⁴ The sole existing agreement at the time of this audit was with the NSW Department of Education and Training.

the construction or upgrade of school facilities) to secure better access to those facilities as polling booths; and

- the Commonwealth agencies that provide funding for the construction, upgrade and/or maintenance of community facilities that may be suitable for future use as a polling booth, or are already used as a polling booth, so as to secure improved facilities for the conduct of electoral events.¹⁵

Polling day (Chapter 5)

43. For the 2007 election, the AEC provided 7723 static polling booths, 429 pre-poll or early voting centres, and 104 overseas polling booths. The AEC also provided 37 remote mobile-polling teams, 25 prison mobile-polling teams and 444 special-hospital teams for eligible voters. In addition, electronic-voting trials were conducted for blind and sight-impaired electors and for Australian Defence Force personnel serving outside Australia.¹⁶

44. In relation to the 24 divisions examined in detail by the ANAO as part of the audit, no problems were recorded or evident for 52 of the 186 polling booths (28 per cent) subject to detailed audit examination. For this proportion, the venue and its facilities were adequate to the task, all polling material and cardboard arrived on time and was able to be set up on the night before polling, polling commenced on time and the flow of voters was steady, without any excessive delay.

45. However, at other polling booths a range of problems of varying degree were encountered. The problems encountered at these 134 polling booths (72 per cent of those subject to detailed examination) can be characterised in general terms as:

- problems in obtaining timely access to premises to set up and commence polling;
- difficulties arising from less than suitable premises for polling;

¹⁵ In this respect, there have been examples where funding agreements have included provisions requiring the funding recipient to make the facility that is being funded with an Australian Government grant available for wider community use. This indicates that it would be possible for the AEC to also be guaranteed access to use the facility (subject to reasonable notice and appropriate fee arrangements) as a polling place.

¹⁶ The AEC's evaluations of the trials were considered by the JSCEM, which concluded in March 2009 that, for cost reasons, the trials should not be continued at future elections.

- queuing by voters during the day; and
- administrative difficulties, including delays in receiving election material.

The count

46. The election-night count of votes in polling booths is of central importance to the democratic process in Australia. It is relied on to such an extent that a change of government can be effected within days of the election on the basis of the very high credence afforded to it (as well as other information such as a concession of defeat on the part of incumbents). ANAO analysis of the count in a sample of five divisions showed that there was a low rate of counting errors. However, the AEC's practice of overwriting election-night counts with the results of the fresh scrutiny prevents the AEC from easily measuring and benchmarking the accuracy of the first counts of votes for all polling booths.

47. One area of the election-night count that would benefit from enhanced controls relates to the reporting from polling booths. On election night, polling-booth staff, once they have counted the votes, are required to telephone the results through to the divisional office. There they are entered into the ELMS system, which transmits them to the Virtual Tally Room and the National Tally Room. There are three measures in place to ensure the authenticity of the results being received in divisional offices. These are: the use of dedicated lines/unlisted numbers; a system control on the range of results; and the caller's statement that he/she is calling from a named polling booth. However:

- there is no electronic or other formal system of caller verification; and
- since most divisional offices will have at most three or four computers able to access ELMS, not all of the staff will be able to enter data directly into the computer system while speaking to polling-booth staff. Therefore some staff will enter results directly, while others receive telephone calls and write down the results for data entry when possible.

Scrutiny

48. All votes counted on election night must be subjected to fresh scrutiny (counted again). Declaration votes, including absent, provisional, postal and

pre-poll votes, are first subjected to preliminary scrutiny (to determine their admissibility) and are later counted and then re-counted.¹⁷ These processes can take two weeks or more to finalise, as the CEA requires that declaration votes be admitted to preliminary scrutiny up to and including the 13th day after polling day. The criteria for declaring the poll as set out in the CEA¹⁸ are such that the ever-increasing volume of declaration votes also increases the likelihood that Divisional Returning Officers will require more time for fresh-scrutiny counting in order to declare the poll.

49. The usual impact of the process of challenge and attrition during the fresh scrutiny is an increase in the total number of informal ballot papers and a corresponding decrease in the total number of formal ballot papers. In a very close count, such as that for the division of McEwen in the 2007 general election, the final result can turn upon the outcome of the scrutiny, as recorded in the Court of Disputed Returns judgment of that case. That judgment was considered in a subsequent review of the AEC's practices. The AEC informed the ANAO that it had accepted the recommendations made in that review, which included:

- the incorporation in AEC manuals of the Court of Disputed Returns guidance on formality in the McEwen case—*Mitchell v Bailey (No. 2)*;
- a single comprehensive set of information on formality for decision-makers, with scrutineers receiving, as near as is possible, identical information and advice to that given to polling officials;
- the close involvement of AEC senior management in the monitoring of close counts and in the decision-making in the case of potential re-counts; and
- a policy of re-counting all ballot papers in divisions where the margin of votes is less than 100.

¹⁷ Section 4 of the CEA defines a declaration vote as a postal vote, a pre-poll vote, an absent vote or a provisional vote. Preliminary scrutiny involves checking the details of electors (for instance, that they are correctly enrolled) to ensure that they are eligible to lodge their declaration vote. At present, the actual votes are not counted until after polling.

¹⁸ Section 284 of the CEA provides, in effect, that election results may be declared on the basis of the two-candidate-preferred count where the two candidates with the highest number of first-preference votes could not be displaced from those positions after the receipt of any declaration votes that may have been delayed.

Physical security

50. Assessments of the physical security of the election process were conducted by an external agency prior to both the 2004 and 2007 elections. In 2007, the physical-security assessment for the general election focused in particular on the transport of ballot papers from polling booths to divisional offices and the security of the phone-in of election results (in this latter respect, see paragraph 47).

51. The AEC's conduct of the fresh scrutiny, which results in the final tally and declaration of results for both Houses of Parliament, is reliant on the complete return of all ballot papers and declaration votes. Completed ballot papers may be collected and transported to the Divisional Returning Officer by a transport contractor or, more commonly, in the motor vehicle of the Officer-in-Charge of the polling booth. Given the importance of these documents, there would be benefits in the AEC identifying and assessing options that better manage the risks, including those relating to the physical security of the ballot papers.

Performance reporting

52. The AEC has reported that, after the election, it collected and analysed qualitative and quantitative data from all divisional offices on 24 key election activities. However, the AEC has not published the results of this work. By way of comparison, the Electoral Commission of the United Kingdom in March 2009 set out seven performance standards for electoral returning officers in Great Britain and, in October 2009, published the initial performance findings in relation to the conduct of the 4 June 2009 elections, with a full analysis published in January 2010.

AEC response

The AEC welcomes the ANAO's audit and the report's acknowledgements of the robust policies and procedures that the AEC has in place to enable it to deliver transparent, timely and trusted federal elections. In particular, the AEC welcomes the acknowledgements of the extraordinary and complex logistics required to enable the franchise for some 15 million eligible voters.

The audit report focuses on the preparation for and conduct of the 2007 federal election but it reflects both established practices that have successfully delivered nine federal elections since the inception of the AEC in 1984 and the evolution of those practices to meet the shifting expectations of the community in respect of future federal election events.

The report recommends a range of actions that support or strengthen policies in place prior to the 2007 federal election. A number of the recommendations go to the heart of the AEC's commitment to maintaining a comprehensive and accurate electoral roll that enables eligible voters to exercise their franchise while ensuring the appropriate use of the information collected for the compilation of the roll.

The report also encourages a more systematic approach to the significant challenges of coordinating the recruitment and training of polling-place officials. On polling day alone, this involves the deployment of more than 70 000 people to more than 7700 polling places, but it also involves the provision of trained staff to manage a range of other critical polling facilities, including pre-poll centres and postal voting. In preparation for the next federal election, the AEC has extensively revamped its recruitment and training processes.

The AEC's performance in the planning and conduct of federal elections is subject to parliamentary scrutiny via the work of the Joint Standing Committee on Electoral Matters, and the AEC believes that the development of comprehensive performance standards will enable it to continue to provide detailed support to the Committee's inquiries.

The AEC therefore supports these and other recommendations in this report.

Recommendations

Recommendation No.1

Para 2.28

ANAO *recommends* that the Australian Electoral Commission:

(a) engage with the Office of the Privacy Commissioner to develop improved governance arrangements for the collection, processing, data-matching, distribution and management of the personal information of electors and potential electors; and

(b) assess the extent to which broad use of electoral-roll information by non-government entities may be adversely impacting on the willingness of Australians to enrol to vote.

Agency response: AEC and the Office of the Privacy Commissioner agreed.

Recommendation No.2

Para 2.45

To give a sound footing to Joint Roll Arrangements and to adhere to the greatest possible extent to the principles set out in the *Australian Government Cost Recovery Guidelines*, ANAO *recommends* that the Australian Electoral Commission establish a sound basis for costing the maintenance and review of the electoral rolls and the production of state and territory roll products.

Agency response: AEC agreed.

Recommendation No.3

Para 3.35

ANAO *recommends* that the Australian Electoral Commission, in consultation with the Australian Bureau of Statistics, expand and enhance the sampling methodology for undertaking habitation visits as part of its roll-management activities so as to:

- (a) attain more reliable enrolment estimates at the state and territory level;
- (b) accurately assess the state of enrolment in sparsely populated areas;
- (c) deliver more reliable enrolment rates at the divisional level; and
- (d) assist it to identify the key demographic characteristics of missing electors and resident non-citizens.

Agency response: AEC and ABS agreed.

Recommendation No.4

Para 3.75

To better target its efforts to improve the electoral roll, ANAO *recommends* that the Australian Electoral Commission, in consultation with relevant research bodies and the Australian Bureau of Statistics, formulate a program of research into elector enrolments and enrolment trends, with a view to identifying potential electors missing from the roll and the reasons why they may not be enrolling.

Agency response: AEC and ABS agreed.

**Recommendation
No.5**

Para 4.17

ANAO *recommends* that, in order to improve its election workforce planning and the selection, recruitment, training and performance evaluation of polling staff, the Australian Electoral Commission:

- (a) critically examine its future election workforce needs and workforce composition, setting goals for the training and retention of all election officials, including staff paid while held in reserve on polling day; and
- (b) in consultation with other electoral authorities, seek to strengthen national employment strategies for the recruitment and training of key polling staff in advance of an election so that all polling booths have staff that have been consistently assessed for suitability and have been adequately trained.

Agency response: AEC agreed.

**Recommendation
No.6**

Para 4.67

ANAO *recommends* that the Australian Electoral Commission enhance the recruitment and training processes for polling-booth staff for future federal elections by:

- (a) examining opportunities to increase the priority given to the recruitment of Officers-in-Charge in order to secure the best candidates that are available and provide them with sufficient training; and
- (b) after the election, completing performance appraisals for staff and recording these in the relevant systems in order that this data can be used to inform and improve the recruitment practices for future electoral events.

Agency response: AEC agreed.

**Recommendation
No.7****Para 4.103**

ANAO *recommends* that the Australian Electoral Commission:

- (a) work with other Australian Government agencies that provide funding for the construction, upgrade or maintenance of facilities that are, or may be, used as polling booths to identify opportunities to secure access to these facilities for electoral events as part of the funding arrangements;
- (b) seek to implement standing arrangements with venue owners, particularly state governments, to secure suitable and accessible polling booths on just terms, with particular regard to the needs of the elderly and disabled, and the availability of premises in large rural divisions;
- (c) negotiate the use of suitable Commonwealth-agency venues, in particular as pre-poll voting centres and fresh-scrutiny centres; and
- (d) redevelop the strategic program of inspection of polling places to include systematic post-election evaluation and to identify improvements (where possible) of venues that are used as polling booths.

Agency response: AEC agreed with qualification.

**Recommendation
No.8**

Para 5.101

ANAO *recommends* that the Australian Electoral Commission:

- (a) develop strategies to mitigate the risk to the credibility of election results posed by the current practices for reporting of election-night counts by Officers-in-Charge; and
- (b) identify and assess options for the storage and transport of completed ballot papers that provide greater physical security of ballot papers.

Agency response: AEC agreed.

**Recommendation
No.9**

Para 5.107

ANAO *recommends* that, in order to provide transparent and accountable reporting on the conduct of elections, the Australian Electoral Commission develop comprehensive performance standards for the conduct of elections and, following the conduct of each election, report to the Parliament on the extent to which these standards have been met.

Agency response: AEC agreed.

Audit Findings and Conclusions

1. Introduction

This chapter provides an overview of the Australian Electoral Commission's conduct of the 2007 federal election. It also outlines the audit objectives and approach.

Background

1.1 The timing of elections for the House of Representatives and for the Senate is provided for in the Constitution and the *Commonwealth Electoral Act 1918* (CEA). The Constitution requires the Governor-General to issue writs for the election of members of the House of Representatives no more than ten days after the term of the House expires (three years from the date of its first meeting) or the House is dissolved.¹⁹ Writs for Senate elections are to be issued every three years, by the state governors in respect of the Senators of their state, and by the Governor-General in respect of the Senators of the territories.²⁰ The CEA requires that polling occur on a Saturday no more than 58 days after the issue of the writs.²¹

1.2 While the Constitution and the CEA allow for elections for the Senate and the House of Representatives to be held on different dates, elections for both Houses of Parliament have been conducted simultaneously since 1974.²² The election held on 24 November 2007 was the 46th general election to the Australian Parliament since 1901, and the 39th general election conducted under the CEA.

1.3 The entity that organises and conducts federal elections is the Australian Electoral Commission (AEC), established in 1984, and comprising 772 ongoing staff as at 30 June 2009.²³ The AEC is responsible for ensuring that the electoral rolls are up-to-date and otherwise suitable for the conduct of an election.²⁴ Maintaining up-to-date electoral rolls is central to ensuring that

¹⁹ See sections 32 and 28 of the Constitution. Sections 28 of the Constitution also provides for the Governor-General to dissolve the House of Representatives at an earlier date.

²⁰ See section 12 of the Constitution and CEA section 151.

²¹ See CEA sections 156, 157 and 175.

²² *Australian Electoral History* [Internet], AEC, available from <http://www.aec.gov.au/Elections/Australian_Electoral_History/> [accessed 29 January 2010].

²³ AEC, *Annual Report 2008–09*, p. 181.

²⁴ The AEC's stated enrolment target is 95 per cent of the eligible population (ibid., p. 29).

Australian citizens are able to exercise their democratic right to vote, and is among the biggest challenges facing the AEC.²⁵ The AEC informed the ANAO that the challenge of keeping the electoral rolls up-to-date is inevitably an aspirational aim rather than one capable of being achieved continuously in practice.

The 2007 federal general election

1.4 The numbers involved in the 2007 election show the magnitude of the task with which the AEC is charged. There were more than 13.6 million enrolled electors, to whom 13.3 million ballot papers were issued. This figure includes 1.1 million ballot papers issued to pre-poll voters, 833 000 to postal voters,²⁶ and on polling day, 856 000 to absent voters²⁷ and 167 000 to provisional voters.²⁸ There were 367 Senate candidates and 1054 House of Representatives candidates.

1.5 To help prepare the rolls for the 2007 election, the AEC conducted a multi-million-dollar national advertising campaign aimed at encouraging electors to enrol or update their enrolment details. The AEC advertising also sought to alert electors to legislative amendments that changed voting entitlements and closed the electoral rolls earlier than for previous general elections. For the 2007 general election, the electoral roll was closed to new enrolments or re-enrolments on 17 October 2007, the day of the issue of the writs for the election. The roll was closed on 23 October 2007 for people updating their address and for some other categories of elector. This was a change from the situation at the 2004 election, for which there was only one such deadline, the close of rolls seven days after the issue of the writs.

²⁵ *ibid.*, p. 4.

²⁶ Postal voting is one of two mechanisms (the other being pre-poll voting) that enable electors who cannot attend a polling place on polling day to vote. There are two ways of obtaining a postal vote:

- completing a Postal Vote Application (referred to as a PVA) after an election has been announced, or the writs have been issued, whichever occurs first; or
- applying to become a General Postal Voter (referred to as a GPV) such that, once registered, the elector will be sent a postal-voting package automatically at each election.

²⁷ An absent vote is a vote cast by an elector out of their home division but still within their home state or territory on election day. Source: *Ways to vote* [Internet], AEC, available from <http://www.aec.gov.au/Voting/ways_to_vote/> [accessed 29 January 2010].

²⁸ A provisional vote is cast in circumstances where an elector's name cannot be found on the roll or the name has already been marked off the roll. The vote cannot be counted until a check of enrolment records and entitlements has been made. Source: *ibid.*

1.6 The AEC advertising was complemented by other enrolment activities. In order to target mail-outs and visits from AEC fieldworkers to potential electors, the AEC data-matched over 90 million enrolment and personal records. By polling day in 2007, an estimated 92.3 per cent of eligible electors were enrolled and there were 623 843 more people on the rolls than for the 2004 general election.

1.7 The AEC also implemented two electronic-voting trials. One trial enabled 1511 overseas Australian Defence Force (ADF) personnel to submit votes electronically to Australia, where they were printed anonymously and sent to the appropriate division for counting. The other trial enabled 850 sight-impaired electors to listen to voting instructions through a headset and print a barcoded ballot paper using an electronic keypad. The ballot paper was then lodged in an envelope, and after the close of polls, the barcoded version was converted to a readable ballot paper and counted once eligibility to be admitted to the count had been determined.

1.8 To help prepare for the election and to conduct the polling and counting, the AEC employed 70 746 temporary staff, who operated 7723 polling booths, conducted mobile polling at over 200 remote locations, and collected votes at 104 overseas posts. The AEC marshalled all of these resources in time for an event that was announced 41 days in advance, and for which the CEA required the final results to be produced by 4 February 2008.²⁹

1.9 The AEC's counting of votes in one division was examined during the Court of Disputed Returns hearing on the election outcome in the seat of McEwen. The initial result in McEwen favoured Labor Party candidate Mr Rob Mitchell by a margin of six votes over sitting Liberal Party Member of Parliament the Hon. Fran Bailey. A re-count conducted by the AEC under section 279 of the CEA, however, gave the seat back to Mrs Bailey by a margin of 12 votes. After that result was challenged, the Court of Disputed Returns scrutinised 643 ballot papers and handed the seat to Mrs Bailey by 31 votes.³⁰ This case provided the first substantial judicial guidance on the formality of votes since *Kean v Kerby* in 1920, when a result that had a one-vote margin was set aside and a new election was held.³¹

²⁹ In fact, all the writs were returned by 21 December 2007.

³⁰ *Mitchell v Bailey (No 2)* [2008] FCA 692 (2 July 2008).

³¹ *Kean v Kerby* [1920] HCA 35; (1920) 27 CLR 449 (2 June 1920).

1.10 The AEC estimates that the total cost of preparing for and administering the 2007 general election was \$114 million. Once the results were declared, the AEC paid an additional \$49 million in public funding to candidates and political parties, as provided for under the CEA.³²

Recent Parliamentary and ANAO scrutiny

1.11 Every Parliament since 1983 has appointed a committee to oversee and scrutinise electoral matters, including the electoral laws, electoral practices and their administration. The current Joint Standing Committee on Electoral Matters (JSCEM) has inquired into the conduct of each general election since 1987, as well as into related matters such as electoral education, election funding and disclosure, and the integrity of the electoral roll.³³

1.12 JSCEM's *Report on the conduct of the 2007 federal election and matters related thereto* (tabled on 22 June 2009)³⁴ made 53 recommendations. JSCEM's report focused mainly on matters of legislative policy and development, and less on administration. An indication of this is that 33 of the 53 recommendations require changes to legislation if they are to be put into effect. Concurrently with the JSCEM inquiry, the Government issued the first of two Green Papers on possible electoral reform, indicating its intention to canvas broader electoral reforms late in 2009.³⁵

1.13 In addition to the activities of JSCEM, the ANAO has twice examined the integrity of the electoral roll, as follows:

- ANAO Audit Report No.42 2001–02, *Integrity of the electoral roll* (tabled on 18 April 2002) focussed on the accuracy and validity of the electoral

³² Part XX of the CEA appropriates public money to help finance the election campaigns of parties and independent candidates, and provides for financial disclosure of selected revenue and expenditure items incurred by participants in the federal electoral process.

³³ From 1983–87, the Joint Select Committee on Electoral Reform undertook the role now performed by the JSCEM.

³⁴ An interim report on the 2007 federal election electronic-voting trials for the sight-impaired and for overseas defence personnel was tabled on 16 March 2009. It decided that these voting methods had been too expensive, and recommended that they be discontinued. The Electoral and Referendum Amendment (Close of Rolls and Other Measures) Bill 2010, introduced on 11 February 2010, contains proposed amendments to enable sight-impaired voters to cast a secret ballot.

³⁵ Australian Government, *Electoral Reform Green Paper: Donations, Funding and Expenditure*, Canberra, December 2008. The second Green Paper, titled *Strengthening Australia's Democracy*, was released in September 2009. The Electoral and Referendum Amendment (Close of Rolls and Other Measures) Bill 2010 proposes legislative changes in response to the JSCEM report on the 2007 federal election.

roll, as well as its completeness and security. It concluded that, overall, the Australian electoral roll was one of high integrity, meaning that names and addresses on the electoral roll are legitimate and valid, and people who are eligible to vote are registered properly. The ANAO recommended that the AEC improve and develop standards for the conduct of its Continuous Roll Update (CRU) activities and upgrade the roll-management information systems. It also recommended the development of performance measures, the completion of an electoral-fraud control plan, and the periodic review of a sample of the roll; and

- as requested by JSCEM in 2002, the ANAO conducted a follow-up audit on roll integrity prior to the next general election. In April 2004, ANAO Audit Report No.39 2003–04, *Integrity of the electoral roll: follow-up audit*, was tabled in Parliament. It concluded that progress on implementing the recommendations of the 2002 audit report had been slow, and that CRU warranted further attention, especially to implement consistent national standards for data-matching and enrolment-related activities across all states and territories.

Audit approach

1.14 During the preparation of the ANAO's *Planned Audit Work Program 2006–07*, JSCEM suggested that the ANAO consider a possible performance audit into the efficiency and effectiveness of the AEC's management of elections. Given that an election was due in 2007, it was decided to include a potential audit on this topic in the *Planned Audit Work Program 2007–08*. It was envisaged that this approach would enable the audit to assess any changes made to procedures since the 2004 election as well as enable an examination to be made of the impact of changes in electoral laws (such as earlier closing of the rolls).

1.15 In addition, in 2007 JSCEM recommended that the ANAO conduct a performance audit of workforce planning in the AEC.³⁶ The ANAO considered that this could be accommodated within a broader audit, rather than in

³⁶ JSCEM, *Review of certain aspects of the administration of the Australian Electoral Commission*, Canberra, September 2007, p. 17.

isolation, in a similar fashion to the follow-up of previous ANAO audit work in relation to the integrity of the electoral roll.³⁷

1.16 Against the background of previous parliamentary and ANAO scrutiny, this performance audit is focused primarily on the AEC's administration of the CEA in the lead-up to the 2007 general election, taking into account the AEC's broad responsibility to develop and maintain the administrative systems required to support and improve the electoral roll, and to plan for and successfully deliver elections. The specific objectives of the audit were to assess the effectiveness of:

- the measures taken by the AEC to ensure the accuracy of the electoral roll, particularly during the period prior to the announcement of the 2007 general election, including progress in implementing responses to previous ANAO recommendations in this area; and
- the AEC's planning and preparation for and conduct of by-elections and the 2007 general election, including verification of voter entitlement and the speed and accuracy of the count.

Audit Methodology

1.17 The audit involved the examination of the AEC's National Office records relating to the management of the roll and the planning and execution of the 2007 general election. In order to examine the AEC's divisional and state arrangements for carrying out its duties, the audit extended to fieldwork in 24 divisions (of which fourteen were urban, two were semi-urban, five were rural and three were remote) at 13 of the AEC's 127 divisional-office sites, as well as fieldwork at the offices of four of the seven state and territory Australian Electoral Officers (AEOs) appointed under the CEA.³⁸ The divisions in the audit sample are listed in Table 1.1.

³⁷ Chapter 4 of this report (particularly paragraph 4.11 onwards) describes the AEC's election workforce in detail.

³⁸ Under CEA section 20, the AEO is the 'principal electoral officer' in a state or territory. The AEO for the Australian Capital Territory is appointed only for the election period, so that there are usually seven rather than eight AEOs.

Table 1.1**AEC divisions included in ANAO audit sample**

State/Territory	Divisions
New South Wales	Berowra, Bennelong, Bradfield, Farrer, Grayndler, North Sydney, Riverina, Sydney, Wentworth
Queensland	Blair, Groom, McPherson, Maranoa, Moncrieff, Oxley, Petrie
Victoria	Casey, Chisholm, Deakin, Gippsland, Indi, Menzies
Northern Territory	Lingiari, Solomon

Source: ANAO

1.18 The audit examination extended to the AEC's contractual arrangements for the supply of the goods and services needed to conduct the election, including computing, communications and security services, as well as those necessary to arrange for the printing, transport, storage and disposal of polling materials and ballot papers. Allied to this was an examination of the AEC's arrangements for selecting, engaging and training polling-booth and other staff, and audit fieldwork conducted at the Bradfield by-election, held on 5 December 2009.

1.19 In addition, audit fieldwork was conducted at the Department of Finance and Deregulation (Finance) in respect to Budget funding arrangements, and at the Australian Bureau of Statistics (ABS), which has supplied data and services to the AEC. Advice was also sought from the Office of the Privacy Commissioner in relation to personal information contained on the electoral roll.

1.20 The audit was conducted in accordance with ANAO auditing standards at a cost to the ANAO of \$695 440.

2. Enrolment and roll management

This chapter outlines the framework governing voter entitlement and enrolment, the key role played by Divisional Returning Officers and the uses of electoral-roll information. It also examines the AEC's redevelopment of its roll-management and election-management systems.

Background

2.1 Compulsory enrolment has been since 1911 one of the pillars of Australian democracy, with another pillar being compulsory voting, introduced in 1924. Compulsory enrolment is designed to ensure that every eligible person is able to participate in elections when writs are issued. In respect to compulsory enrolment, section 101 of the CEA requires every person who is entitled to be enrolled³⁹ to complete an enrolment form, and every person who is already enrolled but who changes address to complete a new enrolment form within one month and 21 days.

2.2 The electoral rolls of each electoral division of a state or territory, taken together, form the electoral roll for that state or territory.⁴⁰ Collectively, the eight state and territory rolls are usually referred to as the electoral roll for Australia. The roll is definitive and taken to be conclusive evidence of the right to vote,⁴¹ to the extent that the Court of Disputed Returns may not inquire into the correctness of the roll.⁴² Accordingly, the electoral roll is the key to voter entitlement at the federal, state and territory and local-government levels.

Administration of enrolment

2.3 To claim their entitlement and enrol in a division, electors fill out and lodge with the AEC a printed copy of the approved enrolment form. For the

³⁹ Apart from overseas electors, their spouses and children, itinerants and 17-year-olds. Potential electors aged 17 years who would, in respect of residence at an address, be entitled to enrol in a division if they were 18 years of age, may claim enrolment. If they meet the prescribed requirements, they will be admitted to the roll (as per CEA section 100) but will not be entitled to vote until they have attained the age of 18 years. Similarly, sections 99A and 99B allow applicants for citizenship to make a provisional claim for enrolment.

⁴⁰ CEA sections 81 and 82.

⁴¹ CEA section 221(3).

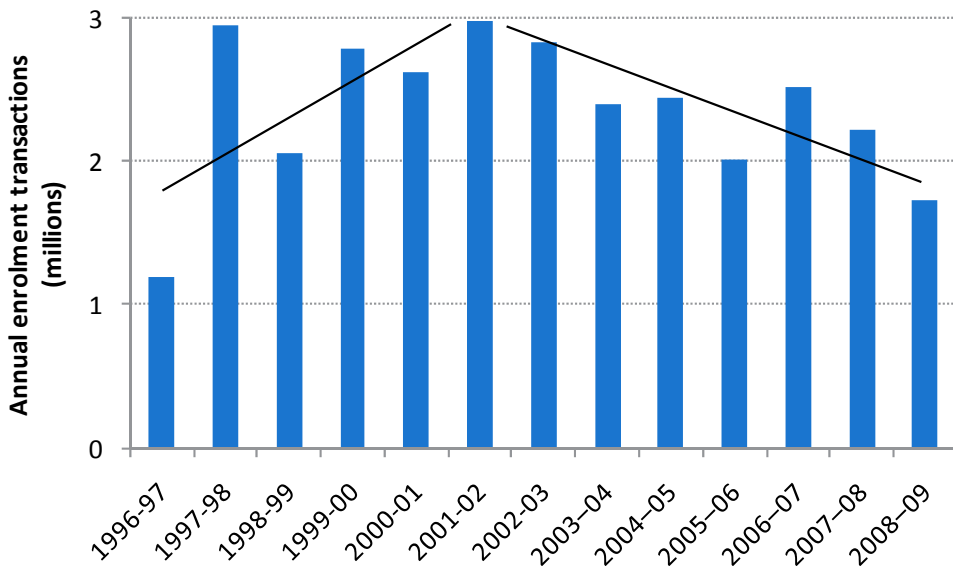
⁴² CEA section 361(1).

AEC to accept the claim as valid, electors must sign the declaration on the enrolment form that they are eligible to enrol, vouching for the veracity of the information they have provided in support of their claim.

2.4 Maintaining an accurate and up-to-date electoral roll involves the processing of a large number of printed enrolment forms each year. This is necessary in order for the electoral roll to be updated daily with first-time applicants, amendments such as changes of address, and with removals from the roll. Figure 2.1 shows a continuing decline in the AEC's workload, to the lowest level since 1996–97, when 1.2 million enrolment forms were processed.⁴³ This decline, were it to continue, would have implications not only for the AEC's network of divisional offices, but more importantly, for the completeness of the electoral roll at future federal general elections.

Figure 2.1

Enrolment forms processed, 1996–97 to 2008–09



Source: ANAO analysis of AEC annual reports.

⁴³ These include new enrolments (additions to the electoral roll of individuals who have become eligible to enrol and who have not previously been on the electoral roll), reinstatements (of individuals who were deleted in error while still entitled to be on the roll), re-enrolments (of individuals who have previously been removed from the roll), alterations to an individual's details (as a result of an intrastate, interstate or intra-division amendment or movement), and 'no-change enrolments', where individuals have returned an enrolment form even though their enrolment details did not need to be altered.

Divisional Returning Officers

2.5 The CEA presently places the responsibility for enrolling electors almost entirely on Divisional Returning Officers (DROs) working in their divisional offices.⁴⁴ In addition to their enrolment-related functions, DROs:

- have various administrative responsibilities, including managing the day-to-day business of their divisional office and the implementation of fieldwork for CRU and Sample Audit Fieldwork (SAF). Their responsibilities also include the supervision and direction of other permanent AEC staff (usually an APS level 3 and an APS level 2 officer employed under the *Public Service Act 1999*) and temporary staff engaged under the CEA;⁴⁵ and
- receive and declare nominations of candidates for the House of Representatives, arrange for polling to take place, scrutinise the ballot papers and decide in the first instance on their validity, and declare the winning House of Representatives candidate at the conclusion of the scrutiny.

2.6 Section 32 of the CEA provides that there shall be a DRO for each division,⁴⁶ but the CEA is silent on how DROs are to be appointed. During the course of the audit, the ANAO raised with the AEC various issues concerning the appointment process for DROs. The AEC informed the ANAO that it:

has undertaken a review of the functions of DROs and has created a revised title for persons performing the duties that include the DRO functions under the CEA. These positions are now known as Divisional Office Managers and have been created under subsection 22(1) of the *Public Service Act 1999* in recognition that the functions that are now performed go beyond merely those functions under the CEA to include a range of other functions relating to the role of the AEC.

⁴⁴ The Electoral and Referendum Amendment (Close of Rolls and Other Measures) Bill 2010 proposes a significant change to these arrangements, removing the responsibility for enrolment from DROs and giving it to the Electoral Commissioner, along with the powers of delegation absent from the current CEA.

⁴⁵ The temporary CEA appointments include staff engaged to conduct CRU or SAF fieldwork, staff engaged in the lead-up to an election in order to prepare the division for polling, and polling-booth staff.

⁴⁶ The AEC informed the ANAO that there has been a longstanding conflict in the CEA between some of the specific powers given to DROs and their location to undertake specific election-related functions. For instance, amendments to section 38 of the CEA in 1983 enabled the AEC to specifically direct that the office of a DRO could be situated outside the DRO's division. However, the nomination process in the CEA continues to include references to DROs as being situated within their division.

2.7 This is an example of a dated administrative provision within the CEA that would benefit from review at the next opportunity.

2.8 Before accepting a claim to enrol, the DRO for the division must be satisfied that the claimant is entitled to be enrolled in respect of residence at an address in that division. The CEA permits electors to be enrolled under their common-law name, for the place at which they live. Undertaking this task in accordance with the legislation presents particular challenges to the AEC. Specifically:

- the practical impact of administering common-law identity is that the name under which a person enrolls may differ—possibly to a significant degree—from the evidentiary documents provided, but as long as the evidence is cogent, the person may still be entitled to claim enrolment under the name on the form. The AEC informed the ANAO that the administration of enrolment has been made even more complex with the overlay of a number of decisions of both the Administrative Appeals Tribunal and the Federal Court which deal with the specific provisions of the CEA and the names under which persons are entitled to appear on the electoral rolls; and
- similar administrative issues arise when DROs must decide the address in the division at which a person is to be enrolled. The CEA provides that living at an address for a period of one month creates an entitlement to enrol at that address, and requires the elector to fill in and sign a claim for enrolment at that address.⁴⁷ However, the CEA incorporates several concepts of address and does not consistently set out what it means to *live at an address*. While for most electors living at an address has readily been able to be established, this is not the case for a significant minority.⁴⁸

⁴⁷ The requirements are created by CEA subsections 99(1) and 101(1).

⁴⁸ For instance, students may live at university student residences for most of the year, while maintaining their enrolment at another address (say, that of their parents); or miners may live and work at a remote mine site for extended periods, while remaining enrolled at the address of their family home in a capital city. The extent of the AEC's detailed policy advice to DROs on the administration of enrolments indicates that those provisions of the CEA may not always enable efficient and effective enrolment processes.

Workload sharing

2.9 Prior to 2008–09, the AEC typically received over two million claims for enrolment annually (see Figure 2.1). These claims for enrolment involved new claims, transfers and other actions that may result in a person being removed from the roll. In accordance with section 101 of the CEA, these claims can be received in any divisional office or by an Australian Electoral Officer. In this context, the AEC commented to the ANAO that:

As there are 150 divisional offices in Australia, the current workload for each office represents an average of 13 333 claims per year or 260 claims per week. These enrolment-processing functions for DROs are in addition to a range of other statutory and non-statutory functions that have been allocated to DROs, including measures to stimulate enrolment, electoral-education activities and other management activities that apply to all APS employees.

