

**CORRECTED TRANSCRIPT**

**REPORT OF PROCEEDINGS BEFORE**

**JOINT STANDING COMMITTEE ON ELECTORAL  
MATTERS**

**INQUIRY INTO 2008 LOCAL GOVERNMENT ELECTIONS**

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**At Sydney on Wednesday 26 August 2009**

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**The Committee met at 10.00 a.m.**

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**PRESENT**

Mr R. A. Furolo (Chair)

**Legislative Council**

The Hon. A. R. Fazio  
The Hon. J. A. Gardiner  
The Hon. D. T. Harwin  
Ms Lee Rhiannon

**Legislative Assembly**

Ms D. Beamer  
Mr R. D. Coombs

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**CHAIR:** I welcome you all to the Joint Standing Committee on Electoral Matters public inquiry into the 2008 local government elections. This is the Committee's first hearing as part of the inquiry into the 2008 local government elections including in relation to the cost of these elections. This inquiry was referred to the Committee by the Premier, the Hon. Nathan Rees, MP, on 2 March 2009. The Committee is conducting this inquiry pursuant to its standing terms of reference. Section 21AA (2) of the Parliamentary Electorates and Elections Act 1912 provides that the Electoral Commissioner has responsibility for administering this Act and the provisions of any other Act as they relate to the enrolment of electors, the preparation of rolls of electors and the conduct of elections.

Additionally, section 21AA (3) of the Parliamentary Electorates and Elections Act provides that the Electoral Commissioner has the functions conferred or imposed on him by any other Act. Chapter 10 part 6 of the Local Government Act 1993 confers upon the Electoral Commissioner additional functions for the purposes of conducting local government elections.

I thank all the witnesses for appearing today before the Joint Standing Committee on Electoral Matters as well as those individuals and organisations that have made submissions to the inquiry.

**COLIN ANTHONY BARRY**, Electoral Commissioner, New South Wales Electoral Commission and Election Funding Authority, Level 25, 201 Kent Street, Sydney, and

**TREVOR ALAN FOLLETT**, Director, Finance and Administration, New South Wales Electoral Commission, Level 25, 201 Kent Street, Sydney, affirmed and examined:

**BRIAN VINCENT DeCELIS**, Director, Funding and Disclosures, New South Wales Electoral Commission, Level 25, 201 Kent Street, Sydney, and

**ELIZABETH MARY COOMBS**, Leader, Performance Reporting Team, New South Wales Electoral Commission, Level 25, 201 Kent Street, Sydney, sworn and examined:

**CHAIR:** The Committee has received a submission from the New South Wales Electoral Commission and the Election Funding Authority and has been notified of some changes the Electoral Commissioner would like to make to the submission from the Election Funding Authority and a change to the Commission's report on the 2008 local government elections, which the Commissioner would seek to have reflected in the questions on notice from the Committee. I would suggest that if members of the Committee have any additional questions concerning (d) that as a matter of convenience they be asked in camera at the end of the Commission's evidence as Mr Barry has indicated that he is happy to deal with this matter in private. Mr Barry, is it your wish that these revised submissions be included as part of your sworn evidence?

**Mr BARRY:** Yes, it is.

**CHAIR:** Would any of the witnesses like to make some brief opening remarks before we commence?

**Mr BARRY:** I would, Chair, if I may? Thank you for the opportunity to address the Committee. I would like to make a couple of comments about the local government elections. First of all, to reassure the Parliament that it can have every confidence that the 2008 local government elections were conducted efficiently, effectively and with absolute impartiality. While issues have been raised about the cost, the timeliness of results and some operational matters, the elections in general were successfully delivered.

In contrast to previous local government elections in New South Wales where the Commission devolved the responsibility for the conduct of the elections to the local returning officer and to local councils, for the first time we took a more active role and responsibility for the entire administration of these elections. This was to ensure greater uniformity in services, consistency in decisions and advice to registered political parties' candidates and to minimise the risks of election failure.

I draw the Committee's attention to the fact that there was not one challenge to any of the results of these elections, and there were over 300. Furthermore, there was not one successful challenge. The elections generally were seen by stakeholders to be conducted impartially and effectively. The stakeholder management

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in this environment is extremely complex, given the legal environment in which these elections are conducted. The Electoral Commissioner is responsible under law to run these elections and under law each of the councils is required to pay the cost of the election. This is a complex environment and it introduces political policy issues which I am not here to comment on. The local government elections need to be seen in that context. They are the most complex local government elections in this country. Naturally, out of this process there are learnings from a large-scale event. We have identified operational issues that can be improved, including better communication with stakeholders, candidates, parties and councils.

The logistical challenges associated with the elections: Conducting the elections, as I have said, is a very large-scale operation. There were over 150 councils initially who were involved in the elections, which was reduced to 148 as it panned out; 333 individual elections across the State; 4,620 candidates compared with 870 at the State election; 1,474 mayoral and councillor positions to be filled; together with all the polling places and the 3.5 million voters who were required to vote at the elections.

**Achievements:** The Commission's staff met face-to-face with each of the 148 councils—this was a first—to explain and to outline the approach that we were going to bring to these elections to bring them up to the same standard and service levels at the State election. A number of new services were introduced and performance quantified and made public.

**Accountability:** The Commission takes its responsibilities and accountability seriously, and that is reflected in the fact that we undertook considerable performance measurement. We prepared a comprehensive report which was transparent; it identified the successes and it also identified areas of poor performance. For example, we reported on the fact that 16 polling places ran short of ballot papers on election day. We have almost completed for members' benefit individual reports to each of the local government councils on the conduct of their individual election, and they will go out next week to each council.

There were a number of new services that we provided for these elections to bring them up to similar service standards that electors and stakeholders experience at the State election. For the first time we introduced braille ballot papers for electors with visual impairment. Eighty per cent of the participants said they would cast their votes using braille ballot papers again. We introduced formal training of returning officers for local government elections, which had not been provided in the past. I mentioned that we met with each of the 148 councils to explain the service provision. We conducted 30 candidate information seminars across the State. We created an elector inquiry centre so that people could get a one-stop shop to inquiries. We provided for the first time a candidate handbook and a candidate helpdesk. We took over 3,000 calls to that helpdesk. We developed our website specifically for council elections.

For the first time we also introduced mobile voting at remote locations. We increased access to information and services for electors from Aboriginal and culturally and linguistically diverse backgrounds. We provided councils with the opportunity to have an elector or householder brochure mailed to each of their electors. We undertook analysis of the non-voter demographics so that we can improve communication with those people in the future, and we provided general managers with bulletins informing them on the progress of the elections throughout the election campaign.

I want to come to the cost of the local government elections. The local government elections were provided for a total cost of \$24.9 million, with a cost per elector of \$5.71. This was some 16.9 per cent below what we initially budgeted for. The cost model was independently reviewed by our internal auditors to test the rigour of the model and whether appropriate costs were included. For the first time we now have a comprehensive picture of all costs associated with these elections. We have a robust costing model that distributes costs across all councils according to assumptions and methodologies that can now be independently reviewed. A fully itemised expenditure for each council was provided to the general managers that explains where the costs were incurred and what the full costs were about.

We have an expenditure model that can be used to plan for future elections and we now have for the first time a helicopter view of all of the financial benchmarks of the total election costs for each of the cost drivers. I want to make some comments about the timelines of results. The counting of the local government elections is complex. Some elections are conducted locally; some are conducted centrally. The central counting centre: we established an independent observation team to reassure candidates, registered parties and the public that the central counting centre was operating with absolute transparency and that the public and stakeholders could have every confidence in the result. That report was again published on our website. We introduced a

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virtual tally room and we brought in the finalisation of the results from the central counting centre three days ahead of the schedule that was published.

As to the way forward, as far as I am concerned there are now benchmarks in how we conduct these elections in the future. These benchmarks centre around the financial aspects, the operational aspects and stakeholder satisfaction. Things were learned from the elections and these are basically derived in three areas: communicating more closely with councils and candidates regarding the progress of counts; better training for our polling place managers and returning officers and we have learnt some things about communicating with councils about the costing issues.

Mr Chair, I would like to also comment about the Election Funding Authority in terms of my capacity as the Chair of that authority. The system of election funding and disclosures was introduced into New South Wales in the Election Funding Act in 1981; it was pioneering legislation, as members of the Committee are aware. In mid-2008 the Parliament passed amendments to that Act resulting in the Election Funding and Disclosures Act 1981. The Minister in the second reading speech said that those amendments were to improve transparency and accountability in this important area. The Election Funding Authority supports any such measures.

Experience has now shown that the initiatives introduced in 2008 also introduced some unforeseen practical difficulties, first in interpreting the relationship between the old provisions of the Act and the new regime, and providing a model to stakeholders that is simple to understand. There was a period of adjustment for ongoing stakeholders. This relates particularly to registered political parties and elected members. In regard to the main registered political parties and members of this Parliament, they have managed their obligations extremely well. However, in regard to the minor registered parties and local government councillors, candidates and groups, the authority is challenged to educate these stakeholders in their obligations and responsibilities. This is particularly the case in matters associated with the appointment of official agents and the operation of campaign accounts.

Unfortunately, non-compliance with the Act is an ongoing challenge. The authority seeks to obtain compliance and relies on prosecution as the absolute last resort. Finally, I would like to say to the Committee that any proposals from the authorities to amend the Act are not intended to be criticisms of the 2008 amendments or the initiatives introduced by the Government and passed by the Parliament but, rather, they are offered as suggestions to make it easier for stakeholders to understand and comply with their obligations to achieve the objectives of the legislation. Thank you, Mr Chair.

**CHAIR:** Would any of the other witnesses like to make a statement?

**Mr DeCELIS:** No.

**Mr FOLLETT:** No.

**CHAIR:** Mr Barry, as you would be aware, the costs of the 2008 local government elections were the dominant issue raised by councils in their submissions to this inquiry. The Commission's response to the Committee's questions on notice has gone some way to answering some of the Committee's questions, however, I have some further questions on the matter. Your answers indicate that the \$195 per hour administration charge, which was used to calculate the administration fee charged to councils, included direct salary costs as well as head office costs, such as superannuation, taxes, workers compensation, rent, electricity, and other on-costs. Can you confirm that the administration fee excluded the salary and other costs related to returning officers, polling places and pre-poll centres?

**Mr BARRY:** Yes I can, Mr Chair.

**CHAIR:** Did the administration fee cover a council's share of the direct and indirect costs associated with staff who worked on an ongoing basis for the Electoral Commission during the period of the 2008 local government elections?

**Mr BARRY:** I am not sure I understand that question.

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**CHAIR:** Did the administration fee cover a council's share of the direct and indirect costs associated with staff who worked on an ongoing basis for the Electoral Commission during the period of the 2008 local government elections?

**Mr FOLLETT:** The administration fee is just a recovery of head office costs, so any costs directly associated with the local government election are billed separately.

**The Hon. DON HARWIN:** Mr Chair, do you have a further question on that because I certainly have a follow-up question on that exact point.

**CHAIR:** You can deal with that, Mr Harwin.

**The Hon. DON HARWIN:** Mr Follett, or Mr Barry if you prefer to answer, in the answers to the questions on notice and also in the Walter Turnbull report there is a reference to 18 staff and the associated costs, which are \$195 a head, that are included in the administration cost that was passed on to councils. Of those 18 staff, how many of them were additional staff employed just for the purpose of coordinating the local government elections?

**Mr BARRY:** Perhaps if Mr Follett could answer that question and give an explanation about how the Commission dealt with the charge in relation to permanent staff.

**Mr FOLLETT:** Maybe I could hand out this document, if it has not already gone out, entitled, "Joint Standing Committee into Electoral Matters".

**The Hon. DON HARWIN:** Yes, we have received it today.

**Mr FOLLETT:** Just to respond to the question about the 18 staff. The 18 staff are permanent employees of the Electoral Commission; they are not additional staff employed for the election. The way the model works, it charges on the front-line staff that are interfacing with the councils. There is a component of that \$195 that is the salary cost for those staff. If I take you to "TAB B", we put together a chart, which, at the very bottom of that page, shows the \$195 and how that is broken up. At the bottom the table shows that \$53.67 of the \$195 is the direct salary cost of the permanent staff for those 18 front-line staff.

It has the salary costs for the support staff that support those 18 persons and then there is some overhead of rent, information technology, telephone and depreciation expenses that are recovered as well. The total amount of \$195 an hour was the outcome of the Walter Turnbull report. It looked at what our administration fees should be. In 2005 the administration fee was \$50 an hour. Early in 2006 we had Walter Turnbull conduct the review to ensure that we were applying full cost recovery and the outcome of that review was that the rate needed to be increased to \$195 an hour.

**The Hon. DON HARWIN:** The \$195 I understand and I am happy with. I just wonder, though, if you could place it in the overall context of the Electoral Commission's expenditure and allocation of funds from consolidated revenue in the financial year preceding the year in which the costs of the local government election were incurred and the following year. For example, did the amount of money provided from consolidated revenue to the Electoral Commission drop in the year that the local government elections were being held, given that 18 of your staff for 19 weeks were going to be paid effectively by local councils rather than the State taxpayer or was the funding consistent each year? I am after literally an explanation of that overall context during that three-year period—the year before, the year of the election and the year after would probably assist a lot of people in local government who are sceptical about the administration fee that was charged to councils?

**Mr FOLLETT:** The funding provided by Treasury is not consistent over the four-year-period from one year to the next year. It has peaks and troughs, depending on what activity is going on within the Electoral Commission. In the year of the election we had a sales of goods and services target in Budget Paper No. 3—

**The Hon. DON HARWIN:** Which is referred to.

**Mr FOLLETT:** —of \$3.149 million, and out of that \$3.149 million we estimated that from our other operations of running statutory industrial ballots, we would earn \$830,000. That \$830,000 was reasonably consistent with what we earned in the prior year of \$760,000 but what it means is that there is a leftover earning amount to be gained of \$2.3 million and that is the only activity really going on in the Commission in that year,

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the local government election. So that \$2.3 million is a net reduction in funding from Treasury for that year and that amount is charged to local government to recognise that there are permanent staff who are paid for by the State who are assisting in a local government process.

**The Hon. DON HARWIN:** So it was effectively in the financial year of the local government elections a saving to the taxpayer in that councils were paying the staff of the Electoral Commission for that period?

**Mr FOLLETT:** That would be correct.

**The Hon. DON HARWIN:** And given that that was the overall philosophy of how local council elections are paid for, which is, of course, the full cost recovery basis, that was what was underpinning that approach to funding the local government elections?

**Mr FOLLETT:** That is correct.

**The Hon. DON HARWIN:** And the Electoral Commission?

**Mr FOLLETT:** Yes, that is correct.

**CHAIR:** A number of submission-makers have called for oversight of election costings by the Independent Pricing and Regulatory Tribunal [IPART]. In view of the Government's perceived monopoly in providing services in this area, what is your view of the idea of making the Electoral Commission subject to IPART oversight for the election costs that it charges to councils and to what extent do you consider that such proposals would help to increase transparency and address council complaints regarding the lack of control over election costs?

**Mr BARRY:** My view on that for what it is worth is it is a matter for the Government. Personally I have no concerns whatsoever. I would only caution councils that they might find that such a review would find they are not paying the full cost.

**CHAIR:** The Commission's answers to the questions on notice list a number of options put to the Minister for Local Government with regard to voting exclusively by postal voting in local government elections. Of the various options offered for councils to undertake postal voting you do not appear to have suggested to the Minister that councils be given an option of mounting a referendum where the question could be put to voters as to whether they wanted to vote in local government elections by postal voting only. Would you support giving voters the option of voting for a postal voting only system of voting in a local referendum? Could this option not overcome potential objections to postal voting only elections if, for example, a decision to use such a system was made by a council resolution only?

**Mr BARRY:** As you are aware, members of the Committee understand that my role is to administer the Act. It is not my role to advocate any particular reforms to the Act, particularly where they go to policy matters. The policy decision of the Government and the Parliament is that these elections are attendance elections. What I have said is there are pros and cons from my experience of administering elections in Victoria, where universal postal voting is an option for councils. There are pros and cons of those options. My view on it is the more choice that councils have the better because it does affect the cost, but ultimately it is a matter for the Minister, the Government and the Parliament to make those decisions.

**The Hon. DON HARWIN:** As you say, Mr Barry, you are a former Electoral Commissioner in Victoria. There were elections for an entire council area during your tenure there that were by postal voting, is that the case?

**Mr BARRY:** Yes, there were.

**The Hon. DON HARWIN:** You say some concerns were expressed at the time. What were they and did you consider them to have validity?

**Mr BARRY:** There were no concerns about universal postal voting. If my memory serves me right, out of the 87 councils in Victoria, I think only 11 have attendance elections. The lion's share of them have universal postal ballots.

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**The Hon. DON HARWIN:** Observations were made by some people that the use of universal postal voting had a tendency towards electoral fraud and increased the possibility of electoral fraud. Do you think those concerns have validity from your experience as Victorian Commissioner in conducting those postal voting ballots?

**Mr BARRY:** Absolutely no validity whatsoever.

**CHAIR:** If I can move on to the issue of the counting of votes, specifically the matter of random sampling. The Commission's answers indicate that above-the-line preferential voting has increased the risk of error in the case of a manual count. Does the use of random sampling make counting above-the-line preferential votes more complicated?

**Mr BARRY:** I might ask Mr DeCelis to comment on the technicalities of the sampling. This issue comes up in every inquiry, whether to do with the State election or local government elections. We need to get on the public record the issue around this random sampling because the very term itself suggests that not every vote is counted, and that in itself I think causes some concerns. Maybe Mr DeCelis could make a couple of observations about that, and if we cannot satisfy the Committee's questions on that we can take it on notice and give you a more fulsome answer.

**Mr DeCELIS:** Perhaps, as Colin is suggesting, I have some knowledge of this process—perhaps not as great as some others in the office—so I will take the discussion as far as I can. Firstly, random sampling is always focused as to the point that creates the complexity and difficulty in these counts and that is not in itself correct. Random sampling is something that takes place in all of these types of counts. They occur in local government elections. They also occur, as you are probably aware, in the Legislative Council. It is not the random sampling process that makes this type of counting complex, particularly in respect of local government. It was the move, if I recall, commencing at the 2004 local government elections, when the Government introduced preferential voting above the line. Prior to that there was still voting above the line in local government elections but you were permitted to vote one only above the line. When they introduced preferential voting above the line for local government, that increased the complexity to the point where manual counting was no longer a practical option for the Commission to pursue without risk, and the risk was not, we believed, manageable. So, random sampling is not the issue; it is the preferential voting above the line.

