

**Submission  
No 32**

## **INQUIRY INTO 2008 LOCAL GOVERNMENT ELECTIONS**

**Organisation:** Camden Council  
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Our reference: 2008 Council Elections: AJC

M/s Cherie Burton MP,  
Chair,  
Joint Standing Committee on Electoral Matters,  
Parliament House,  
Macquarie St,  
Sydney NSW 2000.

Dear M/s Burton,

**RE: SUBMISSION - INQUIRY INTO 2008 LOCAL GOVERNMENT ELECTIONS**

Reference is made to the Inquiry being undertaken by the Joint Standing Committee on Electoral Matters into the conduct and costs of the 2008 Local Government elections following referral from the Premier, Nathan Rees MP.

Camden Council resolved at its Meeting on 28<sup>th</sup> April, 2009 to make a formal submission to the Inquiry. Council's submission primarily will focus on the alarming cost increases of the Election and the passing on of full costs of both the preparation and conduct of the election to Council without quantitative data to support these increases. Council would also wish to raise several issues from a Candidate perspective which caused concern to several local candidates.

**COUNCIL PROFILE**

The Camden local government area is located approximately 60km south-west of Sydney. It covers an area of 206 square kilometres and has a population of approximately 55,000 people. At the outset, it is pointed out, Camden continues to be one of the fastest growing local government areas in NSW and faces extraordinary population growth over the next 20 years. Council's population has steadily increased over the past 10 years to current levels and it is anticipated the population will further skyrocket to 250,000 as a result of a decision by the Department of Planning to develop numerous precincts in the north of the local government area (part of the Growth Centres Corridor). As a result of this growth, Camden Council, along with many other local government authorities, is struggling to be financially sustainable and to continue to service its community at current levels. The impact of such large variations to Council's budget at any time, such as the Electoral Commission costs, have a substantial detrimental effect on Council's financial position.



Council had an initial budget of \$140,000 (\$70,000 in the 2007/08 and 2008/09 Budgets), which was anticipated to be sufficient to cover the election. As a result of the increased cost of the Election, Council was required to find an additional \$71,000 allocation to cover these expenses.

As a result of the increase in expenditure for election costs, as outlined previously, Council's budget was negatively impacted. This has necessitated Council negotiating with the State Government and Electoral Commission to pay the Election costs over 2 financial years.

### **CAMDEN COUNCIL ELECTORAL DATA**

The costing indications by the Commission for the 2008 election were equally disproportionate when compared to the increase in electors on the Roll over the past 3 elections. The roll numbers were:

1999	24,137	
2004	30,163	25% increase
2008	33,701	11.73% increase

### **SUMMARY**

The pricing structure introduced by the Commission represented a major change of approach to previous elections and resulted in significant impacts on the 2008/09 Council Budget. In the past, the Commission invoiced Camden Council for the cost of the Returning Officer and many of the direct costs only, such as advertising, printing and election materials. The direct imposition of the \$195 per hour for Commission staff members, as indicated in the Budget would indicate Councils are now paying for direct salaries of all permanent Electoral Commission staff involved in the election process. It is thought these staff would have already been in the Electoral Commission budget and the Commission is "double dipping." In addition, the Commission did not give any data for how the \$7.14 per elector was determined. It is unclear if the \$7.14 per elector is a figure applied to all Councils or unique to Camden based on the number of electors or perhaps the number of candidates.

The overall Budget put forward by the Commission also contains expenditure items which lack transparency with no explanation, supporting data on how these costs are determined. It would appear to be, on face value, a further duplication as discussed above and a "grab for cash" by the Commission in some instances. These unexplained items in question include, Payroll processing (\$2,320), Election information Campaign (\$5,600), Information Technology Set up (\$7,290) and Systems Support (\$3350). If



## **ELECTORAL COSTING BACKGROUND**

As the Committee would be aware, since the introduction of the 1993 Local Government Act, the State Electoral Commission (the Commission) has had control of the conduct of Local Government elections and has charged Council for the service. Over the past 15 years, the Commission has progressively increased the level of costs and passed on an ever increasing proportion of overheads to Councils.

In mid 2007, the Commission advised Council indicative costs for the 2008 Election at \$251,600, an increase of 108% on the 2004 figure. The Commission stated independent auditors had recommended a revised pricing structure be introduced based on a full cost recovery basis model in respect of the 2008 Election. The rationale was as follows:

- The Electoral Commission election management fee of \$195 per hour for staff members;
- Casual staff to be charged at cost with no overhead added;
- Disbursements (printing, postage, ballot papers, etc) to be charged at cost with no overhead; and
- Legal costs to be at Crown Solicitor's invoice with no overhead.

Whilst this may have been justifiable to the Commission, local government was not given any indication of these increases, nor the extent of such increases.

## **2008 ELECTION COSTING**

The Commission based the costs of the Local Government election on the State Election. The Commission argues that Local Government elections have far more candidates as opposed to a State Election and stated, for example in the 2004 Local Government elections, some 4,500 candidates stood compared to 900 candidates at the State Election. This increased the overhead in managing candidates. In the case of the State election, some 93 Returning Officers were required whereas 152 Returning Officers were required to be recruited and trained for the Local Government elections.

Specifically, in the case of Camden Council, the Commission estimated approximately 32,650 electors on the roll, which will equate to a cost of \$7.14 per elector and an initial budget estimate of \$251,600.

The level of increase in charges indicated by the Commission is highlighted against the costs of previous elections, which are as follows:

1999	\$75,657	
2004	\$111,949	48% increase - Excluding February, 2005 By Election - \$46,766.
2008	\$251,600 (estimated)	108% increase



these amounts are duplicated/multiplied by 152 Councils, it would appear the Commission is indeed, "double dipping".

### **CANDIDATE ISSUES**

1. Centralised vote counting – It is submitted the centralised vote counting system put in place for the 2004 and 2008 Election, places independent candidates at a distinct disadvantage in terms of providing scrutineers and overseeing the count of the particular Ward. The Commission advised candidates of the scheduled date and time of the count, at short notice, many times being late in the evening, with the candidates, in our case being unable to provide personnel to attend. On the other hand, larger political parties were able to attend due to a larger number of supporters available. This places these individual candidates at a disadvantage.

2. Election Funding and Disclosures Act, 1981 – Official Agents – Several candidates in the Camden election, notified that the process for registering Official Agents and the ensuing correspondence from the Commission was often very confusing and contradictory in terms of the submission of the declarations and returns. It would appear, on this occasion, two separate Branches of the Commission were responsible for administering these provisions and correspondence came independently from both branches, often contradictory. This administration function needs to be addressed.

### **CONCLUSION**

The approach of the Commission to the costing of the Local Government Election is a further example of cost shifting by the State Government in a most severe form with extraordinary and unreasonable costs being passed on to Council.

The final expenditure of \$211,000 still represents an increase of 84.4% and is disproportionate to the increase in electors on the roll (11.73%) and CPI figures for the same period. Added to these figures is the lack of detail to justify the costings put forward by the Commission in such items as outlined above.

These unreasonable cost increases has had a significant impact on Council's budget and adds further pressure on Council's ability to continue to provide essential services to the Camden community.

Yours Sincerely,

(Steve Kludass)  
**DIRECTOR GOVERNANCE**