2.10 Since the 1970s, the AEC has sought opportunities to redress disparities between the workload of divisions and to achieve efficiencies by combining or co-locating one or more divisions into a single office space. Accordingly, amalgamations and co-locations of divisional offices were undertaken by the AEC up until 2001, after which they were halted in response to the wishes of JSCEM. The AEC presently has 127 divisional offices for the 150 electoral divisions.

2.11 In its 2003 report on the 2001 election, JSCEM cited sections 32 and 38 of the CEA as the basis of its decision not to support any move for further co-location of divisional offices. JSCEM recommended that:

co-location of AEC Divisional Offices not proceed, and that the AEC be given funding to ensure a minimum of three full-time electoral staff (or equivalent) in each House of Representatives Division.⁴⁹

2.12 Accordingly, in 2006 the AEC commenced a staffing and workload-sharing initiative to improve the balance of workloads between divisional offices. Under these arrangements, high and low-workload divisions or urban and rural divisions were 'paired', usually by enabling the rural division to

⁴⁹ JSCEM, *The 2001 Federal Election*, Canberra, June 2003, p. 216. JSCEM's recommendation was given effect by amending section 38 of the CEA so as to remove the AEC's control over co-locations and amalgamations, placing it instead in the hands of the Minister. The amendments were explained in the Explanatory Memorandum of the Electoral and Referendum Amendment (Electoral Integrity and Other Measures) Bill 2005, which erroneously advised that section 38 of the CEA was to be amended in accordance with the 'government supported recommendations of the Joint Standing Committee on Electoral Matters' (JSCEM) report on the 2004 Federal Election'.

undertake a share of the urban division's enrolment work. This was achieved by having AEC officers in one division process the enrolment forms of electors wishing to enrol in another division within the same state.

2.13 This division of labour was based on the AEC's assessment that urban divisions tended to have significantly higher enrolment workloads than their rural counterparts, while the divisional workload of managing the address register was much higher in rural than urban divisions.⁵⁰ The ANAO's 2009 audit fieldwork in divisions confirmed this general observation.

2.14 During the course of this audit, the results of AEC workload sharing were examined in one state for the 2008–09 financial year and compared to the enrolment workload for the previous financial year. Prior to workload sharing, the number of enrolment forms processed by divisions ranged from a low of 7000 in one division to a high of nearly 25 000 enrolment forms processed in another. After workload sharing, the range reduced markedly, to a minimum of 11 700 and a maximum of 16 400 enrolment forms per division. Transfers of workload were evident for all divisions, though the enrolment workload of rural divisions remained lower than that of their urban counterparts, so as to leave them more resources for address-register maintenance.

2.15 Notwithstanding the cyclical nature of the AEC's workload, the results indicate that workload sharing delivers a more even spread of enrolment work among divisions. This was consistent with the AEC's stated aim of maintaining divisional-office staffing at levels that accorded with JSCEM's recommendation.⁵¹

2.16 The AEC's workload sharing was implemented on the understanding that a DRO's enrolment tasks specified under the CEA at sections 101 and 102 could be undertaken by staff in other divisions. However, in April 2009 the AEC received legal advice that this understanding was probably not

⁵⁰ By 1997, the AEC had moved its electronic roll-management system (RMANS) to an address base, so that individual addresses rather than electors' names became the basis of the AEC's electronic enrolment records. At that time, the AEC informed JSCEM that it intended the RMANS address register to hold every address in Australia, both inhabited and uninhabited, along with a land-use code identifying uninhabitable addresses such as cemeteries, service stations and schools. The workload of rural divisions in keeping the address register up-to-date is higher than for urban divisions because the quality of address data is poorer in rural areas.

⁵¹ AEC, *Annual Report 2006–07*, p. 132.

sustainable and that the actual work of enrolment should be carried out by the DRO in the division for which the elector had applied for enrolment.⁵²

2.17 The legal advice received by the AEC points to dated administrative provisions of the CEA that would benefit from review at the next opportunity. In its June 2009 report on the 2007 election, JSCEM recommended that the CEA be amended to enable workload sharing across divisions within a state or territory in non-election periods.⁵³

Roll information and roll products

2.18 The question of what personal information should or may be recorded on the electoral roll, certified lists and the AEC's computer systems is of central importance to the operations of the AEC, since the answer directly affects the running of elections as well as the large number of roll products able to be produced by the AEC. These products include printed copies of the electoral roll, certified lists for marking off electors as they vote at polling booths, reference rolls (copies of the certified list that are not to be used for marking off electors), habitation indexes (lists of electors arranged by address), and voting information (lists of electors who voted at particular polling booths).

2.19 Under CEA section 90B, the states and territories are among other chief users of the AEC's roll products, and are provided with regular rolls for their jurisdictions under Joint Roll Arrangements (JRAs). These roll products support state, territory and local-government elections, for which electors must be correctly allocated to state or territory electoral districts, and to local-government municipalities and wards. CEA section 90B also sets out the electoral and voting information that is made available to Senators, Members of the House of Representatives and registered political parties.

Privacy

2.20 The roll is a public document and, from 1902 until the present, has been available for public inspection.⁵⁴ Since 1984, the roll has been made available at

⁵² AGS, legal advice to the AEC, 9 April 2009.

⁵³ JSCEM, *Report on the conduct of the 2007 federal election and matters related thereto*, Canberra, June 2009, pp. 275–7.

⁵⁴ *Commonwealth Electoral Act 1902*, section 34, and successor provisions. The election for the first federal Parliament in 1901 was held under state legislation with similar provisions.

offices of the AEC,⁵⁵ on the basis that its publication is integral to the conduct of free and fair elections, enabling participants to verify the openness and accountability of the electoral process and object to the enrolment of any elector.

2.21 The public availability of the roll was discussed in ANAO Audit Report No.42 2001–02, *Integrity of the Electoral Roll*, which noted that enrolment requires citizens to provide personal information to the AEC for inclusion on the electoral roll, which is then available for public inspection. While the CEA authorises the AEC to provide electoral information to a range of external users, the previous audit commented that:

Most electors would be unaware of the extent to which personal information provided in order to enrol, and data extrapolated from AEC systems, is available for secondary purposes. Consequently, the AEC should ensure that it has mechanisms in place to manage this disclosure in a way that provides transparency and accountability.

The *Privacy Act 1988* recognises the right of individuals to know when and why information concerning them is used, and to whom it is disclosed.⁵⁶

2.22 In response to the approach suggested in the audit report, the AEC subsequently included advice to electors on its enrolment forms, alerting them to the fact that certain of their enrolment details may be passed to third parties. The AEC has itemised electoral information provided to third parties in each Annual Report from 2001–02 onwards. The AEC's policies and procedures for the collection and disclosure of electoral-roll information are set out on the AEC website.⁵⁷

2.23 Since ANAO Audit Report No.42 2001–02, the CEA provisions governing the disclosure of roll information have been revised and, in some

⁵⁵ The roll available at AEC offices currently shows only the elector's surname, name and place of living. See AEC, *How to View the Commonwealth Electoral Roll*, available from <http://www.aec.gov.au/Enrolling_to_vote/About_Electoral_Roll/How_to_view_electoral_roll.htm> [accessed 2 March 2010].

⁵⁶ ANAO, Audit Report No.42 2001–02, *Integrity of the Electoral Roll*, p. 17.

⁵⁷ AEC, *Prescribed Authorities with Access to Enrolment Information* [Internet], available from <http://www.aec.gov.au/Enrolling_to_vote/About_Electoral_Roll/authorities_with_access.htm>; *Supply of elector information for compliance with identity verification legislation* [Internet], available from <http://www.aec.gov.au/Enrolling_to_vote/About_Electoral_Roll/id_verification.htm>; and *Supply of Elector Information for Use in Medical Research* [Internet], available from <http://www.aec.gov.au/Enrolling_to_vote/About_Electoral_Roll/medical_research.htm> [accessed 1 April 2010].

instances, expanded. However, some items of information collected on the enrolment form may not be necessary to establish qualification, while other items are disclosed to third parties without electors being informed that this occurs. For example:

- date of birth is required of all claimants, whereas it is solely a requirement for enrolling 17-year-olds. Otherwise, establishing that an elector has attained 18 years of age is as readily achieved by (for instance) inspecting a birth certificate and recording its serial number and place of issue, analogous to the regime applied to recording evidence of identity under Regulation 12;
- certain claimants' occupations are recorded, although it is not a qualification for enrolment in any Australian jurisdiction.⁵⁸ Occupations may then be disclosed to prescribed authorities, although the elector is not informed of this on the enrolment form or elsewhere; and
- an elector's previously enrolled address is recorded on the enrolment form. It is not a qualification for enrolment and there is no authority for its collection, although it can be of use to the AEC to hold this information for administrative purposes. The elector is informed on the enrolment form that this data is subsequently made available to Members of Parliament, Senators, political parties and candidates.

2.24 There is also a range of additional information generated by the processing of electors' enrolment records, much of which can be disclosed to authorised third parties, though the elector is generally not aware that this is the case. These items include:

- three derived from prescribed notations that enrolling officers must make on the roll but that are not visible on the publicly available roll;⁵⁹

⁵⁸ The AEC informed the ANAO that occupations are only collected for the State jurisdictions requiring them for their own purposes: 'This derives from the joint roll arrangements and the AEC does not use this data. Occupation is required to be shown on the roll by the following: *Electoral Act* (NT), *Electoral Act 1992* (Qld), *Parliamentary Electorates and Elections Act 1912* (NSW), *Electoral Regulations 1996* (WA)'.

⁵⁹ Roll annotations include those for itinerant electors, eligible overseas electors and those enrolled only for state elections. The AEC informed the ANAO that, as of October 2009, RMANS recorded 16 657 electors enrolled only at the state level and not at the Commonwealth level. The number of state-only electors has grown steadily since 2007, when Commonwealth enrolment requirements for evidence of identity departed from those of the states.

- six other items of information created in the processing of enrolments, showing historical enrolment and registration as a postal voter; and
- four further items of information derived by combining enrolment records with geographical information or postal records.

2.25 Since 2004, much of the above information is provided on a monthly basis in the form of an electronic file (called ELIAS, 'Elector Information Access System') to Senators, Members of the House of Representatives and registered political parties. Under CEA section 91A, these recipients are entitled to use the information for purposes in connection with an election or referendum. However, the concept 'any purpose in connection with an election or referendum' has not been defined, which has meant that, in practice, the AEC has not been in a position to specify any but the most general restrictions on the use of ELIAS.

2.26 In this context, until 2004, printed copies of the electoral roll were available for sale, a practice ended because of AEC concerns, supported by the Federal Privacy Commissioner, 'about the sale of enrolment information that could then be easily scanned and used for commercial purposes'.⁶⁰ However, the restriction on the sale of roll information does not sit comfortably with the current range of secondary uses—now greatly facilitated by the electronic nature of the roll—to which roll information may be put by various authorised entities.⁶¹

2.27 The current arrangements are such that electors' details, collected and processed by the AEC, are regularly made available to a wide range of third parties. An appropriate counterbalance would be a coherent framework to ensure that the privacy of individuals is maintained and that improper use is discouraged. However:

⁶⁰ JSCEM, *The 2001 Federal Election*, pp. 227–8. Allied concerns arose in 2000, when the Australian Taxation Office purchased a copy of the electoral roll to construct a personalised mail-out, to be signed by the then Prime Minister, as part of the Goods and Services Tax information campaign. The mail-out was cancelled on the basis of legal advice.

⁶¹ These include registered political parties, various Commonwealth and state and territory government entities, specified non-government and commercial entities, medical researchers authorised by the Electoral Commission and any other person, persons or organisations authorised by the Electoral Commissioner.

- a broad range of data is collected from a variety of sources, including electors, some of it without a clearly evident purpose under the CEA;⁶²
- ownership of roll information can be unclear, for instance, when collected and/or provided under the JRAs;
- the proper uses of the data by third parties are not clearly defined; and, consequently,
- the prohibitions on the unlawful disclosure of roll information are difficult to codify and enforce, minimising any intended deterrent effect of the significant penalties that could apply.

Recommendation No.1

2.28 ANAO *recommends* that the Australian Electoral Commission:

- engage with the Office of the Privacy Commissioner to develop improved governance arrangements for the collection, processing, data-matching, distribution and management of the personal information of electors and potential electors; and
- assess the extent to which broad use of electoral-roll information by non-government entities may be adversely impacting on the willingness of Australians to enrol to vote.

AEC response

2.29 Agreed. The AEC works with the Office of the Privacy Commissioner to ensure that all its activities in dealing with personal information are compliant with the requirements of the *Privacy Act 1988*. While the AEC is not aware of any finding that existing governance arrangements dealing with the management of personal information relating to electors and potential elections are in breach of the Privacy Act, the AEC regards compliance with the Act as a critical element in maintaining public confidence in the Commission and will continue to work with the Privacy Commissioner to ensure compliance continues. In late 2009 and early 2010, the AEC

⁶² The advisability of having a clear authority is indicated in the Second Reading speech on the Electoral and Referendum Amendment (Close of Rolls and Other Measures) Bill 2010. This foreshadowed regulations that would 'enable the AEC to request prescribed information from electors—for example, date of birth and driver's licence number—to ensure that the [enrolment] transaction is authentic and being undertaken by the elector to whom the information relates' (House of Representatives, *Debates*, 11 February 2010, p. 1138)

commissioned a number of research projects designed to understand the factors that influence decisions to enrol.

Office of the Privacy Commissioner response

2.30 In respect of recommendation 1(a), the Office of the Privacy Commissioner supports the recommendation that the AEC engage with the Office of the Privacy Commissioner to develop improved governance arrangements for the collection, processing, data-matching, distribution and management of the personal information of electors and potential electors.

2.31 In respect of recommendation 1(b), the Office of the Privacy Commissioner agrees that it would be worthwhile assessing the extent to which broad use of electoral-roll information by non-government entities may be adversely impacting on the willingness of Australians to enrol to vote.

2.32 The ANAO has identified that beyond the primary purpose of maintaining the electoral roll, the AEC makes a wide range of secondary uses of the personal information. In this regard, the Office of the Privacy Commissioner believes that an assessment of the effects of secondary uses of personal information would provide the opportunity to mitigate any potential concerns, and help promote community confidence in the enrolment process.

2.33 The Office of the Privacy Commissioner would welcome the opportunity to engage with the AEC to assist in enhancing governance arrangements around the handling of personal information.

Funding arrangements

2.34 To deliver its first Budget Outcome, that 'Australians have an electoral roll which ensures their voter entitlement and provides the basis for the planning of electoral events and electoral redistributions', the AEC draws on four sources of funding, shown in Table 2.1. The main source is ordinary annual appropriations. The then Government announced in the 2004–05 Budget that, in response to the findings of the December 2003 joint funding review conducted by the AEC and Finance, the annual appropriations to the AEC would be varied cyclically, so that the AEC is provided with a lower level of funding for the pre- and post-election years.⁶³ The AEC's annual

⁶³ Finance and Administration Portfolio, *Portfolio Budget Statements 2004–05*, Budget Related Paper No. 1.9, p. 122.

appropriations are also increased by revenue from its Joint Roll Arrangements with states and territories, as well as income from the provision of electoral services. The AEC also draws on the special appropriation provided in the CEA for roll review.

Table 2.1

AEC drawings on appropriations in support of the roll, 2004–05 to 2008–09

Financial Year	Ordinary annual appropriations (\$ million)	Special appropriation for roll review CEA s. 92 (\$ million)	Income from Joint Roll Arrangements and other services (\$ million)	Capital appropriations (\$ million)
2004–05	33.509	9.000	8.738	1.493
2005–06	54.521	9.000	9.127	0.316
2006–07	83.818	9.000	9.615	2.790
2007–08	34.389	9.000	9.973	1.374
2008–09	44.391	9.000	10.474	2.197

Source: ANAO analysis of AEC Annual Reports.

2.35 CEA subsection 92(6) provides an unlimited special appropriation on which the Electoral Commission may draw amounts equal to the sum of the expenses reasonably incurred in conducting reviews of the rolls. While no limit is placed on the amount of the appropriation, drawings on it are limited by the determination of the Finance Minister:

Amounts payable to the Electoral Commission under this section shall be paid in such amounts, and at such times, as the Minister for Finance determines.⁶⁴

⁶⁴ CEA subsection 92(8). No explanation for this arrangement was offered to Parliament when it was enacted in 1983. By way of comparison, to protect the independence of the Auditor-General, the *Auditor-General Act 1997* provides (at section 50) that: 'The Finance Minister must issue drawing rights under section 27 of the *Financial Management and Accountability Act 1997* that cover in full the amounts that the Parliament appropriates for the purposes of the Audit Office.' In this respect, the AEC's legal advisers have observed that an arrangement that would better recognise the independence of the Electoral Commission would be for the CEA to require the Finance Minister to issue drawing rights to cover in full the appropriations authorised by the Parliament.

2.36 In practice, the amount drawn under CEA subsection 92(6) has been capped at \$9 million for each financial year from 2001–02 onwards,⁶⁵ indicating that the Electoral Commission has not charged any more than that amount to the special appropriation for each year over that period and/or that the Finance Minister has determined that \$9 million is the amount to be drawn for each year over that period. In addition, the AEC's financial statements do not show any appropriation receivable under CEA section 92, indicating that the AEC has not informed the Finance Minister of expenses any greater than \$9 million in any year over the period 2001–02 to 2008–09. In these respects, Finance has informed the ANAO that:

We have not been able to locate annual advice from the Australian Electoral Commission (AEC) to the Finance Minister, of roll expenses reasonably incurred under section 92, although information on AEC expenditure on roll activities is set out in AEC annual reports and budget documentation. Nor have we been able to locate determinations by the Finance Minister under section 92(6).

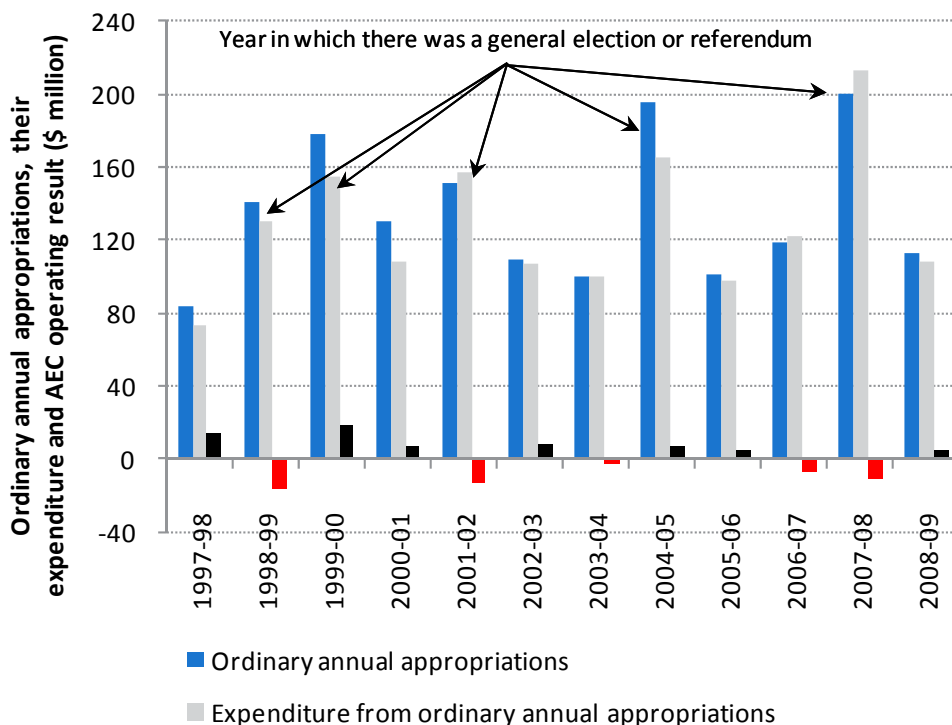
Legal advice obtained by Finance indicates that written determinations by the Minister for Finance and Deregulation are not required to authorise payments under section 92.

2.37 By way of comparison with the constant rate of drawings on the CEA's special appropriation, the AEC's annual appropriations fluctuate with the electoral cycle (see Figure 2.2 and Table 2.1). For example, in the lead-up to the 2007 general election, the AEC's drawings for roll management rose from \$54.5 million in 2005–06 to \$83.8 million in 2006–07. Figure 2.2 shows the AEC's operating results, with deficits (in red) in election years and surpluses (in black) in other years.

⁶⁵ Save for 2003–04, when the Portfolio Additional Estimates Statements identified an additional \$600 000 to be drawn from the special appropriation in order to improve the integrity of the rolls.

Figure 2.2

AEC ordinary annual appropriations, their expenditure and AEC operating result, 1997–98 to 2008–09



Source: ANAO analysis of AEC Annual Reports

2.38 Against this background, Finance informed the ANAO that:

In practice, the AEC has drawn down \$9 million a year under section 92(6). The remainder of the AEC's expenditure on electoral roll management has been met from annual appropriations and revenue from independent sources.

Given these circumstances, the same funding outcome for the AEC could be achieved by providing all of the AEC's appropriation funding for roll management through the annual appropriation acts. This would also have the advantage of simplifying the AEC's funding arrangements and ensure that all AEC appropriation funding is subject to the Parliamentary approval processes for the annual bills.

The Advance to the Finance Minister would continue to provide a mechanism for dealing with any urgent funding requirements that have not been covered in the annual appropriation acts.

2.39 The funding arrangements for the AEC are matters that have traditionally been settled in the Budget context.

Joint Roll Arrangements

2.40 Section 84 of the CEA authorises the Governor-General to make a JRA with his or her counterpart in a state or territory for the preparation, alteration or revision of the rolls for use at Commonwealth, state or territory elections.⁶⁶ Since 1994, JRAs have been in place in all jurisdictions so that persons can enrol to vote at federal, state, territory and local-government elections by filling in a single enrolment form.⁶⁷ Supplementary to the JRAs:

- Service Level Agreements (SLAs) exist, under which fees are paid by the state and territory electoral commissions for the maintenance of the joint electoral roll and the provision of information, services and systems; and
- Memorandums of Understanding (MOUs) have been signed that formalise an agreed range of electoral-roll review and enrolment-related activities, including a review mechanism for the MOU. The AEC's current practice is to use MOUs as an alternative to renegotiating the overarching framework provided in JRAs.

Financial provisions in Joint Roll Arrangements

2.41 As provided for by the *Financial Management and Accountability Act 1997* and its Regulations, the available balance of the AEC's ordinary annual appropriation is increased by the revenue raised from the provision of electoral services and the sale of roll products. The AEC's roll products include roll information provided to the electoral authorities of each state and territory under the JRAs. The roll information provided by the AEC forms the basis of the electoral rolls used for elections by the joint roll partners in each jurisdiction.

⁶⁶ Similar provisions have been in effect since 1905. See *Commonwealth Electoral Act 1905*, section 18.

⁶⁷ The first JRA, with Tasmania, was made in 1908. Queensland and the ACT were the last to join, in 1991 and 1994 respectively. Under the JRAs, AEC staff process completed forms into the AEC's electronic Roll Management System (RMANS) so that the federal, state and territory rolls can be kept up-to-date on a daily basis (see Electoral Council of Australia, *2004–2005 Continuous Roll Update*, 2006, p. 3).

2.42 For decades after the first JRAs were signed, the Commonwealth carried most of the cost of producing and maintaining the joint electoral rolls.⁶⁸ From the late 1980s, some JRAs provided for sharing some of the costs of roll reviews. This situation fundamentally changed when, on 7 February 1991, the then Prime Minister wrote to the Premiers and Chief Ministers⁶⁹ ‘supporting joint roll arrangements but indicating that because of funding imbalances, the Minister for Administrative Services would be asking the AEC to undertake negotiations to obtain equitable sharing of costs.’⁷⁰ At the time, the AEC was receiving some \$312 000 from four states, whereas it claimed that a fifty–fifty share of costs would have seen it receive some \$4.7 million from those four states.⁷¹ In this respect:

- Since 1995, all JRAs have included a formula establishing a per-electoral rate of contribution by the state or territory, indexed against the rate of price inflation measured for the capital city of the relevant state or territory. This financial model was first introduced in the 1988 JRA with South Australia. However, none of the JRA indexation arrangements conform to the guidelines set out by the ABS in its publication *Producer Price Indexes, Australia*.⁷²
- The per-electoral base rates display a marked variation, with Western Australia, for example, paying in 2005 about the same rate as Tasmania had paid in 1995, and the ACT paying in 2007–08 about the same rate as Queensland had paid in 1991. Audit fieldwork confirmed that the burden of costs between the parties and across jurisdictions is a continuing matter for negotiation with the state and territory electoral commissions.

⁶⁸ The states were generally obliged to pay only a half-share of the printing and binding costs for enrolment forms and electoral rolls, and the cost of police canvassing to review the roll. Victoria also paid an additional annual sum (£900 in 1952) for the extra costs of its Legislative Council roll.

⁶⁹ Except those of South Australia and Queensland, with whom negotiation of a new JRA either had recently concluded or was well under way.

⁷⁰ JSCCM, *The Conduct of Elections: New Boundaries for Cooperation*, September 1992, pp. 117–20. This decision is also referred to in the AEC Annual Report 1994–95, p. 12. The 1988 agreement with South Australia and the late-1991 agreement with Queensland already included an indexed contribution by those states.

⁷¹ JSCCM, *The Conduct of Elections: New Boundaries for Cooperation*, p. 121.

⁷² ABS, *6427.0 – Producer Price Indexes, Australia*, December 2009, advises on general matters to consider when developing indexation clauses using a price index.

- In accord with the view put by the then Prime Minister in 1991, the underlying assumption of the JRA financial arrangements is that the costs of maintaining the electoral rolls are to be shared between the AEC and its joint roll partners. However, the amount or percentage of expenses to be shared or recovered is not specified, nor is the scope of work to be undertaken by the AEC on behalf of the states and territories specified with a view to achieving cost-recovery.

2.43 The JRAs are inter-governmental charging arrangements and, as such, are exempt from the *Cost Recovery Guidelines* that are generally applicable. Nevertheless, consistent with the principle adopted in 1991, it is important that the AEC establish the costs incurred by each party, though this is yet to be achieved. AEC estimates compiled in 2005 indicated total costs carried by the AEC of around \$15 million, compared to JRA income of around \$8 million. A 2005 review of the cost of JRAs commissioned by the AEC noted a lack of documented policies and procedures for the management of JRAs, extending to the absence of documentation of the base-rate charges per elector levied under each JRA, and a lack of clear direction as to the costs to be attributed to the roll products provided under the JRAs. It was concluded that:

Implementation of a single robust cost model and documentation of policies and procedures relating to the overall approach [to JRAs] should also enhance the AEC's position in undertaking negotiations of the per-electoral [base] rates to be charged.

2.44 In the absence of a robust cost model, it is not possible to know whether the costs recovered under the JRAs and the SLAs represent an equitable share of the costs of maintaining the rolls. In relation to the financial arrangements, the AEC informed the ANAO that:

[An accounting firm] was engaged by the AEC to conduct a high-level exercise to estimate the overall costs incurred by the AEC to manage the JRA and the underlying Service Level Agreement (SLA) with the Victorian Electoral Commission (VEC). The report was endorsed by the Business Assurance Committee in August 2009 out of session.

Phase 2, relating to the costing of AEC's JRAs with other State and Territory Electoral authorities has not been undertaken.

Recommendation No.2

2.45 To give a sound footing to Joint Roll Arrangements and to adhere to the greatest possible extent to the principles set out in the *Australian Government Cost Recovery Guidelines*, ANAO recommends that the Australian Electoral Commission establish a sound basis for costing the maintenance and review of the electoral rolls and the production of state and territory roll products.

AEC response

2.46 Agreed, noting that existing arrangements reflect a range of factors that acknowledge the different circumstances and requirements of the AEC's partner agencies. These include costing agreements which reflect an emphasis on cost-sharing rather than cost-recovery.

Management and redevelopment of roll and election systems

2.47 Computer systems have been used to record and process enrolment information since 1967, when the South Australian electoral authorities produced a computer-based Legislative Council electoral roll.⁷³ The Commonwealth's adoption of computer-based electoral rolls dates from 1973, using a mainframe-based computer program called COM.⁷⁴

2.48 The legislative reforms that established the AEC in 1983 were also intended to provide for a computerised roll. At that time, section 111 was introduced into the CEA to enable the newly created Electoral Commission to approve mechanical, electrical or other devices on which DROs could record, store, vary or remove information from the electoral roll.

2.49 Although the Explanatory Memorandum for the 1983 amendments to the CEA described section 111 as enabling roll maintenance to be performed on a computerised roll-maintenance system approved by the Commission,⁷⁵

⁷³ The world's first computer-based electoral roll was produced in 1967 in South Australia, under the authority of that state's chief electoral officer, for a by-election in the Southern District of the South Australian Legislative Council. That roll was produced on a computer at the University of Adelaide, initially installed to service the requirements of the Woomera rocket-testing range (see JSCEM, *The Conduct of Elections: New Boundaries for Cooperation*, c.1992, p. 102).

⁷⁴ M McIlwain, *History of the State Electoral Office, 1907–2007*, State Electoral Office, Rose Park, SA, 2007, p. 55.

⁷⁵ Explanatory Memorandum, Commonwealth Electoral Legislation Amendment Bill 1983, p. 25.

the provision allows only for the approval of hardware. As the roll can be supported by a range of devices, the number and location of the devices requiring authorisation by gazettal is likely to change regularly.⁷⁶ Authorisation is required not only for the machines used in regular RMANS processing, but for other machines such as:

- the computers and storage devices that hold backup copies of roll software and enrolment data, which operate at other sites away from the AEC, so as to reduce the risk of the total loss of the electronic roll;
- the devices holding local copies of the roll and other enrolment data in the AEC's divisional offices; and
- the 150 personal digital assistants (PDAs, or handheld computers) carrying copies of divisional rolls for the trials conducted during the 2007 general election.

2.50 This is another example of a dated administrative provision within the CEA that would benefit from review at the next opportunity. Further in this respect, the September 2009 Electoral Reform Green Paper *Strengthening Australia's Democracy* canvassed a broad range of possible options for using electronic systems to automatically update electors' enrolment details. Among the options were automatic enrolment, automatic update, online enrolment and online update.⁷⁷ Each option anticipates the extensive use of electronic systems and computer-assisted decision-making.

2.51 In light of the trend toward automated administrative decision-making across areas of government, the Administrative Review Council has formulated 27 best-practice principles for automated assistance in administrative decision-making. These include the principles that automation be mainly restricted to non-discretionary elements of a decision (Principle 1), that the powers of the decision-maker should not be fettered by an automated

⁷⁶ Section 4 of the CEA requires such approvals to be published in the *Commonwealth Gazette*. The last gazetted approval under section 111 was in 1990, for the Department of Administrative Services' mainframe computer situated in Canberra and the South Australian State Computing mainframe computer situated in Adelaide.

⁷⁷ Australian Government, *Electoral Reform Green Paper: Strengthening Australia's Democracy*, September 2009, pp. 94–100.

system (Principle 3), and that automated decisions should be properly supported by law (Principle 5).⁷⁸

2.52 These principles informed the Australian Government's February 2007 Better Practice Guide to *Automated Assistance in Administrative Decision-Making*. The Guide advised the designers of such systems to ensure that, among other things, they:

- are properly authorised by law and verified by the authority responsible for administering the policies embodied in the system;
- expressly inform the decision-maker when a question is asked that is a matter for the decision-maker's judgement, requiring human input;
- adhere to the Information Privacy Principles (IPPs) of the *Privacy Act 1988*; and
- can provide a statement of reasons in support of any decisions made.⁷⁹

Systems redevelopment

2.53 At the time of the 1983 legislative reforms that created the AEC, it was decided to develop a decentralised computer-based roll, to be maintained and held at the divisional level. However, some time after the July 1987 federal general election, the AEC changed this approach and instead developed a centralised Roll Management System (RMANS).⁸⁰

2.54 RMANS first became operational late in 1988 and early in 1989.⁸¹ Some 20 years later, RMANS remains the AEC's repository for its computerised electoral roll and for other information on electors. Data from RMANS is used to generate the roll available for public inspection and the certified lists of electors used at polling booths on polling day. It is also the primary source of the roll information provided to parliamentarians, political parties, electoral authorities and other prescribed recipients, as well as accommodating the

⁷⁸ Administrative Review Council, *Automated Assistance in Administrative Decision Making*, Report No. 46, November 2004, p. viii.

⁷⁹ See Australian Government, *Automated Assistance in Administrative Decision-Making: Better Practice Guide*, February 2007, pp. 45 and 39, 14–15, 27–31, and 46–7 in particular.

⁸⁰ Another system, the Enrolment Management Information System (EMIS), developed in 2003–06 in response to an ANAO recommendation, provides statistical enrolment information from RMANS to stakeholders and assists in the management of the electoral roll.

⁸¹ JSCEM, *The Conduct of Elections: New Boundaries for Cooperation*, p. 108.

enrolment data that supports the AEC's data-matching and Continuous Roll Update activities.

2.55 In addition to RMANS, one of the AEC's most important computer systems is ELMS, the Election Management System, components of which existed and were used at the 1990 federal election, with significant additional functionality being developed and available at the 1993 federal election.

2.56 The staged redevelopment of the AEC's election-management and electoral-roll systems (ELMS and RMANS) has been underway since mid-2004. At the time of ANAO audit fieldwork, the AEC estimated that the redevelopment would be completed by December 2014 if it was to proceed, 42 months after the originally planned completion date of June 2011.⁸² Key dates for the redevelopment are shown in Table 2.2, illustrating the delays to date.

2.57 The AEC established a Project Board to oversee the component projects of the systems redevelopment. However, the redevelopment Project Board was not informed by a sound business case and its duties were primarily those of oversight of a number of linked sub-projects.

2.58 By 2005–06 the AEC was experiencing slow progress, which it attributed to the lack of documentation of the existing ELMS and RMANS systems. The AEC found that the RMANS system, in particular, was significantly more complicated than originally anticipated. Consequently, minimal progress had been made in mapping RMANS' existing business processes, a key prerequisite for design work to begin. Although the AEC's systems-redevelopment business case acknowledged that both ELMS and RMANS were large, complex systems and the product of evolutionary development by a large number of teams, this had not been identified or evaluated as a risk to the project.

⁸² The original completion date is in AEC, *RMANS and ELMS Redevelopment Project Business Case*, July 2004, p. 13. The revised completion dates were advised by the AEC in April 2009.