**CHAIR:** Mr Green's submission indicates that one of the problems with random sampling is that you cannot conduct a count twice and get the same result. Is there a risk that with some council elections being decided by a handful of votes a different result will be arrived at each time a recount was undertaken and random sampling could therefore conceivably affect the actual outcome of some council elections, producing results that would not be produced using other means of counting?

**Mr DeCELIS:** Philosophically that is correct. It is understood that using random sampling you can get a different result. Our experience is that with recounts it is very seldom—and I have to say my recollection is it is very rare. I can perhaps recall in my experience one instance where a result has been changed, but I have to say I cannot be convinced that is because of random sampling but just because of a miscount. When we do a recount for a proportional representation count, a recount constitutes only a recount of first preferences. Only if the count of first preferences varies from the original count are we then required to go on and do a distribution of preferences. If we are required to go on and do a distribution of preferences because the first preferences vary, yes, the possible outcome is the random sampling could affect the outcome.

**CHAIR:** Mr Green's submission also suggests that no other State uses random sampling, it having been abandoned by the Senate in 1984. As you would be aware, this Committee recommended in its report on the 2003 State elections that consideration be given to abolishing random sampling in counting the Legislative Council, however a referendum is needed. In the case of local government elections a simple change to the regulations is needed. Are there any compelling reasons for maintaining random sampling and would you support the removal of the random sampling provisions from the Act?

**Mr BARRY:** I do not think there are any compelling reasons to retain random sampling. The mere fact that we are discussing it, I think, and the confusion it creates there are no reasons to retain it and, yes, it could be removed.

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**Mr DeCELIS:** Could I just add, my history with the Electoral Commission is that this system of voting and counting in the local government elections was copied from the model of the Legislative Council and it is our belief that is where the proposal to introduce preferential voting above the line also came from. It followed quickly from the introduction of that into the Legislative Council counting. That is why the models, apart from two or three very minor issues, are identical because they are essentially one model copied into the other.

**The Hon. DON HARWIN:** Mr DeCelis, could you clarify for me—obviously there are substantial similarities between the counting, and you have the assistance of computer software to assist you with both. Are you able to use the identical software for both the Legislative Council ballot and the local government elections?

**Mr DeCELIS:** We have substantially the same software for both. As I indicated, there are two or three very minor differences, and when we use the software for local government we have to modify the software to adapt to those small changes. That is how we use the software, and two or three little changes in the software move from one election to the other but it is the same software.

**The Hon. DON HARWIN:** I recall reading, I think it was in the report you tabled on the elections, that that software was probably at the end of its life and the Commission is considering new software for the State Election and the Legislative Council ballot that is to be held in 2011. If we move to a local government count without random sampling but we maintained random sampling for the Legislative Council—as inevitably we must because it is an entrenched provision in the Constitution Act—does that mean there will be a need to develop two different types of software or is it the case, as I think Mr Green makes in his submission, that if we remove random sampling as a requirement it would sufficiently simplify the counting process that we could dispense with centralised counting of the local government ballots entirely?

**Mr BARRY:** I think there are a couple of issues associated with the question. The Government has funded the Commission to redevelop the software for the Legislative Council and consequently the future of local government elections. We are well down the track in that process now. As Mr DeCelis indicated, whether random sampling was in or out of local government elections would be a very minor change to the architecture of the software and it would not affect us being able to use it for local government or parliamentary elections.

**Mr DeCELIS:** I might just go on to say that I reiterate that it is not the random sampling that introduces the complexities for a software count; it is the preferential voting above the line.

**The Hon. DON HARWIN:** That is directly on the point that Mr Green raised.

**Mr DeCELIS:** Mr Green has his view and I think you need to speak to him. He may have a different perspective on it but from our perspective, counting the ballots, we moved to counting through software because of the direct impact of preferential voting above the line. We do not believe it is the random sampling aspect.

**CHAIR:** The Electoral Commission's report on the 2008 local government elections indicates that in terms of the counting of the vote the Commission generally met its schedule. Nevertheless, many councils have complained that it took longer for them to receive their results than in the 2004 elections. What factors did the Electoral Commission have to take into account when determining the schedules for counting votes for each council election and were any factors present in the 2008 election that were not present in the 2004 elections and which meant that the Commission needed longer to complete the count?

**Mr BARRY:** As I said to the members of the Committee, the Commission does not know how many counts will be conducted centrally until such time as nominations close, because we do not know how many ballot papers are going to be above-the-line voting. We make an estimated guess. The other thing to appreciate is that we set out a timeline of when the centralised counts would be done and we achieved them three days earlier. Overall it is not true to say that the counts were slow, and it is not true to say that they were done any slower than in 2004 generally. Some councils will be first in the line and some councils will be last in the line. We cannot satisfy everybody's requirements in that regard and we cannot do all these counts simultaneously. Understandably, the councils that are first in the line and get their counts done and over with first probably are not complaining as much as people who are last in the line and have their counts done later. That is part of the stakeholder management issue with which we have to deal. I think we could have done a better job in keeping councils informed as to where the count was and keeping the website more up to date as to where each of the various counts was in the process.



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**The Hon. DON HARWIN:** Mr Barry, in the report of the observers on the central vote count the following statement was made:

The issue was raised re the rationale of the priority list. After some discussion the team agreed that this was out of scope for the team and the responsibility of the New South Wales Electoral Commission.

What was the priority list and what was its rationale?

**Mr BARRY:** The priority list was a list of those councils that would be done first and those councils that would be done further down the line. The central count was done at Riverwood, so we took the view that the councils that were closest to Riverwood would get those ballot papers in first and we would get them through the process. I took the view that the City of Sydney would be done first. Referring to the other councils, they were largely decided on how long we thought it was going to take to get ballot papers to Sydney and to process them. As I said, there was no divine wisdom or any science in it; it was a matter of saying, "We think historically these councils have above-the-line voting, so we know they will definitely be having their ballot papers brought to Sydney." I would have to say that there was no science to it and there was no divine wisdom.

**The Hon. DON HARWIN:** I do not recall seeing a copy of the priority list in the report. I take it from your answer that the priority list was just the order in which the results were counted?

**Mr BARRY:** The priority list was our best estimate of those councils that would be counted first and so on, yes. I am happy to make that list available to the Committee.

**The Hon. DON HARWIN:** I think it would be helpful if you could make it available.

**Mr DeCELIS:** From recollection, we had 10 teams working on this data entry. As Colin pointed out, primarily it was to do with how long it took to prepare the ballot papers to come to Sydney. You need to recognise that every council has an entirely different number of ballot papers. Some councils, or wards, are as small as 500 and 600. Some are as large as 50,000 or 60,000, and some go up to in excess of 100,000. I think the largest goes up to 100,000 or 150,000 on the roll.

**The Hon. DON HARWIN:** Effectively, if you were a council in the country with very large wards you would probably end up near the bottom of the list.

**Mr DeCELIS:** I was just about to say that we did that to ensure that rural areas were not disadvantaged. Colin's initiative was to allocate a number of teams for what might be called the greater Sydney area and some teams for the rural areas so that the priority list did not disadvantage rural areas as they were far away. We were doing metropolitan and country right from the start so as not to disadvantage rural areas because of their distance from Sydney.

**The Hon. DON HARWIN:** Would it be a fair observation to say that if it were a small council it would involve a relatively quick count and therefore that would arrive in Sydney reasonably quickly?

**Mr DeCELIS:** Yes.

**The Hon. DON HARWIN:** And it would get done first, or get done near the top of the priority list?

**Mr DeCELIS:** I point out that the collections did not involve one collection from one council back to Sydney as that would be highly inefficient and highly costly. The trucks that were collecting ballot papers went on a particular route around the rural area collecting from a number of councils. It might have taken a particular vehicle a couple of days to do the route and to return to Sydney. I also point out that not every count came to Sydney. The ones with the smaller number of ballot papers that were manageable locally were counted locally. We have another method of counting proportional representation counts where there are no groups above the line, and many counts were done locally. Some of the larger councils—geographically large—were done locally using software able to cope with proportional representation counts where there are no squares above the line. But, as I said, for those that are brought to Sydney, Colin introduced an initiative so that they would not be disadvantaged. From the start they were done concurrently with metropolitan councils.

**The Hon. DON HARWIN:** I am not asking just because I live in Shoalhaven ward 2, which I think was one of the last!

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**Mr DeCELIS:** I think Shoalhaven was one of the last. If my recollection serves me correctly it was one of the last to arrive back in Sydney because of reconciliation matters, not because it was scheduled last. The schedule was adjusted as we went. It would be inefficient to suggest that once a priority list is established we stick to it hard and fast. We had to be flexible enough to deal with delays in the vehicles and with some counts being processed quicker than others and some slower than others. We also had to deal with the fact that some returning officers took longer to reconcile than what was expected. Without being definite, and if my memory serves me correctly, I think Shoalhaven may have sorted out its problem.

**Ms LEE RHIANNON:** Mr Barry, I refer to page 10 of your submission. With regard to non-compliance you state:

The level of resources required by the Authority and the Crown Solicitor's Office to take enforcement action, including prosecution, is considerable.

You then go on to state that it is the view of the authority that the amended Act is in need of comprehensive revision. Is the failure to prosecute due to a lack of resources, a lack of clarity in the legislation, or both?

**Mr BARRY:** The challenge with prosecuting some of these people under the Election Funding and Disclosures Act is getting information from people in the first instance to establish the reason we are prosecuting them. In some instances an enormous amount of the State's resources would be needed to gather the evidence so we knew which sections of the Act were being breached. I do not want unnecessarily to confuse the Committee but this is extremely complex and challenging, and I am sure it is unintended in relation to the legislation.

If, for example, a large number of police investigators were commissioned to go and interview people and search records, certain evidence could be gathered. In my view, many of those people would have nil disclosures. I do not think it is appropriate to be using such a disproportionate amount of the resources of the State to gather this evidence for what in my view would amount to quite futile prosecutions. Having said that, I think there can be some minor corrections and amendments to the legislation that will alleviate this necessity and this problem.

**Ms LEE RHIANNON:** Even with those minor corrections it sounds as though you would still doubt whether it would be worthwhile continuing with those prosecutions. As you have identified, a large number of those people might have nil disclosures, so what might be gained from this? Would you agree with that?

**Mr BARRY:** I would certainly agree that it is not an efficient use of the resources to be gathering information from people where there is a nil disclosure. It is much better for us to educate the stakeholders to complete a declaration. The amendments that we think will solve this problem are not in themselves complex.

**Ms LEE RHIANNON:** When you refer to solving the problem do you mean solving the problem to enable you to pursue these cases?

**Mr BARRY:** Correct.

**Ms LEE RHIANNON:** Do you need additional resources to be able to do that?

**Mr BARRY:** No, not at all. It is not an issue of resources for the Commission; it is an issue of the State's resources that would be required currently to pursue some of these people.

**Ms LEE RHIANNON:** Would you be recommending that, if the legislation were amended as you have suggested, the State's resources clearly would be needed to pursue some of these cases? It might well reveal that substantial moneys have been donated that were not disclosed. Would you be recommending that those people be pursued?

**Mr BARRY:** Where we are able to pursue people we are doing so. The amendments we are proposing to correct some of the difficulties clearly will solve the issues that we have at the moment with those people from whom we do not have sufficient evidence to know which sections of the Act they have breached, or might have breached.

**Ms LEE RHIANNON:** You said that you were pursuing some cases?

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**Mr BARRY:** Yes, we are.

**Ms LEE RHIANNON:** Have you written letters to them? Has it gone past writing letters to them?

**Mr BARRY:** We have written many letters. We are almost at the stage of sending—if we have not already done so—quite a number of people to the Crown Solicitor to commence legal proceedings against them.

**Ms LEE RHIANNON:** The matter is now with the Crown Solicitor and you no longer have to make a decision about where it will go?

**Mr BARRY:** The Authority always retains the right to make a decision about whether or not a prosecution should proceed. Once we hand over matters to the Crown Solicitor, the Crown Solicitor writes letters to people again inviting them to complete their obligations to avoid prosecution. However, that could result in the Crown Solicitor not getting satisfactory answers. In most cases the fact that we have got no response from the individuals creates the greatest problem for us. Many people respond either to our letters or to the Crown Solicitor's letters. When a matter goes to the Crown Solicitor and the Crown Solicitor has written to that person he or she often will offer an excuse to the Crown Solicitor, that comes back to the Authority and the Authority has the decision as to whether or not to proceed to prosecution or to let the person off with a warning. I must say that generally that is our approach.

**Ms LEE RHIANNON:** Do you reach a point when you disclose who has been referred to the Crown Solicitor or when a prosecution will be proceeded with? Do you reach a point when the details of those individuals are made public?

**Mr BARRY:** We do not publish the details of those people that we refer to prosecution. We do not think it is appropriate.

**Ms LEE RHIANNON:** You say it would only become public if it proceeded to prosecution?

**Mr BARRY:** Correct.

**CHAIR:** We had allocated one hour for questions and the submission from Mr. Barry, the Electoral Commissioner. We have come to that time. I understand that the Hon. Don Harwin has quite a few questions. With the agreement of the Committee we might proceed to work through the morning tea break to allow the conclusion of these questions.

**The Hon. DON HARWIN:** I doubt that 15 minutes will be enough. The Hon. Jennifer Gardiner and Mrs Beamer have not asked any questions yet.

**CHAIR:** Obviously we have a lot of people who have come from all over Sydney and New South Wales to be with us today, so we should try to get through the questions as quickly as we can and also put questions on notice if we cannot get them answered today. The Committee has the option of having questions presented to the witnesses. If we cannot get through all the questions this morning, or through the course of the hearings, we can have them sent to the witnesses in writing and responded to.

**Ms DIANE BEAMER:** Given that we are hearing a lot of things from various councils that might throw up questions that we would want to ask, could we perhaps have another hearing?

**CHAIR:** It is considered that we will probably invite the Commissioner back for a further hearing at the conclusion of the public hearings.

**Ms DIANE BEAMER:** Perhaps that would be shortened to the 15 minutes and then we can go back. I think that is a much more sensible way of doing it, given that no doubt lots of questions will be thrown up by the councils.

**CHAIR:** It is envisaged that we will have the Commissioner back for a further hearing at the conclusion of these public hearings.

**Ms LEE RHIANNON:** In a table you circulated to us, entitled "The Election Funding Disclosures Act 1981 Issues", under point nine you deal with the issue of the aggregation of donations. I would like to ask you to

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elaborate on this. How does this work with regard to the issue of six-monthly disclosures? You have identified in this point that at the moment there is a requirement to aggregate donations over a financial year. But, as we know, disclosure is for a six-monthly period. Does the Act need to be amended, and would you be recommending aggregation of \$500 over six months or that disclosure should go to 12 months? It seems as though there is another point of confusion here.

**Mr DeCELIS:** I believe what that issue is addressing is that what the Act requires is that once you receive what it calls a reportable political donation, being a donation of \$1,000 or more, you are required to disclose it in a different way to a donation under \$1,000. You are required to disclose the source of the donation, either by the name and address of the individual or the name of the entity and the ABN. The difficulty comes in that the Act requires that if small donations, that is of less than \$1,000, are received from the one individual or the one entity in a number of instances in the one financial year and aggregate to \$1,000, it becomes a reportable political donation at the point that you exceed the \$1,000.

Where it presents a difficulty is in a number of ways. It requires the individual, the candidate, the group or the party receiving the money to keep a record of the track of those donations. If I am a candidate and I receive \$200 from the one source, then an additional \$500, I need to keep track of those donations and the source so that I recognise at what point in that financial year I am captured. That seems to be presenting a difficulty, we would understand, for these candidates and groups, and, I would suggest, parties in dealing with that.

Where it throws in another complexity is that, because this is over a financial year there are in fact two reporting periods over a financial year. We would get disclosure at the end of December, which would disclose what they have received as small donations, and they are not at that point required to disclose the source of the donations but, rather, just the amounts. So they would disclose that they received small donations up to December. When they move into the next disclosure period, which is the second half of the financial year, they need to have regard to what they disclosed in the first half, to make sure they aggregated so that they reported properly in the second half. I think you can start to see the complexity in the candidates and groups.

**Mr BARRY:** It is less of a challenge for the major political parties, because they have sophisticated systems for keeping track of this information. But as you move away from the main parties—

**Ms LEE RHIANNON:** We have to get that on the record.

**The Hon. DON HARWIN:** I would be happy to put on the record how much it costs to get those systems to track them.

**Mr DeCELIS:** The difficulty is exacerbated by other issues we are encountering in dealing with the disclosures, particularly with entities, because you have entities who carry in themselves more than one ABN because they have subsets of the one holding company or major entity. The difficulty comes in associating those donations to coming from the one entity. Again it throws in another complexity: that truly the candidate and even the party is perhaps not even able to recognise or know that they are in fact coming from the one entity.

**Ms LEE RHIANNON:** With regard to members of Parliament who are councillors, how is it covered at the moment? It seems it is a bit unfair. Do they put in two returns, or do they put in one return? Does it need to be cleared up?

**Mr DeCELIS:** For a member of Parliament who is a councillor, we would require two separate disclosures. Again the Act leaves us a little bit of uncertainty as to what was intended. The view we have is that as a member of Parliament you are required to have as your official agent, if you are endorsed by a party—which the clear majority of members of Parliament are—your official agent is in fact your party agent. As an elected member of the council, there is an entirely different arrangement as to who your official agent is. Whereas it could be the party agent, I know of no instance where that is the case. The Act has a different arrangement. In those instances where we have a member of Parliament who is also a councillor, they almost are caused by the legislation to have two official agents.

The Act imposes the act of disclosure actually on the official agent, not on the member of Parliament or the elected member in themselves—albeit the elected member can be designated to be their own official agent. What we have ended up with is a structure where, if you are a member of Parliament and a councillor, you do

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end up with two official agents, which for administrative purposes we can administer no other way than to require you to give us two disclosures. I hope I have not confused you with that.

**Ms LEE RHIANNON:** You are satisfied with how it is working at the present time?

**Mr DeCELIS:** Administratively, that is how we believe we can administer the Act.

**The Hon. JENNIFER GARDINER:** May I go back to the costing question, the \$195 an hour. You know that the rate is due for review next year on a four-year cycle. Will that happen automatically, and will it be done as part of the Commission's internal audit process?

**Mr BARRY:** Yes, it will.

**The Hon. JENNIFER GARDINER:** So it will be done in the same way as the rate was set in the first place?

**Mr BARRY:** Yes, it will.

**The Hon. JENNIFER GARDINER:** With regard to the matter we have just been discussing and the six-monthly reporting process, the whole idea of greater transparency in relation to donations and political expenditure is obviously to get a greater compliance, and the more onerous and more difficult it is for people to comply with, so they shrug their shoulders and say, "I just cannot do this", and they do not respond to your letters or whatever. Is it a possibility that we would be better off if we went back to a financial year process or an annual return?

