

2012 LOCAL GOVERNMENT ELECTIONS

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Mr Jai Rowell MP
Chair
Joint Standing Committee on Electoral Matters
Parliament House
Macquarie St
Sydney NSW 2000

NSW Business Chamber
incorporates

- Sydney Business Chamber
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Dear Mr Rowell,

Submission to the Joint Standing Committee on Electoral Matters

The NSW Business Chamber and the Sydney Business Chamber (jointly “the Chambers”) welcome the opportunity to provide a submission to the NSW Joint Standing Committee on Electoral Matters (the ‘Committee’).

About us

As you may be aware, the NSW Business Chamber (NSWBC) is one of Australia’s largest business support groups, with a direct membership of more than 12,000 businesses, providing services to over 30,000 businesses each year. Tracing its heritage back to the Sydney Chamber of Commerce established in 1825, NSWBC works with thousands of businesses ranging in size from owner operators to large corporations, and spanning all industry sectors from product-based manufacturers to service provider enterprises. NSWBC is a leading business solutions provider and advocacy group with strengths in workplace management, occupational health and safety, industrial relations, human resources, international trade and business performance consulting.

The Sydney Business Chamber (SBC) is a division of the NSWBC and represents Sydney’s leading corporations. The SBC advocates for Sydney to be a competitive and sustainable global city. The SBC strives to identify, develop and promote the major issues that contribute to economic activity and growth in Australia’s only global city, Sydney.

Introduction

Business is the lifeblood of any local community and an important stakeholder in the democratic process. The Chambers welcome the Committee examining in detail mechanisms to improving the quality of elections in this state and I wish to fully engage with the Committee in undertaking this work.

Key to improving the quality of elections within NSW is ensuring that participation is open to as many groups as possible. Accordingly, the Chambers recommend detailed examination by the Committee into matters relating to the process for non-resident voting in local government elections, legislative and policy changes to improve the efficiency of enrolment and participation in elections, and consideration of the new ways to vote. Recommendations include:

- > changes to the maintenance of non-resident ratepayer electoral rolls, to allow non-resident voters who have voted in an election the ability to automatically vote in subsequent local elections;

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- > associated amendments to the *City of Sydney Act 1988* and *Local Government Act 1993* to effect changes to the non-resident enrolment rolls;
- > the introduction of a simplified standing pro-forma application process for non-resident electors to overcome the current ad-hoc and confusing application process;
- > changes to the disclosure requirements of candidates for local government elections in terms of their political affiliation, skills and expertise to hold public office; and
- > detailed consideration of expanding postal and electronic voting across elections generally as in other Australian jurisdictions.

The Chambers wish to also raise the matter of local government amalgamations in Sydney and the positive effect it would have in improving the efficiency and participation in Local Government elections.

Non-resident voting rights - Local Government Elections

While the *Local Government Act 1993* has always provided a mechanism for non-residential/ occupiers/ and rate-paying lessees (the definition of which many businesses fall under) to participate in elections, the process currently involved in enrolling for local elections means that many businesses are effectively shut out from voting. The Chambers are very concerned that the number of businesses participating in local government elections has dropped sharply over recent years and believes this trend must be reversed as a matter of priority.

Although it is encouraging to see that the local election concerns of the Chambers are shared by the NSW Government in its *NSW 2021 plan*¹, more needs to be done to ensure that all members of our community are engaged in the local election process.

Decline of non-resident voters

The Chambers are concerned that the inefficient and ad-hoc enrolment process is severely restricting the participation of local businesses in the democratic process. There has been a sharp decline in local business participation in local elections and without change this trend will continue. In the 2012 City of Sydney elections, 1702 non-resident voters registered to vote from an estimated pool of 20000 eligible business voters. This is down from 2095 in the 2004 elections, and 4912 in the 1999 elections. Discussion with members of the SBC indicates that key reasons for this dramatic drop in voter turn-out relates to both confusion in the process of enrolling as a non-residential / occupier/ or rate-paying lessee elector and the way in which electoral rolls are maintained generally.

This is concerning, given the vital role local businesses play in local communities and given the Government's commitment to an inclusive process for local representation and decision making. This concern has been echoed by the recent report by the Local Government Acts Taskforce².

Recommendation: Changing the process for non-resident voter enrolment

The Chambers recommend that the non-resident enrolment process be reformed to ensure greater participation by local businesses in the local democratic process. This includes changing the process for the continuing maintenance the electoral roll, and the provision of a standard simplified pro-forma application process for non-resident voters to enrol to vote.

It is understood that the process for applying to be enrolled as a non-residential elector is determined by the body administering the election. For the City of Sydney, the NSW Electoral Commissioner, under the *City of Sydney Act*, is statutorily obligated to conduct that council's

¹ The *NSW 2021 Plan* states, under Goal 32 that the Government will seek to "Involve the Community in Decision Making on Government Policy" and will achieve this by attempting to "Increase Opportunities for People to participate in Local government Decision Making". The most effective way to bring about this priority would be to look at ways in which the process of enrolment can be improved for local elections so that more people can get involved.

² See *A New Local Government Act for NSW: Discussion Paper* accessed from: <http://www.dlg.nsw.gov.au/dlg/dlghome/documents/information/A%20New%20Local%20Government%20Act%20For%20NSW%20-%20Discussion%20Paper%20-%20April%202013.pdf>

elections. For all other NSW councils, council itself may choose to either conduct its own elections (or maintain its own electoral roll) or resolve to make arrangements with the Electoral Commissioner to administer their elections.