Table 2.2

Timeline of key dates in AEC systems redevelopment

Planned key dates		Actual progress	
Budget announcement of EMIS and roll-integrity measures	← May 2003		
Additional \$1.8 million for EMIS	← May 2004		
\$24.1 million over six years for roll integrity and replacement of ELMS and RMANS	January 2005	→	AEC purchases upgraded mid-range computer servers to support ELMS
	← May 2005		
	July 2005	→	Redesign of RMANS and ELMS systems starts
	November 2006	→	KPMG reviews project management; redevelopment renamed Project GENESIS
	January 2007	→	AEC commences the revision of its systems-redevelopment strategy, concluding in August 2008
Proposed date to move off mainframe	← July 2007		
	May 2008	→	Commencement of development work for General Application Processing System (GAPS) to interface with RMANS
	January 2009	→	Sphere Consulting undertakes a redevelopment 'Sense Check'
	July 2009	→	AEC implements GAPS 1, the standard enrolment interface to RMANS
Original completion date	October 2009	→	Proposed implementation for GAPS 2 – electronic smartform-based enrolment, interface to RMANS
	← June 2011		
	December 2014	→	Expected completion date

Sources: ANAO analysis of Budget Papers, Finance Portfolio *Portfolio Budget Statements* and *Portfolio Additional Estimates Statements*, AEC *Annual Reports* and AEC records.

2.59 In August 2006 the AEC reviewed the projected costs of systems redevelopment over the period 2006–07 to 2008–09. It concluded that the total funds required to complete the project were likely to be greater than first anticipated, and that the original business case had significantly under-scoped the project.

2.60 In October 2006, the AEC engaged a consultant to reconfirm (or otherwise) the drivers in the business case for the systems-redevelopment project to enable the AEC to determine the present and future options for the project. The consultant reported to the AEC on 30 November 2006. The key findings were that:

- the business rules and documentation of RMANS and ELMS were either unclear or non-existent;
- there was no evidence of redundant or unused RMANS code;
- the imminent demise of the AEC's computing systems had been overstated;
- the AEC had mistakenly assessed the redevelopment as a shift to new technology rather than a re-write of its core systems, and had consequently underestimated the risks of its preferred option;
- the project scope was poorly defined and appeared to include enhancements agreed after project commencement;
- the cost estimates underpinning the business case lacked credibility, underestimated both the cost and the time required to complete the project and were, at best, 'ill-informed';
- financial oversight was poor, due in part to a lack of transparency in the AEC's internal reporting to its Project Board; and
- there was a need to strengthen the AEC's governance of the redevelopment project. In particular, while the project documentation was being produced according to the accepted standards of the *Project Management Body of Knowledge* (PMBOK),⁸³ this was not in itself a project-management methodology.

2.61 The consultant concluded that the redevelopment project was not underpinned by a clear business model, and that it was in need of refocusing, with more active governance using a suitable project-management methodology. The first steps recommended to the AEC were that it understand and document its current systems and how they were used to support its core business *before* re-defining its redevelopment project and its business case. The

⁸³ As promulgated by the Project Management Institute.

consultant recommended that the AEC build and cost models of the way in which the AEC intended to conduct its core business in the future, including the costs of effective and flexible technological solutions. This would assist the AEC to establish and communicate the desired outcomes of the redevelopment and ensure they were achievable within realistic timeframes. The consultant noted that, once these steps had been taken, the AEC would be in a position to decide the future of its systems-redevelopment project.

GENESIS

2.62 By August 2006, the AEC was referring to its systems-redevelopment project as the General Enrolment, Elections Support and Information System, or GENESIS.⁸⁴ After receiving the consultant's recommendations in November 2006, the AEC conducted a series of senior executive workshops that identified four business objectives for GENESIS.⁸⁵ The AEC also strengthened the governance arrangements for GENESIS.⁸⁶ In addition, the AEC initiated several projects to revise its approach to GENESIS.⁸⁷

2.63 In mid-2008, a 'sense check' of GENESIS was commissioned. Prompted, in part, by continued slippage in the GENESIS schedule, the purpose of the sense check was to determine whether the resource and cost estimates for the achievement of the planned GENESIS outcomes by 2013 were reasonable, and whether the approach being taken was reasonable.

2.64 A preliminary report to the Program Board in October 2008 confirmed that, at least over the medium term, the AEC's computing platforms would continue to be supported. The final report, delivered early in January 2009, concluded that, notwithstanding the significant changes to the redevelopment

⁸⁴ AEC, *Annual Report 2005–06*, August 2006, p. 5.

⁸⁵ These were 'to streamline its business processes, provide a customer focus and maintain a customer history, facilitate greater flexibility to enable workload sharing and monitoring; and where appropriate deliver online services direct to the customer.'

⁸⁶ However, whilst the new Program Board included representation from the AEC's IT and roll-management business areas, the AEC's Chief Finance Officer was not included until mid-2007, limiting the Board's ability to assess the financial impact of the project. The ability to provide relevant reporting was also hampered by the AEC's accounting arrangements, under which the redevelopment was not separately accounted for until 2007–08, four years after the AEC's initial systems funding for roll integrity and three years after approval was given and Budget funding provided for major systems redevelopment.

⁸⁷ By late 2008, the AEC had completed the documentation of a substantial portion of its existing business processes. The AEC also adopted a revised focus and timetable for the delivery of products under the GENESIS project, aiming first to redevelop its enrolment systems and to defer the redevelopment of ELMS.

project since its inception, the AEC had yet to construct a consolidated and up-to-date business case.

2.65 Schedule slippage meant that, by the time the AEC completed the redevelopment, the information-technology environment would have changed significantly. The sense check recommended a more aggressive timetable for completion. It also found that the AEC's in-house approach to GENESIS placed a high degree of reliance on staff who had little recent experience of large-scale redevelopment projects. Accordingly, other key recommendations to the Program Board were to:

- review the GENESIS approach to delivering solutions;
- ensure that appropriate skills were available for the redevelopment, including through a partnership with another Commonwealth agency or by select sourcing of appropriate expertise; and
- review the funding for GENESIS.

2.66 The sense check confirmed the methodology underpinning the project and the soundness of the estimated total redevelopment cost of \$50 million to \$60 million, in order to complete the planned redevelopment of the enrolment system by the end of 2012–13. In April 2009, the AEC informed the ANAO that:

GENESIS cost estimates were revised in 2006 and again in 2008. The revised cost estimate of the program has risen from the original \$27 million to somewhere between \$56 million and \$60 million. ... The Program Board has also noted that the AEC may be unable to afford the level of expenditure associated with the original project timeframe and that this, in turn, has significant implications for program delivery, and the ability of the Commission to replace RMANS and ELMS.

Establishment of the Business Investment Committee

2.67 On 6 April 2009 the Electoral Commissioner initiated the creation of a Business Investment Committee (BIC). Throughout April and May 2009 the function of the committee was clarified by members of the AEC Executive, and the committee was formally established in June 2009. In recognition of the need for greater discipline in project selection and management, the AEC

engaged a consultant to assist with the development of a robust project-management framework based on the PRINCE2 methodology.⁸⁸

2.68 In August 2009, the AEC informed the ANAO that it had established a business-investment and project-management process that complied with Finance and the Australian Government Information Management Office (AGIMO) requirements, including the Gateway Review Process, ICT Two-Pass Review⁸⁹ and the Gershon Report recommendations.⁹⁰

2.69 The AEC's revised project-management framework assigns two major sets of work and responsibilities. One set falls upon the BIC, which is charged with assessing and prioritising all AEC projects. The second set is the management of the individual projects approved by the BIC.

2.70 The role of the BIC commences with the review of initial project proposals. If it approves a project, the BIC is responsible for allocating funds for the preparation of a formal proposal, including a fully developed business case, to be resubmitted to the BIC for approval. The BIC criteria for assessing all initial project proposals include:

- that the project produces real benefit to the AEC;
- that the project is aligned to the AEC's strategic directions; and
- that it supports the three objectives of modernisation, collaboration and investment in AEC staff.

2.71 Under the BIC business rules, projects with an estimated expenditure of greater than \$1.8 million, or that entail significant risk, will be deemed to be complex and must adopt the AGIMO ICT Business Case model.⁹¹

2.72 A project board or project sponsor is to be appointed to each project approved by the BIC. They are then responsible for the management, execution

⁸⁸ PRINCE2 is a de facto project-management standard used extensively by the UK Government. It is widely recognised and used in the private sector, both in the UK and internationally.

⁸⁹ In 2008 the Government introduced a two-pass review process in order to obtain better information to support its decisions on major investments in ICT-enabled proposals. The process is also designed to better position agencies for the Budget and Gateway Review processes.

⁹⁰ Sir Peter Gershon, *Review of the Australian Government's Use of Information and Communication Technology*, August 2008.

⁹¹ Department of Finance and Deregulation, *ICT Two Pass Review* [Internet], available from <<http://www.finance.gov.au/budget/ict-investment-framework/business-case-guide.html>> [accessed 1 September 2009].

and delivery of the project through to completion, and for preparing a formal post-implementation report which includes lessons learnt and benefits realised.

2.73 In October 2009, the BIC decided to place on hold any further development of the next stages of GENESIS until it has a more comprehensive understanding of the implications of the JSCEM report on the 2007 federal election, the Government's second Green Paper on electoral reform and this ANAO performance audit.

3. Roll review and update

This chapter describes enrolment rates and trends, and analyses the effectiveness of the actions taken by the AEC to manage the roll, as well as the particular strategies employed to improve the roll in the lead-up to the 2007 general election.

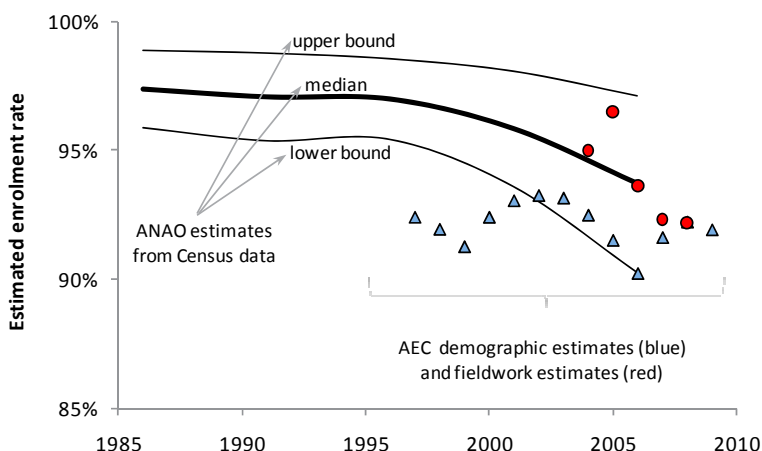
Enrolment trends

3.1 The AEC's stated target is to ensure that 95 per cent of people eligible to vote are on the electoral roll—the key record of people entitled to vote. To measure its performance, the AEC compares recorded enrolments to estimates of the eligible population derived from ABS population statistics. It also conducts Sample Audit Fieldwork, an annual review of a statistically valid sample of Australian addresses, derived using a methodology provided to the AEC by the ABS.

3.2 On polling day 2007, the electoral rolls included 13 646 539 people, representing an estimated 92.3 per cent of eligible electors. Approximately 1.1 million electors were missing,⁹² reflecting the long-term decline in enrolment rates shown in Figure 3.1 below.

Figure 3.1

Enrolment as a percentage of the estimated eligible population, 1986–2009



Source: ANAO analysis of ABS Census data and AEC enrolment data.

⁹² JSCEM, *Report on the conduct of the 2007 federal election*, pp. 23 and 81.

3.3 Figure 3.1 compares estimates of enrolment rates derived from Census data (shown by lines) with the AEC's estimates of the rate of enrolment (the blue triangles show the AEC's estimated participation rate) and estimates derived from the AEC's SAF surveys (indicated by red dots).⁹³ The AEC's estimates are consistent with the long-term decline in rates of enrolment indicated by ABS Census data.

3.4 By mid-2006, the AEC was aware that it faced significant challenges if it was to achieve its target rate of 95 per cent enrolment and produce electoral rolls of high quality for the 2007 general election. As of June 2006, the AEC had recorded a net drop of almost 33 000 enrolments since the previous year. The enrolment rate (or participation rate), already below the AEC's target rate of 95 per cent enrolment at June 2005, had declined by a further 1.4 percentage points.⁹⁴

3.5 By that time, the AEC had received its first time-series of demographic estimates of enrolment rates from the ABS. The time-series estimates (the blue triangles in Figure 3.1) were produced under an informal arrangement between the AEC and the ABS and first became available to the AEC in mid-2005. They were intended to assist the AEC's reporting on, and analysis of, enrolment rates at the national level. Like the AEC's SAF activities, the demographic estimates were being developed in response to recommendations made in ANAO Audit Report No.42 2001–02, *Integrity of the Electoral Roll*, that the AEC develop measures to verify the completeness and integrity of the electoral rolls.

3.6 In the context of the subsequently available demographic and SAF participation estimates plotted in Figure 3.1, it appears that the impact of the usual post-election diminution in enrolments and other temporary reductions in enrolment activities in 2005–06 was to exacerbate a long-term trend for the number of enrolments to be less than the growth in the estimated population

⁹³ The total of missing voters cited at paragraph 3.2 includes a net addition of 1466 electors whose names were added after the close of rolls and prior to polling day. The adjustments occurred as the AEC removed the names of electors who had died after the close of rolls and re-instated eligible electors previously removed from the roll. The AEC estimates the participation rate by comparing Census data with enrolment data; the SAF estimate is intended to provide a 'reality check' on the participation rate from fieldwork around Australia.

⁹⁴ The June 2006 participation rate was initially estimated at 91.1 per cent, compared to 92.5 per cent at 30 June 2005. The AEC later revised both figures downward—to 90.2 per cent for 2006 and 91.5 per cent for 2005—in the light of data from the 2006 Census (AEC, *Annual Report 2007–08*, p. 35).

of eligible voters. However, at that time, the AEC considered the drop in enrolment activity to relate to shorter-term issues and its responses were, accordingly, not focused on developing long-term solutions.

Continuous Roll Update

3.7 Since 1999, the AEC has actively maintained the electoral roll by a process of data-matching referred to as Continuous Roll Update (CRU).⁹⁵ Under CRU, the personal information on electors held by the AEC is matched with external data, usually obtained from other Commonwealth, state or territory agencies, from Australia Post and from some utility companies. Where data-matching suggests that an elector has become eligible or has changed their address, a CRU mail-out or field visit can result in enrolment or a transfer of enrolment. Otherwise, non-response can lead to the removal of the elector from the roll under the CEA's statutory objection process.⁹⁶

3.8 A data-matching approach was first canvassed by the AEC in the early 1990s, prompted by the concerns expressed by the then Electoral Commissioner in 1992 that the rate of enrolment was declining, and that it was costly to conduct the door-to-door habitation reviews then required under the CEA.⁹⁷ Habitation reviews were a comprehensive check of the electoral roll, under which the AEC hired casual staff to visit the majority of habitations in Australia. Where it was impractical for field workers to conduct doorknocks of habitations, the review was undertaken by mail. The AEC informed the ANAO that habitations where it may have been impractical to conduct doorknocks included rural and remote areas, secure-access buildings, caravan parks and nursing homes.

⁹⁵ The collection of such information in order to prepare, maintain or review the rolls is authorised by section 92 of the CEA.

⁹⁶ The process of objecting an elector off the rolls is set out in Part IX of the CEA. In respect to this process, the AEC informed the ANAO that: 'Objections are prompted where a resident at a new address responds to a letter with confirmation that a previous resident (who AEC records indicate is still enrolled at that address) no longer resides at the address. In limited cases, some return-to-sender mail may also lead to an objection. In itself, non-response to an initial mailout will not trigger an objection, but will instead trigger a follow-up process which may include the sending of a follow-up letter, a phone call or a visit from a field officer.'

⁹⁷ Until the passage of the *Electoral and Referendum Amendment Act 1996*, CEA section 92 required the AEC to visit, at least every two years, every habitation in each state and territory in order to review the electoral rolls.

3.9 Habitation reviews had been found to be inefficient, to the extent that up to 60 per cent of addresses visited resulted in no changes to the roll, although they did positively confirm enrolment at those addresses. However, the AEC recognized that, for the other 40 per cent or so, the currency and hence the accuracy of the data collected degraded from the moment that the habitation review was finished.

3.10 A national trial of CRU commenced in March 1999, with data-matching of the roll against Australia Post change-of-address data so that the AEC could write to electors who had recently moved.⁹⁸ At that time, the AEC also wrote to habitable addresses where there was no record of enrolment.⁹⁹

3.11 CRU ran nationwide for all of 2000, with further expansion after the 2001 general election.¹⁰⁰ The progressive roll-out of CRU meant that the full costs, particularly those of purchasing external data and of expanded computer processing, did not impact on the AEC until 2002–03. At that time, CRU computer-processing costs were estimated by the AEC to be in the order of \$2.2 million per annum, compared to \$1.1 million for all other roll functions.¹⁰¹

3.12 Notwithstanding the extra computing and data costs, CRU was expected to deliver a more up-to-date electoral roll and deliver cost savings, especially compared to the habitation reviews it replaced. The special appropriation at section 92 of the CEA had been drawn for as much as \$13.85 million for the final habitation review conducted in 1998.¹⁰²

3.13 By 2005, CRU processes were well-established, and the AEC estimated the total annual costs of CRU to be in the order of \$14.7 million. The Electoral Council of Australia reported that:

⁹⁸ A letter to the elector was sent to the address to which it appeared that they had moved, and a letter 'to the householder' was sent to the currently enrolled address. The 1996–97 CRU trial showed a 58 per cent response rate to letters sent to the new address, and a 42 per cent response rate for letters sent to the old address. This split was not recorded for the 1999 expanded CRU activities.

⁹⁹ Electoral Council of Australia, *Report of the 1999 Continuous Roll Update Activities to update the electoral roll for the Commonwealth, States, Territories and Local Government*, December 1999, p. 8.

¹⁰⁰ AEC and Department of Finance, *Resourcing Review*, December 2003, p. 36.

¹⁰¹ *ibid.*

¹⁰² See AEC, *Annual Report 1997–98*, p. 111.

It is apparent that there is now a stable and comprehensive set of external data available for CRU purposes in each jurisdiction. The most important data source nationally remains [*motor vehicle drivers*] licenses as it has the potential to supply an estimated 2.75 million [*change-of-address and potential-electors*] records annually, subject to current supply problems in Queensland and the Northern Territory.¹⁰³

3.14 Each year over the period 2000–01 to 2004–05, CRU typically processed 4 million records¹⁰⁴ showing a change of address or likely eligibility to enrol. This led to targeted mail to 2.8 million addresses each year, and fieldwork visits to 330 000 habitations annually, all of which generated an average of around 850 000 enrolments per year. By 2004–05, follow-up on CRU actions was well-established as the usual starting point for the AEC's objection process, under which electors are eventually removed from the roll.

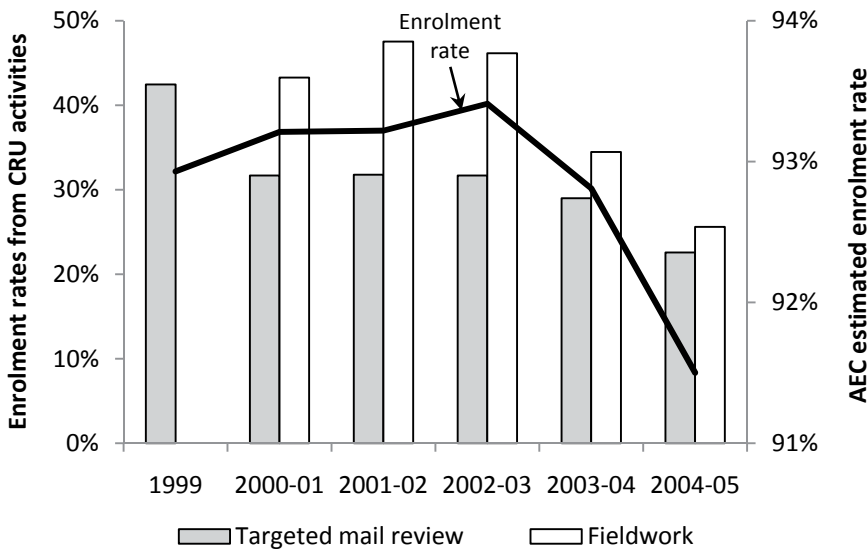
3.15 At this time, the AEC was in the process of responding to ANAO Audit Report No.39 2003–04, *Integrity of the Electoral Roll: Follow-up Audit*, and aimed to increase the coverage of its CRU activities so as to review all of the estimated 7.6 million habitable addresses in Australia over a two-year period – a 30 per cent increase over the AEC's review rate to that date. However, the unit costs of each CRU enrolment had risen by almost nine per cent annually (from approximately \$47.90 per CRU enrolment in 2000–01 to \$66.70 by 2004–05)¹⁰⁵ and, notwithstanding the addition of new data sources to CRU, the initial success rates of mail-outs and fieldwork began to decline from 2001–02 onwards (see Figure 3.2). The effects were mirrored by changes to the AEC's reported enrolment rate (the solid line in Figure 3.2).¹⁰⁶

¹⁰³ Electoral Council of Australia, *2004–05 Continuous Roll Update*, 2006, p. 8. In mid-2004, access to NT motor vehicle licence data was withdrawn due to the introduction of Territory privacy legislation. The AEC's access to the equivalent data from Queensland was suspended in January 2005 pending the negotiation of a new agreement for its supply.

¹⁰⁴ The AEC commented to the ANAO that: 'the average 4 million records processed in this time are change of address and potential elector records from external agencies, which included duplicates.'

¹⁰⁵ Unit costs are estimated by dividing the number of new enrolments generated by CRU activities by the AEC's reported expenses incurred in maintaining the electoral rolls (from the financial statements in AEC *Annual Reports* for 2000–01 to 2004–05 inclusive).

¹⁰⁶ The analysis in Figure 3.2 *excludes* the National Supplementary Mail Review conducted in 2002–03 to 2004–05 inclusive. The majority of this review was conducted in 2003–04, in the lead-up to the 2004 general election. In May and June 2004, mail was sent to over 1.9 million addresses, generating almost 120 000 enrolments, a success rate of 6.2 per cent. Including these figures in the CRU for 2003–04 reduces the overall enrolment rate for mail-outs from 29.0 per cent to 19.9 per cent.

Figure 3.2**Enrolment rates for main CRU activities, and AEC estimated enrolment rate, 1999 to 2004–05**

Source: ANAO analysis of AEC data and CRU reports of the Electoral Council of Australia.

3.16 Since data-matching relies on records from preferably independent sources incorporating at least one common item of information, it will not identify people who have no record on either of the systems being matched, or whose recorded details have so changed that a match is missed. Programs like CRU:

- are less effective at making inroads into the population of voters altogether missing from the roll and other systems; and
- after a certain number of data-matching cycles, lead to the proportion of electors being removed from the roll rising relative to the number added.¹⁰⁷

3.17 In this latter respect, by mid-2004 the AEC was aware that it was consistently removing more people from the rolls than were re-enrolling. In 2006, the AEC reported that the rate at which electors were removed from the

¹⁰⁷ Initial high rates of success can reflect a pre-existing 'stock' of electors needing to update their enrolment details. The first cycles of data-matching tend to make the greatest inroads into the stock, so that the apparent success rate of following cycles falls.

roll had outstripped both roll growth and the rate of re-enrolment.¹⁰⁸ The result was that the total number of people on the electoral roll fell by almost 33 000 over the year to 30 June 2006.

3.18 Responding to the marked decline in enrolment during 2005–06, the AEC reviewed its CRU operations. The AEC adopted certain findings of its CRU review in the design of its Targeted Enrolment Stimulation activities (TES, the outcomes of which are discussed later in this chapter). These included more sophisticated data-mining and data-matching to identify populations of potential new electors or re-enrolling electors for targeted mailing and fieldwork visits. Combined with public-awareness advertising and the usual impetus of an impending general election, TES activities were sufficient for enrolments for the 2007 election to recover to a state comparable to that of the 2004 general election. However, there remains an ongoing challenge for the AEC to re-focus its CRU activities on seeking to identify eligible electors who have never enrolled.

Identifying ‘vanished’ and missing electors

3.19 The increasing number of ‘missing’ electors and the corresponding decline in the enrolment rate reflect that population growth has outstripped the growth in enrolments.¹⁰⁹ Annual enrolment data shows an increase in enrolments from 8.9 million people at June 1980 to 13.8 million people at June 2008. Over that 28-year period, the net average increase in enrolment was 173 000 people per annum, or an annualized rate of growth of 1.57 per cent,¹¹⁰ significantly lower than the 195 000 per annum growth in the estimated number of resident citizens between the 1981 Census and the 2006 Census, representing an annualized rate of growth of 1.73 per cent.¹¹¹

3.20 The result is a net shortfall of some 22 000 potential electors per annum over the period, indicating a conservative median estimate of 900 000 missing

¹⁰⁸ AEC, *Annual Report 2005–06*, p. 26.

¹⁰⁹ Population growth reflects both net migration and natural increase, both of which have contributed to the growth in the eligible population.

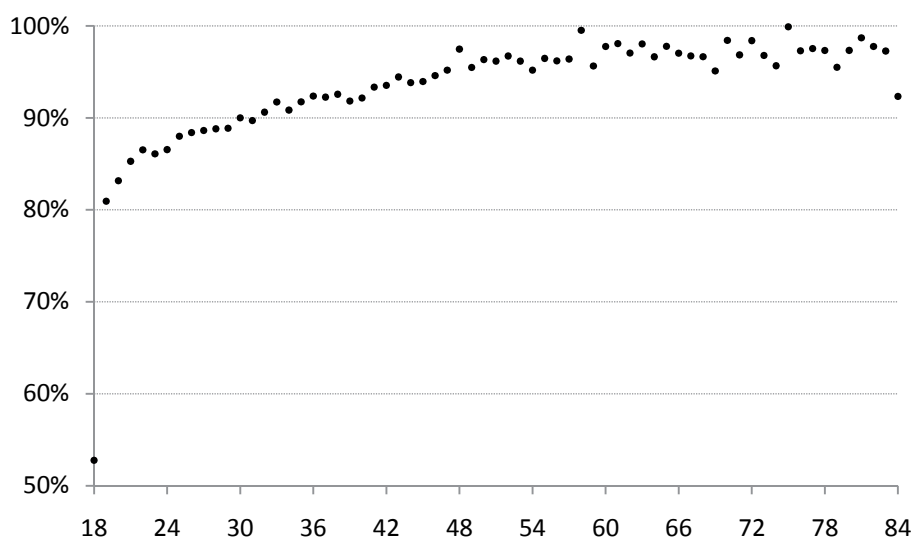
¹¹⁰ Estimates are based on annual enrolment data reported in the annual reports of the AEC and its predecessor, the Australian Electoral Office.

¹¹¹ ANAO analysis of ABS Census data. The growth rates cited are conservative, calculated from estimates of the median population of resident citizens aged 18 or more years. They do not include all eligible groups, particularly eligible British subjects or eligible overseas electors.

electors by March 2009. As of that date, the AEC's estimate was that the rolls were missing approximately 1 200 000 electors and that the participation rate had already declined by 0.7 percentage points to 91.6 per cent since the 2007 general election.¹¹² Figure 3.3 demonstrates that, as of mid-2005, the AEC's target rate of enrolment of 95 per cent was only achieved for ages 55 and above, and that the majority of missing voters are under 55 years of age.

Figure 3.3

Estimated rates of enrolment by single years of age, 2005



Source: ANAO analysis of ABS and AEC data.

3.21 The data shows the lowest rate of enrolment to be for 18 year-olds (estimated at 52 per cent) though this does not persist. Specifically, by the time young electors turn 19, over 80 per cent are enrolled. More broadly, enrolment rates do not achieve 90 per cent until electors reach their mid-30s. The Electoral Council of Australia has attributed this, in part, to the relatively high housing and workplace mobility of young adults. Until their mobility decreases, CRU has a marked tendency to remove younger people from the roll, with almost half of those removed by objection failing to re-enrol within a two-year

¹¹² JSCEM, *Report on the conduct of the 2007 federal election*, pp. 23 and 81. The missing electors comprise Australian-born 18 year-olds and new citizens who have not yet enrolled, and electors who have been eligible in the past but who have changed name and/or address so that they are no longer enrolled and cannot now be located (in AEC parlance, the 'vanished').

period.¹¹³ The AEC's 2007 pre-election activities, combined with elector interest in the impending election, halted, for a time, the overall decline in enrolment. Enrolment increased in some younger age groups but the trend was inconsistent, and enrolments fell among other age groups, notably people in their mid-to-late 20s and mid-to-late 40s.

3.22 Even once mobility decreases, enrolment rates do not necessarily rise any faster. ABS data from its time-use surveys indicate that work and caring responsibilities are at their peak in the 30 to 54 year-old group.¹¹⁴ ABS data show that people in this age range have the least time available for discretionary and voluntary activities, and the AEC has found that these 'time poor' electors can be difficult for AEC fieldworkers to contact (see paragraph 3.28).

3.23 The AEC's 2007 review of its CRU program also identified the need to tailor or target review activities to better suit local social, geographic and demographic conditions. In 2009, the AEC sent over 550 000 letters to where persons missing from the roll might be living.¹¹⁵ However, the AEC has not yet undertaken the program of research and/or demographic analysis that would be necessary to:

- more accurately benchmark enrolment rates at the national level or at the state and territory level; or
- identify the composition of the population of missing electors in more detail so as to better focus its efforts.

¹¹³ Electoral Council of Australia, *2002–03 Continuous Roll Update*, pp. 28–9.

¹¹⁴ ABS, *How Australians Use Their Time*, 2006, Cat. No. 4153.0.

¹¹⁵ In the course of this initiative, the AEC sent three types of letter, each of which included enrolment forms. One type targeted potential electors believed to have turned 18, while another wrote to the likely new address of electors that data-matching indicated may have recently moved. The third type of letter was addressed to an enrolled elector, asking them to update the details of all eligible electors at their address, and to provide the new addresses of eligible electors who had moved from that place.

Roll integrity

3.24 In response to ANAO Audit Report No.42 2001–02 *Integrity of the Electoral Roll* and the subsequent JSCEM inquiry, the AEC established a Roll Integrity Unit in February 2003.¹¹⁶ Among the Roll Integrity Unit's key responsibilities was the development, in conjunction with the ABS, of a methodology for surveying and testing the integrity and completeness of the roll and the effectiveness of enrolment initiatives. The AEC informed the ANAO that:

The purpose of SAF is to test the effectiveness of the CRU program and the sampling methodology is about ensuring that we have a representative sample of fieldwork addresses to ensure that any conclusions reached about the effectiveness of CRU are statistically sound.

3.25 In June 2003, the AEC entered into an agreement with the ABS's Statistical Consultancy Unit for the provision of advice on the design of a sample survey, at a cost of \$5500. The AEC provided the Statistical Consultancy Unit with base-line survey data collected by AEC fieldwork in three electoral divisions¹¹⁷ over the period April–July 2003. Using this data and data from the AEC's 1998 national habitation review, in November 2003 the Statistical Consultancy Unit provided the AEC with a method of selecting Census Collection Districts (CCDs) for fieldwork survey that would produce estimates of the completeness of the electoral roll.

3.26 Based on the Statistical Consultancy Unit's report, the AEC selected a national survey sample size of 227 CCDs.¹¹⁸ The size of the sample was a compromise between the desired level of accuracy of the result (requiring a bigger sample) and the cost of conducting the fieldwork and processing the resulting data (with higher costs associated with a larger sample). All the proposed sample sizes produce estimates that the ABS would consider to be

¹¹⁶ The relevant recommendations were Number 9 of the ANAO Audit Report No.42 2001–02 ('To measure the accuracy of the electoral roll, the ANAO recommends that the AEC consider introducing a periodic review of a sample of the electoral roll') and Number 9 of JSCEM's November 2002 inquiry into *The Integrity of the Electoral Roll: Review of ANAO Report No.42 2001–02* ('The Committee recommends that the AEC conduct periodic, random spot checks of enrolment details at a sample of addresses as a means of testing whether the Continuous Roll Update (CRU) process is working effectively in maximising accuracy of enrolment details').

¹¹⁷ Lowe in New South Wales, Jagajaga in Victoria and Moreton in Queensland.

¹¹⁸ There were about 37 000 CCDs in Australia in 2001, whereas for the 2006 Census there were 38 704 CCDs.

‘highly reliable’. Nevertheless, as shown by Table 3.1, as of 2004, a sample size of 227 CCDs would produce an estimate of the eligible population plus or minus one million electors.

Table 3.1

Effect of sample size on the accuracy of survey results

Number of CCDs in survey sample	Relative standard error	If the survey indicates that 13.5 million people are eligible to enrol, we are 95 per cent certain that the true number would lie between:	Likely range of estimates
131	4.8%	12.2 million and 14.8 million	Plus or minus 1.3 million
227	3.6%	12.5 million and 14.5 million	Plus or minus 1.0 million
489	2.4%	12.9 million and 14.1 million	Plus or minus 0.6 million
1711	1.2%	13.2 million and 13.8 million	Plus or minus 0.3 million
6989	0.5%	13.4 million and 13.6 million	Plus or minus 0.1 million

Source: ANAO analysis of ABS advice to the AEC.

3.27 Subsequently, over 16 days between 28 February and 14 March 2004, the AEC conducted the inaugural round of national Sample Audit Fieldwork. It was the first occasion on which the AEC had conducted fieldwork on a statistically random basis and, as a consequence, it included for the first time fieldwork in some more difficult and inaccessible locations. For a total cost of under \$250 000, the AEC visited 52 036 habitations. The AEC made personal contact at 43 400 habitations (83.4 per cent). For the remaining 8636 habitations, a card was left after the second visit to 8111, AEC fieldworkers were refused admission to 135 and, for another 390 habitations, the address was a secure residential building to which fieldworkers could not gain entry.

3.28 While the AEC was previously aware of such issues from its CRU activities,¹¹⁹ SAF was the AEC’s first opportunity to assess the size of the population that does not wish to enrol (indicated by the relatively low rate of refusal) and the population of potential electors living in secure-access buildings. SAF fieldworkers and their supervisors also reported difficulties

¹¹⁹ Electoral Council of Australia, *2004–05 Continuous Roll Update*, p. 20.

arising from difficult terrain, poor road access and long distances, poor or absent rural road numbering or property descriptions, and areas with high proportions of working parents, who were therefore difficult to contact during daylight hours. These observations reinforced the potential shortfalls in enrolment in remote areas and among time-poor electors of prime working-age.

3.29 The SAF data, collected in accordance with the approach advised by the ABS, provides statistically sound demographic information on potential electors and an opportunity to estimate the number of resident non-citizens to the level of reliability determined by the sample size. For the purposes of comparison, the estimated rates of enrolment from all SAF exercises to date are shown in Table 3.2, along with the AEC's corresponding demographic estimates of enrolment rates.¹²⁰

Table 3.2

AEC estimates of national enrolment rates from SAF fieldwork and demographic analysis, 2004–07

Year	SAF results (March–April)	Demographic enrolment rates, or 'participation rate' (June)
2007	97.2%	91.6%
2006	97.1%	90.2%
2005	98.4%	91.5%
2004	97.7%	92.6% ¹
Notes:		
1. The AEC demographic estimate of the national enrolment rate for 2004 was made on the basis of data provided to the AEC by the ABS.		