**Mr BARRY:** I think we are too early in the cycle to come to a view about the six-monthly requirements. What we have found so far is that the main political parties and the members of Parliament have been able to manage their affairs and a high level of compliance. As we move away from the main parties and we get into local government councillors, we get some very challenging situations. For many local government councillors the six-monthly requirement is a nil return, and we have people telling us this is onerous. I do not believe that, I have to say. How difficult is it to fill out a piece of paper with "Nil"? So I am not convinced that this is in fact onerous. I think what it is doing is making these people accountable. I think that is a good thing.

**The Hon. DON HARWIN:** I want to go back to the costing issue. Mr. Barry, I think your earlier evidence indicated, and the document we have before us shows \$2.319 million as the amount of revenue that was received for the general election. In your 2008 local government election report at page 128 you make a comment about revenue from non-voting fines, which is not of course provided to you but which goes into consolidated revenue. Do you have any figures on the amount of money that has gone into consolidated revenue as a result of non-voting fines?

**Mr FOLLETT:** Yes, it is about \$2.2 million for the local government election. The process is that the Electoral Commission handles penalty notices and the receipts of penalty notices for a period of six months and then hands it to the State Debt Recovery Office. To the point of handing it to the State Debt Recovery Office, the receipts are \$2.2 million. After that, State Debt Recovery will go through their own process and may make further recoveries against that.

**The Hon. DON HARWIN:** There is a \$2.3 million saving to the taxpayer in terms of reduced need to fund the Electoral Commission, plus consolidated revenue gains of \$2.2 million in terms of non-voting fines from each local government election?

**Mr FOLLETT:** Those observations are correct. Obviously, to run the non-voter process there are some extra costs to do that as well.

**The Hon. DON HARWIN:** In terms of your—?

**Mr FOLLETT:** In terms of our operational costs.

**The Hon. DON HARWIN:** Do you know what those costs are?

**Mr FOLLETT:** It costs us about \$1.2 million to run the non-voter process.

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**The Hon. DON HARWIN:** You are expected to absorb that cost?

**Mr FOLLETT:** This year we made an application to Treasury to ask for funding, and we received that funding for \$1.2 million to run that operation. We returned the \$2.2 million of revenue.

**The Hon. DON HARWIN:** So there was a net \$1 million gain for the taxpayer in terms of that non-voting process?

**Mr FOLLETT:** Yes.

**The Hon. DON HARWIN:** The \$2.3 million saving and a net \$1 million revenue from non-voting fines?

**Mr FOLLETT:** That observation is correct.

**The Hon. DON HARWIN:** With regard to recounts, how are the deposits that are required of candidates who wanted to seek a recount calculated?

**Mr BARRY:** The cost of the labour hire for us to do it.

**The Hon. DON HARWIN:** So it completely reflects the labour hire costs?

**Mr BARRY:** It reflects the casual labour hire costs, not the entire overhead. We have never costed it out completely.

**The Hon. DON HARWIN:** So it is not a full cost-recovery exercise?

**Mr BARRY:** No, it would not be.

**The Hon. DON HARWIN:** That brings me to the issue of the actual amount and the fairness of the amount quoted to candidates for a recount in the context of an election campaign. I have in mind ward three of Shoalhaven City Council where the final councillor's position—the fourth position—was decided by two votes. There was no automatic entitlement to a recount.

**Mr BARRY:** No.

**The Hon. DON HARWIN:** The candidate placed fifth was asked to pay in excess of \$8,000 for a recount. Her total declared expenditure on the campaign was \$4,656.96—she had one reportable donation only of the minimum amount of \$1,000. Yet, having lost by two votes, she was asked to pay in excess of \$8,000 for a recount. This is not a matter that is dictated by statute, is it?

**Mr BARRY:** No.

**The Hon. DON HARWIN:** It is really at your discretion. Do you not think that when an election is decided by such a small margin—two votes—that there should be an entitlement to a recount without a candidate having to cough up almost twice as much as she spent on her entire election campaign?

**Mr BARRY:** That ward was a central count, data entered.

**The Hon. DON HARWIN:** That is right.

**Mr BARRY:** There are a couple of things that I want to put on the public record. First, the candidates are asked to lodge the cost of the recount as, in a sense, a deposit. If the result changes, they get it back.

**The Hon. DON HARWIN:** Sure.

**Mr BARRY:** They are entitled to have scrutineers at the count. That count was data entered. Our experience of data entry is that it is so accurate that the chances of there being a change in the result are very slim.

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**The Hon. DON HARWIN:** Yes.

**Mr BARRY:** On that basis, I am comfortable with that decision. If it had been a local, manual count, I would have agreed to do it at no cost to the candidate, but not for a data entry count.

**The Hon. DON HARWIN:** That is an answer.

**Mr BARRY:** Yes.

**Ms DIANE BEAMER:** Given that you are doing so many central counts—and this is particularly pertinent for non-major parties—how do you get to an independent candidate in Albury or Broken Hill the information that you are going to be counting that particular ballot of that particular ward at that particular time so that the candidate can send a scrutineer?

**Mr BARRY:** That is a very good question and it is all challenging. I will first answer the Hon. Don Harwin's question. Bear in mind that these data entry counts are double data entered and verified. In those circumstances, I am comfortable saying to the candidate, "If you are saying that something has gone astray, there is some miscount or that something has gone wrong in terms of the data entry then you can put up the money and we will redo it."

**The Hon. DON HARWIN:** Of course, I am not saying that, but obviously the person wanting the recount would.

**Mr BARRY:** But I am the decision-maker. To answer Ms Beamer's question, it is extremely challenging. That is all I can say. Bearing in mind that we do not know which of these counts are coming to Sydney until the close of nominations, we provide as much information as we can on the website. We also created a DVD and put that on the website so that people could see how the counts are done.

I introduced the observation team to deal with that very issue of the confidence in the integrity of this system. We had an independent person from the Victorian Electoral Commission as chair and the team included an officer from the Department of Local Government and a representative from the Local Government and Shires Associations. That is what I did to give the public confidence that there is integrity in this process. I do not recall any complaints coming to the Commission about the integrity of the centralised count.

I know there is general unhappiness in that people want their local election conducted locally. We are happy to talk about that and to explain it if it is not clear. However, having decided that the count must be data entered and having explained why we cannot do it locally at the moment, is there integrity around the whole process in the central count? I think there is.

**Ms DIANE BEAMER:** I have no doubt that there is integrity in the process. Members have probably scrutineered hundreds of times and watched people doing their very best in the counting of ballots. However, there is something integral in the idea that a candidate has someone in the room who can verify that it was done properly. The idea of having an independent body overseeing it is fine, but I can imagine that that is one of the complaints about it being centralised—that is, we do not have local scrutineers involved.

**Mr BARRY:** I fully understand that.

**CHAIR:** If members have any further questions they can be put on notice and they will be sent to the Commissioner and he will have an opportunity to respond. On behalf of the Committee I thank Mr Barry, Mr DeCelis, Mr Follett and Dr Coombs for appearing this morning and sharing their time and expertise.

**(The witnesses withdrew)**

## CORRECTED TRANSCRIPT

### ROUNDTABLE: Regional Returning Officer Model

**NICHOLAS CARMODY**, Mayor, Yass Valley Council, Comur Street, Yass, and

**LES FINN**, Director of Corporate Services, Parkes Shire Council, PO Box 337, Parkes, sworn and examined:

**PAUL JAMES ANDERSON**, General Manager, Eurobodalla Shire Council, Cnr Vulcan & Campbell Streets, Moruya, affirmed and examined:

**CHAIR:** I welcome representatives of Parkes Shire Council, Yass Valley Council and Eurobodalla Shire Council, who will be giving evidence to the Committee on matters including the regional returning officer model used by the Electoral Commission in the 2008 elections. The Committee thanks you for your submissions and is pleased to hear your evidence, which we will take in a roundtable hearing. I understand that some of you have brought along other members of your organisations to assist and that they are sitting behind you in the public gallery. Those colleagues may pass notes to you through the secretariat or consult briefly with you to assist you in answering. However, they are not sworn in and they cannot directly answer questions posed by Committee members. The Committee has received a submission from each council. Is it your desire for those submissions to form part of your sworn evidence?

**Mr FINN:** Yes.

**Cr CARMODY:** Yes.

**Mr ANDERSON:** Yes.

**CHAIR:** Do any of you wish to make a brief opening statement?

**Mr FINN:** No.

**Cr CARMODY:** No.

**Mr ANDERSON:** No.

**CHAIR:** The New South Wales Electoral Commission implemented a regional returning officer model for the 2008 elections whereby smaller councils were able to share a returning officer with one or more neighbouring councils. Each of your submissions raised the issues emerging from your experience of this model. As background, can you please advise the Committee with which councils you shared a returning officer and where the returning officer was located?

**Mr FINN:** Parkes Shire Council shared a regional returning officer with the councils of Orange, Cabonne, Forbes and Lachlan. The headquarters of the regional returning officer was in Orange, some 100 kilometres to the east of Parkes.

**Cr CARMODY:** Yass Valley Council shared a returning officer with Queanbeyan and Palerang councils. The returning officer was based in Queanbeyan, which is about an hour's drive from Yass.

**Mr ANDERSON:** Eurobodalla Shire Council shared a returning officer with Bega Valley Shire Council. The officer was located in Moruya, which is the administrative headquarters of the Eurobodalla shire.

**CHAIR:** The New South Wales Electoral Commission reported that for the first time returning officers were required to work full time for the duration of the 2008 election process and that the cost of that was an issue for smaller councils. In previous elections under what arrangements and for how long was the returning officer employed?

**Mr FINN:** In relation to Parkes Shire Council, this is the first time we actually had an election governed by a returning officer other than local government. There was a special arrangement made with the Commissioner whereby the general manager of Parkes did the neighbouring Forbes Shire and vice versa, so this



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was our first experience. We did experience a 53 per cent increase in our line item budget for comparing the two elections. I do have a number of points, positives and negatives, about the regional returning officer, but it is the feeling of the council that there was a dislocation for the candidates and for the ratepayers in having the regional returning officer model.

**CHAIR:** Does anyone else wish to comment?

**Mr ANDERSON:** At Eurobodalla in the past the returning officer had not been full time; they had been part time up to a few days prior to the election and then full time during the election process and then again part time following that. This is the first time that the process had been a full time appointed for the entire program.

**Cr CARMODY:** We have had a part-time returning officer in the past, based locally of course. In this instance we did have a full-time returning officer who was contactable only by mobile phone, which a lot of the residents in our area found quite difficult. The council staff actually became de facto returning officers. They did all the pre-polling on behalf of the returning officer and receipting for the candidates, receipt books and all sorts of things. So the staff did quite a large part of the returning officer's job even though we had paid for a full-time returning officer. Did we get any benefit from it? You would probably say we actually did not.

**CHAIR:** Do any of the councils feel that there were savings from the original cost estimates that were provided to you and agreed to after you agreed to share a returning officer?

**Mr ANDERSON:** From Eurobodalla's point of view, no.

**CHAIR:** No cost savings?

**Mr ANDERSON:** No.

**CHAIR:** From the original estimate to—

**Mr ANDERSON:** No.

**Mr FINN:** Demonstrated through correspondence from the Commissioner, there was a savings per the information provided by the Commissioner but we would agree with Eurobodalla that when you take into account the masked costs of doing a lot of work for the regional returning officer on a daily basis, in essence, there probably was not a real large saving.

**Mr ANDERSON:** Can I just make one further point to that? There are a lot of costs that are duplicated by the process of the Electoral Commission appointing their own staff, leasing their own furniture, hiring their own facilities, buying their own consumerables, pens, sticky notes, whatever else they need, which at the end of the process has gone into the never-never, never to be seen again. Previously we have been able to provide those at a cost to the council but the excess of those materials were always returned back to the council and just went back into a store process. During this process none of that occurred, and where those materials went to, I would hazard to say that your guess would be as good as mine.

**CHAIR:** Was your council given the opportunity to host the regional returning officer?

**Mr ANDERSON:** No.

**CHAIR:** Was it an issue that was discussed or raised with you?

**Mr ANDERSON:** It was discussed. We raised it with the Electoral Commission and also with our appointed returning officer that we had sufficient space for them to occupy a separate building which council owns. For reasons unbeknown to myself, they elected to hire a premise elsewhere within the town.

**CHAIR:** You shared with Bega, is that right?

**Mr ANDERSON:** Correct.

**CHAIR:** Did Bega council also offer to accommodate the regional returning officer?

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**Mr ANDERSON:** There was a discussion that the regional returning officer may have an office in Bega but I understand that was never taken up.

**CHAIR:** Does anyone consider that your councils required a full-time returning officer?

**Mr ANDERSON:** From Eurobodalla's point of view, on the basis of the amount of work that my staff were required to do, no. It was a duplication of a service which we had already provided.

**Mr CARMODY:** From Yass' point of view, you may as well have contacted someone from the electoral office in Sydney.

**Mr FINN:** I support Mr Anderson's comments in that matter.

**The Hon. DON HARWIN:** Mr Anderson, you say that there was no response at all from the Electoral Commission, other than a "no" in terms of the premises that you offered them in Moruya?

**Mr ANDERSON:** That is correct.

**The Hon. DON HARWIN:** What premises did you offer them?

**Mr ANDERSON:** Within our administrative building—we have a two-storey building—we have an upper floor area which is separately accessed and can be secured from the ground floor area. We offered them office space in there while we were going through a renovation period and that area was vacant. Their claim was that that was unsecurable and therefore they could not operate out of it because there was a whole range of security issues that some nasty little council person might tamper with.

**The Hon. DON HARWIN:** So security was the basis of them rejecting that?

**Mr ANDERSON:** Yes.

**The Hon. DON HARWIN:** Cr Carmody, did you offer premises as well? Do you know if your council offered premises as well?

**Cr CARMODY:** No. It was conducted in Queanbeyan so it is not part of our local government area.

**The Hon. DON HARWIN:** And there was never any suggestion that it might be done in Yass?

**Cr CARMODY:** No, not from what I was informed. It was always going to be done in Queanbeyan, given that Palerang actually is very close or surrounds Queanbeyan. Can I just clarify a point that the Commissioner brought up? He mentioned that the cost of the election was \$5.71 per elector. That is not a true cost of what the election cost local councils. In Yass valley's case, for example, council loaned the electoral office furniture free of charge. We provided transport to provide all the cardboard materials for all the booths and stuff. We actually did that, with labour of course, and delivered those free of charge to the electoral office. Our councils all agreed to do its own advertising for the elections. I mentioned that about 100 staff hours from our council were included in the cost as well. So if you want to get accurate, the true cost of the election for the Yass valley was probably in excess of \$7.

**The Hon. DON HARWIN:** Were the premises used in Queanbeyan rented or did they end up using the premises of one of the councils?

**Cr CARMODY:** I could not answer that. You might want to ask that question to the general manager of Palerang who is on after us. I never went there.

**The Hon. DON HARWIN:** Would it be fair to say that rents in Yass are considerable cheaper than they are in Queanbeyan for office premises or commercial premises?

**Cr CARMODY:** Yes, most definitely. In the past I think we used the council chambers to do the count so it was free of charge.

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**The Hon. DON HARWIN:** Mr Finn, did you make an offer as to having the returning officer located in Parkes?

**Mr FINN:** No, not really. Very early in the piece, 2007, we were approached by the Commissioner via correspondence, firstly touching on the regional returning officer model and then once the council had resolved to be proactive in the matter we went down that way. So at all times it was to be conducted in Orange, and that was done from a shopfront which the Commission leased or rented.

**The Hon. DON HARWIN:** Would you say that the cost of commercial office space in Parkes is cheaper than it is in Orange?

**Mr FINN:** I am probably not a real estate agent—

**The Hon. DON HARWIN:** Not competent to answer.

**Mr FINN:** —but I would imagine that the actual commercial cost of hiring or renting a property in Orange would be in excess of that in Parkes.

**The Hon. DON HARWIN:** Would it have been more difficult to manage the group of councils from Parkes rather than Orange?

**Mr FINN:** Probably not. Geographically, we would probably be the centre of the region if you mapped it. But I think it would sway to Orange, given its larger population and the fact that it would have a more complicated, given that it has a history of group voting, above-the-line voting, where the other councils may have touched on group voting but largely went with normal voting. So I would imagine that the decision to hold it in Orange would have been a difficult one to change.

**CHAIR:** One of the areas of concern raised by councils was that the regional returning officer was only contactable by mobile phone. Do you believe that the availability of a landline or a free call contact number for the returning officer would have addressed this issue? Can you suggest any other arrangements for contacting the returning officer which would have improved the experience of sharing a returning officer?

**Cr CARMODY:** A 1800 number or a free call number would be excellent, not only to the returning officer but to the electoral office itself.

**CHAIR:** Any other suggestions?

**Mr ANDERSON:** One of the issues is that many of the people who were involved in the elections, be they candidates or be they electors, believed that there was this veil of secrecy around a returning officer who they could never see. If the returning officer was actually able to spend some time in some of those areas somewhat remote from the returning officer's office, some of that veil of secrecy may have been removed and the perceptions that were out there that this process was being run from Sydney could have been evaporated and I think some of the complaints may have been able to be resolved earlier than what they actually had been.

**CHAIR:** If there was to be a regional returning officer model for your councils in the future, it would be your suggestion that in addition to a free call number available to constituents, residents and candidates, the returning officer should also be required to visit each of the councils for which they have responsibility?

**Mr ANDERSON:** In my opinion, it is a tyranny of distance issue. You have people travelling from nearly the Victorian border to Moruya to see a returning officer who may or may not be there.

**CHAIR:** So there would be value in the returning officer making the trip down to the other areas within their responsibility.

**Mr ANDERSON:** With all due respect, I think the value might be that we actually blow the regional returning officer model apart and actually look at the issues associated with that. We need to look at some sort of models that if there is such a perception of impropriety in local government election programs that we look at what that issue is so that we can deal with that matter, which is the root cause of why we are in the position we are in.

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**CHAIR:** So if there was an additional cost to your councils of having your own appointed returning officer for your own council, that would be an investment you would be prepared to countenance?