In circumstances where the election is being conducted by the NSW Electoral Commissioner, it is understood that there is no standing application process for a non-resident to be enrolled as an elector (such as an online application module). Instead, the Electoral Commissioner, together with local councils, attempts to identify and contact persons who may potentially seek to be enrolled. This, it is presumed, by cross referencing rates notices against the current electoral roll and then contacting those persons who pay rates, but do not appear on the electoral roll, by mail out. The Electoral Commission also provides a phone service which potential electors can contact to see whether they can be enrolled to vote.

This process could very much be simplified if a standing pro-forma application process for non-residential electors were developed. This could then be used for not only NSW Electoral Commission run elections but also for those elections run by councils themselves. Consideration could also be given for a “live” form of the application to be made available on the Electoral Commission’s SmartRoll website.

In relation to the continuing maintenance of the electoral roll, the requirement for non-residential and rate-paying lessee electors having to re-enrol at each and every local government election in which they wish to participate has been regularly identified as a source of major frustration for members of the Chambers. This requirement has come about as a result of the operation of sections 299 (2) and 300 (2) of the *Local Government Act 1993*.

Section 299 (2) provides:

299 Non-residential roll

...

(2) The roll of non-resident owners of rateable land lapses after the election for which it is prepared, and it consists only of the names of those non-resident owners of rateable land who have applied for the inclusion of their names for the purposes of the election for which it is being prepared.

Section 300 (2) provides (in similar terms):

300 Roll of occupiers and ratepaying lessees

...

(2) The roll of occupiers and ratepaying lessees lapses after the election for which it is prepared, and it consists only of the names of those occupiers and ratepaying lessees who have applied for the inclusion of their names for the purpose of the election for which it is being prepared.

Section 18A of the *City of Sydney Act 1988* provides similar provisions for the lapsing of non-resident electoral rolls within the City of Sydney LGA. These provisions essentially require non-residential / occupier/ or rate-paying lessee voters to re-enrol every time an election is held.

A solution to this issue would be to amend these provisions to extend the period for which a non-resident/occupier/ or rate-paying lessee may remain on the roll. This could be achieved by allowing those businesses or non-residents that have voted in an election, to be automatically enrolled in the next election. To ensure that the roll remains current, where a business or non-resident fails to vote in consecutive elections, their name should be removed from the roll.

The introduction of a simplified standing pro-forma application process for non-resident electors would overcome the current ad-hoc and confusing application process for business owners who live in one local government area but work in another. With a “live” form of the application available on the Electoral Commission’s SmartRoll website, new non-resident ratepayers would be able to enrol well in advance of an election and help cut down on the administration costs for both the Commission and Councils.

Amalgamations of councils

Council amalgamations within the Sydney area would have significant positive impacts on both the cost of administering local elections, and in increasing the level of participation in local government elections.

With 41 councils in the Sydney region, the sheer number of councils and the subsequent local differences (such as the existence of wards or differences in voting processes for Mayors) causes significant confusion for ratepayers and can lead to many unknowingly failing to vote in an election.

The Chamber has been advised that there are a significant number of voters who are issued with penalty notices for non-compliance after changing their address and being unaware that they have moved into a different local government area. Streamlining the number of councils would significantly reduce the incidence of such errors occurring.

With 152 councils and more than 1500 councillors within NSW, the process of maintaining 152 electoral rolls, and providing and distributing information for candidates during election periods could clearly be improved by some rationalisation of processes with clearer requirements for candidate information and better use of online communications.

Postal and electronic voting – State and Local Elections

The Chambers support any mechanisms that would make the participation in the democratic process more convenient for voters. Given the remoteness of many voters and the increasing incidence of mobility issues within the electorate as a result of an ageing population, postal and electronic voting would be a cost effective way to ensure continued electoral participation for those who have mobility issues or live in geographically isolated areas.

The lack of a coordinated approach to postal voting in particular, denies voters the opportunity to participate in the local democratic process. The introduction of postal voting at all council election is likely to increase voter participation. As the NSWBC noted in its submission to the recent Local Government Acts Taskforce (LGAT), only 52.8 per cent of the 101,846 voters in the 2012 local government elections voted, with 2.9 per cent voting informally. These figures are far too low if we expect local councils to operate with any sort of mandate from the community. Accordingly, the Victorian model of local government elections whereby there is greater use of postal voting, with certain voters automatically registered as postal voters should be considered for appropriate inclusion into the new *Local Government Act* and, more generally, to state elections as well.

The Victorian experience has shown wide community support for postal voting. Between 1999 and 2010, the use of postal votes increased from 3.85% of all votes to 8.5%. The cost associated with postal voting can be mitigated by the increased use of electronic applications and potentially the establishment of electronic voting channels.

Candidate information

A consistent complaint from Chamber members is that information in regards to candidates standing for election to local council is that their political affiliation and skills and qualifications are not provided in an open and transparent manner. Consideration should be given to expanding the provisions under Chapter 9, part 7 of the *Local Government Act* to require candidates to provide this information and for it to be published on a publically accessible webpage. Candidates who refuse to furnish such information should be omitted from standing for election.

Council by-elections

The Chambers are supportive of LGAT recommendations that will reduce the need for council by-elections. These measures include removing the need for a by-election if a vacancy occurs within 12 months of an election or within the 18 months prior to an upcoming election. The NSWBC and SBC also propose removing the need for by-elections if a vacancy (in a council without a ward structure) does not reduce the number of serving councillors to below five.

Conclusion

The Chambers wish to thank the Committee for seeking comment on this important matter, and remain committed to working with the Committee on improving the process and outcomes of the system administering elections across NSW.

Should you have any questions or require additional information, please contact Ash Salardini, Policy Advisor, NSW Business Chamber on [REDACTED] or [REDACTED]

Yours sincerely,



Paul Orton

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The Hon Patricia Forsythe

EXECUTIVE DIRECTOR

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