Source: ANAO analysis of AEC data and records.

3.30 The AEC has not reconciled its higher estimated enrolment rate from its SAF data with its lower demographic estimates. This discrepancy will be due,

¹²⁰ The AEC published the results of its 2004 SAF survey in April 2005, and of its March 2005 SAF fieldwork in November 2005. The AEC has since concluded SAF fieldwork in 2006, 2007 and 2009 (there was no SAF fieldwork conducted during 2008) but is yet to publish the results.

in part, to the AEC's preferred method of interpreting the SAF data¹²¹ as well as other factors, including the AEC's exclusion of remote areas from SAF surveys. The exclusion, which undermines the statistical design of SAF, is a consequence of deriving the SAF sample from the geographic and address data in the RMANS system.

3.31 A further issue with the AEC's approach is that areas without regular mail services are flagged in RMANS for exclusion from CRU activities. The CRU subset of geographic data was applied to SAF sampling and, as a result, there is currently less SAF measurement of roll quality in rural and remote areas. In particular, the SAF estimated enrolment rates for the Northern Territory and the more sparsely populated states are much higher than the demographic estimates indicate.

3.32 The AEC noted in its Annual Report 2007–08 that it would review the methodology and reporting framework for Sample Audit Fieldwork in 2009–10. In November 2009, the AEC informed the ANAO that the review, development and implementation of improvements to fieldwork activity will commence later in 2009–10. In March 2010, the AEC informed the ANAO that:

The National Strategy Evaluation Section in the Roll Management Branch is currently reviewing the SAF program. The review is ongoing with no firm end date, and therefore it is not possible to provide a current timetable. However, there will be no fieldwork undertaken this year as it is an election year.

3.33 The ANAO agrees that a review of SAF is timely, including because it would provide an opportunity to align it with the ABS's new geographic Census arrangements¹²² and with geo-coded address data. A larger, suitably weighted SAF sample and an expanded survey questionnaire offer a cost-effective method of gaining insight into the number and characteristics of missing electors, especially in rural and remote areas. This approach offers the potential to also yield important electoral information on rates of enrolment

¹²¹ Aggregation can be done in a number of different ways, and the method used can have a significant effect on the results. In particular, the SAF estimate of the rate of enrolment is sensitive to the interpretation of SAF data on new and re-enrolling electors identified during survey fieldwork. For example, three of the interpretations considered by the AEC produced national enrolment rates ranging from 98.6 per cent, to 97.7 per cent (the published estimate), to 93.4 per cent.

¹²² Information collection and processing for the 2011 Census will be on the basis of geographic mesh blocks with geo-coded boundaries, replacing CCDs.

among the ill and infirm, among itinerants and homeless,¹²³ as well as on inter-state migration and the population of resident non-citizens. The AEC informed the ANAO that:

[SAF] is not designed to provide demographic information on potential electors, sound estimates of citizenship numbers etc.

3.34 A re-aligned, expanded and enhanced SAF survey has the potential to identify, to a known level of reliability, the characteristics of the substantial population of missing electors and to improve the targeting of the AEC's CRU activities.

Recommendation No.3

3.35 ANAO *recommends* that the Australian Electoral Commission, in consultation with the Australian Bureau of Statistics, expand and enhance the sampling methodology for undertaking habitation visits as part of its roll-management activities so as to:

- (a) attain more reliable enrolment estimates at the state and territory level;
- (b) accurately assess the state of enrolment in sparsely populated areas;
- (c) deliver more reliable enrolment rates at the divisional level; and
- (d) assist it to identify the key demographic characteristics of missing electors and resident non-citizens.

AEC response

3.36 Agreed. The AEC commits substantial resources to ensure that its enrolment activities are guided by comprehensive, accurate and contemporary information from a variety of sources, including the Australian Bureau of Statistics. Several research projects commissioned in late 2009 and early 2010 are designed to broaden the AEC's understanding of patterns of enrolment and motivations for enrolment.

¹²³ There were 6254 itinerant electors enrolled under the provisions of CEA section 96 as at 31 December 2009, a small portion of the 70 000 homeless adults estimated by the ABS in 2006 (ABS Catalogue Number 2050.0). No estimates are available of enrolment rates among the ill, infirm and people with disabilities.

ABS reponse

3.37 Agreed. Recommendation 3 relates to expanding and enhancing the sampling methodology for the AEC's habitation visits. The ABS could assist in undertaking the methodological work to assist in quantifying how the sample would need to be structured to achieve the stated aims and also what sample size would be required for given levels of precision. The ABS notes that some of these aims could be costly for the AEC to achieve, especially in sparsely settled areas.

Pre-election enrolment stimulation

3.38 In the lead-up to the 2007 election, the AEC spent \$35.95 million to promote increased enrolment and raise awareness of election services. This amount comprises:

- \$6.43 million on a large-scale Targeted Enrolment Stimulation (TES) program involving extensive mailing to electors' addresses, supplemented by fieldwork visits and telephone contact; and
- \$29.52 million for advertising and promotion.

3.39 The strategies adopted were aimed at repairing the roll prior to the 2007 general election, and were not developed as part of a longer-term plan to improve enrolment rates. Having attributed the marked drop in enrolment by mid-2006 to events with short-term impacts, the AEC's response was targeted at rectifying what it perceived to be cyclical difficulties rather than what appears to be a sustained underlying decline in enrolment.

Targeted Enrolment Stimulation

3.40 The aim of TES was to maximize the opportunities and potential for delivering increased enrolment participation in time for the 2007 general election. The budgeted additional costs of TES were in the order of \$5 million in 2006–07 and \$1.7 million in 2007–08.¹²⁴ Most TES expenses related to the employment of additional casual staff in electoral divisions to undertake fieldwork visits to targeted addresses.

¹²⁴ To fund the additional work required to implement TES in 2006–07, on 29 June 2007 the AEC received Ministerial approval to incur a \$7 million operating loss for that financial year.

TES activities

3.41 TES was designed as an enhanced CRU exercise, mainly employing existing methods and data sources to coordinate and direct mail-outs, augmented by additional fieldwork. TES activities were targeted at electors and addresses where enrolment update was the expected outcome of AEC contact.

3.42 Under TES, elector contact that might normally have been undertaken by mail was undertaken by fieldwork, where this was possible. The focus was on classes of electors already potentially known to the AEC, such as those who had apparently ‘vanished’ from the roll and/or whose enrolment details (usually their address) appeared to have changed. The AEC estimated that there might be as many as 600 000 ‘vanished’ electors—these were people removed from the rolls under the CEA’s prescribed objection processes, usually because the AEC was not able to make contact with them to confirm that they still lived at their enrolled address.¹²⁵ As matters stood, many of these electors would be unlikely to be eligible to vote at the coming election, although some may still have been enrolled at a previous address and able to vote in respect to that address.

3.43 Also targeted under TES were a further 150 000 current electors in the process of being removed from the rolls under the prescribed objection processes. In the ordinary course of events, these electors would have been removed from the rolls by the regular cycle of divisional activities, coordinated by each of the AEC’s state offices. Under TES, efforts to locate these and the ‘vanished’ electors were centralised and coordinated through the AEC’s Roll Management Unit in Canberra. Elector details were matched with external data to obtain, where possible, more recent addresses for mail and fieldwork contact.

3.44 TES also incorporated follow-up on official mail to electors that had been returned by Australia Post with an official ‘left address’ note or sticker, and mail to constituents that had been returned to Members of Parliament or Senators. Normally dealt with in the ordinary CRU cycle of events, under TES

¹²⁵ Part IX of the CEA provides that an elector’s enrolment may be objected to by the DRO (this is called an official objection) or by an elector (a private objection). If the elector does not respond to the notice of objection, after a period of 20 days their name is removed from the rolls. Names must not be removed by objection from the rolls between 8 pm on the day of the issue of the writ and the close of polling at an election.

the addresses for recently returned mail were added to the 1 400 000 addresses already identified by the AEC as not responding to official mail during the period July 2005 to December 2006.

3.45 For TES, the AEC aimed to ensure a large pool of potentially enrollable addresses for data-matching. The external data sources drawn upon by the AEC for TES data-matching included Centrelink, the motor-vehicle registries of all the states and territories, rental, tenancy and housing data from the ACT, Queensland and WA, utility rental details from the ACT, and data from Australia Post. In addition, TES included, for the first time, contact and fieldwork in caravan parks and to mobile homes. These addresses, of potentially highly mobile electors, had been excluded from CRU activities as a matter of course for a number of years.

3.46 Based on this data-matching, TES fieldwork commenced in all states and territories in mid-March 2007 (except New South Wales, where TES fieldwork started at the end of April 2007).¹²⁶ The first wave of the AEC's complementary advertising campaigns started in the second week of April 2007, with newspaper advertisements of the detail of legislative changes relating to enrolment (see paragraph 3.53).

3.47 TES fieldwork continued until the end of July 2007, by which time the AEC had data-matched 50 million of its enrolment records (current, deleted and archived files) and 9.2 million of its enrolment-address records with 31.5 million external data records and a further 1.7 million fact-of-death records provided by state and territory authorities.

TES outcomes

3.48 TES activities were the single largest source of enrolment forms received by the AEC prior to the 2007 general election.¹²⁷ Table 3.3 summarises the outcomes of TES activity up until early October 2007 and compares those outcomes to overall net changes to enrolment at that date.

¹²⁶ JSCEM, *Report on the conduct of the 2007 federal election*, p. 95.

¹²⁷ The next largest sources were 'Post offices (428 775), mail review (417 262) and the Internet (265 888)'. JSCEM, *Report on the conduct of the 2007 federal election*, pp. 99 and 100.

Table 3.3**TES enrolment outcomes, 17 March–9 October 2007**

Type of enrolment transaction	Outcomes attributed to TES activities	TES outcomes as a percentage of overall net enrolment increase ¹
New or 'first time' enrolments	79 700 ²	27.2%
Re-enrolments	127 320 ³	43.5%
Net TES enrolments	207 020	70.7%
Changes to enrolment details	263 480 ⁴	
Total TES enrolment transactions	470 500	

Notes:

1. The AEC recorded a net increase in enrolments of 292 910 over the period 28 February to 30 September 2007, which covers all of the TES fieldwork activities. As of 9 October 2007, the AEC assigned 85 890 of the net increase to activities other than TES.
2. Comprising 75 300 first-time electors (new) enrolled as a result of fieldwork, plus a further 4400 enrolling after follow-up mail review.
3. This includes 97 700 electors previously deleted from the rolls who subsequently re-enrolled as a result of TES fieldwork, along with another 28 000 electors who re-enrolled after TES mail review follow-up (including 7300 'vanished' Victorian electors who responded to mail generated by data-matching with Victorian Transport data).
4. Electors who updated their name and/or address details as a result of TES activities.

Source: ANAO analysis of AEC data.

3.49 In its June 2009 report on the conduct of the 2007 federal election, JSCM reflected positively on the approach taken through TES. Specifically, JSCM concluded that:

The AEC should also pay closer attention to maximising the number of electors who might be retained on the roll, by targeting those electors earmarked for objection action during the period before action is taken to remove them from the roll, with a view to encouraging them to update their enrolment details. This is the strategy used by the AEC in early 2007 with the TES program.¹²⁸

¹²⁸ JSCM, *Report on the conduct of the 2007 federal election*, p. 87.

3.50 Nevertheless, JSCEM also concluded that the AEC should not rely on a peak of enrolment-stimulation activity when an election is expected or has been announced, but should work with its state and territory counterparts to raise awareness and encourage enrolment at all times.¹²⁹

3.51 In addition, ANAO analysis is that, while it was an effective and timely innovation for the 2007 election, TES has its limitations, most notably that of self-selection. Specifically, because it relies on data-matching the details of previously identified electors or potential electors, the TES approach is inherently biased toward tracking people who have had prior contact with the AEC. It is less effective at identifying either those who have never enrolled, or whose personal details have no currency in the electronic data held by the entities with which the AEC conducts its data-matching.

Advertising

3.52 The AEC informed the ANAO that the majority of its advertising-campaign expenditure in 2007 related to enrolment-stimulation activities up until the 14 October 2007 announcement of the 2007 federal election (\$19.3 million). The campaign arose from work commenced in January 2006, when the AEC started developing an integrated communication strategy for the period 2006 to 2010. The AEC informed the ANAO that it subsequently spent an additional \$9.5 million advertising voter services and the requirements for a formal vote in the period up until polling day.

Campaign implementation and tracking

3.53 AEC promotional activities targeted at young people started early in 2007, with the AEC present at entertainment events and during orientation week at tertiary campuses. The AEC's first wave of advertising commenced in April 2007, with newspaper advertisements alerting electors to legislative changes to enrolment requirements. To reach Indigenous and print-handicapped audiences, this was supported by radio advertising for these audiences only.

3.54 A second, more intensive, wave of advertising commenced on 27 May 2007 and ran for six weeks into early July 2007. The second wave extended to the electronic media and the internet, as well as to cinemas and

¹²⁹ *ibid.*, p. 86.

outdoor advertising, and included, in succession, the 'Glow', 'The rules have changed' and 'Don't miss out' advertisements.

3.55 The media campaign, targeted especially at young people and those changing their address, complemented the AEC's TES activities. When the first results were evaluated in July 2007, however, the AEC was concerned that while the campaign had been effective at reaching the key youth and 'mover' audiences, this was at 'modest' levels.¹³⁰ The tracking research concluded that the key challenge remained motivational, rather than educative or attitudinal, but with the momentum of the approaching election, the audience would be likely to be increasingly attuned to the key messages.

3.56 In the AEC's view, therefore, there remained a significant number of eligible electors who were likely to wait until the election was announced before updating their enrolment details, thus running the risk of being ineligible to vote on polling day. On this basis, in July 2007 the AEC decided to strengthen and extend its pre-election advertising and continue its TES activities into late August and mid-September, with the aim of improving the level of enrolment. This third wave of the media campaign had originally been planned to last three weeks, but due to the later than anticipated election, it was composed of a six-week 'burst' of 'Don't miss out' that ran from 26 August to 6 October.¹³¹

3.57 To increase the funds immediately available to the AEC, on 1 September 2007, the then Prime Minister gave approval for the AEC to draw on \$1.47 million in quarantined advertising funds.¹³² In October 2007, the Finance Minister gave approval for the AEC to incur a \$10 million operating

¹³⁰ The tracking research indicated that, for example, 12 per cent of respondents who recalled the 'Glow' advertisement indicated they were likely to take action after seeing it, 9 per cent of those who recalled the 'Rules have changed' advertisement indicated they would take action as a result, and 10 per cent of respondents were likely to take action after seeing the 'Don't miss out' advertisement. The AEC informed the ANAO that these low rates might be due to the broad targeting of the advertisements, such that most viewers were already enrolled and did not need to take any action. Of those not enrolled, 42 per cent indicated that they would take action after seeing the 'Rules have changed' advertisement, with most of these indicating that they intended to check their enrolment.

¹³¹ The AEC informed the ANAO that the 'Don't miss out' advertising was 'refined with an increased sense of urgency'.

¹³² The funds had been provided for expenditure in 2005–06 to advertise the requirement for electors to provide evidence of identity when enrolling or changing their enrolment details. Delays in the passage of relevant legislation had resulted in the quarantining of the funds.

loss in 2007–08 so that enrolment advertising and promotion could be extended.

Evaluation of advertising-campaign outcomes

3.58 In light of changed enrolment and voting arrangements and the increased advertising expenditure for the 2007 election, it is important for the AEC to form a view as to whether the advertising had any measurable impact on actual behavior. This would be consistent with advice from the AEC to the Special Minister of State that it intended adhering to the underlying principles of the Government's guidelines on campaign advertising.¹³³ In this respect, guidance to agencies from Finance is that:

Post-campaign evaluations should broadly examine what the campaign was designed to achieve, the budget invested, the management processes adopted, what was delivered, the short to medium term results, and the extent to which the campaign or information activity contributed to the program aim.¹³⁴

3.59 However, to date, the AEC's evaluation activities have focused mainly on elector awareness of advertising, rather than evidence that links advertising to enrolment and voting outcomes. Further, while some changes in awareness were recorded, there was little evidence that electors then knew what they actually needed to do to make sure they were enrolled and could vote, or that they subsequently took any action to ensure that they could effectively exercise their franchise.

Comparison of TES with campaign advertising

3.60 As JSCEM has observed, an impending election is a major catalyst for enrolment, encouraging many electors to take action.¹³⁵ In the ten months prior to polling day, the AEC processed 2.5 million enrolment transactions in 2007, compared to 2.2 million in the ten months prior to the 2004 general election. AEC data shows a greater proportion of new enrolments and re-enrolments occurring earlier in 2007 than in 2004. In particular, in 2004, almost 30 per cent

¹³³ This advice to the Minister was provided by the AEC in the context of obtaining an exemption (in August 2009) from the *Guidelines on Campaign Advertising by Australian Government Departments and Agencies* issued by the Department of Finance and Deregulation in June 2008.

¹³⁴ Department of Finance and Deregulation, *Business planning processes for campaign information and advertising activities*, February 2009, p. 20.

¹³⁵ JSCEM, *Report on the conduct of the 2007 federal election*, p. 100.

of new enrolments occurred in the month before polling day, compared to less than 10 per cent in 2007, due in part to earlier closing of the rolls in 2007.

3.61 Overall, the combined effect of the AEC's TES and advertising activities was a noticeable, consistent increase in earlier enrolment, of which more than 200 000 can be attributed primarily to TES activities (see Table 3.3). Of the remaining new enrolments, some portion would be due to increased advertising by the AEC, though the available advertising tracking data does not allow these to be distinguished from the usual increase in enrolment in the light of an impending election.

3.62 The AEC spent \$29.5 million on its pre-election advertising, whereas total TES costs were \$6.4 million. Allowing for the benefits of print-media advertising, TES activities appear to have been the more cost-effective and efficient component of the AEC's 2007 pre-election enrolment activities.

- TES unit costs per net additional enrolment were in the order of \$31, compared to \$83 for the combined outcomes of all advertising and TES activities (as shown in Table 3.4);
- TES outcomes show considerably higher transaction efficiency than for TES and advertising combined, with TES producing a net additional enrolment after every two enrolment transactions, compared to nearly six transactions when TES and advertising outcomes are combined; and
- TES unit costs of \$14 per enrolment transaction are comparable to the cost per enrolment transaction for TES and advertising combined.

3.63 In his March 2009 appearance before the JSCEM inquiry on the conduct of the 2007 federal election, the Electoral Commissioner stated that:

This strategy of roll stimulation through large-scale advertising funded from AEC reserves is not sustainable, nor can we rely solely on a peak of enrolment activity in the lead-up to a federal election announcement to boost enrolment participation.¹³⁶

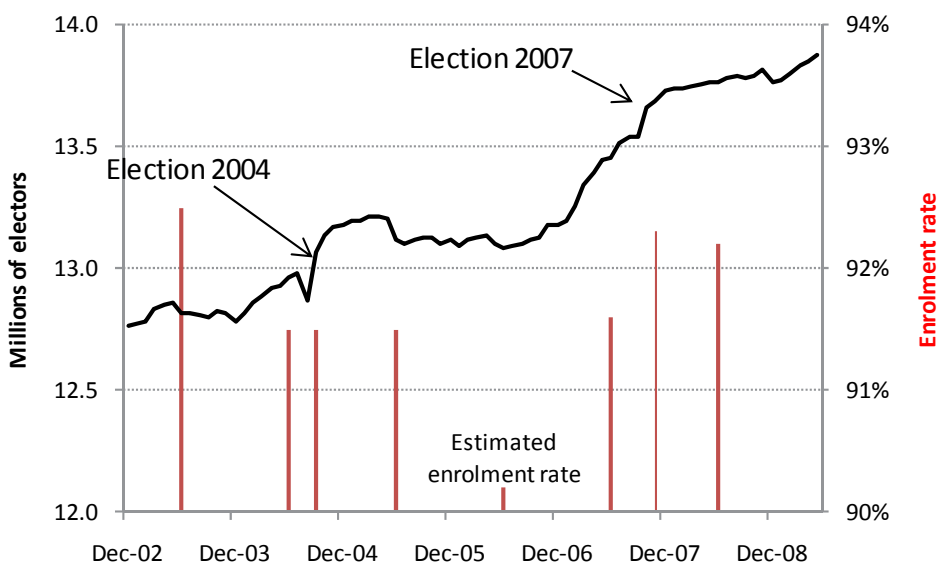
¹³⁶ JSCEM, *Conduct of the 2007 federal election: Official Committee Hansard*, 17 March 2009, p. EM 4. See also JSCEM, *Report on the conduct of the 2007 federal election*, p. 86.

Enrolment outcomes

3.64 Following the delivery of its communication strategy and the conduct of TES activities, the AEC estimated that 92.3 per cent of eligible voters were enrolled for the 2007 election, compared to 91.5 per cent for the 2004 election, when an estimated 1.2 million eligible voters were missing from the rolls.¹³⁷ This is illustrated in Figure 3.4, covering the period December 2002 through to May 2009, including the lead-up to both the 2004 and 2007 elections. The solid line indicates the total number of enrolments, with the red bars showing the AEC's estimates of the rate of enrolment calculated as a percentage of the eligible population.¹³⁸

Figure 3.4

Enrolment and enrolment rates, 2002–09



Source: AEC enrolment data. These are the AEC's estimates as revised downwards after the 2006 Census; see footnote 94 above and AEC, *Annual Report 2007–08*, p. 35.

3.65 The increase in total enrolments immediately prior to the 2004 general election is evident, as is the fact that it took place while the enrolment rate

¹³⁷ AEC, *Annual Report 2007–08*, p. 35.

¹³⁸ The accuracy of the AEC's estimates of the enrolment rate is discussed in detail in the section on Roll Integrity earlier in this chapter.

remained fairly static. Enrolment rates fell after the 2004 election and total enrolments subsequently followed suit. The enrolment rate declined to its lowest level in mid-2006.

3.66 Both enrolments and the enrolment rate improved immediately prior to the 2007 election, with the rate of improvement leveling out in 2008 and early 2009. As outlined earlier in this chapter, the improvements in the rolls in 2007 were accompanied by a much higher level of AEC advertising and enrolment activity than in 2004.

3.67 These statistics provide evidence that the outcome of the AEC's integrated communication strategy and TES activities was more complete electoral rolls. However, there was a much lower rate of return on the extra expenditure incurred in 2007 compared to that undertaken prior to the 2004 election (see Table 3.4). The AEC informed the ANAO that it faced a far greater challenge in 2007 (due to the shortened close of rolls) and could not rely on the strategic approach it had used in 2004 and other previous elections of starting advertising once the election was called in the knowledge that there was a guaranteed seven-day close-of-rolls regime.

Table 3.4

Comparison of pre-election enrolments, 2004 and 2007 general elections

	2004	2007	Change on previous election
Net additional enrolments¹	313 291	432 176	118 885
Cost of advertising and fieldwork	\$10 193 445	\$35 946 954 ²	\$25 753 509
Unit cost per net enrolment	\$32.54	\$83.18	\$50.64
Total number of enrolment transactions	2 200 117	2 519 917	319 800
Unit cost per enrolment transaction	\$4.63	\$14.27	\$9.64
Notes:			
1. For both elections, the enrolments and expenditures cited are for the period ten months prior to polling day.			
2. Total expenditure for the 2007 general election comprises \$6 427 524 in TES costs (mainly for fieldwork) and \$29 519 430 in advertising and promotion.			

Source: ANAO analysis of AEC data.

3.68 Table 3.4 compares the results of pre-election enrolment activity for the ten months preceding the 2004 and 2007 general elections. From similar numbers of enrolment transactions as in 2004, in 2007 the AEC achieved 118 885 extra net enrolments compared to 2004, demonstrating a small gain in enrolment efficiency measured by transaction. These gains were, however, achieved at considerable extra expense. Including the costs of TES for 2007, the AEC spent almost \$36 million on enrolment activities, promotion and advertising prior to the 2007 election, compared to a little over \$10 million prior to the 2004 election. On this basis:

- the unit cost of each additional enrolment transaction rose to more than \$14, more than three times the unit transaction cost in 2004; and
- the unit cost of each new enrolment rose to more than \$83 (two and a half times the unit cost in 2004).

3.69 The overall result was that the marginal unit cost of each of the net additional 118 885 enrolments achieved in 2007 compared to 2004 was over \$216,¹³⁹ or nearly seven times the unit cost per additional enrolment in 2004.

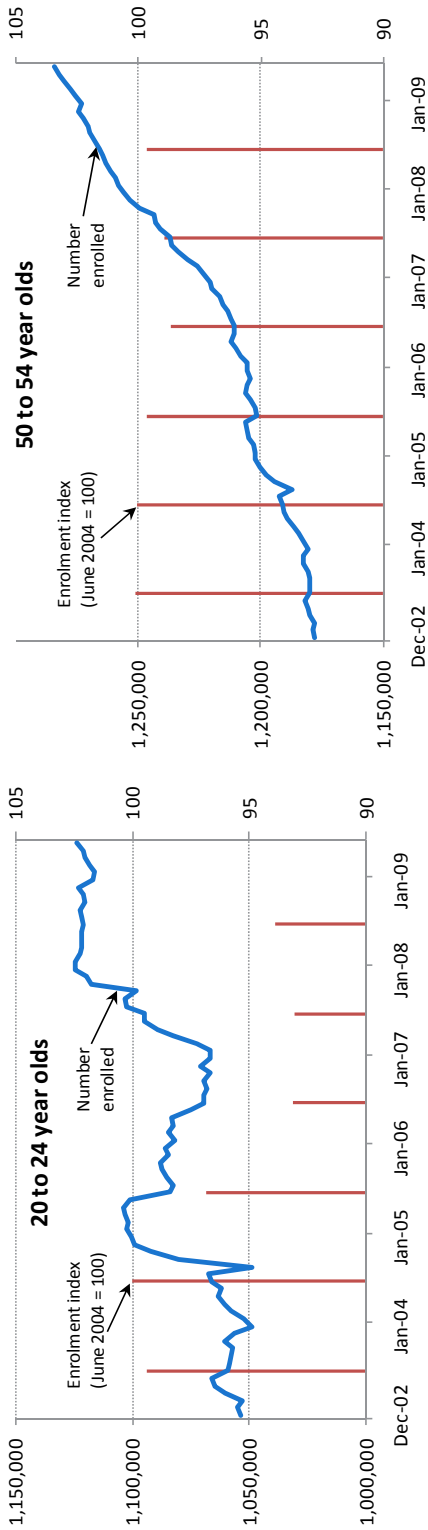
3.70 In addition, the benefits of the AEC's pre-election activities were not realised in a consistent fashion across its target groups. The gains in enrolment for people under 25 were comparable with those of 2004, notwithstanding the particular focus of advertising on first-time and young electors. The net gains were stronger among electors 25–55 years of age, but the net increase in enrolment among electors aged 55–59 years was lower than in 2004.

3.71 Typical differences between the outcomes for younger and older age groups are illustrated in Figure 3.5, which compares enrolments for electors aged 20–24 years and for those aged 50–54 years, both in nominal terms and in relation to their population. The fluctuation in the numbers of younger electors enrolled illustrates the volatility of their enrolment status. The volatility in enrolments is greatest among electors aged 18 and 19 years of age and tends to decrease among successively older groups of electors. Figure 3.5 demonstrates this for electors aged 50–54, whose enrolment statistics are much less variable than those of their younger counterparts.

¹³⁹ The unit cost of the additional enrolments is calculated by dividing the increase in expenditure for the 2007 election (\$25 753 509) by the net additional enrolments (118 885) to give \$216.63.

Figure 3.5

Comparative enrolment outcomes, electors 20–24 and 50–54 years of age, 2002–09



Source: ANAO analysis of AEC data and ABS population projections, ABS Cat. No. 3101.0.

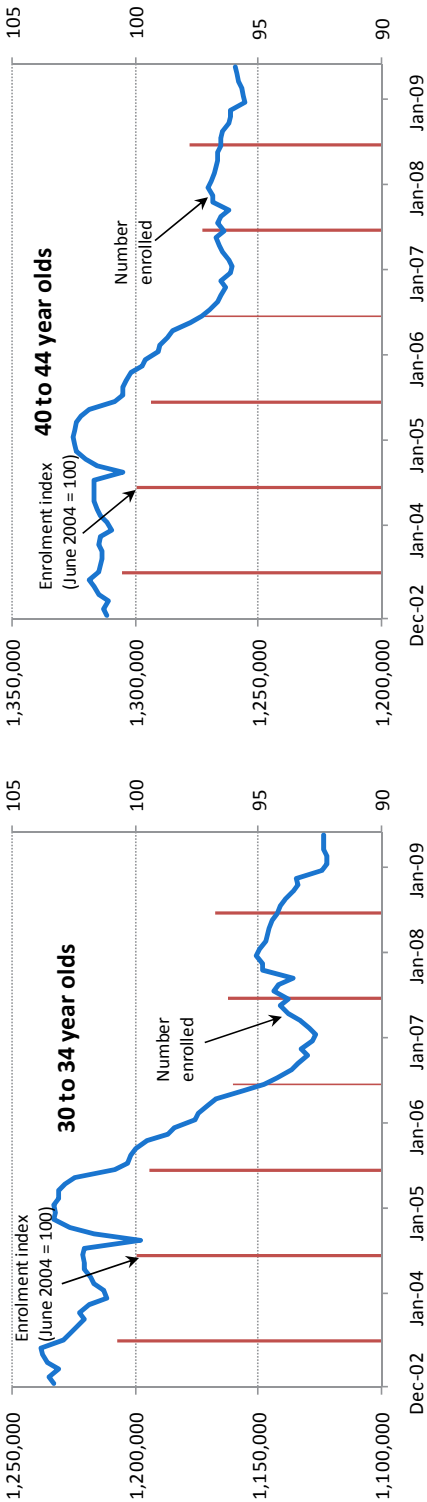
3.72 The enrolment indexes¹⁴⁰ for both older and younger electors typically show a decline in enrolment rates bottoming out in 2006, followed by a mild recovery in 2007 and 2008. This outcome is consistent across all age groups, with the general conclusion that the overall decline in enrolments was arrested before the 2007 general election, at least over the shorter term.

3.73 However, the general trends illustrated in Figure 3.5 were not repeated for all age groups. Figure 3.6 illustrates the ongoing decline in enrolments among electors aged 30–34 years and 40–44 years respectively. In both cases, the mild recovery in the rate of enrolment (indicated by the enrolment indexes in 2007 and 2008) was not sufficient to recover enrolments to levels seen in earlier years, including the period prior to the 2004 general election.

¹⁴⁰ The enrolment indexes illustrated are suitable only for trend analysis and cannot accurately indicate actual rates of enrolment among the eligible population. They are constructed relative to the Estimated Resident Population (ERP) of each age group, as reported by the ABS (from ABS Cat. No. 3101.0). ERP includes resident citizens and non-citizens, and cannot be used to accurately identify the number of eligible Australian citizens, making ERP unsuitable for directly estimating the rate of enrolment, especially over extended timeframes. In the absence of more suitable citizenship data, indexes for each year have been calculated relative to June 2004 (the percentage of ERP enrolled at that date has been indexed to equal 100) for the period encompassed by this analysis (December 2002–May 2009).

Figure 3.6

Comparative enrolment outcomes, electors 30–34 and 40–44 years of age, 2002–09



Source: ANAO analysis of AEC data and ABS population projections, ABS Cat No. 3101.0.

3.74 The available data is not, however, sufficient to tell whether these results differ between men and women, or apply to an age cohort or to an age group over successive election events. In the absence of sufficient data, it is difficult to assign clear causes or reasons for the different enrolment responses of adjacent age groups. Finding the causes of these results is important if the AEC is to be able to better target its enrolment-stimulation activities prior to future electoral events.

Recommendation No.4

3.75 To better target its efforts to improve the electoral roll, ANAO *recommends* that the Australian Electoral Commission, in consultation with relevant research bodies and the Australian Bureau of Statistics, formulate a program of research into elector enrolments and enrolment trends, with a view to identifying potential electors missing from the roll and the reasons why they may not be enrolling.

AEC response

3.76 Agreed. As noted in response to Recommendation 1 and Recommendation 3, the AEC has already commissioned several research projects, using a variety of approaches led by electoral experts and market-research experts, focused on identifying the reasons for declining participation in the electoral roll. The results of these projects will influence the direction of the AEC's sustained program of identifying and enrolling 'missing' electors.

ABS response

3.77 Agreed. Recommendation 4 relates to better targeting of efforts in improving the electoral roll. The ABS role would entail assisting the AEC through the provision of statistical or methodological advice and relevant data.

4. Election planning and preparation

This chapter discusses the AEC's election funding and appropriations, and the costs of the 2007 general election. It examines the AEC's election workforce, along with the arrangements made for suitable polling booths.

Introduction

4.1 Transparent, timely elections of integrity are the essence of an effective electoral system. The transparency of the Australian electoral process is underwritten by the requirements of the Constitution and the CEA, which set out in some detail the processes to be followed. The CEA confers on the AEC the sole responsibility for the conduct of elections, prescribing the timing of key events and the roles and conduct of officials during the polling and the counting of ballot papers.

4.2 While election processes are largely fixed, the timing of federal elections is not. The period between polling days has varied from as little as 329 days to as much as three years and 122 days. Although the Constitution ensures that general elections will occur at intervals of no more than approximately three years,¹⁴¹ it also permits shorter intervals between general elections, as well as separate elections for each of the Houses of Parliament and simultaneous elections of the entirety of both Houses. Consequently, Australians have, on average, been to the polls for a major federal electoral event once every two years and four months since the first federal elections of March 1901.¹⁴² In addition, once every ten months since 1981, electors have gone to the polls in the by-elections that have occurred in 39 divisions up until December 2009.¹⁴³

4.3 The AEC's 2007 election planning and management aimed to bring together in a timely fashion the staff, polling facilities and polling materials necessary to conduct the election at short notice. As it has no control over the

¹⁴¹ In combination, the Constitution and the CEA allow for as much as three years and 165 days between polling days for the House of Representatives. Historically, the shortest period between polling days was 329 days (ending on the polling day of 12 October 1929), and the longest was three years and 122 days (ending on the polling day of 13 April 1910, a total of 1218 days, including the leap year of 1908).

¹⁴² Excluding the Constitutional Referendum of 1999.

¹⁴³ These figures are derived from the historical data provided by the AEC on its website. The data for by-elections includes those for the divisions of Higgins and Bradfield, conducted on 5 December 2009.

setting of the dates of federal elections and may be called upon to deliver an election within as little as 33 days,¹⁴⁴ well in advance of the election the AEC entered into contracts to print ballot papers, certified lists of electors and cardboard polling equipment and to transport polling materials across Australia and overseas.