**Mr ANDERSON:** We would be prepared to talk about a performance-based contract with a returning officer, yes.

**CHAIR:** Cr Carmody?

**Cr CARMODY:** That was the case in the past. Maybe we should go back to that; it was half the price.

**Mr FINN:** I would agree with that. If I may pick up on Mr Anderson's points, the actual regional returning officer model does have an effect on rural and particularly remote rural communities. If I can put the example, Condobolin, which lies 100 kilometres to the west of Parkes, and then you have a candidate who may have a ward or riding further west than that again to physically visit the returning officer in Orange, it is getting upward of an 800-kilometre round trip. While the correspondence from the Commissioner alludes to senate elections requiring candidates to travel, I am sure that there would not be too many who would travel 800 kilometres just to go and have a look at the draw of the ballot paper. The visiting of the returning officer to the various local government areas is also a problem as you get into that busy time towards election day, to the extent that our returning officer was unable to conduct an information night for prospective candidates. Myself and the general manager conducted that, given just general experience with local government elections. There are a lot of operational issues that are wound up in the regional returning officer model which, as Mr Anderson said, probably needs pulling apart to look at.

To just quickly put a point on it, the smaller communities, without party politics, independent, usually not above-the-line voting, not group voting, when they nominate it is a big thing in their communities. It is a pillar of society type thing. To be elected as a councillor in your local government area is—it is everywhere but I mean particularly in rural areas where you have not got the overheads of party politics and the like. To be disjointed away from the returning officer so you are not involved in the draw of the ballot, you are not involved on count night, your scrutineers also have to travel a distance that we previously talked of, all these matters and then to get a cold call five days later on a Friday night that, "Congratulations, you have been elected sixth", sitting in your lounge room by yourself, it is different to what particularly my local government area is used to, where there is a bit of a fanfare on count night, not dissimilar to the count room for State Parliament and Federal Parliament. So there is that that has been lost in this process as well and I think without it being shown in a lot of the submissions, I think there is that loss which is very dear to a lot of these candidates and successful councillors' hearts.

**The Hon. DON HARWIN:** Perhaps I should ask this of Cr Carmody but if the other gentlemen wish to offer a view, please do. A number of the submissions that the Committee has received look at the issue of the use of postal voting, universal postal voting, as is now the case in a number of other States, where they either have mandated universal postal voting for all councils or the option of a council being able to choose universal postal voting rather than what is called attendance voting, which is the system we have at present. Do you have any views on universal postal voting? Do you think it would be worthwhile for the Committee to give further consideration to it?

**Cr CARMODY:** Most definitely, and I think it is interesting that each council can resolve which way they would prefer to go. I think that certainly gives the councils in particular areas that option, given that some councils are quite large in area. I am not quite sure what the statistics are but from my point of view I would imagine you would get a far higher attendance rate or a far higher voting rate from people who are all giving postal votes.

**CHAIR:** Would you suggest that the decision should be that of elected councillors or of the community broadly?

**Mr CARMODY:** I think the elected councillors because I do not think one rule suits the whole State. I think there are certain areas of the State where they need to go through their political advertising and campaigning and all sorts of things whereas in some areas that is not necessary.

**CHAIR:** Is there a view amongst the other councils represented here that if mandatory postal voting was an offer available to you that it would be the decision of your council or would you put it out to the community?

## CORRECTED TRANSCRIPT

**Mr ANDERSON:** From a Eurobodalla perspective I believe my council's position would be that it is something that the community would need to help us make a decision on. I base that on the fact that we already have about 38 percent of our community non-resident ratepayers. So already a significant part of our community are making it onto non-resident rolls and we go through a whole heap of process and administration costs associated with preparing a non-resident roll for which they then make a postal vote.

**Mr FINN:** Postal voting I think has seen an increase in our books over the last number of elections. I think the community is already answering this question. I think they are coming around to postal voting as well as pre-poll voting. But there is certainly a move towards postal voting. We would support our community if that was the way that they wished it.

**Mr ANDERSON:** I might add that in very much a coastal community that is driven by tourism, the process of an election on a Saturday does not necessarily fit with what our local business industry—which is our largest industry; it is worth about \$400 million a year to our local economy—want. It does not make sense that they take that process away to hold an election on a Saturday. In addition, our population swells by about 50 per cent most weekends, and that swelling of our population most weekends means that some of those people are obviously not able to vote because they are out of their own local government area.

**Ms LEE RHIANNON:** With your three respective councils have you given any feedback? Apart from this inquiry is there any feedback you have given the Electoral Commission or is this the only sort of means that you have been able to use? What you have presented is useful for us, and it is quite damning in many ways of the new system. I was just wondering if there have been other avenues where you have been able to take this up, because what you have said is quite considerable.

**Mr ANDERSON:** From a Eurobodalla perspective, we completed a survey for the Electoral Commission. A survey was sent out asking us what we believed were the issues associated with the conduct of the election. We provided that survey back to the Electoral Commission. I am yet to see a report on the issues that were raised in that survey, so I do not know where they have gone. In addition to that, the Local Government and Shires Association sought advice from councils with the conduct of the election on the basis of this inquiry. So there was some information provided to the LGSA as well as information provided to this Committee for the inquiry.

**CHAIR:** As well as your own submission to this inquiry?

**Mr ANDERSON:** That is correct.

**Ms LEE RHIANNON:** I would be interested to hear from the other two councils, but has the Local Government and Shires Association pursued this as well, do you know?

**Mr ANDERSON:** I am aware that the Local Government and Shires Association has pursued the process with the Electoral Commission and with the Government.

**Mr FINN:** That is correct. Parkes Shire Council has utilised the LGSA's feedback. There is a submission to the Committee from the LGSA where there is an attachment of the concerns of the councils that did respond. We have also completed the survey referred to by Mr Anderson. In all of this we have a very good working relationship with the Commission—the staff—not only this election but previous elections. We welcome the opportunity to make the points we are making today because I think what you are alluding to is that we do not really get a chance to express it honestly. The Commissioner earlier today spoke of the helicopter view of the actual benchmarking of it, and we commend him on that process. So that we do now have a place to start, because a lot of the submissions will show there was some masking of costs.

What I think we need to do from that helicopter approach is have a look at the real issues on the ground and some of those were referred to in various submissions, but we have a big concern over the security of ballot papers and the courier system. At the end of the day I would like the Committee to have a look at that at some point. I think that is the weakest link. In particular we have an anecdotal story which I can give to you at another time.

**Ms LEE RHIANNON:** You can give it to us now.

## CORRECTED TRANSCRIPT

**Mr FINN:** In our case one of our polling booths followed the rules and delivered a bag of some 1,000 completed and counted votes to the central counting position where the courier was waiting. His route took him from Parkes out to Condobolin, back to Forbes, Eugowra, and on to Orange, which is a considerable distance. He was in a very urgent need to get going knowing that he was under pressure to be in Orange by a certain time. The bags were given to him. The next morning the returning officer was in touch with the primary officer of that booth to tell him that his votes were missing. A quick backtrack at Orange discovered that that bag had actually been confused and was placed with the rubbish and was on the way to the solid landfill at Orange. That was 1,000 votes.

**The Hon. JENNIFER GARDINER:** Was this raised with the Commission?

**Mr FINN:** It was, and it was also raised with the LGSA. In that, things can happen. I am not saying that an exercise like that would not happen. What I have valid concerns about is the security of the ballot papers, which, given the pressures that are placed upon the regional returning officer model to have them back, to have them primary counted, to have it on the Internet, to get it up as soon as possible by demand, I think we can overlook some of the very fundamental security issues relating to ballot papers, which for those of us who have been handling elections for a long time is very much imbued in us. Those sorts of things concern me.

**Ms LEE RHIANNON:** Cr Carmody?

**Cr CARMODY:** Ditto for what the other two gentlemen mentioned. Each general manager was asked to do the survey. So our council filled the survey in. We have obviously lodged a submission with the Electoral Commission and we have had a lot of toing and froing about costs and all sorts of things and those were all answered in a timely manner—not that we were happy with the answers, but we got answers.

**The Hon. DON HARWIN:** Mr Anderson, you talked about your non-residential roll and your council has the largest non-residential roll other than the City of Sydney, but given that theirs is maintained by the Electoral Commission whereas your council maintains your roll, I wonder if you would outline to us what your council does in terms of the non-residential roll? Do you encourage people to be on it in a proactive sense or how have you ended up with the roll that you have got?

**Mr ANDERSON:** The process usually commences around about 12 months prior to the election date where we start to write to all of our non-resident ratepayers advising them of an upcoming election and the process for them to get themselves listed on the non-residential. We send them the forms and we ask them to send those forms back to us. In addition to that, we run ads in the *Canberra Times* because of that 38 per cent about 22 per cent come from the ACT. So we run some ads in the *Canberra Times* to encourage people to get themselves listed on the non-resident ratepayers roll for the Eurobodalla Shire Council elections—

**The Hon. DON HARWIN:** Sorry to interrupt you but in terms of that letter and the advertisements, I wonder if you could just give me the timing?

**Mr ANDERSON:** As I said, the letters start to go out about 12 months prior to the election. We then do a follow-up about three months before the election itself. So there are a couple of steps to go through that. The ads start running about three months prior to the election. At the same time as sending out the first letter we also put it on our website telling people to make application to the non-resident roll, and there is a link from our website that assists them in downloading a form so that they can send it back to us.

**The Hon. DON HARWIN:** In terms of the actual work that you do, do you have an approximate idea of the cost?

**Mr ANDERSON:** In this year's election my staff—

**The Hon. DON HARWIN:** Just the non-residential roll.

**Mr ANDERSON:** My staff advised me that it took them around about 24 days of solid work to maintain the non-resident roll and then probably about another 14 days to advise the people that had actually got their applications for the non-resident roll in too late that they had not made it onto the roll and they would not be able to vote. We contend that that is really a process. If we are going to have a State Electoral Office carry out the elections it is a process that they should carry out, not us.

## CORRECTED TRANSCRIPT

**The Hon. DON HARWIN:** So you would prefer that you were not maintaining the non-residential roll?

**Mr ANDERSON:** If I am not going to run the election I do not want to run any of it. If I am going to run the election I will run the lot of it. I just do not understand how we can have a bet on half a horse.

**Mr FINN:** If I may pick up on that? That is basically the tenet of our argument too in our 53 per cent increase in costs. A letter from the Commissioner dated 12 October 2007 spoke about the baseline cost, that the costs would deliver the baseline cost. Our argument is if you take into account the masking of costs that were under the previous system but in this case add to it the additional costs given the councils in 2008 by assisting the returning officers in conducting their duties, we normally delivered a result very early in the piece and gave a real local feel to the process, our response is the same as Mr Anderson's in that if it is going to be done it has got to be the whole lot rather than piecemeal or in a way that there is not a real clear delineation of whose role is what, particularly at the busy time of the election.

**CHAIR:** Are there any final comments you would like to make for the record for the Committee's hearing?

**Mr ANDERSON:** If I may? One of the issues that our community faced with the 2008 elections was the timeliness of getting the results. We accept that part of the process may have been as a result of us having our first ever popularly elected mayor, which was an election separate to the election of the other eight councillors. However, it did not seem to make a great deal of sense to the community that a certain amount of the vote counting could happen within the regional returning officer's office, but then for some strange process, because we had above-the-line candidates, that could only be done in the central centre because that was the only spot in Australia where the computer program could be maintained and housed to enable the final distribution of preferences to roll the bottom numbers out.

What you actually found was that you had a lot of people spending a lot of time on the Internet waiting to see some magical numbers pop up on the Electoral Commission's site so they could determine whether or not they were (a) likely to ask for a recount or (b) whether they were likely to be elected to either the position of mayor or to the position of councillor on our council. Having had a discussion with the mayor and general manager of Bega Valley council, that problem was somewhat confounded yet again because they could not do the simple three-minute walk that I could do to get to the electoral officer's office; to them it was an hour and a half drive one way to watch that process occur of it getting bundled into a bag and sent off to Sydney. There was some confusion amongst the community as to why regional areas of New South Wales cannot receive the same sort of service that the metropolitan area does with the central counting facility.

**CHAIR:** Cr Carmody?

**Cr CARMODY:** Just two things. The first one is our community and our councils thought that the virtual tally room was quite a bonus; they thought that was quite good, the way they were able to keep in touch with what was occurring not just in our own local government area but throughout the State as well.

**Mr FINN:** In closing, I agree the positives were communications with both the Commission staff and the web page. The web page probably needs a little bit more user-friendliness, but that will evolve. The negatives were the costs of the elections. The baseline cost did increase our cost by 53 per cent and the result was delivered up to five days later than we would normally have delivered it locally. Probably an explanation is needed there. Given the tyranny of distance with rural and remote local government areas, the access to the returning officer under a regional returning officer model probably needs really looking at.

**Mr CARMODY:** Timeliness was the one I was going to bring up as well. For the past 130 years one of our councillors mentioned that the election in Yass Valley has been completed on Saturday night or early Sunday morning. Our count was done on, I think Wednesday. I do not think they actually started counting until Monday morning. It was just a bit of a shock that after 130 years of the system being called into question for some reason—integrity or something—the Commissioner mentioned that the integrity of the elections needs to be improved. That means to say that there were problems with previous elections, which I certainly have not encountered with my four elections.

**CHAIR:** On behalf of the Committee, thank you for travelling all this way to make your submissions. We appreciate your time and your advice.

**CORRECTED TRANSCRIPT**

**(The witnesses withdrew)**



## CORRECTED TRANSCRIPT

**PETER JOHN BASCOMB**, General Manager, Palerang Council, P.O. Box 348, Bungendore, affirmed and examined:

**CHAIR:** The Committee has received a submission from your organisation. Do you wish that submission to be included as part of your sworn evidence?

**Mr BASCOMB:** Yes.

**CHAIR:** Would you like to make an opening statement before the commencement of questions?

**Mr BASCOMB:** Yes, just very briefly to touch on a couple of issues that were raised earlier. Again, similar to Mayor Carmody, the council's recorded cost per elector was \$7.40; that is just taking into account the direct costs that we have charged. It does not take into account maintenance of non-resident's roll. As Mr Anderson has pointed out, it does not take into account in-kind, such as moving the votes from polling booth to the central place and so forth. This is just the costs for the pre-poll voting and so forth of staff that we engaged to undertake that work.

In terms of decentralised count, the Electoral Commissioner was previously the Electoral Commissioner for Victoria, where I am from, and certainly counting via the software, as was suggested by Mr Anderson, was done at the local council level but with software supplied by the Victorian Electoral Commission. I believe that to be perfectly achievable. From Palerang's perspective, the regional returning officer model worked well. For those who know the geography of the area and the history of Palerang, an amalgamated council formed in 2004. You will know that Palerang surrounds Queanbeyan; some 600 to 700 of our voters would have to drive through Queanbeyan to get to Bungendore, which is our primary office. A substantial number of our voters are actually closer to Queanbeyan and the Australian Capital Territory than they are to Bungendore but, by the same token, the returning officer in Queanbeyan is 2 to 2½ hours for some of our voters the other side of Braidwood, so it does represent some difficulties but for the majority of our voters, two-thirds, the Queanbeyan office is practically as convenient as an office in Bungendore. Overall, we did not have a huge problem with the regional returning office as a model.

**CHAIR:** Thank you very much. Palerang Council has made a detailed submission with nine recommendations. Palerang Council's submission has raised the issue of the costs of the 2000 local government elections, including the possibility of the Independent Regulatory and Pricing Tribunal [IPART] managing election costs. Do you envisage IPART having a regulatory role, as it does currently for government monopoly services such as water, electricity and public transport?

**Mr BASCOMB:** I certainly do; rather, council does. The view of councillors was that it is a government monopoly service and should be subject to the same controls and regulations as other monopoly services.

**CHAIR:** How do you think this might work?

**Mr BASCOMB:** I must admit I have not gone through that in detail but in similar ways that \$194 an hour, or whatever it is that the Commissioner was talking about in his evidence, I would suggest that the method of that calculation would need to be thoroughly examined, in the same way that they have to justify each component cost of electricity increases. I think for the sake of the councils that are questioning that figure, the IPART process would ensure that it is an open and transparent process that cannot be questioned.

**CHAIR:** Your submission proposes a tendering process for the running of local government elections as a way for councils to have greater control over the costs and management of the elections. How would competitive tendering for election services work in practice and are you aware of any jurisdictions where the administration of elections is the subject of a competitive tender?

**Mr BASCOMB:** Yes, Victoria is subject to a tendering process—and again that is my background—certainly as part of, if I can call them the Kennett reforms, the process of holding the elections. In practice it is only two that actually tend to tender. That is the Victorian Electoral Commission and the Australian Electoral Commission, and without doubt the majority of elections are conducted by the Victorian Electoral Commission, but there is a sense of keeping things honest by that open process.

## CORRECTED TRANSCRIPT

I understand, but I cannot comment on it, that there is some sort of processing in Queensland as well but I am not familiar with that. Certainly there is the possibility of that process. Whether the Australian Electoral Commission, which is probably the only other one likely to tender, would be interested in taking on the new role in New South Wales, is open to question.

**The Hon. DON HARWIN:** I notice you talk about the possibility of universal postal voting as something that the Committee might want to consider, and that option is an option in Victoria and it is mandatory in some other States. If we moved to universal postal voting and a council opted to do that, could you expand the tender process to include private sector providers for people who, for example, have the expertise in doing NRMA ballots, which are postal ballots? Would that be something we could look at as a possible way of driving down costs for councils?

**Mr BASCOMB:** Yes. I should point out that even though I have some experience of Victorian local government, I am relatively new to local government. My background is in fact private enterprise and information technology. I have some experience in providing software for companies that undertake surveys and the like, and the company that bought the rights to my software that I have developed—and this is my experience of the Queensland thing—were undertaking some postal work in Queensland. Yes, I certainly believe that, with appropriate controls, private enterprise could seriously participate in the tendering process, particularly for postal voting.

**CHAIR:** If your council were to consider universal postal voting, would you suggest that it would be a decision of the elected councillors or of a plebiscite of the community?

**Mr BASCOMB:** It is not an issue that my council has formally considered, but knowing the way my council would approach it, it would be a plebiscite. I would suggest that the approach would be to add it to the items that can be considered at a referendum, along with issues such as numbers of councillors, wards or popularly elected mayors. The issue of the method of voting could also be one of those issues.

**CHAIR:** Do you see any disadvantages in a postal vote only type ballot?

**Mr BASCOMB:** No. I see it as generally positive in terms of costs, of involvement and overall savings. I will go back a bit. One of the downsides of non-attendance voting is the loss of opportunity for community groups to use polling booths as a fund-raising place. We all know of the scouts or the local schools having raffles or barbecues outside—that sense of community. The representative for Parkes spoke about that loss of community around elections, and attendance voting does carry that, but I believe that the majority in the community would respond. From my knowledge of Tasmanian statistics, which are presented in our submission, postal voting has the impact of actually increasing participation in elections, which, in a democracy, is what we are all about.