4.4 Once the 2007 general election was announced on 14 October 2007 and the writs were issued on 17 October 2007, the AEC set about employing and training the additional staff needed to conduct the polling and the counting. Polling officials staffed 7723 ordinary polling booths and 429 separate pre-poll voting centres, as well as taking votes at hospitals, remote communities, nursing homes and prisons.

4.5 On polling day, the AEC's complement of personnel comprised its core staff of 709 people employed under the *Public Service Act 1999*,¹⁴⁵ augmented by 64 016 people temporarily employed under the CEA to staff polling booths and take votes, plus a further 6730 temporary CEA employees who assisted with polling preparations and operations, as well as the subsequent counting of ballot papers.¹⁴⁶

Election costs

4.6 The AEC's total operating costs for the 2007 general election were \$114.07 million, \$37.96 million (or some 50 per cent) higher than the \$76.12 million cost of the 2004 general election. Table 4.1 outlines significant changes across various expenditure categories, but detailed comparison is not possible, as the composition of many of the categories of costs reported by the AEC has changed from one election to another.

¹⁴⁴ The minimum period between the issue of writs for an election and polling day is prescribed in the CEA. From the date of the issue of writs for an election, ten days must be allowed in which candidates may nominate (CEA sections 156 and 175) and polling must occur between 23 and 31 days after the close of nominations (CEA section 157).

¹⁴⁵ AEC, *Annual Report 2007–08*, pp. 206–7.

¹⁴⁶ Employed under CEA section 35(1)(a). Staff numbers are as advised by the AEC.

Table 4.1**AEC election expenditure for the 2004 and 2007 general elections**

Expenses	2007 Election (\$)	2004 Election (\$)	Difference (\$)
Employee expenses	42 517 402	36 638 672	5 878 730
Property, office supplies and services, including venue and equipment hire, security, stationery	6 235 077	13 913 937	-7 678 860
Election cardboard and supplies, including electoral forms, envelopes, ballot papers and screens	4 860 054	2 029 585	2 830 469
Contractors	1 945 670	395 446	1 550 224
Consultancies	1 265 580	1 325 979	-60 399
Travel	2 770 215	1 153 728	1 616 487
Advertising, promotion and media services	29 519 430	9 707 148	19 812 282
ITC Services	7 719 648	2 878 557	4 841 091
Mailing and freight services	8 296 548	1 611 867	6 684 681
Printing and publications	4 643 200	5 674 551	-1 031 351
Legal services	485 960	253 496	232 464
Other expenses	659 347	533 080	126 267
Capital	3 155 336		3 155 336
Total	114 073 467	76 116 046	37 957 421

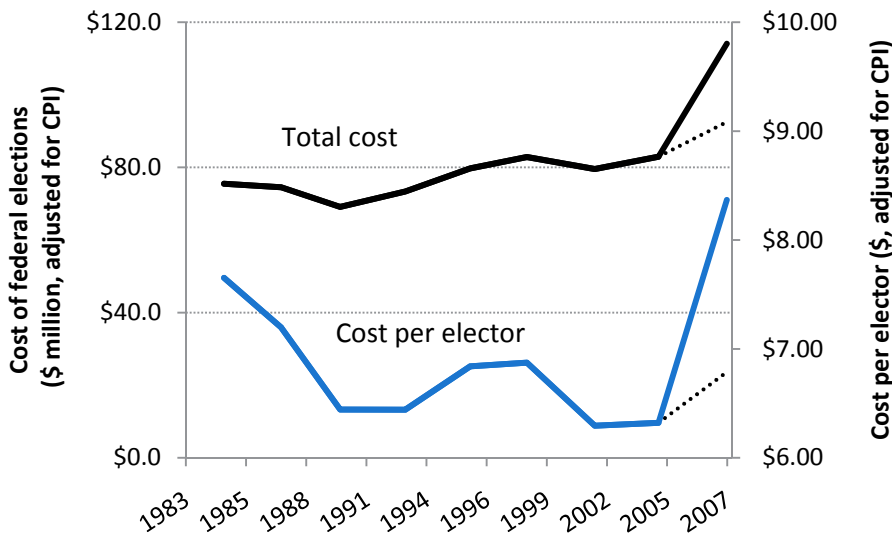
Source: AEC advice to the ANAO, received 9 February 2010. Some figures have been rounded.

4.7 Figure 4.1 shows the AEC's operational election expenses in price-adjusted terms. It shows the effect of the additional advertising and electronic-voting-trial expenses of the 2007 general election. If allowance is made for these factors (the dotted lines in Figure 4.1), the cost of the last seven general elections has been between \$6 and \$7 per elector, in price-adjusted terms, indicating that the AEC's core election costs have remained fairly stable over

that time, while total election costs have slowly grown (in price-adjusted terms) as the number of enrolled electors has grown. The available data also indicate that the AEC has contained costs and achieved efficiencies over the period, partly by containing growth in the number of polling booths, which have varied from 7855 in 1993 to 7702 in 2001, with 7723 polling booths provided in 2007. Costs have also been contained by allowing only modest increases in payments to polling staff.

Figure 4.1

Cost of administering federal elections 1984–2007, adjusted for movements in the Consumer Price Index (CPI)



Source: ANAO analysis of AEC Annual Reports and price data from the Reserve Bank of Australia.

Contracting arrangements

4.8 Polling booths in Australia and overseas need to be well-supplied with the necessary quantities of polling equipment, including cardboard equipment (such as ballot boxes and voting screens) and election materials (such as ballot papers and certified lists). After the election-night scrutiny, ballot papers and other election materials have to be transported safely and securely to the divisional office or a separate scrutiny area.

4.9 The AEC's management of the 2007 election was undertaken with considerable support from the private sector. Large quantities of equipment are required on polling day. Polling equipment consisted of: 43 million ballot

papers; 29 112 certified lists; 1.5 million postal-vote envelopes; 39 million declaration-vote envelopes; 40 400 division finders; 45 500 ballot boxes; 14 000 recycling bins; 152 500 voting screens; 100 000 pencils; 153 kilometres of string; 65 576 queuing signs; 17 000 hazard signs; and 4000 vests identifying AEC polling-booth staff. Many of these materials and services were provided under national AEC contracts at an estimated total cost of \$21.69 million.

4.10 Some contracts were in force prior to the 2004 election and were extended for the 2007 election, with several contracts having the flexibility to extend, some until June 2010. The remaining contracts were arranged specifically for the 2007 election. The AEC makes particular use of extension agreements in their contracts, and on most occasions a performance review was undertaken prior to these extensions.

Staffing

4.11 The estimated staffing costs are the largest single component of the election budget, and the costs of polling-booth staff are the majority of overall election-staffing costs. As noted in Chapter 1, JSCEM's September 2007 *Review of certain aspects of the administration of the Australian Electoral Commission* recommended that the ANAO conduct a performance audit of workforce planning in the AEC. The analysis that follows is directed, in large part, to providing JSCEM with an analysis and assessment of the methods used by the AEC to estimate the number of staff it requires to deliver an election. The subsequent sections also examine and report on the AEC's recruitment, appointment and training of its election staff, as well as the composition of its election workforce.

Election workforce composition and turnover

4.12 In a recent submission to the JSCEM, the AEC commented on difficulties it was having in recruiting adequate numbers of polling staff. It stated that a factor that may be deterring people from working on polling day is the amount of remuneration in comparison with the level of responsibility and hours of work, but that:

increasing the level of pay is not necessarily a feasible option for the AEC. The AEC has a limited amount of funding available to conduct the election and so has to consider other priorities in allocating resources. If the AEC pays more for polling officials it may be necessary to employ lower numbers of officials resulting in fewer polling booths and longer queues.

This issue is further compounded by the legislative requirement for polling staff to take meal breaks after five hours of continuous duty. With most polling officials working 14 to 16 hours on polling day, this will necessitate officials taking two meal breaks across the working day. This, in turn, will make it increasingly difficult for polling officials, particularly at smaller polling booths, to take appropriate meal breaks. To address this issue, the AEC has strengthened its policies and practices through training and education. Other solutions, such as engaging more polling officials in order to arrange rostered meal breaks without a decrease in service delivery will also increase our costs with the same consequences as set out above.¹⁴⁷

4.13 High turnover rates are a further feature of the temporary workforce of polling-booth officials. In this respect, the AEC informed the ANAO that there is a drop-out rate of 30–50 per cent of polling staff between elections.

4.14 The AEC informed JSCEM in its June 2008 submission that it was considering targeting staff from particular areas of the community who may have an interest in engaging with the electoral process and serving the community (such as those staff already employed in community-focused organisations and university students) and that, prior to the next federal election, it would conduct some internal analysis in an attempt to tackle some of the unique challenges it faced regarding staffing for an election. In this latter respect, at the time of ANAO's audit the AEC had not yet undertaken any detailed analysis of the composition of its election workforce. In the absence of such analysis, the AEC had yet to formulate plans to develop and secure its workforce for future electoral events.

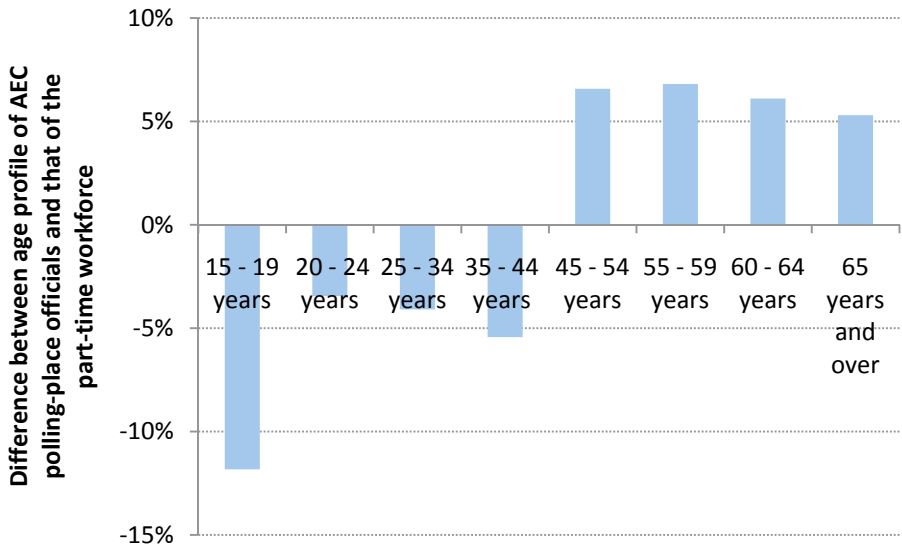
4.15 Against this background, as part of the audit, ANAO's examination of the AEC's payroll records showed that, for the 2007 general election, its workforce of polling officials and temporary staff comprised mainly women (who were 65.4 per cent and 56.0 per cent respectively) and was, on average, older than Australia's part-time workforce at the date of the general election, as shown in Figure 4.2.¹⁴⁸

¹⁴⁷ AEC, *Submission [no. 169] to the inquiry by the Joint Standing Committee on Electoral Matters into the 2007 federal election*, 20 June 2008, p. 66.

¹⁴⁸ The statistical analysis of the age of the overall election workforce is consistent with the advice given to the ANAO by divisional staff, as well as by state and territory electoral commissioners. In this respect, divisional staff advised the ANAO that the former willingness of school principals or teachers, for example, to act as polling staff had declined, as had the willingness of people to work in a polling place in fulfilment of civic duties or as a form of participation in the democratic process.

Figure 4.2

Ages of AEC polling officials compared to the part-time labour force, November 2007



Source: ANAO analysis of AEC payroll data and ABS Labour Force Survey data (ABS Cat. No. 6291.0.55.001, *Labour Force, Australia, Detailed—Electronic Delivery, September 2009*).

4.16 Analysis of the AEC’s 2007 general-election workforce (see Figure 4.3) gives the appearance that it comprised two distinct components: an older group of senior officials, who are mainly men, and a larger group of younger employees who are mainly women, including a significant number under the age of 25. The results of this analysis indicate that there may be benefits from different approaches to attracting, training and retaining polling-booth staff, depending on the duties they are expected to undertake.

Recommendation No.5

4.17 ANAO *recommends* that, in order to improve its election workforce planning and the selection, recruitment, training and performance evaluation of polling staff, the Australian Electoral Commission:

- (a) critically examine its future election workforce needs and workforce composition, setting goals for the training and retention of all election officials, including staff paid while held in reserve on polling day; and
- (b) in consultation with other electoral authorities, seek to strengthen national employment strategies for the recruitment and training of key

polling staff in advance of an election so that all polling booths have staff that have been consistently assessed for suitability and have been adequately trained.

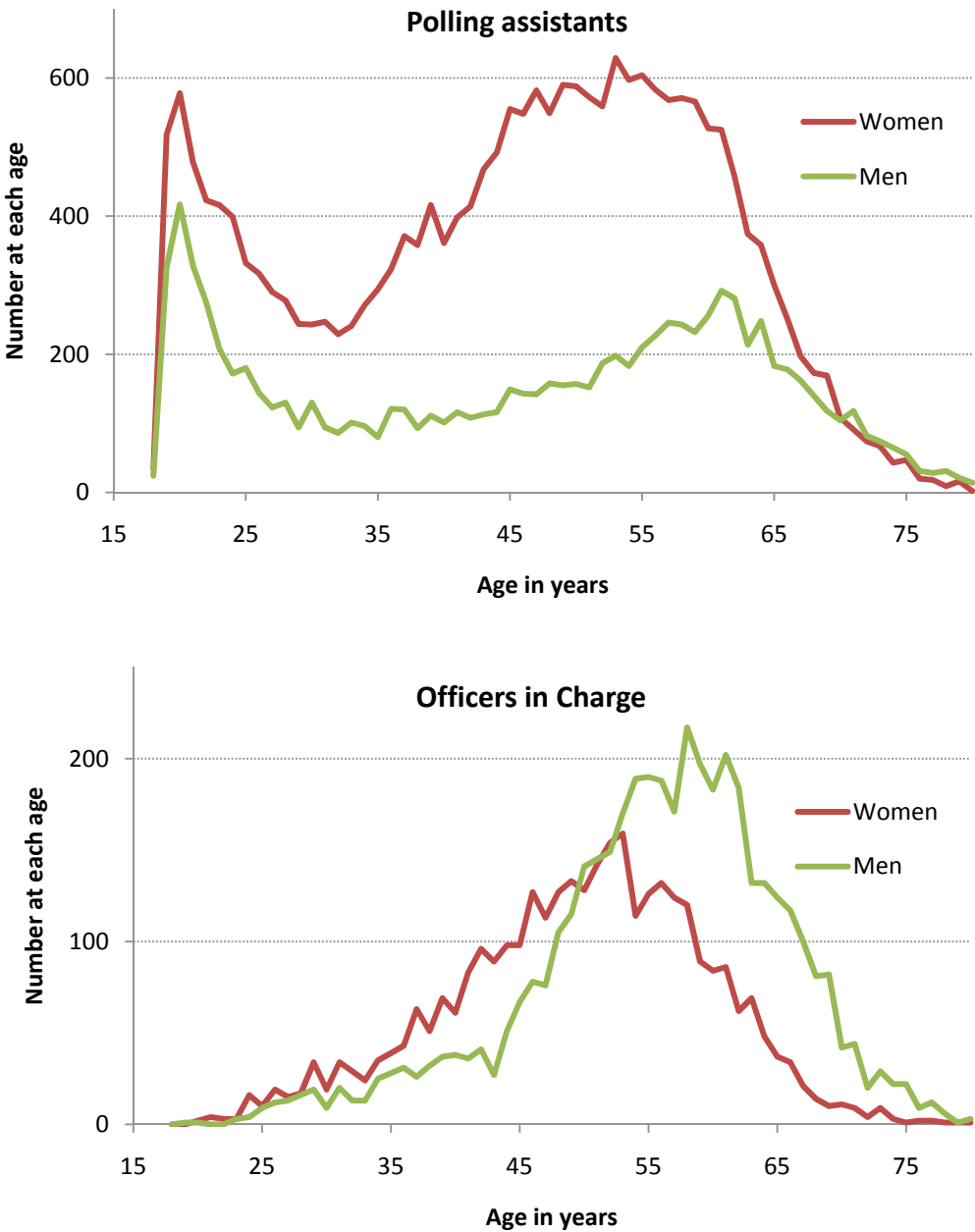
AEC response

4.18 Agreed. The Audit Report notes the extraordinary challenges of assembling a workforce of more than 70 000 people to staff more than 7700 locations at a normal interval of once every three years. Against that context, the AEC has well-developed and effective approaches to identifying, training, and retaining staff to provide a ratio where approximately two thirds of staff at any election event will have experience of at least one previous event.

4.19 Notwithstanding the sustained record of success in attracting staff to perform polling-place and other election duties, the AEC recognises the need to develop more rigorous processes that will deliver greater depth in experience and capability in its election staff contingent. The AEC is developing an 'Online Recruitment System' (ORS) that will provide a more comprehensive and systematic approach to the selection, recruitment, training and evaluation of polling staff. The AEC expects ORS to be operational before the 2010 federal election.

Figure 4.3

Age and sex distributions of polling assistants and Officers-in-Charge, 2007 general election



Source: ANAO analysis of AEC payroll data.

Staffing estimates

4.20 The AEC estimates its budget for polling-booth staff by applying the agreed rates of pay to staffing estimates derived directly from the number of electors estimated by the AEC as likely to vote at each polling booth.¹⁴⁹ After the initial allocation based on the estimated number of ordinary votes, DROs, using their knowledge of local circumstances, are able to make submissions justifying a different staffing level. Reasons might include a high number of declaration votes expected in a tourist area, or a special event known to be scheduled for polling day.

4.21 There are six types of polling staff at ordinary polling booths: Officer-in-Charge (OIC), Second-in-Charge (2IC), issuing officer, queue-control officer, inquiry officer and ballot-box guard. After polling, there may also be scrutiny assistants hired to help with the dismantling and logistics associated with closing the polling booth, while the count is undertaken. The mix of the different types of staff at polling booths—like the total number of staff—is determined by the estimated number of ordinary votes.

4.22 For declaration (absent or provisional) votes, a separate, similar formula calculates the allocation of declaration officers to each polling booth. While the number of declaration staff is dependent on the number of declaration votes estimated, the number of ordinary votes estimated can also come into the equation in the allocation of declaration-staff numbers.

4.23 In addition to these polling-booth staff, there are Polling-Place Liaison Officers (PPLOs), as well as staff for remote mobile polling, special-hospital and prison polling, pre-poll and interstate polling.

4.24 The ANAO's analysis of a sample of eight divisions,¹⁵⁰ as well as statistics on a national basis, indicated that the AEC has in place sound methods and systems for estimating the likely number of electors who will cast ordinary and declaration votes at ordinary polling booths.¹⁵¹ For the immediate future, these votes are likely to remain the overwhelming majority of votes cast on polling day and, applying its current staffing model, the AEC is well-placed

¹⁴⁹ The likely numbers of voters are, in turn, derived from AEC data on the geographic proximity of the enrolled population to polling places and from AEC data on past voter turnout.

¹⁵⁰ Namely: Bennelong; Bradfield; Farrer; Gippsland; Groom; Maranoa; Moncrieff; and Wentworth.

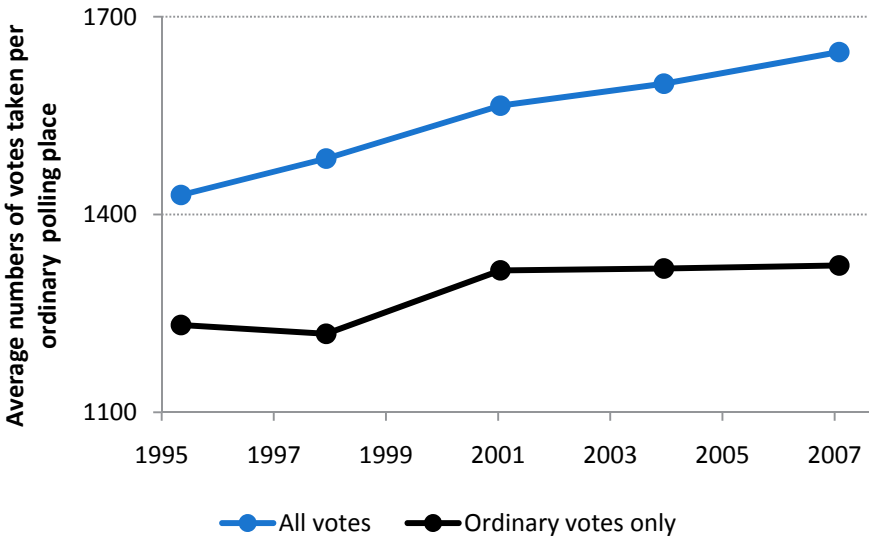
¹⁵¹ For more detail, see paragraph 4.62.

to estimate the likely number of polling-booth staff required for a general election.

4.25 As discussed at paragraph 4.7, the AEC has been able to contain costs partly by holding steady the total number of polling booths at recent general elections. The AEC's capacity to do so is predicated, in part, on increases in pre-poll voting, which have had the effect of holding constant the average number of ordinary votes taken at polling booths over the last three general elections, as indicated by the black line in Figure 4.4. The blue line, which is steadily rising and more recently diverging from the black line, indicates the aggregate rate of growth of declaration voting, mainly pre-poll voting, at recent elections.

Figure 4.4

Average number of votes taken per ordinary polling booth, 1996–2007



Source: ANAO analysis of AEC data.

4.26 The growth in pre-poll voting has important direct effects on AEC staffing requirements (more people are required to staff pre-poll voting centres) and the indirect effect of reducing the rate of increase of staff required at ordinary polling booths. However, the rate of increase of pre-poll voting is

more volatile than for ordinary voting, and there would be benefits from this trend being subject to further consideration by the AEC.¹⁵²

Recruitment of polling staff

4.27 Polling staff are vital to the delivery of an election. Many, including the OICs of polling booths, are charged with carrying out important responsibilities, including providing the first counts of votes on the evening of the election, on which the appointment of ministers may turn.

4.28 Almost all polling-booth staff carry a heavy workload, mostly concentrated on polling day itself. A significant minority of staff carry out extensive work prior to polling day, including setting up polling booths on election eve, and—after polling day—during the fresh scrutiny of ordinary ballot papers and the scrutiny of declaration votes. For example, on polling day, the work of an OIC of a polling booth typically starts before 7 am and may not finish until after 11 pm that night, after they deliver voting material including ballot papers to their DRO.

4.29 A large, well-trained and reliable temporary workforce is required in order to staff polling booths. Obtaining sufficient, suitable staff is one of the main challenges facing DROs, and the AEC as a whole, in the lead-up to a general election. From 16 October 2007 up to and including polling day on 24 November 2007, 64 016 people were paid as polling officials. A further 2292 people were employed to assist in the post-election scrutiny of ballot papers and other duties.

4.30 The process and the procedures for employing temporary staff are designed to operate as follows:

- After an election, temporary staff who worked as polling officials are assessed (usually by the OIC) as either: meeting the required standard, below it, or above it.¹⁵³
- Some 12–18 months before the expected date of the next election, all persons who have registered an Expression of Interest (EOI) since the

¹⁵² The rate of growth in pre-poll votes between the 2001 and 2004 general elections was 24 per cent, with a rate of growth of 57 per cent between the 2004 and 2007 general elections.

¹⁵³ This assessment is made in accordance with the AEC's *Performance Appraisal of Temporary Staff Policy* (August 2004) and is recorded in the OIC and Staff Assessment Report, which is part of the OIC Return for each polling place. See paragraph 4.46 for a discussion of the performance-rating process.

beginning of the *last* recruitment cycle (that is, since *before* the previous election) and who have not, for example, died or indicated their unavailability, will be sent an EOI form and invited to register for the upcoming election. Positive replies that are accepted by the DRO lead to a reactivated record in the AECPAY system, the AEC's computer system for the management of temporary staff.

- Persons who have not previously worked for the AEC also fill out an EOI form for the current three-year electoral cycle.¹⁵⁴
- The EOI form collects contact details, a description of personal and technical skills, the positions a person is interested in, previous election experience, criminal history (if any), names of two referees, and a declaration that a person is politically neutral.¹⁵⁵
- EOIs are assessed against a 30-point scoring system.
- Where a person indicates a criminal history, the EOI is referred to the Operations Manager for decision; no other checking of a criminal history is undertaken.
- After writs are issued for an election, Offers of Temporary Employment are posted to those found suitable for employment. This—along with finalising of polling booths and the processing of enrolment forms for the close of the rolls—is one of the main activities happening in divisional offices once an election has been called. Even at this late stage, the offer is described as being 'to assist in the conduct of [the 2007 Federal Election]', and is 'conditional upon the event in respect of which you have been engaged proceeding', which the AEC informed the ANAO is to cover the contingency of an uncontested election.
- Persons who are still interested and available for employment must then post or otherwise return an *Acceptance of Offer and Undertaking and Declaration of Political Neutrality* to the AEC, and then undergo training. The DROs then hope that all these persons will arrive for work on polling day.

¹⁵⁴ The EOI form for new temporary staff is slightly different to the one for persons who have worked previously for the AEC.

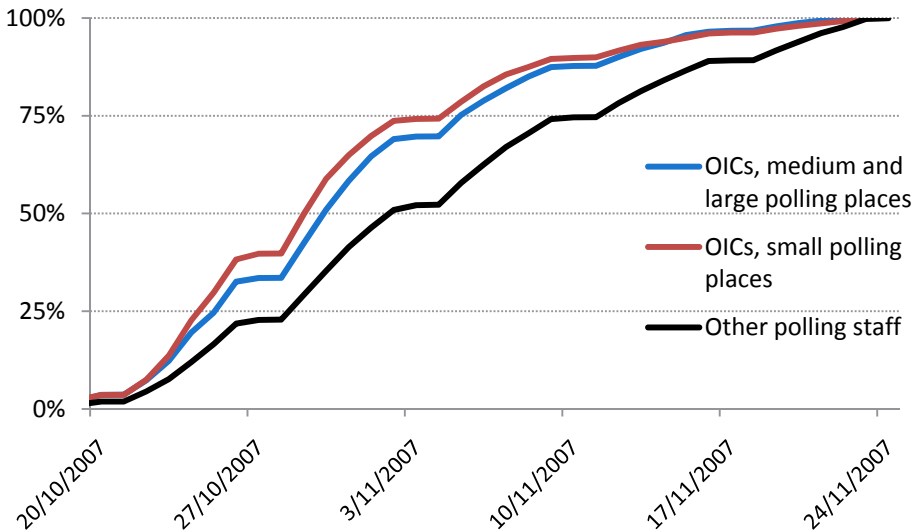
¹⁵⁵ A declaration of political neutrality, in accordance with CEA section 202A, is also signed when a person accepts an offer of employment.

- Emergency appointments may be made on polling day by OICs, but must be ratified by the DRO.

4.31 For the 2007 general election, the centralised mailout of EOIs to potential polling-booth staff was done in November 2006, except for Victoria, where the proximity of the state election (held on 25 November 2006) meant that the mailout was delayed until late February 2007. The AEC informed the ANAO that, as EOIs are received by divisions, there is some 'soft allocation' (that is, paper allocation based on staffing positions) and that, once an election is called, the bulk extract from the previous election is re-loaded against the current election event; divisions can finalise the allocation of staff from this point until election day, and can commence making offers. The commencement of the selection process after the announcement of the election date reduces the time available for the recruitment process. ANAO analysis was that, frequently, the process was rushed, and there was little time for divisional staff to thoroughly check EOIs prior to the appointment of polling staff.

4.32 In addition to the difficulties with screening EOIs, the majority of divisions in the audit sample informed the ANAO that it is becoming difficult to recruit polling staff. In the week immediately after the announcement of the election, divisional staff were busy recruiting new staff as well as following up on EOIs lodged by prospective staff. By the second week after the election was announced, divisional staff informed the ANAO that one officer was usually fully engaged entering employee details into the AECPAY system, and assisting other office staff to schedule the training of polling officials.

4.33 Figure 4.5 shows the progressive employment of the 64 016 polling officials up to and including polling day, showing the high level of activity in the weeks immediately after the election was announced. The data also demonstrate that senior polling-booth staff, notably the OICs of polling booths, were appointed earlier than other officials. Initially, at least, the AEC found it easier to find OICs for smaller polling booths than for those expected to take larger numbers of votes.

Figure 4.5**Progressive appointment of polling officials, up to and including polling day, 24 November 2007**

Source: ANAO analysis of AEC payroll data.

4.34 The AECPAY data also shows that, in the last week before polling day, the AEC was still to recruit, appoint and train more than 10 per cent of the final number of polling officials, including 280 OICs of polling booths. In the event, this meant that a significant number of polling officials, including senior officials, were appointed with little or no time in which AEC staff, including DROs, could ensure that the appointees were fully trained, competent and capable of exercising their statutory duties on polling day.¹⁵⁶ In March 2010, the AEC informed the ANAO that:

The short timeframe for finalising recruitment is a reality of working with non-fixed parliamentary terms, and an ongoing challenge for the AEC.

Emergency hire of staff

4.35 AECPAY data shows 1194 polling staff appointed on polling day, and another 920 appointed the day before. These figures include the appointment of 35 OICs on the day before polling day and another 35 OICs on polling day itself. In March 2010, the AEC informed the ANAO that:

¹⁵⁶ The training of polling officials is discussed from paragraph 4.53.

While this appears to be a large number, it represents 1.7 per cent of the total staff employed and less than 10 staff per division on average—which doesn't seem to be a significant issue.

4.36 During ANAO fieldwork in 24 divisions, only two DROs advised that they undertook no emergency employment on polling day. The remaining divisions reported hiring between one and eight staff on the day, usually because other officials had been taken ill or because they simply had not reported for work on polling day. In many cases, the replacement staff member was the first available person to hand, often a family member or relative of a polling official.¹⁵⁷

4.37 DROs also described to the ANAO how they filled gaps in staffing by taking personnel from the divisional office (where they might be dealing with declaration votes, including pre-poll votes) and moving them to polling booths, or by transferring staff from other polling booths where the workload appeared to be less, or by using the PPLOs as mobile 'trouble-shooters', placing them at understaffed polling booths for periods of high demand.

4.38 The need for emergency appointments is predictable and, for a workforce the size of that employed by the AEC on polling day, is likely to be sizeable. In relation to whether a systematic approach has been planned for this issue, the AEC informed the ANAO that the documented procedures require that divisions:

develop a Reserve List from the order of merit, containing names of suitable applicants who were not rated as highly as those already placed against proposed polling booth positions, or whose EOIs were received after all positions had been filled. Substitutions can be made from the Reserve List if a selected polling official becomes unavailable.

4.39 However, this approach does not address the practical circumstances faced by those divisions that experience difficulties recruiting sufficient staff, let alone a reserve list. For example, for all but two of the divisions visited by the ANAO, the DRO informed the ANAO of difficulties with recruiting the

¹⁵⁷ Because of the AEC's requirement for a large number of temporary staff before and during an election period, a policy on the employment of friends and family has also been approved. It states that, although it is permissible for DROs to employ friends and family members, this should not be at the expense of developing a pool of experienced potential temporary employees, and in particular, the merit principle is fundamental to recruitment. The policy acknowledges that friends and family members are occasionally called upon to fill gaps, but requires approval by the AEC's state Director Operations.

minimum number of staff required by polling day. In those circumstances, they were unlikely to also be able to recruit an additional pool of reserve employees to replace other polling staff on the day.

4.40 In February 2009, the AEC informed the ANAO that:

The new Online Recruitment System (ORS) will have the capability to connect with other systems for training and reporting purposes, will be easier to use for both internal and external users and will provide more consistent and streamlined processes. ORS will be widely advertised, reaching a much broader prospective employment market and providing the AEC with a wider pool of potential employees.

Key polling-booth staff

4.41 Much of the work on polling day, while time consuming, is fairly basic in nature, and little formal training and instruction is required for staff to become effective at their assigned tasks. However, the same cannot necessarily be said of the roles of OICs and 2ICs, who numbered almost 13 000 (or nearly 20 per cent) of the AEC's polling staff for the 2007 general election.¹⁵⁸ For example, divisional staff informed the ANAO that having experienced OICs and 2ICs at polling booths to supervise new polling staff on polling day is very important.

4.42 The significant responsibilities of senior polling staff mean that there are benefits from the early securing of their services, including allowing sufficient time for EOIs to be assessed and for the successful candidates to be provided with sufficient training. However, the recruitment arrangements for these key staff are conducted in essentially the same way and at the same time as for other staff.

4.43 The compressed timeframe for recruitment precludes checking of the bona fides and competencies of key polling-booth staff—in the circumstances, evidence of previous employment by the AEC, along with training provided prior to polling day, are taken to be effective and sufficient. This also means that there are no checks of criminal history, notably for prospective OICs and

¹⁵⁸ The total includes officers in charge of ordinary, pre-poll and mobile polling, all of whom have important statutory responsibilities under the CEA. However, there is a lack of clarity in the CEA's provisions for appointing these officers, another instance where the administrative provisions of the CEA may not be promoting efficient and effective electoral processes.

2ICs. The AEC has yet to identify, assess or treat the risks that arise from these practices.

4.44 Against this background, the AEC informed the ANAO that:

As the EOI responses came back, divisional offices were able to allocate people to staffing positions on paper prior to the announcement of the election. Generally this process would commence with more senior officials first, followed by the other positions. Once the election was called and the writ was issued, divisional staff were able to key this information into AECPAY and make offers quickly.

4.45 In the circumstances, there may be merit in the AEC establishing, possibly in conjunction with state and territory counterparts, systems for identifying former and potential employees with previous extensive electoral experience, and commencing the engagement process earlier in the electoral cycle for the purposes of better checking their bona fides, assessing their competencies and providing sufficient training.

Evaluating and recording staff performance

4.46 A performance-rating process for polling staff was introduced in 1997, and revised in 2003. Under this process, polling officials are assessed (usually by the OIC) as either: meeting the required standard, below it, or above it. The performance of OICs is rated by their DROs so that all polling staff receive an overall rating.

4.47 To save time in the week after polling day, at the time employment offers are accepted, AEC systems automatically assign each temporary employee with an 'initial' rating of 'Meets required standard'. At the end of the period of temporary employment, only 'exception' ratings are required to be re-entered (that is, those employees rated as 'Above required standard' or 'Below required standard').

4.48 The ratings are only to be used at the time of making an employment decision when considering a person who has expressed an interest in future temporary-employment opportunities. In this respect, the AEC informed the ANAO that:

The process for sending EOIs is twofold—firstly a bulk round of 80–90 000 are sent out to staff based on whether they worked for the AEC in the previous election and then details excluded on information e.g.: deceased, and those advising they are unavailable. Divisions are then provided with blank EOI forms to send to prospective staff as they wish. This 'second round' is where

the EOI may be sent to an employee who was rated 3 [*that is, as below the required standard*] in the previous election event.