**CHAIR:** Your submission also discussed electronic voting. Is the proposal that you are envisaging kiosk-style voting, as they have in the Australian Capital Territory, or remote access Internet voting, or a combination?

**Mr BASCOMB:** Kiosk voting is technically feasible at the moment. Remote access voting continues to have some technical issues associated with it, but certainly in the longer term that is where my council envisages things going—web-based voting and people doing it from home.

**CHAIR:** Another suggestion in your submission was that the elections be staggered over a four to six month period to save on costs. How would staggering elections save on costs and how would this work in practice?

**Mr BASCOMB:** The idea of staggering elections, as the Commissioner mentioned, is a fair ramp up, once every four years, to undertake that, with them requiring to engage a number of temporary staff, train those temporary staff and whilst the centralised process used to happen at the council level, having it centralised as the Commissioner suggested, should lead to greater consistency of approach across the State, which has its positives.

If the elections were staggered over a longer period, there would be reduced need for a number of staff and a number of staff would undertake a number of elections. That process would mean there was greater consistency and there was ease of training across there. People in the first round might not get the same level of

## CORRECTED TRANSCRIPT

service as people in the last round, but at least that was the idea. One of the other options that council considered was actually staggering them across multiple years; in other words, have so many each year, meaning there was a constant rolling of elections. In that way there were staff, if you like, permanently engaged in local government elections. That might even provide the greatest benefit in terms of staggering. The downside of that is the level of confusion for people, particularly people who vote in multiple council elections, as to which year they vote whereas currently they know they vote on one particular day.

**CHAIR:** Your submission suggests that the current proportional and above the line voting system in place in councils such as Palerang disadvantages ungrouped Independent candidates. In your view how could the voting system be changed to make it fairer to such candidates?

**Mr BASCOMB:** As you gather from our submission, it was not necessarily a unanimous view in my council, which is why the submission has been drafted in the way it has. This was the most contentious of the issues and there was not a view that council formally resolved. That is why the argument is there. The argument against the tickets—you talk about rural councils not having party politics and so forth. In Palerang we certainly did not have party tickets such as Labor Party or Liberal Party but they were clearly members of the Liberal Party and clearly members of the Labor Party and so on. It is bringing party politics into it.

You have heard the Commissioner talk about the complications raised by the preferential above-the-line voting. That level of complication is probably an argument for having it centralised through the Electoral Commission rather than conducted by individual councils, as has happened in the past. But certainly removing those sorts of complications would be of advantage and the merits or otherwise of groups and the party politicisation of local government is to some extent argued in this submission.

**The Hon. JENNIFER GARDINER:** In the Commission's suggestions as to changes to the law that might be made, it suggested that if the candidate was a member of a political party but who chose to run as an independent, in keeping with the practice in many parts of the State that party politics are not the norm in local government elections, the Commission is thinking it might suggest that you cannot be registered as a candidate unless you had the name of the party you belong to. In other words, you would have to declare your membership of the Liberal Party in a way that would bring more party politics into some parts of the State. What do you think about that?

**Mr BASCOMB:** Again, it is not an issue that my council has resolved. But certainly one of the arguments for having the tickets is that it makes clear the political affiliation of the candidates. One of the arguments is for people to stand as independents where, in fact, they are tightly aligned to a particular party is misleading the electorate. On that basis, I would suggest my council would probably favour the publication of any party affiliation.

**Mr ROBERT COOMBS:** In your submission where you recommend consideration of going from a polling place voting system to a postal voting system, an observation is, as I see it, many voters put great emphasis on how-to-vote tickets and that sort of thing, and it seems to me that that would be removed if we move to the alternative system you recommend. Has there been any assessment or analysis of that problem that may arise?

**Mr BASCOMB:** Certainly a number of arguments can be put. In the Victorian scenario a booklet goes out with the postal votes and that booklet is, if you like, the representations from the groups or individuals, with some indication of how to vote. Of course, the individual candidates and groups—rather than use the term parties—would be carrying on their normal advertising and so forth. It certainly does remove the ability for people to just pick up how-to-vote cards as they go through the door and follow that and walk out. The counter to that is that by not allowing them that process they perhaps have to think a bit more about what they are doing and vote rather than just copy. But in Victoria, as I have said, there is a process where a booklet goes with the voting material and that contains statements from the individual candidates and groups. So, yes, there are ways around it but it is not as direct as taking a how-to-vote card and copying it onto your ballot sheet.

**CHAIR:** Palerang Council proposes that that period for applying for a postal vote would be extended from three weeks to four weeks to assist isolated voters. Are you aware of any complaints following the 2008 elections from isolated voters who missed the cut off?

**Mr BASCOMB:** Yes. Those complaints, I have to say, were not formal. They were from the candidates themselves or from councillors who assisted in the drafting of this submission. Certainly there were

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anecdotes that those councillors related of the difficulty people had in coming to grips with the timetable. Palerang, particularly the west of Palerang, is populated by Canberra public servants who tend to travel a fair bit. You do get people who are in and out for various lengths of time, whether it is international or within Australia travel, but certainly there were comments such as, "I was away for that period of time and was not able to get to it."

**CHAIR:** Is Palerang council the former Yarralumla council?

**Mr BASCOMB:** Partly. We are comprised of bits and pieces of five councils. The good bits of Yarralumla went into Queanbeyan. We were left with the rural rump, and Tallanganda, bits of—

**The Hon. DON HARWIN:** I am sure you mean that by its rating capacity.

**Mr BASCOMB:** The high-value low-cost residential areas that had been successfully developed by Yarralumla Shire Council were transferred, and the future urban growth areas with which you are probably all familiar with the debate over the airport, were transferred from Yarralumla into Queanbeyan, which are the high-value, low-cost new residences, leaving us ultimately with Palerang. I am off topic here but it is my particular soapbox—Palerang was substantially larger with a substantially greater asset base, if you count rural roads, than Yarralumla, with a population and a rate base lower than the former Yarralumla council. It is one of the success stories of local government reform in New South Wales. We were only bleeding \$1 million cash—not book deficit, cash—when I walked in as the first general manager. We had to park the graders, our credit was frozen and there was a month's cash left in the bank come December 2005.

**CHAIR:** I voted for the inquiry or the hearing.

**Mr BASCOMB:** It is directly related to the costs issue. We have even less capacity to absorb arbitrary increases in our costs imposed by State agencies, whether it be the Rural Fire Service, the State Electoral Commission or any other such group.

**CHAIR:** In a former life I used to clean the Yarralumla Shire Council building.

**Mr BASCOMB:** That was one of the other things. As a consequence of legislation we were not allowed to retain that building. We had to move our staff to within the Shire. So the cost of construction of a new building at Bungendore was another added cost.

**(The witness withdrew)**

**(Luncheon adjournment)**

## CORRECTED TRANSCRIPT

### ROUNDTABLE: RAMROC and member councils

**CHAIR:** I welcome to these public hearings members from the Riverina and Murray Regional Organisation of Councils and member councils. We also have representatives from Berrigan Shire Council, Griffith City Council and Albury City Council who will be giving evidence to the Committee on matters including postal voting, above-the-line group voting, competitive tendering for election services, the time taken to declare results, and the issues relating to the election funding disclosure regime. The Committee thanks you for your submissions and is pleased to hear your evidence today, which will be taken in roundtable hearing format.

**RAYMOND OSCAR STUBBS**, Executive Officer, Riverina and Murray Regional Organisation of Councils [RAMROC], 553 Kiewa Street, Albury, New South Wales,

**DUNCAN JAMES McWHIRTER**, Manager, Governance, Administration and Compliance, Griffith City Council, 1 Benerembah Street, Griffith, New South Wales,

**JUDITH ANN CHARLTON**, Director, Corporate Services, Albury City Council, 553 Kiewa Street, Albury, New South Wales, sworn, and

**ROWAN PERKINS**, General Manager, Berrigan Shire Council, 56 Chanter Street, Berrigan, New South Wales, affirmed and examined:

**CHAIR:** Once again I thank you for making the trip up to Sydney to give your evidence today. The Committee has received submissions from RAMROC and each council. Is it your desire for those written submissions to form part of your sworn evidence?

**Mr STUBBS:** Yes.

**Mr McWHIRTER:** Yes.

**Mr PERKINS:** Yes.

**Ms CHARLTON:** Yes.

**CHAIR:** Would any of you like to make an opening statement before we begin questioning?

**Mr STUBBS:** I have been delegated that primary task, but the other three practitioners will support me. Firstly, we would like to thank you and the Committee for having us here today to give evidence. It is appreciated. Judy, Duncan and Rowan are practitioners who are still involved with the election process. There are 18 councils in RAMROC with which I am involved. I had previously been in local government for 39 years before retiring in 1999 and I have since been resurrected. For the past 20 years I was with Albury City Council, and for 12 of those years I was the general manager. I have been involved in a lot of those old-style elections or system.

We have tabled for the information of the Committee some notes that I will quickly go through. However, I will not spend too much time on them, as we would appreciate some questions. I have also updated a schedule that I lodged with our original submission which has brought to account the final costs of the Electoral Commission and the costs that councils incurred in advertising and other expenses, to which I will refer later.

**CHAIR:** Those two documents have been tabled.

**Mr STUBBS:** The first issue relates to proposals for group compulsory postal voting. The points that we wish to make are as follows. We believe that compulsory postal voting should be investigated as an option. Mr Barry previously implemented it in Victoria. He recommended the system to the New South Wales Local Government and Shires Associations, albeit unsuccessfully. It already works very well in Victoria, Tasmania and I think in one or two other States. From a practitioner's or resident's point of view, Judy and I are both residents in Wodonga across the border from Victoria, so we could make some comments as to how we see it.

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One of the good features is that the declaration of results is timely. In the 2008 election the poll closed on the Friday evening, the count was completed over the weekend, and the results were formally declared on the Monday morning—a very quick process. It offers voters better convenience, time and flexibility to consider the candidate and to cast their votes from a user perspective, and the comparisons with the northern Victorian councils show that it is cost-effective, and more so for higher population areas. The Committee might like to look at the bottom of the chart which shows some of the figures that we gleaned from northern Victorian councils—Wodonga, Indigo, Towong, Campaspe, Moira, Gannawarra, which is at Swan Hill, and the rural city of Mildura.

Those per elector costs compare pretty favourably with the New South Wales councils that we have listed on that chart. It is particularly cost-effective—or it appears to be—for the larger councils in Victoria, but as you get down into the smaller population areas the difference is probably not so pronounced. In RAMROC's view, the councils should have discretion to adopt postal voting if they want to. There is a question of whether that should be done by community decision, by referendum, or by council decision. I think there are some good arguments for both sides of that, which we can come to in question time. The second issue relates to above-the-line group voting. We see some difficulty in rural areas, in particular, in having teams of five for above-the-line voting because often many of those people have very little chance of being elected. In some respects they are very much dummy candidates.

The system can be confusing to voters, with groups above the line and other individual councils, candidates and groups with less than five being below the line, and possibly at some sort of disadvantage. We might be able to offer some information relating to how that disadvantage might be able to be overcome. Above-the-line voting ballot papers go directly to Sydney for counting, which restricts opportunities for scrutineers and which in our view could be done locally. Once again, the overriding view of RAMROC is that councils should have discretion as to whether or not to have group voting. Again, that might be a decision of the council or perhaps a community decision by some form of referendum.

The third issue relates to competitive tendering of election services. The New South Wales Commission is legislated under the Act to conduct the process. We believe that this creates an uncontested and protected monopoly. Councils are in fact legally obliged to pay whatever price the Electoral Commission dictates. We will come to the question of price later. Councils have no control over determining the appropriate levels of service that are required. The increased costs for the 2008 election were enormous, even though the final accounts from the Electoral Commission were in some cases substantially less than the cost estimate that had been provided to the councils in May.

If you look at the chart you will see on the left-hand side a comparison from the Electoral Commission of 2004 election costs. Total costs for our RAMROC councils were \$196,000, the other council costs were \$281,000, and the overall costs in 2004 were \$477,000. For 2008 the estimated cost from the Electoral Commission before the election was \$935,000 for those councils. The final cost, or the final bills that have been sent out, had quite a substantial reduction in some cases. As yet we have had no real explanations for those, but they came to \$734,000. The council costs, which can vary but usually are for advertising and pre-poll voting, were about \$57,000. In some cases councils costed a small amount to bring up those figures. The overall cost is about \$791,000 compared to \$477,000 for the previous election.

On a per elector basis that is about \$6.80 per elector for the Electoral Commission cost, and the total per elector cost is set out in the right-hand column. For the Electoral Commission costs, two of our councils did not have an election, that is, Carrathool and Conargo towards the top of the chart, and towards the bottom Urana shire had an election in only one ward. If it had had full elections those costs might have been greater and would have slightly increased that figure of \$6.80. Councils are required, in their operational activities, to conform to tendering and procurement procedures and contestability principles, and we believe that the election process should be no different.

There is a view that the Electoral Commission currently over-services in some areas, such as the length of time that the returning officer is engaged; whereas in other areas there are concerns about under-servicing, such as a lack of appropriate advertising and, in particular, better communications with the public. Overall, it is our view that the national competition policy principle should apply and the local government election process should be market tested by open tender. The fourth issue relates to the experiences of having a shared returning officer. Candidates in locations other than the returning officer's base were frustrated at not being able to meet

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face-to-face with the returning officer. The returning officer's ability to meet the needs of candidates and communities was restricted by that location, because we have a pretty diverse geographical area.

The difficulties experienced by having that remote location were exacerbated by the lack of community public transport in country areas. The shared returning officer's costs to councils were still high and they appeared not to reflect the anticipated savings to be achieved by using a shared returning officer. In the RAMROC area the Albury returning officer was shared between four areas; the central Murray area had seven; and, from memory, Griffith and the western Riverina area had five.

**Mr McWHIRTER:** Seven.

**Mr STUBBS:** And Wentworth shire, which is near the South Australian border, had to make its own way. Finally, the councils were often called to provide assistance to a returning officer based in another centre to clarify matters for candidates and residents. Generally, those costs were absorbed internally and probably do not show up in the figures. Fortunately, in our region, some shared returning officers were former senior local government people who were well experienced and who were able to provide a quality service to the best of their ability. In our submission some councils commented and said, "Thank goodness we had Ken Murphy"—who is a former general manager—"in Narrandera." There was a belief that it was simply not necessary to have a full-time returning officer for the whole 10 weeks. Mr Perkins might want to comment on that issue.

With regard to the time taken to declare the results, this is a matter that has been well canvassed here today. I have quoted two examples, Griffith and Albury City, which you can read; I do not really need to go into those in detail for you. Suffice it to say, it was much slower in 2008 than in 2004, and that in turn was probably slower than in 1999.

With regard to Election Funding Authority issues, the requirements relating to the appointment and registration of an official agent are considered to be over-onerous and unnecessary. We know that the figures were \$1,000 in donations and \$1,000 in electoral expenditure. Because of the vast number of candidates in local government elections throughout the State, we believe that these amounts are unrealistic and should be in fact higher. In fact, that might cut out a lot of the administration and follow-up work that is needed to be done.

One of the difficulties that Albury City experienced was that agents have to be on the New South Wales electoral roll. One of the groups, which Mrs Charlton might comment on, would like to have had a Victorian person as their agent but that was prohibited. It is probably just another cross-border anomaly, but it is certainly a restriction that probably should not be there. Similarly with regard to the requirement to appoint an auditor. That \$2,500 probably is geared to the previous figure and ought to be reviewed. We are not really saying what that figure might be, but to save a whole lot of administration and unnecessary angst that is associated with these requirements, perhaps it could go to something more like \$5,000. Perhaps Duncan, Rowan or Judy may wish to add to what I have said.

**CHAIR:** Do any of you wish to add further comments in terms of an opening statement?

**Mr PERKINS:** I would like to expand on the returning officer aspect. Two issues quite upset my council. One was that we shared a returning officer with seven councils but it still cost three times as much as the previous election to employ that person, which we think is unwarranted. Secondly, we do not believe there was any real need for this 10-week permanent employment previously. I think Mr Anderson told you earlier that basically in past history the returning officer worked a week full time around the election date and then some part time prior to and after the election, probably amounting to about six weeks, five weeks of which was part time.

I think Mr Barry raised the issue that prior to this election there had been no returning officer training. That is not correct; there has been returning officer training at every previous election that I am aware of. Mr Barry also raised the issue of election failures. It would help us if we knew what these election failures were. Personally, I have not heard of any election failures in previous elections. So it would be useful to get that information out to the councils.

**Mr McWHIRTER:** I would like to raise a couple of points with regard to Griffith. Certainly the geographical location of the returning officer at Narrandera made it difficult for both the local candidates and also the public to make genuine enquiries to that person. Certainly post-election one of the keys, I think, as was commented on earlier, is the availability to have scrutineers. That was a very difficult process to manage

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because when you are managing seven different electorates at one office there is no clear timeframe as to when or where—and particularly when—that count is going to commence. To get people from Hay Shire over to Narrandera to do scrutineering could involve 200 kilometres. People are not able to just sit by the phone and wait for that phone call. So that really made it quite difficult. I think a key area in any election is the availability to have scrutineers.

The cost, obviously, is of major concern to all councils, particularly our council, which varies from around \$50,000 to \$121,000. We are not a huge revenue-based council, so it just takes a large chunk of your revenue out into an area that could be spent on other areas. I support exactly what Ray has come up with in all the other points.

**Ms CHARLTON:** I would like to explain that in Albury's case, while there was frustration with the additional costs and real concerns about that, it really boiled over once there was then the perceived delay in the declarations. In Albury's case it was eight days after the election. There was a lot of frustration by our candidates, and then finally the elected councillors themselves. They were so concerned that once council meetings commenced and Council was sitting, that is when they took the initiative to have a community forum and called for submissions from the community. This was even before the Local Government and Shires Associations decided to undertake an inquiry. We were able to put our submission in to that, that the council took the initiative because it was so concerned. It was really a culmination of that frustration that then meant a whole lot of other issues came into it. But really, I think, for Albury it was the delay.

**CHAIR:** Mr. Stubbs, in your opening remarks you mentioned that with regard to groups of five or more councillors in above-the-line voting there were difficulties in getting candidates to stand for a group of that size. Your suggestion was that it should be a decision of the council whether or not that council has above-the-line voting. If there were a circumstance where a group that had control of the council would benefit from one way or the other, to the exclusion of others who would benefit from the converse, should it really be a decision of the council to dictate what form of voting should take place, or should it be universally the same for all candidates regardless of where they are contesting?

**Mr STUBBS:** Perhaps using Albury as an example, people want to form teams of five because it gets them above the line and they see that as an advantage on the ballot paper. I know they have difficulty getting particularly the last two, and those last two have to incur expense and time, and put in the effort and all that sort of thing, knowing full well they are probably not going to be elected. I believe that if the council had that choice of saying, "This is what suits our community", hypothetically perhaps three above the line is reasonable, because it is possible that a very popular candidate, a mayor, can drag two others in. When we have had some very popular mayors like that who have stood on tickets, generally I think—and Mrs Charlton might comment on this—they have been able to get one in, and I think on one occasion they got two in but after absolutely dominating the primary vote. To me it seems that three is probably a reasonable figure for that.

**CHAIR:** With regard to the councils you are referring to where there are five candidates on a ticket, are they uni-ward councils or ward councils?

**Mr STUBBS:** It is an undivided area.

**Mr PERKINS:** Perhaps the issue is: why differentiate between groups and groups with more than five? Why not just have groups, and if you want to run as an individual, you run as an individual?

**CHAIR:** I think you can run as an individual; you do not have to be a group.

**Mr PERKINS:** But why only a group of five above the line?

**CHAIR:** It is the number of councillors that have to be elected per council or per ward that have to be numbers in the group. You also referred in your submission to full postal voting. Is there a view amongst the RAMROC councils and the communities they represent that there is strong grassroots support or widespread support for the introduction of full postal voting?

**Mr STUBBS:** I think in RAMROC there is probably widespread support. I could not guarantee that every council would have it. If we go back to the Shires Association Conference in June, for example, it surprised me that it was mentioned there. Most of the delegates at the Shires Association Conference said, "No, we do not want postal voting." Probably in the location that we are in we are seeing some benefits of the



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Victorian system. To answer the question, most of the RAMROC councils, if not all, would at least favour the option of being able to do it if they wanted to do it.

**Mr McWHIRTER:** May I make a comment, Mr Chair? From our council's experience in Griffith, over the last few elections we have generally seen the number of postal votes increasing quite markedly, and also pre-poll voting. It is sort of giving the indication that that is the way the community are happy to vote, from our perspective anyway.

**Mr PERKINS:** It is much more convenient for them.

**Mr McWHIRTER:** It is.

**The Hon. DON HARWIN:** Your view presumably would be that the best thing to do would be to give councils the option of having universal postal voting, rather than mandating it?

**Mr STUBBS:** That is correct, yes.

**The Hon. DON HARWIN:** Do you also have a view on whether that should be a decision that just the council can make, or should the electors be given a role in deciding that via plebiscite?

**Mr PERKINS:** I think the issue with that is that we probably think the community should, but we do not want to have another election we have to pay for and we do not want to wait eight years for it to be implemented. If we have a referendum in conjunction with an election, that is how long it will take.

**Mr STUBBS:** Perhaps there is a mechanism whereby that could be facilitated in the short term at a council's decision, and then if the councils wanted to go back to the community later on if they were getting the vibes that it was not all that popular, they could do so.

**CHAIR:** With regard to the regional returning officer model, what was the key area of concern in regard to where the returning officer was located? If it was not in your particular area, what was the main problem that arose from having a shared returning officer?

**Mr PERKINS:** From my council's perspective, we have, I think, the second most aged population in New South Wales as a council area. Transport was a key issue. People of that age are not good users of technology, so they are not likely to be on the Internet and they are not likely to be active users of mobile phones and things like that. So it was really a dislocation issue for them.

**Mr McWHIRTER:** In Griffith City Council's case, the returning officer was located in Narrandera. Our view is that Griffith is the regional hub of our area and as such the population base is there. Any of our local residents who wanted to catch up with the returning officer or the candidates themselves were faced with an hour or an hour and 15 minute drive to Narrandera. So that was an interesting appointment. My view, and the council's view, is that they selected the returning officer and then selected the base because the returning officer was from Narrandera, rather than saying, "Where is the best place for the regional returning officer to sit?"

**CHAIR:** Where there was a regional returning officer, do you think it would have made any difference in terms of the amount of time taken to count the ballot if you had had a dedicated returning officer for your own council area?

**Mr PERKINS:** It certainly has to improve it. Quite obviously, if they are only doing one election they can get through it a lot more quickly. In our case, I think we got the results in about four or five days. That is quite okay. Ideally we would like it sooner, but it is not really causing any problems either. It seemed to be more an issue where the votes involved the above-the-line groups that were being sent off to Sydney. I guess it reinforces what Ray has been saying: that we do not understand why that software they are using cannot be networked so it can be used to address that issue.

**Mr STUBBS:** That would certainly expedite the count. Instead of everything being done in Sydney it could be done progressively in various regional locations and we would save some of that time. It is not rocket science.

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**CHAIR:** One of the other issues raised was the cost, and competitive tendering of electoral services was suggested. How would you see that operating? Realistically, who would be in a position to tender?

**Mr PERKINS:** Any of the electoral commissions.

**CHAIR:** So, in the case of Albury, the Victorian Commission could tender?

**Mr STUBBS:** Potentially, and potentially other States. The Australian Electoral Commission and private enterprise organisations could also tender. We would tend to favour a contestability process rather than an Independent Pricing and Regulatory Tribunal process. The contestability process provides a true idea of what it should cost.

**CHAIR:** Does contestability and tendering involving private operators raise questions about the integrity of the electoral system? Is it a concern if that process is run by people with a profit motive?

**Mr PERKINS:** I do not think so. Many large organisations conduct exactly the same process where they have shareholders nationally or internationally.

**Mr STUBBS:** Compliance with legislation applies whether it relates to an electoral commission or a private company.

**CHAIR:** So your view is that contestability is a better outcome than an Independent Pricing and Regulatory Tribunal process in setting fees for the Electoral Commission?

**Mr STUBBS:** That is my view.

**Mr McWHIRTER:** That is our view.

**Mr ROBERT COOMBS:** I refer to the compulsory postal voting system. Do the alternative methods in practice in some parts of Victoria and Tasmania have an element of e-voting?

**Mr PERKINS:** No, it is all traditional postal voting.

**Mr ROBERT COOMBS:** I presume a postal ballot is mailed to each resident?

**Mr PERKINS:** Yes.

**Mr STUBBS:** The benefit from a user's point of view is that you are sent the ballot paper and a booklet about the candidates. You can sit down as a family and talk about the candidates and make a more informed decision. You also have the individual candidates making their pitch in the local press or sending out information. So voters are in a good position make an informed decision and then put it in the envelope and send it off.

**Mr ROBERT COOMBS:** How long prior to the election day are the postal ballots sent to voters?

**Mr STUBBS:** About a fortnight.

**Ms DIANE BEAMER:** If it were contestable would you consider lodging a tender yourselves for your own council election?

**Mr PERKINS:** I think the State has clearly indicated that it does not want us involved.

**Ms DIANE BEAMER:** What about if it was contestable?

**Mr PERKINS:** I do not see why we could not technically tender for another council area.

**Ms DIANE BEAMER:** So you would all be tendering to conduct each other's elections?

**Mr PERKINS:** Possibly. That is up to whoever is setting the ground rules.

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**Ms DIANE BEAMER:** Ms Charlton, your table of expenditure indicates that in the 2008 election the council costs were nil, compared with costs of close to \$50,000 in 2004. How did you do that?

**Ms CHARLTON:** That has been updated. It was \$6,600.

**Mr PERKINS:** If you go back to the start of this process, councils were not expected to bear any significant internal costs. Therefore, none of them had systems set up to capture that information at the start of the process. It really became an issue with the pre-polling arrangements, where the councils were thrown it and left to it.

**Ms CHARLTON:** That is correct. We were not set up to capture that data initially, so we had to do a post estimate by interviewing everybody involved, including customer service staff—who received a lot of inquiries—and looking at governance time and management oversight. That was our estimate.

**Ms DIANE BEAMER:** Would you consider that to be at the low end when you look at how it is charged out by the Electoral Commission?

**Ms CHARLTON:** I certainly took it at the low end; I did not want to make unrealistic statements. I have full confidence in those figures, but I am sure it is probably higher than that.

**Mr PERKINS:** We would also calculate it on the actual costs. It would not be a calculated figure at so much an hour; we would take our staff directly and their on-costs and apply that.

**The Hon. DON HARWIN:** Mr Stubbs, you have talked about the positive side of the way it operates in Victoria. What downsides are there in the community? Are there particular criticisms that you have observed in northern Victoria? Is it popular? Would people like to go back to the old system? I am interested in the perspective you have of your cousins across the border.

**Ms CHARLTON:** There may well have been issues, but I am not aware of any of them. There did not seem to be any concerns expressed in the community and no issues were raised in the media either.

**Mr STUBBS:** I do not think I have heard any community or media criticism of that system. It seems to be very popular and it works well.

**The Hon. DON HARWIN:** I am not noticing an enormous difference in the cost per elector. In fact, some of them are quite expensive. It does not seem to be dramatic. I expected it to be a much more significant saving.

**Mr STUBBS:** Perhaps we could look at Albury versus Wodonga. Albury has a population of 50,000 and Wodonga has a population of nearly 40,000. The cost per elector in Albury is \$6.32 compared with the cost in Wodonga of \$5. It is 20-something per cent more expensive in Albury under the current system.

**Mr PERKINS:** Coupled to the additional convenience the community feels in having that system.

**CHAIR:** Councillors often feel like the poor cousins in the three-tiered hierarchy of government. If there were a separate and distinct voting system for councillors from that used for state and federal elections, would that add to the perception that local government is a second rate level of government? Because people do not have to go to a polling booth to vote in a local government election might they see it as of less importance than a state or federal election, where they are required to attend a polling booth? Do you think that might create a perception issue in the community?

**Mr PERKINS:** I think it would be a positive thing. They would probably think it would be a good thing for state and federal governments to do as well.

**Mr McWHIRTER:** I agree. Local government is based on servicing local communities at that local level. If the local community wants that sort of system and feels it is beneficial and it was introduced, I think the councillors would fully support that.

**Mr STUBBS:** I agree with Rowan. From a personal perspective, my wife and I do not like going to polling booths and getting bombarded by people trying to ram a how-to-vote card at us. We appreciate the

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opportunity to do it sensibly. I have to stand in a queue for an hour to vote in the State election. I am happy to be able to lodge a postal vote.

**The Hon. JENNIFER GARDINER:** The Berrigan submission lodged in May states that the council was charged \$990 for voting centres contrary to the council's cost of hiring them at \$75 and also that the council was charged for candidate information sessions but none was conducted in the Berrigan area. Is that the way it worked out in the end?

**Mr PERKINS:** Yes.

**The Hon. JENNIFER GARDINER:** So it was non-negotiable?

**Mr PERKINS:** Yes. The hire of the facility was interesting. Typically we have used primary schools, as do most councils. In our case those schools were happy to provide those facilities free of charge. However, the Electoral Commission insisted on paying the agreed rate so that the true cost of the election was known. That was fine, it might have recognised the true cost of the election, but it wasted money to do it.

**The Hon. JENNIFER GARDINER:** You made a point about advertising in a rural supplement as distinct from in each individual paper.

**Mr PERKINS:** It was done to save money. We have this funny little conundrum with the Commission at times spending money and at other times insisting on saving it. That was quite an issue because it impacted on our costs in providing support services during the election.

**The Hon. JENNIFER GARDINER:** Because you had to bolster the advertising to make sure people—

**Mr PERKINS:** And we had to deal with all these people who did not know what was going on. The other interesting issue was that most of our media comes from Victoria, but there was an absolute resistance to using any Victorian media.

**The Hon. JENNIFER GARDINER:** That is interesting. That would apply right along the river.

**Mr PERKINS:** I guess so, but I do not know.

**CHAIR:** Do you wish to make any final remarks?

**Mr PERKINS:** The real issue is the cost of the election and the very significant increase. I believe that at the end of the day we paid a lot more and got a lower level of service than we had previously.

**Ms LEE RHIANNON:** Would you prefer to go back to the old system? There have been considerable criticisms.

**Mr PERKINS:** I am not hung up about the old system. At the end of the day we are trying to get people elected and in the most convenient and cost-effective way that we can. If I had to choose a system, I would go to the postal voting system.

**Ms LEE RHIANNON:** You say that that would solve the problem.

**Mr PERKINS:** Or expand the pre-polling arrangements.

**Mr STUBBS:** I think one of the things that upset our councils during the whole process was the inference that the Electoral Commission is now doing everything well and that there is no more corruption, poor performance and so on. In the 30 years that I was involved in local government elections I never saw any evidence of that at all, particularly in country areas. The standard of service at elections was very good. Having said that, Ms Rhiannon's comment is good because many of our general managers would probably agree with Rowan that going back to the old days is not necessarily the answer.

**Mr PERKINS:** One of the things that we see as particularly unhealthy in the present arrangements is that we have a legislated monopoly and a legislated obligation for councils to pay. By inference, the more the

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Electoral Commission can involve itself in local government elections the greater the subsidy paid to the State by councils. I do not think that looks very healthy from outside.

**CHAIR:** Other councillors, general managers and mayors have supported the idea of a general manager running the election because councils can contain their own costs. While I am not suggesting for a moment that there has been any impropriety in a general manager running an election, do you think there is a potential for the perception of a partial ballot emerging? For example, a mayor and a general manager may have a good working relationship and candidates might allege that the election was stitched up or sorted out? Is that a reality, particularly in smaller councils?

**Mr PERKINS:** I do not know that it is a reality.

**CHAIR:** Not the reality but the perception is there.

**Mr PERKINS:** I understand the point that has been taken and that is okay, but I do not think in addressing that issue we should radically have to increase the price to address it.

**(The witnesses withdrew)**

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**GARETH JAMES WARD**, Deputy Mayor, Shoalhaven City Council, Bridge Road, Nowra, sworn and examined:

**CHAIR:** In what capacity are you appearing before the Committee today?

**Cr WARD:** I am representing Shoalhaven City Council this afternoon.

**CHAIR:** The Committee has received a submission from Shoalhaven City Council. Do you wish that submission to be included as part of your sworn statement?

**Cr WARD:** Please do.

**CHAIR:** Would you like to make an opening statement?

**Cr WARD:** I would like to thank you for this opportunity to present the deputation on behalf of our council and community with respect to a number of matters which relate to the terms of reference of the Joint Standing Committee on Electoral Matters. In presenting before you today, the council has requested that I raise a number of matters of concern with respect to the most recent local government elections. These are the cost of the election, the location and number of polling places, the pre-poll process, the timing of results and access to the Electoral Commission's hotline, and the concerns expressed by the Vincentia Residents and Ratepayers Association. I acknowledge that one of our Vincentia residents is a member of your Committee.

With respect to the costs of the election, I draw to the attention of the Committee that in the 2000 and 2004 elections the costs in the city of Shoalhaven were \$156,850 and \$199,946 respectively. It is worth noting that these figures were for elections coordinated locally with the State Electoral Office giving assent to the appointment of a returning officer for our region, who in turn appointed local staff. Compare these figures to the original amount of \$464,800 which was quoted by the State Electoral Office to conduct local government elections in the city of Shoalhaven in the most recent poll in 2008. In considering a breakdown of the costs for the last election conducted by the SEO, an analysis of the budget provides that the administration fee, information services, finance services and information technology alone contributed to 30 percent of the election cost.

The cost of accommodation for the returning officer alone was in excess of \$21,000. Council has accommodated the returning officer in the past and provided a counting area and pre-poll voting facility with accommodation at least equivalent to that used last year. Council would like to request that the Committee notes council's concerns with respect to the SEO's responsiveness to council's representations on matters concerning pre-polling and polling places. Specifically, council would like the Committee to note the following points. The establishment of the principal polling place and pre-polling places outside the Nowra CBD showed a lack of understanding of our community. This position was supported by the many complaints that staff received on this issue. The Electoral Commission should give greater consideration to comments by council with respect to the placement of polling booths.

For example, the Shoalhaven Administrative Centre has always been a polling place for past local government elections. Council staff found it very difficult to convince SEO officials of the need to retain this booth whilst advocating that a second booth at Nowra Primary School would not be warranted under these circumstances. While the SEO finally agreed to our request to open a polling station at the Shoalhaven administrative centre, the Commission also operated a polling station at Nowra Primary School. Because Shoalhaven City Council is divided into wards, many electors who attempted to vote at their closest polling booth may not have been able to vote in their defined ward because their closest booth was not in their ward. Council would like the Committee to consider requesting booths on the periphery of ward boundaries to stock appropriate ballot papers for adjacent wards.

Council would like the Committee to note that there were several delays experienced at the pre-poll centre at Bomaderry, and would like to highlight again that the most appropriate location for pre-poll stations in regional areas will generally be the main regional centre where electors will have more frequent access to things such as public transport. On the issue of pre-poll, council would like to submit that the present restrictions on pre-poll voting be lifted so that an elector can vote in the two-week period leading up to the election. The Committee is no doubt aware of the lower voter turnouts for local government elections and removing the legal prescriptions for pre-polling may enhance the capacity of residents and ratepayers to cast their ballot.

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Council would like the Committee to note that in previous council elections managed locally election results could be determined in as little as four days. The most recent election results took almost two weeks to finalise. Council has suggested that the Committee consider the introduction of electronic voting as a voluntary option for local government elections. With the pace and change of technology, council considers electronic voting could provide both significant cost savings and greater efficiency to the election process. I draw to your attention the considerable delays experienced by the community with respect to the Electoral Commission's hotline. Council staff had to field a number of calls in good faith to answer questions about voting and other matters related to the election.

I return briefly to the concerns raised by the Vincentia Residents and Ratepayers Association and secretary Elizabeth Tooley. Council has forwarded this correspondence with our submission, and I encourage Committee members to consider the attachments very carefully. While the concerns about the lack of staff at the Vincentia booth and long queues are of concern, the lack of ballot boxes is the most concerning matter which I need to raise with you today. When the two ballot boxes provided were bursting at the seams, polling staff provided a brown cardboard box. As you will note in the submission from the Vincentia residents and ratepayers, voters had to put their hand inside the ballot box in order to push their votes in. It should be noted that there were no staff available to stand by the ballot box, and with electors' hands able to fit into the ballot box the implications for electoral security are certainly cause for concern.

Even more concerning is the fact that this brown ballot box was placed in a less conspicuous location than a tall white cardboard box—the garbage bin. Following the close of the polls, candidate-appointed scrutineers assisted SEO staff in sorting through the garbage bin and discovered at least 26 mayoral and councillor votes. I am advised that these votes were declared discarded at the polling station. However, I make the point that scrutineers should never be placed in a position where they are touching or handling ballot papers. As Committee members may be aware, with one council position in ward 3 being determined by as few as two votes, one would hope that the conditions experienced at the Vincentia polling booth will never be repeated. Thank you for your time in hearing the concerns of Shoalhaven City Council and our community. I look forward to the outcomes of the deliberations of this Committee, which one hopes will strengthen and secure the electoral process in New South Wales.