4.49 The intention of the rating system is to measure the overall performance of polling staff, especially those in key roles (such as OICs), with a view to assessing the effectiveness of the training of polling staff and ensuring that offers of future employment are directed to polling staff with proven records of performance. However, prior to the mail-out for the 2007 election, all performance ratings were set to 'Meets required standard', regardless of the actual assessment entered after the 2004 general election. As a consequence, DROs informed the ANAO that part of their work following the 2006 mail-out was to reconcile the expressions of interest returned by former employees with any employment records, including performance ratings, retained in divisional offices. DROs further advised that they were not always able to satisfactorily identify former employees with proven records of performance during the 2004 general election, and so were not able to gain the intended benefits hoped to be achieved from this aspect of the performance-rating arrangements.

4.50 In August 2009, the ANAO examined AECPAY records of employee performance provided by the AEC in relation to the 2007 general election. The ANAO found that the recording of the data on AECPAY was inconsistent, to the extent that performance assessments could not be clearly attributed to the 2007 general election, and no reliable view could be formed of employee performance for that event.

4.51 ANAO examination of OIC Returns¹⁵⁹ from four divisions identified the following performance ratings given by the OICs to their staff in 2007:

- Above required standard: 765 (or 58.0 per cent);
- Meets required standard: 478 (or 36.2 per cent); and
- Below required standard: 77 (or 5.8 per cent).

4.52 These figures exclude 242 cases in which performance ratings were not recorded. Neither do they include the performance ratings for OICs, although they cover many of the other polling staff employed in the four divisions. If these divisions are representative, the figures would mean that, on polling day,

¹⁵⁹ The OIC Return from each polling booth is where administrative and election matters relating to a polling booth are recorded by the OIC on polling day.

the performance of as many as 3200 polling staff (excluding OICs) was less than satisfactory.

Training

4.53 Training is essential for a complex, one-off event that involves taking hundreds or thousands of votes at each polling booth and counting them accurately, including the transfer of preferences. For the 2007 election, the AEC usually provided separate sessions of face-to-face training for OICs, 2ICs, PPLOs, declaration-vote issuing officers and inquiry officers, and some special staff, including pre-poll and remote mobile-polling staff. These staff received additional payments for attending training.¹⁶⁰

4.54 Other polling staff, such as ordinary-vote issuing officers, ballot-box guards and queue controllers, were provided with an 82-page training manual which they were expected to read before polling day. Payment for fulfilling this expectation was included within the remuneration package.

4.55 Training is also provided to AEC divisional staff in the months preceding an election. This included 20 modules covering topics such as pre-poll voting, polling-place management and the distribution of preferences.

4.56 In addition, trial elections were conducted between September and November 2006 and again between May and June 2007. In addition, an election-night rehearsal was held for AEC staff on 22 November 2007.

4.57 Training of polling staff was usually conducted close to polling day. However, there were instances of earlier training being undertaken of key staff. For example, training of some 20 OICs for remote mobile polling in the Northern Territory was conducted on 8 September 2007, five weeks before the Prime Minister called the election. Divisional staff described this as a significant change from previous practice, under which remote mobile-polling staff received a small amount of supplementary training. Instead, for the 2007 election, remote mobile training:

- extended to using satellite telephones and reading maps;

¹⁶⁰ For example, OICs and 2ICs received \$140 and \$136 respectively for up to 6.5 hours of training, while declaration-vote issuing officers received \$46 for 2.5 hours of training. Training payments are advised to successful applicants in the letter that offers them temporary employment.

- included strategies for maximising turnout, including when electors are queuing at closing time or arrive late after travelling long distances; and
- included briefings on key community contacts to assist in setting up and conducting polling.

4.58 The ANAO was informed by the division that training of this kind is not effective if training cannot be brought forward and, accordingly, potential staff were identified six months in advance (in February 2007), and were paid to attend training in April 2007, because early training was regarded as critical to the success of remote mobile polling.

4.59 In respect to the timing of training, the AEC informed the ANAO that some election staff are trained in advance of the event (particularly key office processing staff) and that there is no particular issue with early training, although there is a risk that some currency of knowledge will be lost if the training is too early. The AEC further informed the ANAO that:

Training occurring in advance of a known date would result in training staff who, when the actual date was known, would need to withdraw, resulting in wasted resources. Given the unknown election date, training could also occur a reasonable length of time in advance of the actual election date, possibly resulting in the need for further training, particularly if legislative change had occurred. Continuous training of polling staff cannot occur due to resource and budget restraints.

... The AEC notes that training for the next election (should it be held in the second half of 2010) will be available via the internet with the introduction of the AEC's new online program. This will reduce the amount of training required to be provided face to face by AEC staff.

4.60 ANAO examination of records within the sampled divisions also revealed examples of polling-booth officials who were found to have been either insufficiently trained or unsuitable for the position. This illustrates one of the risks of hiring and training a large temporary workforce within a short timeframe: that DROs may appoint unsuitable persons to important positions. In this respect, the current EOI system (including its timing) is not suited to removing all unsuitable applicants or providing DROs with sufficient, timely information on which to base a judgment as to a person's suitability.

4.61 In relation to whether this situation reflected the consequences of hiring and training a large temporary workforce within a short timeframe, the AEC informed the ANAO that:

The EOI process in an election cycle commences about 12 months prior to polling day. The EOI response from a prospective employee can be the only contact or communication between a DRO and the employee before an offer is made. OICs in most cases are contacted prior to an offer being made to assess availability. The AEC notes the turnover of staff during the election period is always an issue.

The AEC further notes that the introduction of the Online Recruitment System will reduce the amount of data entry required by divisional staff. This will allow more time for the divisional staff to assess applications and place successful candidates more appropriately.

... The AEC notes that following the 2007 election and in preparation for the 2010 election, there has been a complete review of polling booth training content and delivery methods. Account has been taken of adult learning principles and the training has been structured to take advantage of online delivery options.

Queuing and related issues

4.62 As outlined at paragraph 4.20, the AEC has developed a predictive model of voter numbers, and ANAO examination shows that its output agrees well with the actual number of ordinary voters who pass through polling booths on polling day.¹⁶¹ However, given the large number of polling booths, it is inevitable that even the AEC's good predictive model will not be completely accurate on polling day, due to ordinary statistical variation and to local events and circumstances. Accordingly, the ANAO identified 38 polling booths nationally where the predicted and actual number of attending ordinary voters differed by more than 1000 and as much as 3500.

4.63 Where the actual number of electors wishing to vote exceeds expectations, audit fieldwork confirmed that additional work is placed on polling officials. At some polling booths, high voter demand meant that some polling-booth officials were unable to take breaks to which they were entitled

¹⁶¹ The ANAO found that the correlation of estimated and actual ordinary votes taken at static polling places was high, at over 98 per cent, with well-behaved variance and residual values.

(under relevant legislation) without slowing the flow of electors through the polling booth. Another consequence was queuing by voters.

4.64 The AEC informed the ANAO that polling booths with estimated ordinary votes in excess of 1000 are allocated a Queue Controller and that, for polling booths that do not meet this threshold or require more than one Queue Controller, DROs may create Queue Controller positions for approval by the Operations Manager. However, ANAO analysis of OIC Returns showed that some polling booths were so busy that the queuing officers charged with collecting the data had no time to discharge their duties. The AEC's queuing data also does not reflect the effects on waiting times caused by such complications as the layout of the premises (such as a single doorway for both entry and exit), the needs of voters or administrative difficulties.

4.65 The ANAO's examination of the available queuing data from the AEC's detailed OIC Returns found that queues were longest and voter flow highest in the first four hours of polling. Some polling booths also showed a second—afternoon—peak in voter flows and queuing, confirming the impressions of AEC staff that it is not just the number of voters that influences queue lengths but also the time of their arrival.

4.66 Other consequences of the resourcing situation revealed by the ANAO's detailed examination of polling-booth returns were less than optimal attention to statutory and other administrative matters. For example:

- at 10 polling booths, officers had difficulties in balancing the numbers of ballot papers issued with those placed in the ballot boxes or spoiled or lost;
- at another 13, the reconciliation of the number of ballot papers issued with the voting results was either not completed (12) or not witnessed (1);
- in three other cases, the reconciliation was out by 82, 100 or 400 ballot papers respectively;
- one location failed to complete a House of Representatives result slip, three locations failed to complete the Senate result slips, and one failed to complete the Senate distribution slip

- at 39 locations, OIC records of the breaking of seals on ballot boxes were either not recorded, not witnessed, or were incomplete;
- at 19 locations, the polling-booth profile¹⁶² was not completed; and
- at 23 locations, the OIC Return was not witnessed.

Recommendation No.6

4.67 ANAO *recommends* that the Australian Electoral Commission enhance the recruitment and training processes for polling-booth staff for future federal elections by:

- (a) examining opportunities to increase the priority given to the recruitment of Officers-in-Charge in order to secure the best candidates that are available and provide them with sufficient training; and
- (b) after the election, completing performance appraisals for staff and recording these in the relevant systems in order that this data can be used to inform and improve the recruitment practices for future electoral events.

AEC response

4.68 Agreed, noting that the advent of the new Online Recruitment System will directly address these recommendations. In the interim, the AEC will continue, as it has done for several elections past, to give priority to the recruitment and training of Officers-in-Charge.

Premises

4.69 Suitable polling booths ensure that the practical elements of polling day can operate safely and effectively. In 2007, over 11 million votes were cast in polling booths, and another 1.1 million at Pre-Poll Voting Centres (PPVCs). At the local level, almost half the surrounding population is obliged to walk through the gates of a polling booth during the ten-hour period when the polls are open. As the JSCEM has noted:

Attendance voting—the physical act of casting a vote in person at a polling booth on the Saturday of the election—is an important feature of democracy in Australia. It provides an opportunity to witness and participate in a

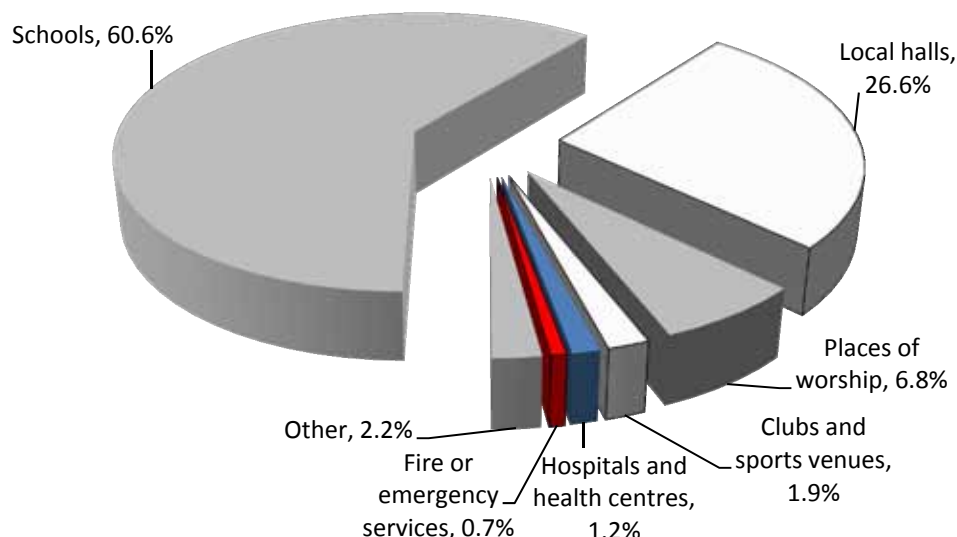
¹⁶² A record of the adequacy of the polling booth on the day.

community activity and reinforces the important role that democracy plays in our lives.¹⁶³

4.70 In accordance with the CEA, polling day is always on a Saturday, with polling booths open between 8 am and 6 pm. For the 2007 general election, over 4500 (or more than 60 per cent) of the 7723 ordinary polling booths provided by the AEC were schools, as shown in Figure 4.6.

Figure 4.6

Ordinary polling booths by type, 16 November 2007



Source: ANAO analysis of AEC data.

Access arrangements

4.71 Most of the schools used as polling booths were state or territory government primary and secondary schools, with other schools accounting for a little over 5 per cent of all ordinary polling booths.¹⁶⁴ Community halls comprised over a quarter of ordinary polling booths, many of them memorial halls built early in the 20th century, or community halls built by local progress or community associations, and public halls originally built by local

¹⁶³ JSCEM, *Report on the conduct of the 2007 federal election*, p. 173.

¹⁶⁴ The category of 'school' includes polling places at a small number of academies, technical colleges and universities.

government. Churches and other places of worship were venues for more than 500 polling booths, usually where there was an adjacent hall, meeting place or annex.¹⁶⁵

4.72 There are presently no arrangements in place for the AEC to use premises owned by the Commonwealth for the purposes of an election, and the Constitution precludes the Commonwealth from summarily demanding the use of state-government property, and requires that just compensation be provided if a state agrees to the use of its property.¹⁶⁶ In addition, whilst the Prime Minister writes to the Premiers and Chief Ministers at each election, asking for the use of government buildings as polling booths, the AEC does not presently have systematic agreements at the national level or at the state level that ensure its access to venues for election purposes, in particular public schools, or other premises owned by state or local governments.¹⁶⁷ Those arrangements that are in place vary considerably in scope. In March 2010 the AEC informed the ANAO that it was considering a more systematic approach:

The AEC believes that this outcome can be achieved using cooperative arrangements and will proceed on that basis.

4.73 When a venue is booked for use as a polling booth, the AEC and the venue owner sign an *AEC Polling Place Agreement*.¹⁶⁸ However, divisions advised the ANAO of instances in which venue owners did not sign the agreement. One division informed the ANAO that schools are generally reluctant to provide the keys or codes for the security systems or to have a staff member on call to provide polling staff with access, and it is therefore

¹⁶⁵ Of the remaining 455 venues, most were provided by hospitals and health services, clubs, and emergency-service facilities (including country fire-brigade sheds). Included were 19 court houses, six polling places at large airports, commercial premises and, in areas where no other alternatives were available, three private residences and a double garage.

¹⁶⁶ By way of comparison, in Victoria the *Electoral Act 2002* (Vic) ensures that polling premises (any room or hall in a school or building which has been supported wholly or in part with state government funds) are made available at 7 days' notice. It also requires the Victorian Electoral Commission to pay reasonable costs for lighting, air-conditioning and cleaning, pay full costs of damages if at fault, and provides a dispute-resolution mechanism.

¹⁶⁷ Some AEC divisional offices reported effective informal arrangements with local government, whilst others reported difficulties.

¹⁶⁸ If the venue has been inspected prior to this agreement, an Inspection Checklist has also been completed. The *AEC Polling Place Agreement* also includes a brief checklist of issues in relation to: access to the venue by polling staff; security; facilities; furniture; collection of cardboard equipment; disabled access; the rent to be paid by the AEC; payment arrangements; and the person authorised by the venue to enter into this agreement with the AEC.

beneficial to engage a school staff member to work as a polling official if an appropriate application for employment is received.

4.74 Other divisions reported that gaining access to schools the night before polling to set up the polling booth was a common difficulty; on one occasion a school would not hand the keys over until early on polling day, and the venue then had to be thoroughly cleaned by polling staff before the polling booth could be opened. Some divisions also needed to be provided with a copy of the AEC's Public Liability Certificate of Currency.

4.75 Against this background, there would be benefit in the AEC working with other Commonwealth agencies that provide funding for the construction, upgrade and/or maintenance of community facilities that may be suitable for future use as a polling booth, or are already used as a polling booth, so as to secure improved facilities for the conduct of electoral events. Similarly, there may be opportunities for the AEC to work with the Australian Government entities that provide education funding to state and territory governments (including, in some instances, funding for the construction or upgrade of school facilities) to secure better access to those facilities as polling booths. In this respect, there have been examples where funding agreements have included provisions requiring the funding recipient to make the facility that is being funded with an Australian Government grant available for wider community use. This indicates that it would be possible for the AEC to also be guaranteed access to use the facility (subject to reasonable notice and appropriate fee arrangements) as a polling booth.

Selection of polling booths

4.76 Unlike the other major activities of the election process, the CEA is not prescriptive in regard to the selection of polling booths. Operational experience is that the AEC needs:

- access to the venue on the previous afternoon or evening for set-up (which generally takes 2–3 hours);
- use of the venue from 7 am until approximately 11 pm on polling day;
- the area used for polling to be cleared of furniture and equipment that is not to be used for polling;
- storage of cardboard election equipment prior to the election;
- a safe environment for voters and polling staff;

- access for all eligible voters; and
- adequate facilities for polling staff and voters.

4.77 The selection, inspection and abolition of polling booths is managed at the divisional level, by DROs, with guidance and final approval from the AEC's national and state offices. In general, for the 2007 federal election the same venues were sought for hire by the AEC as were used in the 2004 election.¹⁶⁹ The exceptions were new polling booths created since the previous election, and old polling booths closed either because of declining voter numbers or because they were deemed by the AEC to be unsuitable, and an alternative venue was available. It is also the case that, once the election date is known, the AEC may discover that a previously used venue may not be available, as it has been booked by another party for the day of the election.

4.78 Divisions identified that the key issue for selecting polling booths is their availability, at short notice of an election, particularly when the venue is not a school.¹⁷⁰ If there is a possibility that a venue may not be available due to other commitments, some divisions make a contingency plan identifying suitable alternatives. However, such contingency plans were not widespread in the divisions examined as part of the audit, especially as some divisions, notably rural divisions, do not have a large stock of venues from which to choose.

4.79 The inability to fix a date of hire with the owners of potential polling premises was a common problem identified by all divisions visited by the ANAO. Divisions reported that, in 2007 as in previous election years, only tentative hire arrangements for polling booths were in place prior to the announcement of the election and the issue of the writs. Only when the election was announced could the AEC confirm hiring arrangements for polling booths for the general election, by that time only weeks away. Consequently, some preferred venues could not be secured as polling booths, including for polling booths expecting large numbers of voters.

¹⁶⁹ The ANAO analysis identified 16 divisions, out of the 24 in its sample, that had 80–100 per cent of the same venues hired and rented for both the 2004 and 2007 elections. Two of these divisions hired and rented all the same venues for both the 2004 and 2007 elections.

¹⁷⁰ School closures can considerably affect a division in terms of the supply of suitable polling places. One division reported the closure of three schools, and the finding of only two alternative venues: the remaining polling place had to be abolished.

Notification of polling places

4.80 Part V of the CEA deals with ‘Subdivisions and polling places’, and may be summarised as follows:

- polling places¹⁷¹ may be announced or abolished by notice in the *Gazette*;
- no polling places may be abolished after writs for an election have been issued; and
- polling places for a division must be advertised in a newspaper circulating in that division (section 80).

4.81 One of the AEC’s roles is to ensure that Australians are well informed on electoral matters.¹⁷² The AEC uses the *Commonwealth of Australia Gazette*, the AEC website, its call centre and newspapers to communicate the existence of polling places. A complete list of polling *booths* (including addresses, opening times and the level of accessibility of every polling booth in Australia) was provided on the AEC website and at the time of audit fieldwork (November 2009) remained publicly available.¹⁷³

4.82 In accordance with the CEA, the AEC advertised polling places in a newspaper circulating in each division. In previous federal elections, the AEC also placed advertisements in local newspapers. For the 2007 election, local newspapers were not used to inform local eligible voters about polling places: only national newspapers were used, and in rural divisions this was a particularly unwelcome change. For example, one large rural division reported that the local newspapers contacted the divisional office for information about polling booths and placed the advertisements themselves. If a polling booth is changed to a different venue—just prior to an election—the need to quickly

¹⁷¹ As defined in CEA section 4, ‘polling place’ means ‘a place appointed as a polling place in pursuance of section 80’. ‘Polling booth’ is defined as ‘a building, structure, vehicle or enclosure, or a part of a building, structure, vehicle or enclosure, provided at a polling place, in pursuance of paragraph 203(1)(a), for the purpose of taking votes during polling’. A polling place and a polling booth will rarely be the same. A polling place can be a locality, whereas a polling booth is an identifiable structure. Sometimes, however, the term ‘polling place’ is used more loosely to refer to particular premises, as, for example, when a ‘Polling Place’ sign is displayed outside a polling booth.

¹⁷² CEA section 7(1)(c) and AEC, *Annual Report 2007–08*, ‘Outcome and output structure’, p. 15.

¹⁷³ AEC, 2007 *Federal Election Downloads: Polling Places* [Internet], available from <http://www.aec.gov.au/Elections/federal_elections/2007/data_extracts/> [accessed 3 March 2010].

inform the local community becomes essential, given that voters have been found to be in the habit of voting at a particular place.

Suitability

4.83 At the divisional level, the AEC gathers data on the physical state of polling booths. In May 2006, the AEC considered the extent of its inspection program for polling booths for the 2007 election, noting that the Assistant Commissioner favoured a full review which would indicate the AEC's seriousness about the quality of polling booths, and in particular the degree to which they were accessible to people with low mobility.¹⁷⁴ In July 2006, the then Electoral Commissioner decided that all polling booths would be inspected in advance of the next election. Inspections were to be completed by divisions using a 'Polling Premises Suitability Inspection Checklist', which outlined the AEC's requirements for a venue.¹⁷⁵ The issue of access was identified as an important issue to consider when conducting inspections.

4.84 Typically, divisional offices had numerous polling booths to inspect within the optimal timeframe of 6–12 months prior to the election. This presented a challenge to the DROs of geographically large divisions, where there were considerable distances between polling booths, and the lead-time to arrange inspections ranged from 10 days to 8 weeks.¹⁷⁶

4.85 Not all polling booths were inspected by the AEC prior to the 2007 election, notwithstanding that the AEC has reported that inspections of all polling booths had been conducted.¹⁷⁷ The AEC received some complaints and, while few in number in comparison to the number of polling booths provided, the complaints did identify shortcomings with some polling booths (as well as raising doubts about whether the AEC is able to rely upon advice from third parties about the suitability of the venue without AEC staff inspecting the venue themselves).

¹⁷⁴ Polling places are classified as having full wheelchair access, partial wheelchair access, or no wheelchair access.

¹⁷⁵ In September 2008, the AEC reported that all polling booths were inspected using an inspection checklist developed in consultation with the Disability Advisory Committee and a specialist access architect. AEC, *Annual Report 2007–08*, p. 146.

¹⁷⁶ One geographically large and semi-rural division had 100 venues to inspect prior to the 2007 election.

¹⁷⁷ AEC, *Annual Report 2007–08*, p. 146.

4.86 The AEC's inspection regime and the polling-booth profiles completed by OICs provide a de facto standard for polling booths.¹⁷⁸ They cover such matters as:

- the condition of the building, as well as its size, signage, storage, lighting, and heating/cooling;
- fixtures and fittings, including fire safety and floor surfaces;
- levels of accessibility, especially wheelchair access;
- furniture and equipment;
- public access, including parking, the route from the parking to the entrance, stairs, ramps, width of doors, number of entrances/exits; and
- amenities.

4.87 However, the AEC does not collate data on the quality of polling booths around Australia, except through its advertising of the level of accessibility of each polling booth. The AEC is therefore unable to provide figures on the numbers of polling booths that either meet its de facto standard or fail to meet it. This leaves the AEC with little basis for remedial planning to raise the standard of polling booths, and means that it cannot report meaningfully on this issue.

4.88 Ideally, it should be feasible to designate a national pool of polling booths and work towards bringing them to agreed standards. Since the different levels of government frequently use the same polling booths, this process might well be matched by state and territory electoral commissions and governments. With around 70–90 per cent of polling booths used repeatedly at federal elections, the identification of a pool of potential polling booths and amelioration of deficiencies in them could assist to improve the functioning of Australian democracy, with potential secondary benefits from improvements to facilities available for general community use. A strategy for the amelioration of deficiencies in polling booths has the potential to:

- improve the overall quality and suitability of polling booths;
- improve the AEC's readiness to conduct elections;

¹⁷⁸ The AEC informed the ANAO that 'the standard in regard to the inspection of polling places is an objective one that has been developed in consultation with disability access groups'.

- reduce the AEC's exposure to risk in terms of injuries sustained by polling staff and voters on polling day; and
- ultimately, reduce the frequency of the AEC's general inspections of polling booths.

4.89 The AEC may also consider whether a strategy of designating and ameliorating polling booths might be complemented by potential legislative changes to ensure that the AEC had priority access to those polling booths on polling day. Such legislation could potentially rely on the power of the Commonwealth to acquire property on just terms, with the possibility of reducing or eliminating the uncertainty to which the AEC is currently subject, with regard to premises, by the variable date of federal elections.¹⁷⁹

Accessibility to electors

4.90 The issue of accessibility is closely linked to the improvement of polling booths. Prior to the 2007 election, the AEC identified as a priority the importance of providing access to polling booths for people with disabilities,¹⁸⁰ or of providing assistance on the day, citing that polling staff are trained to assist voters with a disability.¹⁸¹ The AEC also stated that it had developed a plan to allow feedback from electors to be directed from polling booths to divisional, state and national levels where appropriate.¹⁸² The issue of access was also identified by the AEC as a priority during polling-booth inspections. After the election, the AEC reported that 1493 polling booths (19.3 per cent) had no disabled access.¹⁸³

¹⁷⁹ Section 51(31) of the Constitution empowers the Commonwealth Parliament to make laws for 'the acquisition of property on just terms from any State or person for any purpose in respect of which the Parliament has power to make laws'.

¹⁸⁰ AEC, *Service Charter* [Internet], June 2005, available from <http://www.aec.gov.au/pdf/publications/service_charter/aec_service_charter.pdf> [accessed 3 March 2010]; AEC, *Annual Report 2006–07*, p. 140.

¹⁸¹ AEC, *Support for electors with a disability to cast their vote*, media release, 16 November 2007.

¹⁸² AEC, *Annual Report 2006–07*, p. 140.

¹⁸³ AEC, *Annual Report 2007–08*, p. 146. According to this report, full access was provided at 2277 polling places and access with assistance was provided at 3953 polling places. PPVCs were not included in this total.

4.91 Given Australia's ageing population,¹⁸⁴ the challenge facing the AEC to provide all eligible voters with access to polling booths is likely to increase, especially in respect of voters with limited mobility. Safe polling booths are of particular concern for elderly voters. Overall, the AEC reports that incidents at polling booths were few and of a minor nature during the 2007 election.

Rents paid by the AEC

4.92 The AEC informed the ANAO that the total cost of hiring venues for the 2007 election was \$3.27 million but that it does not record further breakdown of this cost.

4.93 In the context of the short time-frame between the election being called and polling day, the existing approach of placing the major responsibility for securing polling booths with Divisional Returning Officers provides the AEC with little bargaining power in relation to the rents charged by venues. One result of this approach is that the rents paid for polling booths vary widely.

4.94 Amongst the sample divisions visited by the ANAO, the AEC paid a total of \$300 651 for the hire of ordinary polling booths, with rents ranging from \$36 for a public hall in a rural division to \$3000 for a private school in an urban division (see Table 4.2). The lowest expenditure on ordinary polling booths for a division was \$3278 and the highest expenditure was \$28 747. Since the 2004 federal election, some venues increased rents, while others reduced them, and others charged the same rent.

¹⁸⁴ In 2007, there were 2.4 million people aged 65–84 years, and this age group is projected to increase by 2.7 per cent per year to 2011, then accelerate to grow by an average 3.5 per cent per year for the next 11 years, to 4.0 million in 2022. The number of people aged 85 years and over is projected to increase from 344 000 in 2007 to 1.7 million in 2056. Source: Australian Bureau of Statistics, *4102.0 Australian Social Trends*, March 2009, pp. 2–3.

Table 4.2**Rents for ordinary polling booths in sample divisions**

Type of venue	%	Total rental costs	Rental range
Public schools	53	\$105 260	\$36 to \$2271
Local or state-government owned ¹	22	\$73 819	\$36 to \$2568
Privately owned organisations ²	19	\$86 421	\$68 to \$2200
Private schools	5	\$31 153	\$90 to \$3000
Hospitals ³	1	\$3999	\$90 to \$600
Commonwealth-owned ⁴	0		
Totals		\$300 652	\$36 to \$3000
Notes: 1. Local council buildings and venues identified as owned by state governments. 2. Consists of not-for-profit organisations and commercial/retail premises, including the CWA, Masonic lodges, scout groups, church groups, tennis and squash centres, bowling clubs, golf clubs and cafes. 3. Excludes special-hospital teams. 4. No Commonwealth-owned venues were used as ordinary polling booths in these divisions.			

Source: ANAO analysis based on information provided by the AEC.

4.95 In one state within the sample, there was a standard schedule of fees to be charged by public schools, with a revised schedule then under consideration by the Department of Education in that state. Some venues did not seek financial reimbursement for the hire of their venues, and the AEC did not pay for the use of these venues. For example, one division reported that 18 of 63 venues used as polling booths (29 per cent) did not charge a rent.

Pre-Poll Voting Centres

4.96 As noted at paragraph 4.25, the recent trend to early voting continued at the 2007 election, with some 1.1 million votes cast at pre-poll centres. Accordingly, the need to provide suitable and accessible PPVCs is becoming of increasing importance.

4.97 The difficulties identified by the AEC in hiring ordinary polling booths were compounded in relation to PPVCs, as the AEC needed short-term leases

to secure these venues. Divisions advised the ANAO of considerable difficulties in securing satisfactory short-term leases, once the election was announced, and that they had to accept what was available at the time, even if the venues were not ideal. Some venues also wanted to lease for a minimum period of 2–3 months, when the AEC only required the venue for a 3–4 week period.

4.98 In the audit sample, there was an even greater disparity in rents paid by the AEC for PPVCs than for ordinary polling booths. Rents ranged from \$59 to \$11 660. Most PPVCs were privately owned venues, as illustrated in Table 4.3. The AEC informed the ANAO that, across Australia, only one Commonwealth premise was used as a PPVC (HMAS Stirling in Western Australia). In the course of this audit, the ANAO identified another PPVC located on Commonwealth-owned premises.

Table 4.3

Rents for Pre-Poll Voting Centres in sample divisions

Types of venues	Total rental costs ¹	Rental range
Public schools	\$59	\$59
Private schools	-----	----
Privately-owned organisations ²	\$65 093	\$360 to \$11 000
Local or state government-owned	\$29 355	\$545 to \$11 660
Commonwealth-owned ³	----	----
Totals	\$94 507	\$59 to \$11 660
Notes:		
1. These costs are only a low estimate, as the ANAO could only cost the PPVCs that were identified from the Premises Costs (PPCT) reports provided by the AEC. Not all PPVCs are included. The ANAO was not able to identify some commercial premises used as PPVCs from the information provided by the AEC.		
2. Examples included: a tennis and squash centre, a gallery, a CWA hall, a church hall, shopping centres and airports.		
3. One Commonwealth-owned venue, an army base, was used as a PPVC. No rent was charged.		

Source: ANAO analysis based on information provided by the AEC.

4.99 There were considerable rental increases for PPVCs from 2004 to 2007 in some divisions. For example, in one division the AEC paid \$700 to use a school as a PPVC in 2004, but in 2007 commercial premises were used, for which the AEC paid \$11 000. For one shopping centre used in both elections, the AEC paid \$909 in 2004 and \$5041 in 2007.

Fresh-scrutiny premises

4.100 After the close of polling, all ballot papers are transported to the respective divisional offices and a detailed scrutiny process is then conducted by AEC staff. Just as the AEC hires venues for polling booths, it also hires venues where it carries out the fresh scrutiny.

4.101 As with the PPVCs, AEC records do not readily provide details of the costs of all venues used for the fresh scrutiny by the sample divisions: the Premises Costs reports provided from the ELMS system did not uniformly include the costs of scrutiny premises, and some figures given also differed from information provided by divisions. The available data indicate that the rents paid by the AEC for fresh-scrutiny venues in the audit sample of divisions ranged from \$840 to \$13 200 (for a venue shared by four divisions).¹⁸⁵ Divisional staff commented to the ANAO about the latter premises:

We considered ourselves most fortunate to secure these large, suitable and well located premises at such a reasonable cost across the four divisions.

We are very conscious of the great risk of mix-ups occurring, with all four divisions being counted simultaneously. The sheer size and complexity of our quadruple count, and the number of staff required, necessitate a large open venue. It is not practical nor in the interests of our staff to try to relocate all ballot papers to some other secure place every night. This has proved impractical in the past and results in unnecessary manual handling, wasted time and risks mix-ups [of ballot papers] between divisions. The divisional office is not at all suitable for the purpose.

4.102 The types of venues used by the sample divisions for the fresh scrutiny included shopping centres, church halls, other privately owned halls, an old post-office building and some schools. No Commonwealth-owned venues were identified in the audit sample as having been used for the fresh scrutiny. More broadly, the AEC informed the ANAO that 40 Commonwealth premises were used for the fresh scrutiny across three states (no Commonwealth premises were used in the remaining three states and two territories).

¹⁸⁵ A former Post Office was shared by four co-located divisions; additional security expenses of \$19 681 were also incurred for this venue.

Recommendation No.7

4.103 ANAO *recommends* that the Australian Electoral Commission:

- (a) work with other Australian Government agencies that provide funding for the construction, upgrade or maintenance of facilities that are, or may be, used as polling booths to identify opportunities to secure access to these facilities for electoral events as part of the funding arrangements;
- (b) seek to implement standing arrangements with venue owners, particularly state governments, to secure suitable and accessible polling booths on just terms, with particular regard to the needs of the elderly and disabled, and the availability of premises in large rural divisions;
- (c) negotiate the use of suitable Commonwealth-agency venues, in particular as pre-poll voting centres and fresh-scrutiny centres; and
- (d) redevelop the strategic program of inspection of polling places to include systematic post-election evaluation and to identify improvements (where possible) of venues that are used as polling booths.

AEC response

4.104 Agreed with qualification. The AEC already has formal arrangements with some state-government venue owners and long-standing informal arrangements with other state-government venue owners. The AEC acknowledges the benefit of expanding the range of formal arrangements.

4.105 The AEC's program of polling-place suitability assessment takes full account of accessibility issues, and its review program is currently being refreshed to reflect the standards established by the December 2009 revision to Australian Standard AS 1428 (Design for Access and Mobility).

4.106 While the AEC will continue to seek access to Commonwealth-owned or funded venues where they satisfy the requirements for the location and accessibility for a polling place or other polling activity centres, the AEC notes that the operational exigencies of other agencies will often preclude the use of such premises as polling places.

5. Polling day

This chapter examines the AEC's activities in the days immediately preceding polling, the conduct of the polls on 24 November 2007, and the procedures for counting the vote immediately afterwards.

Introduction

5.1 Every major activity of the election—and of polling day in particular—is prescribed in detail in Parts V and XIII–XIX of the CEA. These Parts provide for writs for the elections to be issued and nominations called for, polling booths to be chosen, pre-poll and postal votes to be cast, and ordinary votes received and counted at polling booths. They also require a fresh count of all ballot papers to be conducted at divisional offices and, when the count is finalised, the declaration of results and the return of the writs. The objective is to ensure that voters across Australia (and at overseas diplomatic posts) receive equal treatment both in casting their vote and in having it counted.