**CHAIR:** There was a wide range of issues canvassed in your address and I would like to touch on a couple of them. A number of submissions, including yours, have made reference to the costs associated with the elections. In your view do you think that there is a role for the Independent Pricing and Regulatory Tribunal in overseeing the operations of the Electoral Commission when it comes to establishing costs for elections?

**Cr WARD:** I make the point that my council has not resolved a position on that particular aspect and I am here to represent them. But I would say that if IPART felt that there was a role for them in regulating the costs and ensuring transparency in dealing with those costs, I think that that would be welcomed warmly by most local government authorities.

**CHAIR:** Your submission also discussed the issue of electronic voting as a means of speeding up the counting of the vote. Are you aware of the system that is currently operating in the Australian Capital Territory, where they have kiosk voting, or were you thinking more along the lines of Internet access voting?

**Cr WARD:** I think that is something for the Parliament and the members of this Committee to consider. With improvements in technology, as I said, it is something that needs to be advanced and considered to ensure greater efficacy and, I would imagine, cost savings in the electoral process. I know that there will always be some reservations from certain people about electronic voting because it is new and different. However, I remember that there was a great deal of objection in some cases to things like ATMs when they were introduced, and things like online banking have improved significantly. If we can extend modern technology to the electoral process and that can enhance our capacity to improve our democracy, then I think it is something that this Committee should consider.

**CHAIR:** Do you think Shoalhaven City Council would support a trial of electronic voting if it was available to all councils?

**Cr WARD:** I certainly think that our council would consider a trial of electronic voting so long as that trial was voluntary and that the number of residents that we have who may not have the capacity to access that

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electronic system would also be able to vote by the standard means. Yes, I think there would be a significant demographic that would be interested in seeing that trial.

**CHAIR:** Another issue you raised was the negotiations between the council and the Electoral Commission representatives regarding polling places. Are you aware of the consultation process that was undertaken between the council and the officials?

**Cr WARD:** Most of that consultation was undertaken by the executive support manager, Mr Greg Roberts. However, councillors were advised of the letters that were sent to the Electoral Commission outlining our requests with respect to polling booths and the inclusion of polling stations like the city Administrative Centre. I understand that there was a considerable time delay in getting some type of response in relation to those requests and convincing the Commission of those requests.

**The Hon. DON HARWIN:** You talked about the location of pre-poll and the cost of pre-poll at Bomaderry. We have had evidence that the Electoral Commission in fact wrote to each council and raised with them the option of providing suitable premises for use as pre-poll. Do you know if that was done with respect to Shoalhaven? Did Shoalhaven council offer an alternative to the leased premises at Bomaderry?

**Cr WARD:** I am not aware of whether or not that did happen. Of course, that would be an operational matter which counsellors generally would not be involved in, but I would say that that should certainly be made clearer if in fact that was done. I certainly would support, as I said in my description earlier, pre-poll locations being located in the regional centre of regions like the Shoalhaven because of things like public transport, parking and ease of access. So the short answer to your question is I am not sure whether that occurred or not. I can certainly investigate that matter for you.

**The Hon. DON HARWIN:** With respect to the location that was chosen in Bolong Road at Bomaderry, which as you say did not have the same sort of accessibility in terms of public transport as a location such as one in the Nowra central business district, presumably premises of a similar dimension in the CBD would be more expensive than they would be in Bolong Road. Do you think that in those circumstances the Electoral Commission was right to choose cheaper premises or in those circumstances should accessibility be the primary consideration for the Commission in determining pre-poll locations?

**Cr WARD:** I contest the premise of your question with respect to the cost of the two locations. As you may recall, the pre-poll station for the 2004 local government elections was the Nowra School of Arts located in Berry Street and I have no doubt that that location, or others in the CBD, may well have been available to the Electoral Commission. I am not sure whether they were. However, I would suggest that given the 30 per cent cost of administration, IT and support, that is an extraordinary amount in terms of the overall cost of the total bill for a council to bear, and given the fact that our council in particular was able to run these elections—not the council but the processes that existed previously were able to run these elections at a much more affordable rate, I would hope that the Committee would take into consideration the cost burden on residents and ratepayers to run the electoral process and question whether or not the previous manner was as effective and as transparent.

But with respect to pre-poll, I would have to see whether or not there was some disallowance of the option for the School of Arts building. Where pre-poll has been run, not just at the last election but in previous elections, the space is sufficient in terms of the operations of the returning officer—it has been in the past. It is very central to all the major amenities and public transport—in fact, there is a bus stop in front of that particular building—and I would ascribe that that would be the type of location that would be best suited to most Shoalhaven residents, given the number of towns and villages that exist in the Shoalhaven and proximity to those residents.

**CHAIR:** We have had a number of people address the Committee this morning and you are the second who is an elected representative. I would be interested in your observations on the election from a councillor or candidate's point of view as opposed to the issues that have been more broadly discussed about cost and what have you. In terms of your experience as a candidate, how did you find this process, and can you identify any shortcomings or suggestions for improvements?

**Cr WARD:** That is a very good question. I have participated in three elections now—the first when I was 18 in 1999 and at 22 in 2004 and again in the most recent one—and it always has been a very interesting process to be a part of both as a candidate and as a councillor. I have to take this opportunity to say that our returning officer for our district was extremely helpful and I do not believe that any of the comments I have



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made should reflect poorly on him because I believe he did the best that he could with what he had available. I felt as a candidate that the system worked reasonably well but, like all systems, there are opportunities for improvement and that is why in the Committee's discussion that presented this submission here today we consider things like electronic voting and whether or not the prescriptions for pre-poll should be lifted, because, as I think most of us who are elected officials would know, there is a lot of frustration about electors that have to vote on election day. Some people take the attitude that they can attend a pre-poll location and suggest that they will not be working on that particular day or some other use of the law that would allow them to pre-poll. I do not see why we have that prescription, and in order to encourage a greater local government turnout I suppose the biggest issue for me as a candidate would be the lifting of what I would see as unnecessary prescriptions on pre-poll, so long as the pre-poll location was appropriate.

**CHAIR:** Do you feel as though you had enough access to information as a candidate, access to returning officer services, hotline information, if you needed it?

**Cr WARD:** I suppose the issue for me was changes to the law that occurred very close to the election, and I would suggest that any changes to the Act or to regulations concerning expenditure and donations really do need to be completed well in advance of elections. In terms of the information around things such as that, I found the information very spartan and very difficult to understand. I think that the Election Funding Authority when fielding questions were vastly having to deal with a lot of those questions at that very same time so it was very difficult for them as well. There were questions that needed to be answered in relation to those new processes that were adopted before the election. Again, I had trouble myself as a candidate on a couple of occasions getting through to the Electoral Commission and Election Funding Authority but eventually that information was forthcoming.

**Ms LEE RHIANNON:** This election was the first one where we moved over to the new system following the changes to legislation that came in in July 2008. I was wondering how that six-monthly disclosure sat with you and what was your response to the various changes that were required and what were any responses from your colleagues that you are aware of?

**Cr WARD:** Again I would have to preface my remarks by saying that we have not actually made comment on that particular issue in my submission. But if you are asking me as a councillor, I was concerned for the issues around transparency and accountability during that particular period, and as far as possible the law should, where it is known, be ensuring that all matters are disclosed, not leaving loopholes like the six-month period you referred to. I think as legislators you have to be eternally vigilant to make sure that those types of allowances that might be left in the legislation are not there so that the community can have confidence in its elected representatives and know that their decisions are in the community's interest and that all matters are disclosed.

I note that our council, as an aside, has recently published all of our election expenses and pecuniary interests live on the Internet next to each councillor profile, and I understand that the public access legislation I believe is coming up to the Parliament shortly, which may prescribe those provisions. We have already done that so that our community can be fully aware that our interests are in their interests.

**Ms LEE RHIANNON:** Could you just explain what your attitude is to the six-monthly disclosure? Do you support it? I was not sure from your comments if you meant that you were satisfied with it or if you thought that it was inadequate, and were you talking about continuous disclosure?

**Cr WARD:** I am comfortable complying with whatever the Parliament provides. If that be a six-monthly disclosure period then that would be the law. Anything that can be done, within reason, to improve transparency and accountability should be considered. If there is a capacity to ensure that the administrative burden on councillors is such that the requirements are not onerous, then I think that continuous recording would be appropriate.

**Ms LEE RHIANNON:** Just to explore another aspect of the disclosure: I think this has come up in your council area, and you are probably aware of a submission from Mark Corrigan where he raises this, but other people have raised it as well—the two-tier system that has occurred following the changes in 2008 where if you are an independent candidate you have to disclose donations that you have received and you often then have to absent yourself from certain decisions, whereas if your party received those donations you are not covered by that requirement. I was interested in your response to that, because, effectively, what we have here is that there is transparency for some councillors and it is quite okay for others.

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**Cr WARD:** I have already made comments on the record in my local paper about this very issue and I would concur with the remark that Mr Corrigan made in respect to the two-tiered system, particularly in relation to local government parties. I would imagine that for larger political parties where donations may be received from a wide range of sources it may be very difficult for a particular local councillor to be aware of a donation that may have been received in respect of another council area or another matter entirely. I would say that in relation to the way that independents are treated—and I stand as an independent myself—it does seem somewhat of an inequity that there are two standards: one for independents and one for party councillors.

**Ms LEE RHIANNON:** I was wondering what your attitude is to postal votes. Should a party, a group or candidate have any role in the distribution and the collection of postal vote applications?

**Cr WARD:** We had a situation in Shoalhaven where one candidate issued what he termed a special service where the postal vote was returned directly to that candidate and they filed the form. I do not believe that it is appropriate that when dealing with an elector's ballot paper there should be any connection after you have filled in the postal vote application form and that candidate. It might be legitimate for a candidate to assist in providing access to a form for postal voting but for the candidate to then take that postal voting form at a local level to the Electoral Commission, in my opinion, needs to be reconsidered. I would rather that those forms be sent directly to the Electoral Commission and those handled by the Electoral Commission.

**Ms LEE RHIANNON:** Just on the issue of independent candidates—this comes up from time to time—do you think that independent candidates should publicly disclose if they are a member of a political party in the election period?

**Cr WARD:** I have no problem with independent candidates disclosing whether or not they are a member of a political party or any other community organisation of which they are a member.

**Ms LEE RHIANNON:** Should they be required to though?

**Cr WARD:** Should they be required to? That is a matter for you. Do I believe that? Yes, I do.

**The Hon. DON HARWIN:** The current arrangements, as I understand it, and correct me if I am wrong, are where you are an independent candidate but you are a member of a registered political party you are not allowed to have the word "independent" after your name on the ballot paper, is that right?

**Cr WARD:** That is not my understanding, because I know of instances where that may have happened.

**CHAIR:** It is a suggestion.

**The Hon. DON HARWIN:** It is a suggestion; it is not the situation at the moment. As a member of a registered political party you are quite entitled to have the word "independent" after your name on the ballot paper?

**Cr WARD:** On the ballot paper, if you are not endorsed by the political party. To that point, I do not believe that should be legitimate. I think in the interests of being transparent with your electorate, given the fact that there is, particularly in regional areas, a number of councillors who stand as independents or without a party affiliation, that because they are, in effect, part of the political process that should be declared. I have absolutely no problem with that happening.

**The Hon. DON HARWIN:** There are many councils around New South Wales where the major parties do not endorse candidates but members of those major parties stand as independents. In your opinion should they be allowed to put the word "independent" after their party name on the ballot paper or should it be blank?

**Cr WARD:** Absolutely not. They should absolutely be blank. It is pretty hard to say that you are a member of a political party or to be a member of a political party and advertise on a ballot paper that you are an independent. Clearly you are not, in fact. You may not organise on council as political party members; you may not even communicate with other members on your council who may share a similar political party, but in the interests of being transparent and accountable with your electorate I do not think it is appropriate to have the word "independent" next to your name if you are, in fact, a member of a political party.

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**Ms DIANE BEAMER:** You said that your quote for the election was \$464,800 and that was the quote beforehand. Do you know what the actual bill was?

**Cr WARD:** I believe the end result was around \$405,000.

**Ms DIANE BEAMER:** So it is still considerably more than the \$200,000 that you did in 2004?

**Cr WARD:** Quite correct.

**Ms DIANE BEAMER:** Do you believe you got the same level of service, better—

**Cr WARD:** Given the situation at the Vincentia booth and given the lack of polling staff at others and the queues that were experienced at pre-poll, I would suggest that the comparable level of service was considerably poorer in the last election compared to others.

**Ms DIANE BEAMER:** We have a lot of submissions here that relate to particularly rural areas having compulsory postal voting. How do you feel about that?

**Cr WARD:** We would not be the first local government area to do that. I am aware that that happens in other States, such as South Australia. That may be something that you would consider. I know that perhaps a lot of people around the State and, indeed, the country would appreciate not being foisted with material as they go into the polling booth. Perhaps that is something that could be considered. I think you would have to concern yourself with the administrative matters, the extra resources that may be needed to conduct that process. It is something that the Committee should certainly consider.

I personally believe that the system we have at the moment, being able to attend on a particular day, is one that the community are familiar with, and if we can make improvements along the lines that I mentioned earlier in association with electronic voting that is something that this Committee should certainly consider as well.

**CHAIR:** Any final comments Councillor Ward?

**Cr WARD:** No. Thank you very, very much for the opportunity to present.

**CHAIR:** On behalf of the Committee I would like to thank you for travelling to Sydney and for your contribution to today's deliberations.

**(The witness withdrew)**

**(Short adjournment)**

## CORRECTED TRANSCRIPT

### ROUNDTABLE: Polling locations and pre-poll voting centres

**CHAIR:** I welcome the representatives of Hurstville City Council and Lismore City Council, who will be giving evidence to the Committee on matters including the selection of polling places and pre-poll voting centres. The Committee thanks you for your submissions and is pleased to hear your evidence, which we will take in a roundtable format.

**GRAEME NEVILE WILSON,** Corporate Compliance Coordinator, Lismore City Council, 43 Oliver Avenue, Goonellabah, and

**WARREN JAMES PARK,** Senior Manager, Administration and Public Officer, Civic Centre, MacMahon Street, Hurstville, sworn and examined:

**CHAIR:** The Committee has received submissions from each of your councils. Is it your desire for these written submissions to form part of your sworn evidence?

**Mr PARK:** Yes.

**Mr WILSON:** Yes.

**CHAIR:** Do either of you wish to make a brief opening remark before we begin questioning?

**Mr WILSON:** No, thank you.

**Mr PARK:** No, I have not prepared a statement.

**CHAIR:** With regard to the selection of polling places and pre-poll centres, which were issues raised in your submissions, could you please, Mr Park, outline the consultation process undertaken by the Electoral Commission, the extent to which councils could influence the selection of sites, the role of the returning officer in the selection and community feedback, if you had any, on the selection of location of polling places?

**Mr PARK:** The selection of the returning officer's office, which also included the pre-poll area, was a discussion held between the returning officer, myself and the general manager. There was some concern that it was on the first floor of a building with no lift. The same area had been used in the 2004 election and a by-election in 2005 with no issues. We had made arrangements for the civic centre, which is in the adjacent building to the entertainment where the pre-poll office was set up for the customer service centre to have a temporary booth there so any elderly who could not manage the stairs could ring over to the returning officer, he would send one of his staff over to conduct that voting process.

There was also a sign on the front entry door for people to ring upstairs and the candidate assistants were also informed of the process put in place to assist anyone who could not manage the stairs. There was one newspaper article regarding that and that was, to the best of my knowledge, the only complaint that we had regarding that location. With regard to general polling booth locations, they were fairly similar to what was used in 2004. A spreadsheet did come around from the Electoral Commission indicating what locations they thought were warranted and when we questioned them, it was given that they were the locations preferred because of consistency with State and Federal elections in the area, which was accepted by the council, myself that is.

We did raise a point with one of the polling locations due to the fact that we did have a ward boundary change that came into effect as of that election date and that had a consequence for one polling location that was actually in the adjoining council area of Kogarah so it was not only a multi-council polling location but also a multi-booth location as well. We suggested that the two wards be accounted for at that location but only one was chosen and subsequently we got complaints from the ward that was not provided for as to why not, because it had been in 2004 but the boundary meant that possibly more from the other ward would go to that location, which meant they had to travel obviously a little bit more than under normal circumstances.

**CHAIR:** How would you rate the feedback and responsiveness of the returning officer to your suggestions about the polling places?

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**Mr PARK:** Well, it was more the Electoral Commission rather than the returning officer at that stage because they were well and truly decided before he came on duty. Electoral staff were fairly responsive. There was a data entry error on one of their sites. One booth referred to one ward whereas it was actually in another ward but that was fixed up as soon as we notified them, so they were fairly responsive to any requests. I suppose we took it for granted if they said, "This is how it was going to be", that is how it was going to be.

**CHAIR:** Mr. Wilson, did you want to make a comment on a similar question?

**Mr WILSON:** There are probably a couple of issues there. Lismore City Council had a joint returning officer at this election for the first time. Traditionally our council chambers has been used as a site for the election, for the housing of the returning officer pre-election administrative tasks, also a polling booth, a pre-polling booth and for the counting of ballot papers. Unfortunately, with the joint arrangement of two surrounding councils, the returning officer quite rightly deemed that the space would be too small to cater for three elections—three sets of everything, so we had to relocate to a centre in our central business district [CBD], a shopfront, which was both positive and negative.

The negative aspect was that there was an extra cost involved, which we unfortunately saw as seeing our cost savings as having a joint returning officer going out the window. On the positive side it was a good location in the CBD, easily accessible by public transport and it was well set up for a pre-poll. There was some initial confusion with respect to pre-poll voting because, again, traditionally people just turned up to the council chambers. Also, it was a different shopfront in the CBD than for the previous Federal election, only a short period before, and again some people turned up there. They were only what I would call teething problems.

We had some vigorous discussions with the Electoral Commission about polling places generally. Lismore City Council has traditionally had less polling places than for State or Federal elections. We have worked very hard over the years to try and reduce the numbers and/or relocate them to more suitable locations both in a physical geographic location or suitable facilities. This time again we got the spreadsheet and all of a sudden there are about five or six different additional booths that appeared. Luckily one booth on there did not appear—I do not know why and we did not tell them, so that was good.