5.2 For the 2007 election, the AEC provided 7723 ordinary or 'static' polling booths, 429 pre-poll or early voting centres, and 104 overseas polling booths.¹⁸⁶ The AEC also provided 37 remote-mobile-polling teams, 25 prison-mobile-polling teams and 444 special-hospital teams for eligible voters.

5.3 On the evening of 23 November 2007, the night before polling day, venues hired by the AEC were transformed into polling booths by their OICs and other staff. OICs returned on the morning of polling day, 24 November 2007, to receive their staff (at least one other staff member and as many as 86 in a 'superbooth'¹⁸⁷) and put all in readiness to open the polling before witnesses at 8 am. Once the doors of the polling booth were opened to the public, OICs assumed full responsibility for the supervision of the polling staff and for the proper conduct of polling. This included admitting electors and issuing ballot papers, securing ballot boxes and spoiled or unused ballot papers, and monitoring the conduct of voters and candidates' representatives to ensure that they adhered to the requirements of the CEA.

¹⁸⁶ AEC, *Annual Report 2007–08*, p. 246.

¹⁸⁷ Superbooths are used for pre-polling and, on polling day, also take votes from interstate and from any division in the home state. Superbooths have a large number of staff to cope both with the volume of voters and the complexity of their task.

5.4 OICs were also responsible for closing the polling booth at 6 pm, supervising the votes of any electors still on the premises, and then commencing the count of ballot papers. Under a production-line technique, counts proceeded under the supervision of the OIC and the eyes of scrutineers appointed by the candidates.

5.5 As soon as the first counts were complete, and used and unused ballot papers had been reconciled with those originally issued to the polling booth, OICs telephoned the results to AEC divisional offices. Once the staff there had checked the results and entered them into ELMS, the figures were transmitted to the Virtual Tally Room, the National Tally Room and the waiting media. Meanwhile, the ballot papers and other material (including the marked-off certified lists of electors) were packed and transported by the OIC to the AEC divisional office.

5.6 In many cases, overnight sorting teams organised the material so that fresh counting, including the counting of declaration votes received from other divisions and of postal votes, could commence on Sunday 25 November 2007.

5.7 In the days after polling, the AEC counted 10.4 million ordinary votes and 2.5 million declaration votes, as well as examining the admissibility of over 340 000 declaration votes that were, ultimately, not eligible to be counted. In most divisions, the counting continued until after the last eligible postal vote was received, 13 days after polling.

5.8 Except in the division of McEwen, where a re-count was underway, DROs and AEOs then started the process of reporting the outcome of the vote in accordance with Part XIX of the CEA, which deals with 'The return of the writs', and may be summarised as follows:

- as soon as counting of Senate votes is completed, the AEO for the state or territory must publicly declare the winning candidate(s), certify the result in writing, and return the writ and the certificate to the governor (or, for a territory, to the Governor-General); and, similarly,
- as soon as counting of House of Representatives votes is completed, the DRO must publicly declare the winning candidate. The final results are

then sent to the Electoral Commissioner, who certifies them, and returns the writ and the certificate to the Governor-General.¹⁸⁸

5.9 The writs in respect of all divisions of the House of Representatives and all vacant seats of the Senate were duly returned between 14 and 21 December 2009, within the period nominated in the writs.¹⁸⁹

5.10 Allowing for eligible electors not on the roll, those electors on the roll who did not turn out to vote and those whose attempt to vote was not admitted to the count, 87.5 per cent of the eligible population cast votes that were counted in the 2007 general election but 12.5 per cent did not, as outlined in Table 5.1.

¹⁸⁸ CEA sections 283–4.

¹⁸⁹ Section 5 of the Constitution provides that, after any general election, Parliament must be summoned to meet not later than 30 days after the day appointed for the return of the writs. The procedures of the Parliament, as laid out in the Standing Orders of each chamber, then govern the admission and swearing-in of new senators and members. After the 2007 election, the new Parliament met on 12 February 2008, 18 days after the day appointed for the return of the writs.

Table 5.1**Elector turnout at the 2007 general election as a percentage of the estimated eligible population**

Category	Number	%		Number	%
Enrolled	13 645 073 ¹	92.3%	Electors missing from the rolls	1 138 321 ²	7.7%
Votes received	13 273 026	89.8%	Non-voters	372 047 ³	2.5%
Votes counted	12 930 814	87.5%	Votes not counted	342 212 ⁴	2.3%
Formal votes	12 419 992	84.0%	Informal votes	510 822	3.5%

Notes:

1. Enrolment at the close of rolls prior to the 2007 general election. After the close of rolls, adjustments such as the re-instatement of electors erroneously removed meant that an additional 1466 electors were subsequently added to the roll.
2. The AEC estimated that 14 783 394 people were eligible to enrol and vote at the time of the 2007 general election. After the election, the AEC sent enrolment forms to many electors who attempted to vote on polling day but who were not enrolled. There are no records of any instances of the effective enforcement of compulsory enrolment since 1984, when the fine for failing to enrol was abolished.
3. The AEC informed JSCCM that it sent 453 600 non-voter notices after the 2007 election. The higher figure illustrates the discrepancies between the recording and scanning of voter attendance on the certified lists and the actual number of non-voters. Of the notices sent, 18 400 were sent in error, 47 700 were returned to the AEC undelivered and 117 000 electors simply did not respond. Of the remainder, 186 400 electors provided a lawful excuse for not voting, 19 600 claimed to have voted, warning letters were sent to 5350, 59 000 paid the prescribed penalty of \$20 for not voting, and 64 electors were prosecuted for not paying the prescribed penalty.
4. The AEC informed JSCCM that these comprised 143 470 provisional voters, 107 694 absent voters and 47 948 pre-poll voters (most of whom were not enrolled or were enrolled at the wrong address), and 43 100 postal voters (including postal votes that arrived too late to be counted, or were not correctly date-stamped, witnessed or signed).

Source: ANAO analysis of AEC data; AEC, *Electoral Pocketbook 2007*.

The polling

5.11 Part XVI of the CEA deals with ‘The polling’, and its provisions may be summarised as follows:

- DROs must provide polling booths equipped with separate voting compartments, pencils, and secure ballot boxes (sections 203, 206, 207);¹⁹⁰
- the Electoral Commissioner must provide certified lists of voters (section 208);
- candidates’ names and party affiliation (if any) are shown on ballot papers, with the order of the names being determined by drawing numbered balls from a container on the day after nominations close (section 209, Forms E and F of Schedule 1, sections 210, 210A, 212, 213);
- Senate candidates may lodge a ‘group voting ticket’, or list of preferences, that will be applied to votes cast using the above-the-line voting method (section 211), and all lists of preferences must be displayed at polling booths in either pamphlet or poster form (section 216);¹⁹¹
- each candidate may appoint one scrutineer to each issuing point at a polling booth (section 217);
- polling takes place from 8 am to 6 pm (section 220);
- all electors must be asked their full name, where they live, and whether they have already voted in the election (section 229). They then receive ballot papers, which must be marked in private in a voting compartment, folded, and placed in a ballot box or (for declaration votes) handed to a voting official for placing in an envelope (section 233);
- voters who are sight-impaired, physically incapacitated or illiterate may receive the assistance of another person to vote (section 234), and

¹⁹⁰ Section 206, providing for separate voting compartments equipped with pencils, is one of only 13 sections in the CEA that have remained unchanged since 1918.

¹⁹¹ There is no similar provision for House of Representatives candidates because there is no above-the-line voting for that chamber: voters must apply their own order of preference to all House of Representatives candidates.

those who cannot physically enter a polling booth may vote outside the polling booth (section 234A);

- provisional votes may be cast by persons whose name or address does not appear on the electoral roll for the division (section 235); and
- voting is compulsory for all persons whose name appears on the electoral roll (section 245).

Taking the vote at ordinary polling booths

5.12 Most Australians cast their vote on polling day by going to their nearest polling booth, which is often a school or community hall, a scout hall, church hall, or surf-lifesaving club. In rural areas, it may also be the local fire station or courthouse. These polling booths are known as ‘ordinary’ or ‘static’ polling booths. A total of almost 10.4 million ordinary votes was taken at static polling booths at the 2007 general election, with some places taking only a handful of votes and one polling booth taking over 6500. Polling booths vary considerably in size, location and staffing, with two staff at small polling booths and as many as 86 at the largest.

5.13 The AEC’s expectation, as set out in the training manual for OICs, is that ordinary polling booths should be set up the night before the election. This involves assembling the packed cardboard into voting compartments and ballot boxes, putting up signs, arranging furniture, and setting out ballot papers and the certified lists of electors. In addition, any manual amendments to the division finders (which are used to decide in which division declaration voters are enrolled) must be made on each copy. The process of setting up a polling booth can take up to two hours, and may take considerably longer.

5.14 In order to gain some appreciation of the range of issues that may arise at polling booths, the ANAO undertook fieldwork visits to 24 divisions and a detailed analysis of the OIC Returns from four divisions in this sample, covering 186 polling booths, including mobile special-hospital teams. In the sample of 186 polling booths subject to detailed audit examination, no problems were recorded or evident for 52 (28 per cent of the total examined). For this proportion, the venue and its facilities were adequate to the task, all polling material and cardboard arrived on time and was able to be set up on the night before polling, polling commenced on time and the flow of voters was steady, without any excessive delay.

5.15 However, at other polling booths a range of problems of varying degree were encountered. The problems encountered at these 134 polling booths (72 per cent of those subject to detailed examination) can be characterised in general terms as:

- constraints in obtaining timely access to premises to set up and commence polling;
- difficulties arising from less than suitable premises for polling;
- queuing by voters during the day; and
- administrative difficulties, including delays in receiving election material.

Administering the franchise on polling day

5.16 Certified lists of voters in a division must be provided at each polling booth in that division. The certified list for each division presently includes every voter's name, sex and date of birth and, with the exception of silent electors, their address. As each voter comes forward and answers the prescribed questions—'Full name?' 'Where do you live?' 'Have you voted before in this election?'¹⁹²—the polling official is required to mark the name off the list.¹⁹³ This is a key event in applying the 'one person, one vote' principle and establishing a chain of evidence that is used to investigate possible cases of multiple voting or failure to vote. After the 2007 election, more than 27 500 certified lists, comprising nearly 13 million pages, were scanned for these investigations.¹⁹⁴ Free copies of the certified list for a division must also be provided to each candidate as soon as practicable after the close of the rolls for the election.¹⁹⁵

5.17 The AEC informed the ANAO that, in order to confirm electors' entitlement to vote, polling officials use a printed list that combines in one document the publicly available roll along with the items specified under the heading 'Certified lists of voters' in section 208 of the CEA.

¹⁹² CEA section 229.

¹⁹³ CEA section 232.

¹⁹⁴ JSCEM, *Report on the conduct of the 2007 federal election*, p. 278.

¹⁹⁵ CEA section 90B.

The inclusion of the address is not specifically authorised by section 208. However, the address is required to be included for two reasons. First, the question to be asked of a voter in section 229(1)(b) is 'Where do you live'. To enable that response to be checked, it is apparent that the polling official must have access to a list that includes the address.

5.18 This is a further example of an inadequate administrative provision within the CEA that would benefit from review at the next opportunity.

5.19 The printed lists are cumbersome and, as an alternative, PDAs (Personal Digital Assistants) have been widely used in polling booths by the state and territory electoral commissions, as shown in Table 5.2. The AEC purchased 500 PDAs in December 2006. The following problems in the use of PDAs at the NSW state election were reported to the AEC Executive in March 2007:

- the level of confidence in the training provided to users was not high;
- the inputting scheme for data needed to be reviewed;
- paper rolls must remain available as a back up to PDAs; and
- there was a need to consider which staff are given PDAs.

Table 5.2

Use of PDAs by state and territory electoral commissions

Jurisdiction	Use of PDAs
Australian Capital Territory	The ACT election in 2008 was conducted entirely with electronic certified lists on PDAs—a first for Australia. The PDAs were borrowed from the Electoral Commission Queensland, and the software developed by the New South Wales Electoral Commission was adapted for local use. ¹ The ACT has now conducted three elections with electronic voting available.
New South Wales	In 2007 the complete state electoral roll was held on PDAs, which were encrypted and set to automatically delete all data on election night. A pool of 2300 PDAs owned by a number of electoral commissions was used, with the iRoll system developed by the New South Wales Electoral Commission. ² This was the first time PDAs were used on a large scale and for a large number of electors. The aim of using PDAs was to reduce the number of absent votes that were rejected: these declined from some 86 000 to fewer than 25 000. ³
Queensland	The Electoral Commission Queensland purchased over 2000 PDAs in 2006–07 as ‘part of an initiative by State and Territory Electoral Commissions to improve the level of service provided to electors’. ⁴ The PDAs were used at the local-government elections in Queensland in 2008.
Tasmania	Trials of electronic certified lists were conducted at the 2007 and 2008 Legislative Council elections. In March 2010, the state election was to be conducted using certified lists on 700 netbook computers, rather than printed lists. ⁵
Victoria	For the 2006 Victorian state election, PDAs containing the entire state electoral roll were used at 474 mobile voting centres. ⁶
Western Australia	At the 2005 state general election, 23 599 absent voters were marked off the roll electronically at certain polling booths. ⁷
<p>Notes:</p> <ol style="list-style-type: none"> 1. ACT Electoral Commission, <i>Report on the ACT Legislative Assembly Election 2008</i>, Canberra, September 2009, pp. 18–19. 2. New South Wales Electoral Commission, <i>Report on the state election 2007</i>, pp. 45–46. 3. CD-ROM Services Pty Ltd, <i>NSW Electoral Commission uses portable electronic electoral roll for recent NSW State election</i> [Internet], North Sydney, 11 April 2007, available from <http://www.cdroms.com.au/cd/pr070402.pdf> [accessed 3 March 2010]. 4. Electoral Commission Queensland, <i>Annual Report 2006–07</i>, p. 20. 5. Linda Smith, ‘So busy, happiness is a warm coffee cup’, <i>The Mercury</i>, 12 March 2010, p. 13. 6. Victorian Electoral Commission, <i>Report to Parliament on the 2006 Victorian State election</i>, p. 28. 7. Western Australian Electoral Commission, <i>2005 State General Election: Election Report</i>, 2006, p. 19. 	

Source: ANAO analysis.

Legal advice on electronic certified lists

5.20 The AEC has received consistent legal advice that voting in person and voting by post are special legislative provisions that are not subject to the provisions of the *Electronic Transactions Act 1999*, which generally makes paper and electronic transactions equivalent. In particular, in July 2002 the AEC sought legal advice on whether there was any requirement that certified lists be in printed form. The advice from the Australian Government Solicitor (AGS) was that several provisions in the CEA *implied* that certified lists should not be in electronic form unless there was clear authority.¹⁹⁶

5.21 In 2004, the CEA was amended so that the provisions on the supply of copies of the electoral roll would be medium-neutral; that is, they would not specify whether copies were supplied in paper or electronic or any other format.¹⁹⁷ In April 2009 the AEC sought further advice, in the light of the 2004 amendments, on whether certified lists might also be prepared in electronic format, and the AGS reaffirmed its opinion that they should not be in electronic form unless there was clear authority.

5.22 In the light of the AEC's most recent legal advice, it appears that these administrative provisions would benefit from review at the next opportunity. In its report on the 2007 election, the JSCEM recommended that the CEA be amended to enable the use of electronic certified lists in polling booths and pre-poll voting centres on the recommendation of the AEC.¹⁹⁸

PDA trial at the 2007 election

5.23 In August 2007, the then Electoral Commissioner agreed to a trial of 150 PDAs at 24 selected Pre-Poll Voting Centres (PPVCs), including London and Tokyo, and 51 static polling booths in metropolitan areas. These PDAs would contain a version of the electoral roll that would be set to automatically delete data after the election. The software used was iRoll, developed by the NSW Electoral Commission. The data chips containing the roll would be handed to the OICs of the polling booths on the night before polling day. Not all electors

¹⁹⁶ AGS, legal advice to the AEC, 11 July 2002. The provisions nominated as impliedly relevant were: section 208 on certified lists, section 232 on the marking-off of electors' names, the sections on the provision of copies of certified lists to candidates and others, and section 393A on the preservation of ballot-papers etc. after polling day.

¹⁹⁷ *Electoral and Referendum Amendment (Access to Electoral Roll and Other Measures) Act 2004*, Schedule 1, item 3, amending CEA section 90.

¹⁹⁸ JSCEM, *Report on the conduct of the 2007 federal election*, p. 279.

presenting for a declaration vote would have their details checked on a PDA: only those who said that they were unsure of their enrolment.

5.24 The aim of this trial was to assess how useful PDAs could be in lowering the number of provisional and absent votes that are rejected in the scrutiny process. As a form of service provision, other PDAs were also allocated to several 'superbooths' in capital cities, to assist in directing voters to the correct queue, especially in the light of recent redistributions in those states. These did not form part of the trial, because the 'superbooths' do not issue large numbers of declaration votes on polling day.

5.25 By the end of September, the AEC Executive was informed that software changes had been completed and the PDAs were ready to be rolled out. The PDA devices were despatched from Canberra to the state capitals on 18 October 2007, and a training guide, adapted from that of the NSW Electoral Commission, was sent on 23 October. The staff who were to use the PDAs received 30 minutes of special training over and above the training that was provided to all polling staff.

5.26 The development of an Evaluation Plan was part of the initial planning for the PDA trial. Evaluation was to be done primarily by the use of tally sheets to compare the numbers of successful and unsuccessful searches, and through a non-compulsory questionnaire provided to polling officials. The Evaluation Plan was scheduled to be completed only in the week before pre-poll voting commenced.

5.27 The AEC informed the ANAO in June 2009 that the evaluation of the PDA trial was not completed or formally reported to the AEC Executive. The ANAO received a copy of the six-page draft report, which concluded that:

the data and information collected during the trial, or as part of standard data collection, would be insufficient in producing an accurate result.

5.28 The draft evaluation report did make some broader findings on the use of PDAs, noting that:

- polling officials felt the PDAs provided more validation to voters;
- most officials and voters were surprised the PDAs were not being more widely used;
- voters felt comfortable with the PDAs as embodying the latest information, more reliable than printed products; and, on the negative side

- batteries needed charging after 5–6 hours; and
- the search capability could be improved, and the presence of date-of-birth data would have helped in distinguishing people with common names.

Pre-poll voting

5.29 Part XVA of the CEA deals with ‘Pre-poll voting’, and its provisions may be summarised as follows:

- the grounds for applying for a pre-poll vote are the same as those that apply to postal votes (section 200A)—see paragraph 5.31;
- the AEC may declare certain places as pre-poll voting centres (PPVCs) for specified days and hours; the declarations are to be gazetted (section 200BA);
- pre-poll votes may be cast at a PPVC, any divisional office of the AEC, or at an overseas polling booth (section 200C);
- pre-poll voting may begin two days after Senate nominations are declared (section 200D);¹⁹⁹
- the elector is to sign a certificate attesting to their entitlement to a pre-poll vote, mark the ballot paper without it being seen by the polling official, and return it folded to that official, who places it in the envelope bearing the certificate, and places the envelope in a ballot box (section 200E); and
- pre-poll votes are forwarded to the appropriate DRO (section 228(1A)), and are dealt with in the preliminary scrutiny of declaration votes that begins on or after the Monday before polling day (section 266).

5.30 Over time there has been a significant increase in the number of votes taken at pre-poll centres, from 377 849 (3.5 per cent of House of Representatives votes) in 1993 to 1 110 334 (8.6 per cent in 2007). The JSCEM has considered the increase in pre-poll and other declaration votes, and recommended that pre-poll votes be treated wherever practicable as ordinary

¹⁹⁹ Or, for an election only for the House of Representatives, the day after nominations close.

votes at future elections, but with voters still required to sign a declaration that they are eligible for a pre-poll vote.²⁰⁰

Postal votes

5.31 Part XV of the CEA deals with ‘Postal voting’, and its provisions may be summarised as follows:

- there are 11 grounds for applying for a postal vote after the calling of an election, including: absence from a person’s state or territory, distance from a polling booth, travel, illness or childbirth, carer duties, imprisonment, silent-electors status, and employment (section 183 and Schedule 2);
- similar grounds enable a person to register as a general postal voter for all federal elections (section 184A);
- in either case, ballot papers and a postal-vote certificate (attesting that the elector is eligible for a postal vote and has not already voted in this election) will be physically delivered to the elector after nominations are declared and ballot papers are available (sections 186 and 188);
- applications for postal votes are made available for public inspection (section 189),²⁰¹ and an electronic list of applicants (including their name, date of birth and address) may be requested by candidates and political parties (section 189A);
- the elector is to sign the certificate before a witness, then mark the ballot paper, fold it, place it in the envelope provided, and post it or deliver it in person to the AEC or a polling booth (section 194); and
- completed postal votes returned to the division claimed for are stored in ballot boxes awaiting the commencement of preliminary scrutiny in the week before polling day.

5.32 The postal-voting system experienced major problems at the 2004 election, such that the Governor-General issued a proclamation the day before the election to extend the time during which affected postal voters could vote

²⁰⁰ JSCEM, *Report on the conduct of the 2007 federal election*, pp. 173–217. Under this recommendation, pre-poll votes would be placed in ballot-boxes in the same way as ordinary votes, and a declaration of eligibility would be stored separately.

²⁰¹ Except that, in respect of silent voters, only their name is made available.

and return their ballot papers to the AEC, and postal voting became the largest single issue of concern to those who made submissions to the JSCEM after that election.²⁰² The AEC's contractual arrangements were significantly re-worked before the 2007 election, and a new national contract for the production of postal votes was signed in October 2006. The JSCEM reported in 2009 that there had been a marked improvement in the production output of postal votes in 2007 compared to 2004, and that the remaining area of concern was the timely return of postal votes, an issue that was beyond the control of the AEC.²⁰³ The ANAO notes that the other problems were resolved to such an extent in 2007 that a post-election review by the AEC of the Automated Postal Vote Issuing System (APVIS) found an error rate of 0.0008 per cent in the production of Postal Voting Packages.

5.33 Another area of postal-vote administration that continues to attract comment is the involvement of political parties in the distribution and receipt of Postal Vote Applications (PVAs). ANAO Audit Report No.3 2009–10 on the administration of parliamentarians' entitlements noted that PVAs have been able to be printed by entities other than the AEC since 1998, and by MPs and Senators, using public funding, since the eve of the 2004 election.²⁰⁴ The Audit Report also noted that at least 8.23 million PVA documents were produced by parliamentarians in 2007–08, enough for 16.5 million applications to be made, or 2.9 million more PVAs than the number of voters enrolled for the election.²⁰⁵ This analysis highlighted that this was an inefficient method of distribution of PVAs at public expense and concluded that, rather than providing constituents with a relevant service, the use of Parliamentarians' Printing Entitlements for the production and distribution of PVAs and associated material during the 2007 election campaign period was, in large part, a supplementary funding source for the overall campaign strategies of the relevant political parties and of the individual Members of the House of Representatives and Senators as incumbent party candidates.

²⁰² JSCEM, *The 2004 Federal Election*, Canberra, September 2005, pp. 48–79.

²⁰³ JSCEM, *Report on the conduct of the 2007 federal election*, pp. 7–11.

²⁰⁴ ANAO, Audit Report No.3 2009–10, *Administration of Parliamentarians' Entitlements by the Department of Finance and Deregulation*, pp. 144–6.

²⁰⁵ *ibid.*, p. 147.

5.34 In many cases, these PVAs were distributed showing the return address of a political party, without the elector being aware that the address was not that of the AEC. When the political parties received completed PVAs, they recorded the details of the applicants before passing the PVAs to the AEC.²⁰⁶

5.35 More recent public debate, however, has raised concerns about the secrecy of the ballot when PVAs are processed by political parties, and the temptation for political parties to delay or withhold PVAs in close elections.²⁰⁷ One instance identified in ANAO Audit Report No.3 2009–10 was a sudden influx of PVAs from a political party, that necessitated a weekend shift on the part of the AEC in order to process them.

5.36 During the course of the current audit, the ANAO observed PVAs lodged by a political party on the day before polling in a by-election. This was too late for the applicants to be registered for postal voting, notwithstanding the fact that many of the applicants had apparently completed the PVAs and lodged them with the political party well before polling day.²⁰⁸ Against this background, the integrity of the postal-vote application process would be improved, and concerns about bias in their administration could be removed, by requiring all PVAs to be delivered directly to the AEC.

Form of postal-vote ballot papers

5.37 Section 190(2) of the CEA requires the DRO or overseas electoral officer to initial the top of the front of the postal ballot paper. The AEC has described the postal-vote printing process for 2007 as follows:

In 2007, the AEC used three postal vote production methods: central print, local print and hybrid print. Central printing takes place at the premises of the APVIS contractor which could be in a different state to the elector; local printing takes place at the AEC divisional office in which the details of the application are entered into the system; and hybrid printing takes place at another AEC office.²⁰⁹

²⁰⁶ This process was discussed in the JSCEM's report on the 2007 election, which focussed on privacy aspects and the potential for delays when parties process forms for their own purposes before passing them on to the AEC. The JSCEM concluded that the delays were 'relatively minor' (JSCEM, *Report on the conduct of the 2007 federal election*, pp. 209–13).

²⁰⁷ Peter van Onselen, 'System lets parties hijack postal votes', *The Australian*, 17 October 2009, p. 14.

²⁰⁸ Observed by the ANAO at the Bradfield by-election of 5 December 2009.

²⁰⁹ JSCEM, *Report on the conduct of the 2007 federal election*, p. 10.

5.38 The AEC informed the ANAO that postal-vote ballot papers printed centrally include the printed initials of the Divisional Returning Officer for the division in which the central production site is located, which is currently the division of Lalor. Those produced locally are initialled by local DROs.²¹⁰

5.39 Figures on the numbers of postal-voting packages issued by each printing method were given in the AEC's submission to JSCEM:

The AEC issued 812,826 postal voting packages (PVPs) from within Australia [...] The AEC's central production contractor was responsible for issuing 745,551 of these PVPs [...] A further 10,312 PVPs were issued from overseas posts, and the remaining PVPs were issued from AEC divisional offices.²¹¹

5.40 Some 91.7 per cent of PVPs are therefore printed centrally, according to these figures.

Mobile polling at special hospitals and prisons

5.41 Part XVI of the CEA provides that:

- votes may be taken from hospital patients on polling day by visiting their bedside (section 224), and at other designated hospitals in the five days before polling day or on polling day itself (section 225)—both are known as mobile polling;
- votes may be taken at prisons by arrangement with the prison authorities (section 226A); and
- in hospitals and prisons, the persons taking the vote must supply how-to-vote cards on request (sections 226(2A), 227(8)).²¹²

5.42 Mobile polling at hospitals was introduced as part of the 1983 reforms, supplementing the previous provision for people in these locations to apply for a postal vote. Mobile polling at prisons was introduced into the CEA in 1990.

²¹⁰ In this case also, the administrative provisions of the CEA may not be promoting efficient and effective electoral processes.

²¹¹ AEC, *Submission [no. 169] to the inquiry by the Joint Standing Committee on Electoral Matters into the 2007 federal election*, 20 June 2008, p. 32.

²¹² Remote-polling teams must also carry how-to-vote cards (CEA section 227(8)(a)(ii)).

Special hospitals

5.43 There were 444 special-hospital teams at the 2007 election.²¹³ They took 56 964 ordinary votes (as against an AEC estimate of 71 680) and 12 625 declaration votes (as against an AEC estimate of 15 021). There were also 84 polling booths at hospitals. These took 46 240 ordinary votes (as against an AEC estimate of 42 609) and 14 427 declaration votes (as against an AEC estimate of 14 144).

5.44 A number of problems with mobile polling at special hospitals were encountered in divisions within the audit sample, including:

- the need for more time than was allocated at several venues;
- a case of double booking; and
- a case of a team being sent to a location that had been closed for demolition.

5.45 In one sample division, a recently appointed DRO sent out the special-hospital teams a week early, assuming that his division included remote areas. Realising his mistake after several hours, he recalled the teams, and on legal advice, the votes were included in the count.

5.46 The ANAO also examined whether the special-hospital teams in the divisions in the audit sample had any difficulty distinguishing eligible special voters from others at the same location who might also have wished to vote. More than half of the sampled divisions informed the ANAO that there had been no such problems, but the remainder pointed to difficulties where there are people in high care as well as in independent living.

Prisons

5.47 Section 109 of the CEA requires the Controller-General of Prisons for each state and territory to forward to the AEC a monthly list of all sentences of imprisonment that began or ended in the previous month. Section 226A permits the AEC to make arrangements for the taking of votes at prisons by arrangement with the Controller-General of Prisons. In order to formalise operational protocols, the NSW Department of Corrective Services signed an MOU with the AEC in April 2008. This provides that mobile-polling facilities may be set up at certain prisons, provided that 72 hours notice is given, and

²¹³ These teams visited hospitals designated as special hospitals under CEA section 225.

subject to security requirements at the time. The AEC informed the ANAO that there are no formal arrangements in place for other states.

5.48 There were 25 prison mobile teams at the 2007 election. They took 208 ordinary votes (as against an AEC estimate of 724) and 622 declaration votes (as against an AEC estimate of 802). There were nine teams in Western Australia, seven in South Australia, four in Tasmania, two in the Northern Territory and one each in the Australian Capital Territory, New South Wales and Victoria.

Remote mobile polling

5.49 Section 227 of the CEA prescribes that, in divisions declared to be remote, votes may be taken by mobile polling teams on the twelve days preceding, or on, polling day, at places notified in the *Gazette*, according to a schedule advertised as the AEC thinks fit.

5.50 Remote mobile polling (RMP) was introduced by the 1983 reforms of the CEA. In the 2004 general election, five divisions were gazetted for remote mobile polling: Leichhardt, Kalgoorlie, Barker, Grey and Lingiari. In 2007, six additional divisions were gazetted: Calare, Farrer, Capricornia, Flynn, Kennedy and Maranoa. However, there were no RMP teams in Capricornia, Flynn or Maranoa, and the AEC informed the ANAO that this was because the divisions of Capricornia, Flynn and Maranoa were gazetted for remote mobile polling as a contingency measure in case of difficulties with postal voting.

5.51 Subsequent to the gazettal of a division where RMP may operate, the actual locations where the polling will take place are also required to be gazetted.²¹⁴ This gazettal consists simply of a list of places.²¹⁵ However, since it is now general practice for RMP teams to also act as interstate voting centres, it is also necessary to gazette the RMP locations as PPVCs.²¹⁶ The gazettal of PPVCs is required to contain not only the place, but also the date and time of polling.²¹⁷ This creates the ironic situation of a subsidiary activity (pre-poll) receiving a more informative gazette notice than the primary activity (RMP)—

²¹⁴ CEA section 227(4)(a).

²¹⁵ See, for example, *Commonwealth of Australia Gazette*, No. GN 43, pp. 3061–6 (Lingiari division).

²¹⁶ An interstate vote is available where an elector will be absent from their state or territory on polling day. This is a subcategory of pre-poll votes (CEA section 200A and Schedule 2, item 1).

²¹⁷ CEA section 200BA(1).

and this occurs in the same issue of the *Gazette*.²¹⁸ This is another of the examples noted in this audit of dated administrative provisions within the CEA that would benefit from review at the next opportunity.

5.52 There were 37 RMP teams in 2007: 22 in the Northern Territory division of Lingiari, five in Kalgoorlie, three each in Grey and Leichhardt, two in Farrer, and one each in Barker and Calare. Each team consisted of three or four staff (the fourth staff member is to be allocated where the DRO expects a high number of interstate votes). The AEC hires local liaison officers within remote communities when conducting remote polling there. These teams took 20 430 ordinary votes (as against an AEC estimate of 22 087) and 2003 declaration votes (as against an AEC estimate of 1531).

5.53 A small number of these teams serviced cross-border locations. For example, a team from Western Australia serviced two communities across the border in the Northern Territory, and a team from Queensland serviced one community across the border in the Northern Territory. Similarly, the AEC informed the ANAO that the Northern Territory conducts remote mobile polling in 13 South Australian communities in the Anangu Pitjantjatjara Yankunytjatjara Lands under a cross-border agreement.

5.54 RMP is an important means of obtaining the vote for the division of Lingiari (which covers 99 per cent of the Northern Territory), because the postal service is not regarded as sufficiently speedy for electoral purposes. In 2007, 14 125 (37.1 per cent) out of 38 096 ordinary votes were taken by RMP teams. There are only 24 static polling booths in the division, six of which are in Alice Springs. RMP teams in Lingiari visited some 250 locations in all, at 80 per cent of which polling was conducted in the open. This required direct liaison with some 500 separate organisations as well as transport, accommodation and scheduling arrangements for approximately 60 temporary staff.

5.55 In 2003 an AEC officer conducted three weeks of fieldwork in a large Indigenous community which was thought to be significantly under-enrolled. Through cooperation with the local council, and by pre-filling 350 enrolment cards in a largely illiterate population, enrolment was increased by 28 per cent. The polling strategy in the community was also changed, from seven hours at

²¹⁸ *Commonwealth of Australia Gazette*, No. GN 43, pp. 3084–96. In Lingiari, there are only 18 PPVCs that are not also remote mobile-polling locations, but in some 250 instances the two places are the same.

one location to a similar number of hours at six locations that were better adapted to the clan groups present in the community. In 2007, RMP was conducted at ten locations within this community, and an election turnout of some 76 per cent was achieved, a significant improvement on previous elections.

5.56 The AEC fieldwork officer in 2003 noted the following factors as needing to be considered:

- a recognition that elections are a western form of governance that is seen by many Indigenous persons as necessary only to continue the flow of government resources;
- a willingness to accommodate traditional ways of doing business; and
- the need to understand the dynamics of the communities, and in particular the cultural protocols defining behaviour and relationships there.

5.57 A draft schedule of RMP was sent to the main political parties for comment at Easter 2007, in the desire to make the process transparent.²¹⁹ The draft identified the communities where RMP would be conducted, the numbers expected, and the time to be allotted.

5.58 The AEC informed the ANAO that, although the CEA permits some flexibility in the RMP schedule, to cater for the realities of community life and the inevitable geographical and climatic problems, there are differing attitudes among the main political parties as to the need for amendments to the schedule. The AEC's stance is that it is reasonable to provide an RMP service and to adapt the schedule where appropriate. For transparency, the AEC informs political parties by email when a request for an amendment is received, and informs them of the AEC's decision.

5.59 The ANAO examined the relevant AEC database and found instances of schedule amendments caused by:

- a rising river;
- an airstrip being too short for the AEC's chartered aircraft to take off;

²¹⁹ In the earlier years of RMP, there had been little consultation, because of a concern that forewarning would have enabled the political parties to book the available transport before the AEC could book its own transport requirements.

- temporary closure of a community centre for a funeral;
- late polling caused by an RMP team's travel delays; and
- advice that there were no people at one community but there were 15–30 people at each of three other communities.

5.60 RMP teams encounter great difficulties in driving through remote areas of the Northern Territory: heat, storms and floods are common, as is uncertainty about how many voters will be at any one place. Often significant effort is involved to enable a small number of people to exercise their voting franchise, and the teams are obliged to adapt their schedule.

Electronic-voting trials

5.61 Part XVB of the CEA deals with 'Trials of electronic voting methods', and its provisions may be summarised as follows:

- a trial of electronically assisted voting for sight-impaired people is authorised by section 202AB, with a printed record of the sight-impaired person's vote to be made and treated as if it were a pre-poll vote (sections 202AD and 202AE);
- a trial of remote electronic polling by ADF personnel serving overseas is authorised by section 202AH, with votes to be electronically transmitted to Australia, printed, and treated as ballot papers (section 202AK);²²⁰ and
- further implementation of the trials is left to regulations.

5.62 These trials were an innovation introduced in response to a recommendation from the JSCEM after the 2004 election. In introducing the necessary amendments to the CEA in 2006, the then Minister commented:

The trial will give thousands of blind and vision impaired electors the opportunity to cast a secret vote for the first time at a federal election.

[...]

The second trial will allow Australian Defence Force personnel serving outside Australia to cast a vote electronically. These people face considerable difficulties when casting their vote as the nature of their work means they are

²²⁰ The trials are only permitted to be conducted at the first general election held after March 2007 (CEA sections 202AB(1) and 202AH(1)).

often serving in countries with unreliable postal services or disrupted communications infrastructure.

At the 2004 federal election, the Australian Electoral Commission estimated that about one-third of ADF personnel deployed overseas were not able to vote or have their vote returned in time for inclusion in the count. Based on current deployment figures, this would equate to about 1,500 ADF personnel who potentially would not be able to vote.²²¹

5.63 These two trials were conducted at the 2007 election. Electronically assisted voting was offered to the sight-impaired at 29 locations, where voters were able to use a keypad (similar to those used on telephones and ATMs) to make their vote, which was then printed and placed in a declaration envelope. A total of 850 votes was cast using this method, with 109 other electors opting to vote by other means. In the trial of remote electronic voting by overseas ADF personnel, 2012 voters registered, and 1511 of them cast their votes electronically. The votes were transmitted back to a central location in Australia, where they were printed after polling day and dispatched to the divisions for manual counting. Neither of these trials therefore involved fully electronic voting, since both processes resulted in a printed ballot paper that was manually counted. This contrasts with the electronic voting in the Australian Capital Territory, where 19.9 per cent of all votes in the 2008 election—and 81.7 per cent of votes cast at computer voting centres—were both cast and counted electronically.²²²

5.64 Evaluation reports of both trials were prepared for the AEC in March 2008 by an independent consultant, and the AEC itself prepared reports on the trials in April–May 2008. In relation to the vision-impaired, the consultant found that:

- the trial demonstrated that electronic voting machines could be effective in providing vision-impaired voters with a secret vote;
- turnout was in the lower range of expectation, but satisfaction among users, at 97 per cent, was overwhelmingly very positive; and

²²¹ G Nairn, Special Minister of State, 'Second reading speech: Electoral and Referendum Legislation Amendment Bill 2006', House of Representatives, *Debates*, 30 November 2006, p. 6.

²²² ACT Electoral Commission, *Report on the ACT Legislative Assembly Election 2008*, Canberra, 2009, p. 35.

- take-up of electronically assisted voting was expected to increase over time, as shown by the Victorian 2006 state election.

5.65 In relation to overseas ADF personnel, the consultant found that:

- the trial demonstrated that electronic voting could be effective in providing overseas ADF personnel with a ‘convenient, reliable and secure method of voting’;
- the number of overseas ADF personnel increased significantly over the 2004 election; and
- the unit cost per vote was relatively high, but was expected to decrease.

5.66 The ANAO notes that these reports were considered by the JSCEM, which concluded in March 2009 that, for cost reasons, the trials should not be continued at future elections.²²³

The count

5.67 Part XVIII of the CEA deals with ‘The scrutiny’ or the process of counting votes, and may be summarised as follows:

- preliminary scrutiny of declaration-vote envelopes may begin on the Monday before polling day, but no ballot papers can be counted before 6 pm on polling day when voting concludes. The AEC may admit completed postal votes that are received up to the 13th day after polling day (section 266);²²⁴
- on election night, a first count of first-preference (above-the-line and below-the-line) Senate votes is generally performed in the polling booth (section 273(2));
- similarly, on election night, a first count of first preferences in House of Representatives votes is performed in polling booths, followed by a count of the preferences for the two major candidates—the two-candidate-preferred result (section 274(2) and (2A));

²²³ JSCEM, *Report on the 2007 federal election electronic voting trials*, Canberra, March 2009, pp. xiv, xvi. However, amendments proposed to the Electoral and Referendum Amendment (Close of Rolls and Other Measures) Bill 2010 provide for a different form of voting for the sight-impaired at future elections.

²²⁴ The counting of declaration votes usually commences no earlier than the day after polling.

- after election night, a 'fresh scrutiny' of all votes previously counted at polling booths is conducted by the DRO; for Senate votes, the DRO determines the first-preference count from both above-the-line and below-the-line votes, before passing the ballot papers to the AEO for a final count that will also cover the distribution of below-the-line preferences (sections 273(5) and 274(7));
- Senate votes may be counted by a computerised process, or a combination of manual and computerised processes (sections 273A and 273B); and
- candidates may request a re-count before the result of the poll is declared (sections 278 and 279).

Accuracy of the count at polling booths

5.68 The election-night count of votes in polling booths is of central importance to the democratic process in Australia. It is relied on to such an extent that a change of government can be effected within days of the election on the basis of the very high credence afforded to it. In both 1996 and 2007, for example, a new ministry was sworn in and a change of governing party effected only nine days after the election, well before the final return of the writs for the election. In this context, the AEC informed the ANAO that changes of government which occur prior to the finalisation of election results involve an important intermediate step, namely a concession of defeat on the part of the incumbents and that:

History shows that such concessions are made only when the incumbents have *clearly* lost in a *clear* majority of seats: when the defeat of the government is on such a scale that no conceivable variations between the election night count of ordinary votes and the fresh scrutiny counting, and no conceivable partisan division of votes not counted on election night, could affect who has won or lost the election overall. Concessions of this type are not made lightly, and tend to be based not just on official figures, but also on information provided by scrutineers, through party machines, to the relevant leader. Such concessions are a common occurrence precisely because genuine 'cliff-hanger elections' have in fact been very rare at the federal level.

5.69 In order to examine the accuracy of the election-night count of House of Representatives votes, the ANAO compared the counts recorded in the OIC Returns from 209 polling booths in five divisions with the counts subsequently recorded after the fresh scrutiny of votes. The divisions examined were

Bennelong, Berowra, Bradfield, North Sydney and the close seat²²⁵ of Solomon in the Northern Territory.²²⁶

5.70 The OIC Return from each polling booth is where administrative and election matters relating to a polling booth are recorded by the OIC on polling day. The OIC Return includes the serial numbers of ballot boxes and security seals, staff attendance, and the total issue of declaration votes, as well as the election-night count of the first preferences of ordinary votes for candidates for the House of Representatives, the above-the-line count for the Senate, and the House of Representatives two-candidate-preferred count. On election night, the OIC at each polling booth telephones the DRO to report these counts.²²⁷ At that time, it is entered into the AEC's ELMS system to become part of the basic data underpinning the results displayed in the National Tally Room and on the AEC's website.

Counting errors on election night

5.71 The ANAO compared the election-night counts with the results subsequently obtained from the AEC's fresh scrutiny of the ordinary votes from each polling booth, which occurs in the days following polling.²²⁸ These results are recorded on the Fresh-Scrutiny Slips from each division²²⁹ and are then entered into the AEC's ELMS system, overwriting the results from election night.²³⁰

²²⁵ The AEC's view is that, 'On election night, a close seat is where the two-candidate-preferred (TCP) result is between 47 and 53 per cent and more than 5 per cent of the vote has been counted. After election night and until counting is completed, a close seat is where the TCP result is between 49.5 and 50.5 per cent and more than 5 per cent of the vote has been counted'. (Source: AEC, *Glossary* [Internet], available from <<http://www.aec.gov.au/footer/Glossary.htm>> [accessed 3 March 2010]).

²²⁶ The final margin in the division of Solomon was 0.38 per cent.

²²⁷ The OIC first telephones with the first-preference count for the House of Representatives and then, later, the two-candidate-preferred count of ordinary votes for the House of Representatives and the Senate first-preference (above the line) count. The two-candidate-preferred count is undertaken according to the written instruction of the Australian Electoral Officer for the state or territory in which the division is located.

²²⁸ In the divisions examined, the fresh scrutiny was finalised in the three weeks following polling day, and considerably sooner in Bennelong and Solomon.

²²⁹ Each comprises a one-page summary of first-preference and two-candidate-preferred results from each polling place following the fresh scrutiny of all ordinary votes.

²³⁰ For the five divisions in this sample, the ANAO examined and confirmed that the results reported on the AEC's website are those recorded on the fresh-scrutiny slips.

5.72 For the divisions examined, Table 5.3 summarises the net counting errors of ordinary votes that occurred on the night of the polls and that were subsequently detected during fresh scrutiny. The typical error was an undercount or overcount of one or two ordinary ballot papers per polling booth. For an entire division, the total average effect was an undercount of 33 ordinary votes on election night, or 0.05 per cent of the ordinary votes cast in each division examined.

Table 5.3

Counting errors of ordinary votes in selected divisions, 24 November 2007

	Bennelong	Berowra	Bradfield	North Sydney	Solomon
Undercount on night	73	64	45	29	28
Overcount on night	23	8	36	1	6
Total counting errors	96	72	81	30	34
Net additional votes counted at fresh scrutiny	50	56	9	28	22
Average error per booth	2.0	1.9	1.9	0.8	1.3

Source: ANAO examination of OIC Returns.

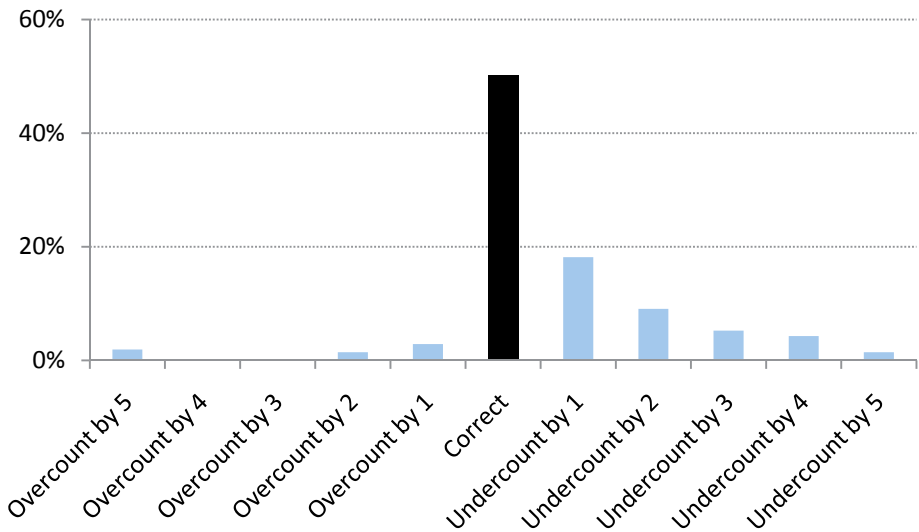
5.73 Counting errors of similar magnitude were reported by Mr Alan Henderson in his October 2008 *Review of Ballot-Paper Formality Guidelines and Recount Policy*, prepared at the request of the then Electoral Commissioner in the light of the decision of the Court of Disputed Returns in respect of the seat of McEwen (*Mitchell v Bailey (No 2)* [2008] FCA 692). Mr Henderson reported that:

the magnitude of errors detected in recounts [*of close seats has*] not been great. The average difference is 22 votes for the six recounts where the margins for both the initial count and the recount are available.²³¹

5.74 ANAO examination of the election-night count in 209 polling booths showed that the initial return from over half of all the polling booths examined (50.2 per cent) was correct, with another 15.3 per cent under or over-counting by a single ordinary vote. Almost 95 per cent of all polling booths returned election-night counts that were within five ordinary votes of the final result, as shown in Figure 5.1.

Figure 5.1

Relative frequency of counting errors for ordinary votes in 209 polling booths in five selected divisions, 24 November 2007



Source: ANAO examination of OIC Returns.

5.75 The pattern of counting error was similar in all five of the divisions examined by the ANAO, and there were no signs of systematic bias. Overall, there was a high level of accuracy of the first-preference counts made on election night, including in the close seat of Solomon. The results are consistent with the AEC’s advice to the ANAO that:

²³¹ A Henderson, *Review of Ballot-Paper Formality Guidelines and Recount Policy*, October 2008, p. 26.

Vote discrepancies between the scrutiny on election night and the Fresh Scrutiny can most likely be put down to simple miscounts by the polling booth staff. If the discrepancy is in the count for one of the main candidates, the Two Candidate Preferred Count [*on election night*] would not pick it up as that count physically only deals with the ballot papers for the minor candidates. If the discrepancy is a miscount of one (or both) of the two Preferred Candidates it will only be picked up at the Fresh Scrutiny conducted post-polling.

5.76 Fresh scrutiny covers the re-counting of all ordinary votes issued on polling day. Accordingly, it cannot cover all risks including, for example, the omission of packages of ballot papers from the count altogether.²³²

5.77 If the low rate of counting errors for the five divisions examined applies throughout Australia, it is reasonable to conclude that such errors would influence the final outcome in only the closest of seats.²³³ However, the AEC does not routinely record and monitor rates of counting errors, nor does it set or report relevant performance standards. In March 2010 the AEC informed the ANAO that:

The AEC does not see the value in measuring and benchmarking the accuracy of the first count of votes for all polling booths given that scrutineers are available for both counts.

5.78 The AEC's practice of overwriting election-night counts with the updated results of the fresh scrutiny prevents the AEC from easily measuring and benchmarking the accuracy of the first counts of votes for all polling booths.

5.79 There would be benefit in retaining the electronic records of election-night counts at the next general election, so that the AEC can quickly measure and monitor the accuracy of the first count in all areas of Australia and then at subsequent elections. As a first step, the AEC could consider adopting as a

²³² During the 2004 general election, a box of 301 postal votes in a Queensland division was left in a cupboard and not included in the scrutiny. The DRO found the box late in November, after the return of the writs on 11 November 2004. She did not report the find to her supervisor until late January 2005, and he, considering the election closed, did not report it to his own supervisors. The matter did not come to the attention of the AEC Executive until November 2005, whereupon an investigation was launched. The AEC informed the JSCEM of the investigation on 5 December 2005, noting that, in this case, the failure to count the votes could not have affected the outcome of the election in that division, and undertaking to ensure that it would not happen again at future elections. A media release to the same effect was also issued on 5 December 2005.

²³³ This was the case in McEwen where, as noted by Mr Henderson, the combination of the very narrow initial margin and a change in the number of votes significantly influenced the final outcome (see A Henderson, *Review of Ballot-Paper Formality Guidelines and Recount Policy*).

performance benchmark, for example, that 95 per cent of all polling booths return first counts that are within five ordinary votes of the final result. Early notice of significant deviations from such a performance standard could then serve to alert the AEC to counts requiring significant additional attention in order to assure the accuracy of the outcome, before the declaration of the poll.

The scrutiny

5.80 As previously mentioned at paragraph 5.67, all votes counted on election night must be subjected to fresh scrutiny (counted again). Declaration votes, including absent, provisional, postal and pre-poll votes, are first subjected to preliminary scrutiny (to determine their admissibility) and are later counted and then re-counted. These processes can take two weeks or more to finalise, as the CEA requires that declaration votes be admitted to preliminary scrutiny up to and including the 13th day after polling day. The criteria for declaring the poll as set out in CEA section 284 are such that the ever increasing volume of declaration votes also increases the likelihood that DROs will require more time for counting in order to declare the poll.

5.81 On election night after the close of polls, at the subsequent fresh scrutiny and during any re-count, the counting of ballot papers by AEC officials is open to scrutineers appointed by the candidates. Polling officials inspect the ballot papers to ensure that they meet the requirements of a formal vote and then either allocate them to candidates or place them with other informal ballot papers. As the ballot papers are counted by polling officials:

scrutineers are entitled to object to the admission or rejection of any ballot-paper. The [AEC] officer conducting the scrutiny then decides whether the vote is formal or informal and marks the ballot-paper 'admitted' or 'rejected'. In the minority of cases where a scrutineer disputes the decision of an officer, the ballot-paper is 'reserved' for a final decision by the DRO.²³⁴

5.82 This process applies, in particular, during the fresh scrutiny of ballot papers undertaken at the divisional counting centre in the days following polling. At this time, counting typically occurs simultaneously at several tables within the divisional counting centre. Scrutineers are able to attend each table, with the primary interest of:

²³⁴ A Henderson, *Review of Ballot-Paper Formality Guidelines and Recount Policy*, p. 2.

maintaining that votes arguably for their candidate are formal, and that votes arguably for their opponents are informal.²³⁵

5.83 The usual impact of this process of challenge and attrition is an increase in the total number of informal ballot papers and a corresponding decrease in the total number of formal ballot papers. In the divisions examined by the ANAO, the post-scrutiny increase in the number of informal ballot papers varied considerably across the divisions, as shown in Table 5.4.

Table 5.4

Increase in the number of informal ballot papers as a result of fresh scrutiny, five selected divisions

	Division				
	Bennelong	Berowra	Bradfield	North Sydney	Solomon
Increase in informal ballot papers	1110	681	481	275	150
As a percentage of final informal ballot papers	19.3%	16.3%	13.7%	9.0%	9.6%
As a percentage of the final two-candidate-preferred margin	45.6%	4.6%	2.1%	3.0%	76.5%

Source: ANAO analysis of OIC Returns.

5.84 The impact of scrutiny in the five divisions examined was an increase of between 1110 and 150 informal ballot papers, representing between 1.5 per cent and 0.4 per cent (respectively) of the ordinary votes originally counted on election night. The impact of the scrutiny significantly outweighs that of counting errors (discussed at paragraph 5.72 and enumerated in Table 5.3),

²³⁵ P Green, 'Transparency and elections in Australia: The role of scrutineers in the Australian electoral process', in G Orr, B Mercurio and G Williams, *Realising Democracy*, Federation Press, Annandale, 2003, p. 226.

such that the scrutiny resulted in, on average, more than 500 ballot papers being excluded from the count in the five divisions examined, compared with the average inclusion of 33 additional votes in each division as the counting errors of polling-booth staff are detected and corrected.

5.85 Table 5.4 also shows the significant impact of scrutiny in the final number of informal ballot papers and relative to the final two-candidate-preferred margin. In the latter case, the increase in informality indicates the potentially important impact of scrutiny on the final outcome.

5.86 In a very close count, such as that for the division of McEwen in the 2007 general election, the final result can turn upon the outcome of the scrutiny, as recorded in the Court of Disputed Returns judgment of that case. That judgment was considered by Mr Alan Henderson in his subsequent review of the AEC's practices, in which he recommended:

- the incorporation in AEC manuals of the Court of Disputed Returns guidance on formality in the McEwen case—*Mitchell v Bailey (No. 2)*;
- a single comprehensive set of information on formality for decision-makers, with scrutineers receiving, as near as is possible, identical information and advice to that given to polling officials;
- the close involvement of AEC senior management in the monitoring of close counts and in the decision-making in the case of potential re-counts; and
- a policy of re-counting all ballot papers in divisions where the margin of votes on the initial count is less than 100.²³⁶

5.87 The AEC informed the ANAO that it had accepted the recommendations made in this report.

5.88 Practice and procedure aside, there are other factors that can influence the number of informal ballot papers in a division, including (for instance) a multiplicity of candidates (as was the case for Bennelong compared to, say, Berowra). However, while these factors have the potential to complicate the monitoring of scrutiny outcomes, the AEC does not presently retain electronic

²³⁶ A Henderson, *Review of Ballot-Paper Formality Guidelines and Recount Policy*, p. 33. Mr Henderson used the term 'initial count' and did not distinguish between the first count on election night and the count at fresh scrutiny.

copies of the first-count data or have in place the reporting and analytic systems that would allow it to quickly examine the impact of the fresh scrutiny on the final number of informal ballot papers. In light of the Victorian Electoral Commission setting and reporting against performance standards for its electoral re-counts, the ANAO raised with the AEC whether there might be benefit from closer analysis of scrutiny outcomes including:

- prompt post-scrutiny statistical analysis of counting errors and changes to formality;
- an estimate of the outcome if the changes to formality were equally distributed between the two preferred candidates; and
- a comparison of the estimated and actual scrutiny outcomes to determine if the estimated outcome would bring the likely margin within the 100-vote threshold for re-count recommended by Mr Henderson.

5.89 In this context, the AEC informed the ANAO that:

The AEC has seen no need to date to consider the setting of performance standards as it believes the conduct of fresh scrutines under scrutineering oversight, together with the integrity of AEC procedures and staff, provide for an accurate outcome. It also notes that there will always be variation between the performance of 7700 polling booth counts and those under the control of the DRO.

Reporting the count from polling booths

5.90 On election night, polling-booth staff, once they have counted the votes, are required to telephone the results through to the divisional office. There they are entered into the ELMS system, which transmits them to the Virtual Tally Room and the National Tally Room. Depending on the size of the vote, the results of the three counts required (Senate first preferences, House of Representatives first preferences and two-candidate-preferred) may be communicated in one or more telephone calls.²³⁷

5.91 To cater for the large number of calls expected in a short time-frame, each divisional office obtains additional lines to be used exclusively for communicating the results on election night. OICs are generally given the telephone number to be used by their polling booth when they receive the kit

²³⁷ The AEC's policy is that three telephone calls should be made, one for each set of results.

of materials (including cardboard compartments, certified lists, ballot papers, etc.), often about a week before the election. The telephone number may be included on the results page of the OIC Return, or on a separate list of telephone numbers to be used by polling booths in a division. OICs are instructed that when they call, they should state their name and polling booth without any ado, so as to speed up the process. There is no electronic or other formal system of caller verification. OICs are generally given a mobile telephone for use on polling day and for communicating the results, though in remote areas, sometimes a public phone-booth may be used because of lack of mobile coverage.

5.92 At the divisional office, four to six staff may be manning the telephones. Since most divisional offices will have at most three or four computers able to access ELMS,²³⁸ not all of the staff will be able to enter data directly into the computer system while speaking to the OIC. Therefore some staff will enter results directly, while others receive telephone calls and write down the results for data-entry when possible. Voting results are confirmed by being repeated back to the person on the other end of the line.

5.93 When polling-booth results are entered into ELMS, they are automatically checked against the number of votes expected, based on the previous history of that polling booth and other indicators. A variance of +/- 20 per cent is permitted by ELMS, but otherwise ELMS will alert the user, and enquiries must be made to ascertain the reasons for the discrepancy before the numbers are accepted.

5.94 In summary, there are three measures in place to ensure the authenticity of the results being received in divisional offices. These are:

- the use of dedicated lines/unlisted numbers;
- the ELMS control on the range of results; and
- the caller's statement that he/she is calling from x polling booth.

Physical security

5.95 The AEC's conduct of the fresh scrutiny, which results in the final tally and declaration of results for both Houses of Parliament, is reliant on the

²³⁸ The standard staffing ratio of a divisional office is 3.2 FTE.

complete return of all ballot papers and declaration votes from polling booths. For this reason, ballot papers are tightly held and controlled:

- ballot papers are transported to divisions by transport contractors and issued to OICs by the DRO before polling day. The DRO's records show the issue of papers and the OIC Return records the ballot papers received;
- during polling, ballot papers are controlled and issued by polling-booth staff;
- electors are monitored by ballot-box guards who are charged with ensuring that no ballot papers leave the polling booth but are instead placed in ballot boxes secured by official seals;
- after polling has finished, the official seals of the ballot boxes are broken in the presence of witnesses, who sign the OIC Return; and
- the first count of votes then commences under the eyes of candidates' scrutineers.

5.96 Once counted, the ballot papers and related documents are put into plastic bags, sealed with a knot and placed with other election material. In a minority of cases, the bundles of election material are collected and transported to the DRO by a transport contractor. More commonly, the election material, including ballot papers, is placed in the boot of the OIC's car for the journey to the DRO. The AEC informed the ANAO that:

these processes are open to scrutineers.

5.97 Assessments of the physical security of the election process were conducted by an external agency prior to both the 2004 and 2007 elections. In 2007, the physical-security assessment for the general election focused in particular on the transport of ballot papers from polling booths to divisional offices and the insecurity of the phone-in of election results. The actions recommended to the AEC were to investigate the feasibility of storing ballot papers at the business premises of other organisations which might provide a higher level of physical security (locations could include police stations or postal offices) and, for the transport of ballot papers, ensure that they were accompanied by two AEC employees.

5.98 The Electoral Commissioner subsequently determined that the standing arrangements would continue in place.

In relation to the protection of live ballot papers, the Electoral Commissioner has recognised that acquiring facilities is the first priority and often a major stumbling block. He has determined that rather than necessarily relocating live ballot papers to other business premises, the minimum standard is that there are at least two levels of security. [...] Where this level of security is not available an option is to store ballot papers at other organisations which have a higher level of security e.g. police stations.

5.99 ANAO fieldwork did not identify any serious security issues or accidents arising from the practice of OICs transporting ballot papers to counting facilities for the 2007 general election. However, neither could divisions identify any contingency planning in the event that an accident occurred, either for providing assistance to the OIC involved or for dealing with ballot papers that, potentially, might have been lost or damaged as a result.

5.100 The need to collect ballot papers together for fresh scrutiny in a timely fashion must be balanced against the risk to the physical security of ballot papers. Options for consideration might include improved physical security for storing ballot papers overnight at polling booths (noting the issues in the previous chapter about the selection and inspection of polling booths), or the secure collection and transport of ballot papers from polling booths. This approach could inform an assessment of the benefits of secure transport and storage of ballot papers against the costs.

Recommendation No.8

5.101 ANAO *recommends* that the Australian Electoral Commission:

- (a) develop strategies to mitigate the risk to the credibility of election results posed by the current practices for reporting of election-night counts by Officers-in-Charge; and
- (b) identify and assess options for the storage and transport of completed ballot papers that provide greater physical security of ballot papers.

AEC response

5.102 Agreed. The AEC's risk-assessment practices acknowledge a range of known and theoretical threats to the integrity of the election results, and the Commission regularly reviews its mitigation strategies in the context of the prevailing threat environment.

Performance reporting

5.103 The AEC does not publish or report upon election performance standards for its staff and for its operations in support of elections. In 2007, the AEC informed Parliament that it had collected qualitative and quantitative data from its management information systems and had formed 24 Virtual Evaluation Teams to examine the data:

Immediately after the election qualitative data was collected from all divisional offices on 24 key election activities. Analysis of qualitative and quantitative data was conducted by teams of divisional office, state office and national office representatives.

The recommendations arising from the evaluation process were considered by post-election conferences at the state and national levels, and taken into account in the AEC's submission to the Joint Standing Committee on Electoral Matters inquiry into the conduct of the 2007 election. Opportunities for improvement were identified and are being further considered, developed or implemented in preparation for the next federal election, as allowed within the AEC's existing resources.²³⁹

5.104 However, the AEC has not:

- published or otherwise informed Parliament of the 24 key election activities selected for evaluation following the 2007 general election;
- set out the qualitative and quantitative data considered necessary for their evaluation; or
- identified the resulting recommendations referred to its internal business areas for consideration or implementation.

5.105 In March 2010, the AEC informed the ANAO that:

It should be noted that, despite the AEC having referred to this exercise as evaluations, these projects were more about internal process improvement than any attempt to run a formal evaluation process for external performance-reporting purposes.

5.106 By way of comparison, the Electoral Commission of the United Kingdom in March 2009 set out seven performance standards for electoral

²³⁹ AEC, *Annual Report 2007–08*, p. 48. At page 10 of its *Annual Report 2008–09*, the AEC reported that, 'Recommendations arising from the 2007 federal election evaluation process were referred to the relevant business areas and post-election working parties for consideration and/or implementation.'

returning officers in Great Britain. Three performance standards relate to the quality of planning and organisation and four relate to integrity, public awareness, accessibility of information, and the management of relationships with election candidates and their agents. In October 2009, the initial performance findings in relation to the conduct of the 4 June 2009 elections were published, with a full analysis published in January 2010.²⁴⁰

Recommendation No.9

5.107 ANAO *recommends* that, in order to provide transparent and accountable reporting on the conduct of elections, the Australian Electoral Commission develop comprehensive performance standards for the conduct of elections and, following the conduct of each election, report to the Parliament on the extent to which these standards have been met.

AEC response

5.108 Agreed. The AEC will develop comprehensive performance standards to enhance the information that it reports to the Joint Standing Committee on Electoral Matters in that Committee's normal review of the conduct and performance of a federal election.



Ian McPhee

Auditor-General

Canberra ACT

21 April 2010

²⁴⁰ Electoral Commission, *The European Parliamentary and local government elections, June 2009: Report on the administration of the 4 June 2009 elections*, London, 2009.

Electoral Commission, *Report on performance standards for Returning Officers in Great Britain: European Parliamentary elections 2009*, London, 2010.

Series Titles

ANAO Audit Report No.1 2009–10

Representations to the Department of the Treasury in Relation to Motor Dealer Financing Assistance

Department of the Treasury

Department of the Prime Minister and Cabinet

ANAO Report No.2 2009–10

Campaign Advertising Review 2008–09

ANAO Audit Report No.3 2009–10

Administration of Parliamentarians' Entitlements by the Department of Finance and Deregulation

ANAO Audit Report No.4 2009–10

The Management and Processing of Annual Leave

ANAO Audit Report No.5 2009–10

Protection of Residential Aged Care Bonds

Department of Health and Ageing

ANAO Audit Report No.6 2009–10

Confidentiality in Government Contracts – Senate order for Departmental and Agency Contracts (Calendar Year 2008 Compliance)

ANAO Audit Report No.7 2009–10

Administration of Grants by the National Health and Medical Research Council

ANAO Audit Report No.8 2009–10

The Australian Taxation Office's Implementation of the Change Program: a strategic overview

ANAO Audit Report No.9 2009–10

Airservices Australia's Upper Airspace Management Contracts with the Solomon Islands Government

Airservices Australia

Department of Infrastructure, Transport, Regional Development and Local Government

ANAO Audit Report No.10 2009–10

Processing of Incoming International Air Passengers

Australian Customs and Border Protection Service

ANAO Audit Report No.11 2009–10

Garrison Support Services
Department of Defence

ANAO Audit Report No.12 2009–10

Administration of Youth Allowance
Department of Education, Employment and Workplace Relations
Centrelink

ANAO Audit Report No.13 2009–10

Major Projects Report 2008–09
Defence Materiel Organisation

ANAO Audit Report No.14 2009–10

Agencies' Contract Management
Australian Federal Police
Austrade
Department of Foreign Affairs and Trade

ANAO Audit Report No.15 2009–10

AusAID's Management of the Expanding Australian Aid Program
AusAID

ANAO Audit Report No.16 2009–10

Do Not Call Register
Australian Communications and Media Authority

ANAO Audit Report No.17 2009–10

Audits of the Financial Statements of Australian Government Entities for the Period Ended 30 June 2009

ANAO Audit Report No.18 2009–10

LPG Vehicle Scheme

ANAO Audit Report No.19 2009–10

Child Support Reforms: Stage One of the Child Support Scheme Reforms and Improving Compliance

ANAO Audit Report No.20 2009–10

The National Broadband Network Request for Proposal Process
Department of Broadband, Communications and the Digital Economy

ANAO Audit Report No.21 2009–10

Administration of the Water Smart Australia Program
Department of the Environment, Water, Heritage and the Arts
National Water Commission

ANAO Audit Report No.22 2009–10

Geoscience Australia

ANAO Audit Report No.28 2009–10
The Australian Electoral Commission's Preparation
for and Conduct of the 2007 Federal General Election

ANAO Audit Report No.23 2009–10

Illegal Foreign Fishing in Australia's Northern Waters
Australian Customs and Border Protection Service

ANAO Audit Report No.24 2009–10

Procurement of Explosive Ordnance for the Australian Defence Force
Department of Defence

ANAO Audit Report No.25 2009–10

Security Awareness and Training

ANAO Audit Report No.26 2009–10

Administration of Climate Change Programs
Department of the Environment, Water, Heritage and the Arts
Department of Climate Change and Energy Efficiency
Department of Resources, Energy and Tourism

ANAO Audit Report No.27 2009–10

Coordination and Reporting Australia's Climate Change Measures
Department of Climate Change and Energy Efficiency
Department of Innovation, Industry, Science and Research

Current Better Practice Guides

The following Better Practice Guides are available on the Australian National Audit Office website.

Innovation in the Public Sector

Enabling Better Performance, Driving New Directions Dec 2009

SAP ECC 6.0

Security and Control June 2009

Preparation of Financial Statements by Public Sector Entities June 2009

Business Continuity Management

Building resilience in public sector entities June 2009

Developing and Managing Internal Budgets June 2008

Agency Management of Parliamentary Workflow May 2008

Public Sector Internal Audit

An Investment in Assurance and Business Improvement Sep 2007

Fairness and Transparency in Purchasing Decisions

Probity in Australian Government Procurement Aug 2007

Administering Regulation Mar 2007

Developing and Managing Contracts

Getting the Right Outcome, Paying the Right Price Feb 2007

Implementation of Programme and Policy Initiatives:

Making implementation matter Oct 2006

Legal Services Arrangements in Australian Government Agencies Aug 2006

Administration of Fringe Benefits Tax Feb 2006

User-Friendly Forms

Key Principles and Practices to Effectively Design
and Communicate Australian Government Forms Jan 2006

Public Sector Audit Committees Feb 2005

Fraud Control in Australian Government Agencies Aug 2004

Better Practice in Annual Performance Reporting Apr 2004

Management of Scientific Research and Development Projects in Commonwealth Agencies	Dec 2003
Public Sector Governance	July 2003
Goods and Services Tax (GST) Administration	May 2003
Building Capability—A framework for managing learning and development in the APS	Apr 2003
Administration of Grants	May 2002
Performance Information in Portfolio Budget Statements	May 2002
Some Better Practice Principles for Developing Policy Advice	Nov 2001
Rehabilitation: Managing Return to Work	June 2001
Building a Better Financial Management Framework	Nov 1999
Building Better Financial Management Support	Nov 1999
Commonwealth Agency Energy Management	June 1999
Controlling Performance and Outcomes	Dec 1997
Protective Security Principles (in Audit Report No.21 1997–98)	Dec 1997