We had to have some vigorous discussion with them that we won some; we lost some. Those discussions were with the Electoral Commission, not with the returning officer. The returning officer was sympathetic to our views but unfortunately he did not have any more success than we did. Probably one of the things we would like to see going forward is some further discussion on polling places; certainly consistency between the three elections spheres. There seems to be a view, "There has always been a polling booth here; therefore, there will always be a polling booth here". We would like that sort of situation revisited.

**CHAIR:** Further to your point about the regional returning officer, do you consider that Lismore City Council has benefited from this arrangement, either in a financial sense or in a service delivery sense and if not, why not? Would you be prepared to share a returning officer for local government elections in the future?

**Mr WILSON:** Administratively, the joint returning officer worked for us because he was located in our city, easily accessible to our voters, our candidates, et cetera, so from that point of view we had no problems. Cost-wise, as I said, because of the need to establish a new shopfront in the CBD, we do not believe there were any cost savings, so going forward, I am not sure whether we would support that in the future.

**CHAIR:** The other two councils that shared the returning officer, have you had any feedback or discussions with them about their satisfaction with the level of service?

**Mr WILSON:** I discussed with them prior to coming here—they did not make a submission to the inquiry—whether they wished me to say anything. Both of them declined. There were some issues from their candidates as far as accessing the returning officer and being there for those crucial things such as the drawing of the names from the ballot box. They did incur some additional costs with pre-poll voting because they had to establish pre-poll voting in their two major centres as well as having a pre-poll facility in the joint booth in Lismore.

**The Hon. JENNIFER GARDINER:** Mr Wilson, when the Electoral Commissioner suddenly added on some polling booths, were they in Lismore city in the urban environment, in the smaller outlying communities or a mix?

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**Mr WILSON:** There were three in rural areas, one was an adjoining shire, which they wished to create as a joint booth, which we had never had, and one was in the urban area.

**The Hon. JENNIFER GARDINER:** Did there seem to be any logic to that? They are usually closing rural booths not opening them?

**Mr WILSON:** One of the urban booths was a booth that has been used for State and Federal elections but again we have not used that. I mean, there is argument for consistency there. Our counter-argument was that there were three or four other booths within a very short distance that had the capability of taking those ballots. One of the ones in the rural areas was one, which they used but we did not for State or Federal elections. The one in the adjoining one, I do not know where it came from; it just came out of the blue. Somebody here in Sydney looked on the map and thought, "Well that's close. Surely that should be a joint booth." We had to explain to them that people do not go that way to come to Lismore to do whatever they do on a Saturday morning.

**The Hon. JENNIFER GARDINER:** So maybe there just needs to be a review of the situation and more discussion leading up to the next election?

**Mr WILSON:** Yes, and that review needs to be done without the heat of the elections.

**CHAIR:** This question is for both of you. Do you consider there were sufficient fully accessible polling places and pre-poll centres in your local government areas?

**Mr PARK:** For Hurstville, I believe so, because we are quite compact and we had quite a number to service the area.

**Mr WILSON:** We believe there is an excessive amount of polling places.

**CHAIR:** I am talking about fully accessible.

**Mr WILSON:** Sorry, fully accessible? By and large yes. We had some issues with access to toilet facilities, in particular at one booth where the wife of a candidate was eight months pregnant and she could not access a toilet. She was handing out how-to-vote cards. That took a call from a councillor to the returning officer back to the person running the polling place, who finally consented to open the toilets. That was one issue. In our rural areas there is some issue with off-street parking but by and large the facilities are okay. There is one in North Lismore we would like to close, which is upstairs, and we see other suitable locations.

**Mr PARK:** I probably misunderstood the question. We had a number of schools where a number of toilet facilities were not made available and, depending on the queues, people had lodged complaints. The returning officer at one school was made aware of the complaints but nothing was done. I am not sure whether they were circumstances of pregnant ladies or other circumstances where concessions could have been made. I understand that is an arrangement between the Electoral Commission and the State Government schools where facilities are not available to voters or candidate assistants, or what have you, just mainly for the workers there. In relation to some schools, if the voting area was some distance away from the entrance, there was a lack of directional signage to where people should go and at some locations the pathways to those areas may have contained stairs or were narrow and could have caused difficulties for people with prams and so forth.

**CHAIR:** When it comes to the process of negotiating polling places for future elections, would you suggest that those discussion should take place at some stage well in advance of the election?

**Mr WILSON:** Yes. Certainly, yes.

**Mr PARK:** It would certainly be of benefit, yes.

**CHAIR:** Mr Park, your submission refers to incorrect information in the candidate handbook. Could you detail the nature of that information?

**Mr PARK:** I believe it had to do with the size of fonts and layout of how to votes, procedure for the candidates. One of the candidates followed the instructions that were placed in the candidate handbook but there were late legislative changes and in discussions with the returning officer it was left up to the interpretation of

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the returning officer as to how strict they were on accepting the layout of ballot papers and how to votes. I understand legislation occurs when it occurs but, like a number of elections or in other matters concerning local government, there always seems to be last-minute changes, and if those things could be addressed earlier by Parliament and put through, I think it would make a smooth transition for those elections.

**CHAIR:** Are there any positives to be drawn from the experience of the way the last election was conducted?

**Mr WILSON:** Certainly we had a returning officer who was very knowledgeable in his job. He was very personable, got on well with council and candidates, which made things run smoothly. Because of that, in our area it ran well.

**Mr PARK:** The same at Hurstville. An experienced returning officer, although it was his first time at Hurstville, so there was little concern as to whether things would go well but everything did and the relationship between me and the returning officer was quite fruitful.

**Ms DIANE BEAMER:** I think you, Mr Park, asked for a full and detailed breakdown of costs of the elections from the Electoral Commissioner. Would both of you see that as an advantage in understanding what it was that made the costs rise so much?

**Mr WILSON:** Yes, because we had no understanding. Essentially our costs rose 85 per cent over the 2004 elections. I know it is a theme that has been repeated here ad nauseam today. We were given broad headings of what those costs were but no breakdown to justify those costs, so it was difficult for us to understand how they came up. It is probably the view of our council that the council should not be responsible for the administrative costs of the Electoral Commission. The council is happy to wear its own costs, it is happy to wear costs for polling places, for employment, for printing ballot papers, but it is not necessarily ready to wear the costs of the Electoral Commission for its staff, its computer system and IT, et cetera.

**Mr PARK:** We had a number of discussions and did get an outline of the basis of what was included in line item costs, so we are probably a bit better off than Mr Wilson. We had an itemised budget presented to us on two occasions. The initial cost was \$390,000 and it came down to \$340,000 in round figures. The issue we had probably with the budget was that the first notification was in June 2007. Our budget for the next financial year was done in the December prior to the Commission writing to us, so we really only had one financial year to budget for an additional \$150,000. Council put a reserve away each year so we were covering the normal cost of about \$200,000 or \$220,000 but with the late notice of the letter we had to find an additional \$150,000. In these economic times other things had to be put aside to account for that.

**Mr ROBERT COOMBS:** You both come from very different councils as far as locality goes—Hurstville is obviously city and Lismore probably rural. There has been a bit of flavour this morning in talking to local government representatives to at least float the idea about a compulsory postal voting system.

**Mr WILSON:** There seems to be a bit of a push on, yes.

**Mr ROBERT COOMBS:** I do not think that either of your submissions referred to that. I wonder whether you have a view on that? Have your councils considered the matter and do you have a view on it?

**Mr PARK:** No action was taken with offers by the department in relation to reduction of councillors and other issues we could do that could be put into place. We have a council-elected mayor so it would probably have to be a matter for a plebiscite to see whether they would accept that. I would not like to pre-empt anything councillors might say on that issue.

**Mr WILSON:** It is not an issue our council has canvassed in the slightest. I find it an interesting concept but I am not sure where the cost savings for that will accrue. Obviously it operates in other areas so it must work in other areas. I find it difficult to see how we will work with one level of government when it does not apply to all levels of government. If it was to occur in our council it would have to be by plebiscite. It is not something that the council, given its commitments to community consultation, would vote on without going there, which then comes to the next stage, of educating the public on the for and against of that. That presents its own problems. We have an issue with mobility now on the North Coast. The North Coast is an area lots of people like to come to. So, if it is in our area and it is not in another area, every four years we are going to have

## CORRECTED TRANSCRIPT

this massive re-education campaign. So, if something like that was introduced, my personal preference would be that it would have to be statewide.

**CHAIR:** A question for both: The issue of costs has been raised in every submission received by the Committee. There have been two suggestions about how this issue could be dealt with in the future, one being that the Independent Pricing and Regulatory Tribunal be engaged to oversee the cost and the conduct of the elections by the Electoral Commission. The other is quite the contrary view, which is that it should be a contestable process whereby councils can seek submissions from suitably qualified electoral commissions from interstate or the Australian Electoral Commission or private organisations to run elections. Do your councils or you have views about which would be the preferable method?

**Mr WILSON:** Again, it is not an issue our council has debated, only to the extent, as I said before, the council's view is that the administrative costs should be borne by the Electoral Commission and we should only be responsible for our direct costs. If that was adopted, it extends from that that the view is that the returning officer, in conjunction with the general manager, should then be responsible for the costs associated with running the local election. We feel that way would give us greater control over the costs and be able to manage them.

**Mr PARK:** Probably from the Hurstville point of view, I think possibly the Independent Pricing and Regulatory Tribunal process would be preferable.

**CHAIR:** Give some comfort?

**Mr PARK:** I think so, just to give that outside independence. I have one other point to raise. We had a couple of dual voting booths with adjoining council areas. One of the issues raised was, again, signage. People are not aware of their voters, particularly at the entrance. The candidate assistants are just pushing how-to-vote material to voters and they get confused when they get inside—which table do I go to if I am in Hurstville, Canterbury or Kogarah council? We require more signage, more maps and better information for workers at the site so that they have a better understanding of the council areas for which voters are voting. We also need control over the ballot boxes so that the correct ballot papers get into the correct ballot boxes.

**CHAIR:** Mr Wilson, did you wish to make any concluding remarks?

**Mr WILSON:** No, thank you.

**Ms DIANE BEAMER:** The City of Sydney council said in its submission that there were too few ballot boxes. Shoalhaven council also raised that issue. It said that the ballot boxes were bursting at the seams.

**Mr WILSON:** It is not an issue in our area. I put that down to the expertise of our returning officer. We had no problems running out of ballot papers and we had no excess queues.

**Ms DIANE BEAMER:** I think that was referred to in the submission of the City of Sydney council. It is an issue that has been raised before.

**The Hon. DON HARWIN:** It was extraordinary in the City of Sydney.

**Ms DIANE BEAMER:** There were queues for an hour and the ballot boxes were insufficient and were bursting at the seams. They had to improvise and make their own ballot boxes. You are saying that that was not an issue in your case?

**Mr PARK:** No. So far as I am aware, Hurstville did not have any issues.

**Ms DIANE BEAMER:** You did not have long queues?

**Mr WILSON:** No, but we did have the normal peaks.

**CHAIR:** Mr Wilson, your council has election of mayor by councillors, is that right?

**Mr WILSON:** No, by direct election.



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**CHAIR:** Were there two separate ballot boxes?

**Mr WILSON:** Yes. We had a poll question and there was a separate box for that as well.

**CHAIR:** If there is nothing further from members or there are no further comments that you wish to make, on behalf of the Committee I thank you from coming from Hurstville and from Lismore to make a contribution. Thank you for your contribution today.

**Mr PARK:** Thank you Mr Chair and Committee members.

**Mr WILSON:** Thank you.

**(The witnesses withdrew)**

## CORRECTED TRANSCRIPT

**PAUL JAMES TRACEY**, private citizen, affirmed and examined:

**CHAIR:** Mr Tracey, the Committee has received a submission from you. Do you wish for that submission to be included as part of your sworn evidence?

**Mr TRACEY:** Yes. I also have a statement to make to elaborate on my submission.

**CHAIR:** Would you like to make some opening remarks?

**Mr TRACEY:** Mr Chairman and members, thank you for allowing me to elaborate on my submission calling for the introduction of universal postal voting for council elections and for the abolition of council by-elections. I reiterate that, although I am a Labor councillor on Randwick council, I am not representing Randwick council, the Labor Party, or for that matter Paul Pearce, for whom I work part time. I have been a keen observer of and a participant in the electoral process over many years. I have been campaign director for the Labor Party, managing Federal and State campaigns in Phillip, Wentworth, Waverley and Coogee. I have also run local government campaigns, or I have been closely involved with them.

From 1995 to 1999 I was Chief of Staff to the then Minister for Local Government and, with the Minister, visited councils all over New South Wales. Between 1970 and 1995 I was also a post office manager and I have a pretty good knowledge of postal mail delivery operations. Since my submission deals with postal voting I should state that I have no pecuniary interest whatsoever in advancing postal services. I am also a first-class honours graduate in Australian history and politics and, finally, I have been councillor for 10 years at Randwick and I was mayor in 2006-07. I have attended many Local Government and Shires Association conferences throughout the State.

This Committee would be well aware that there has been much hostility towards and criticism of the charges imposed on councils by the State Electoral Office because of the conduct of their elections. I think it would be fair to say that the councils see this as just another State Government charge with which they are saddled. At Randwick in September last year only 54,000 of 78,000 enrollees cast a ballot, but the election cost ratepayers nearly \$572,000, which equates to over \$10 per head, or vote cast. I have not been able to get figures for other councils, but I imagine that costs would be somewhere in that vicinity.

On top of these election expenses for councils there is a plethora of other costs. For example, candidates and parties have to print and otherwise incur campaign advertising and administrative costs. This means that political donations are often sought to pay for a candidate's campaigns. I submit that the need to collect campaign donations largely affects the public's perception of corruption in local government. People are discouraged from standing for election because of the costs and because of the taint of suspicion that exists around local government. In my opinion, New South Wales should adopt a system that reduces election costs, takes away the need for fundraising by candidates, and facilitates candidature in local government.

On top of that, such a system would advance democracy by allowing more people to cast ballots and by allowing candidates limited space to advance their cause and have that distributed by a returning officer. What I am suggesting—complete postal voting in local government—is hardly revolutionary. It is done on some scale or other in most Australian States and in a growing number of overseas countries. It is done by trade unions, the NRMA and by most major public companies. It is done by credit unions, superannuation funds and by many other bodies. When these bodies need to have an election they do it by post. The only difference with local government in New South Wales is that it has a compulsory voting system, but it should be remembered that at present it attracts only 60 per cent to 65 per cent participation, and it largely disenfranchises anyone outside the council area on polling today.

In Federal and State elections that absent vote is as high as one-fifth of the total vote, and that is probably the reason why local government turnout is so low in New South Wales. This is what I would see working well in New South Wales and more economically for local government in New South Wales. Legislate to allow the present fixed polling day to become a fixed polling period of about a fortnight every four years. Close council nominations a month before the end of the polling period to allow for the preparation of ballot papers, et cetera. Give councils the power—but only if they want it—to declare a complete postal ballot election with no postal vote applications, no pre-polling booths, no nursing home visits, and no polling day booths or staff.

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In those councils that declare for complete postal ballot, the returning officer would send a ballot package to everyone enrolled at his or her domestic or enrolled address, or at his or her postal address, if the Commonwealth Electoral Office has already recorded it. Voters who will be away from their homes can still advise the returning officer of their temporary address. The ballot package would include the ballot paper and a return envelope, as at present, in addition to information supplied by the candidates in a form to be determined but restricted as to size. Candidates could also include instructions about their boxes or squares and information about how to vote. Voters would vote at home or at other locations, have the declaration witnessed as they do now with demand postal voting, and return their votes by the cut-off date. Postage both ways would be paid by the councils.

All envelopes would be marked off on return, opened and unfolded, and placed into the ballot boxes unsorted—apart from wards, et cetera—and uncounted. At the close of the poll these would be counted, as at present. A voter who did not receive a ballot paper or who spoiled a ballot paper could apply for a duplicate. If the original were subsequently returned it would be rejected during the marking off stage. It should be borne in mind that Australia Post offers significant discounts for bulk and pre-sorted mail. The larger councils, and even the State Electoral Office, could enter into special contracted rates to further reduce costs. I believe that total costs—and this is based on my campaigning costs for multi-page mail outs—should be about \$3 per ballot issued and returned, including postage, printing and inserting and costs for vote-counting staff, et cetera.

The count would still be computerised, as at present, and that would be handy if my suggestion about by-elections was also taken up. The major parts of the complete postal ballot system are working in Tasmania and South Australia, and in increasing numbers of councils in Victoria and Western Australia. I believe that Queensland allows it for more remotely based councils. I can find no major incidence of fraudulent voting in Australia after using this method. The infamous cases I have considered, when fraudulent postal voting occurred in the 1980s in England, seem to have occurred as a direct result of demand postal voting rather than complete postal voting.

Under the present system it is already possible in New South Wales for postal votes to be fraudulently obtained, filled in and entered into the ballot box, but the incidence is very low, if it exists at all. All voting systems can be rorted to some degree, but times have certainly changed. I remember in the late 1960s the famous exchange at a Labor branch meeting between Alby Sloss—a then long-retired member of this Parliament—and Joe Riordan, who had just lost the seat of Phillip by a few hundred votes. Alby remarked in all seriousness, "Jesus, Joe how can anyone lose a seat that has two cemeteries?" What about the "vote early, vote often" mantra? Nowadays the incidence of voter impersonation and multiple voting is so low that it hardly rates a mention—apart from political folklore. In fact it seems that people only get into trouble for not voting, and not for multiple voting.

The question that must be asked relates to the relative safety of complete postal voting. Let me explain modern day postal practices. Letters are mechanically handled and then read and sorted by optical scanning. They are hardly touched by human hands at all until the postman delivers them. Under complete postal voting everyone would expect to receive a ballot paper. It would be like waiting to receive a tax cheque. In the great majority of cases ballot papers would go to a voter's actual residence and increasingly into locked letterboxes located within a growing number of security apartment buildings and walled housing estates. If there were any widespread tampering with these ballots that issue would quickly come to the attention of the authorities. Vote tampering does not seem to be much of a concern in areas where complete postal ballots have taken place.

I now turn to the other matter: council by-elections. During the time I was Mayor at Randwick we had a situation where one councillor was on serious child sex criminal charges, forcing him to resign from his party. At the same time, another councillor had been recently elected to this Parliament. Neither felt they should resign from council but sought leave of absence, so neither actually carried out their council duties for months on end. Under my proposal, both could have resigned and been replaced by their party, without any cost to council or ratepayers. My general manager at the time estimated a by-election in one Randwick ward would cost \$80,000. On the basis of costs for the 2008 election, I think it would be even more expensive these days. Obviously both the councillors in question took those costs into consideration in their decision to stay on council.

At about the same time, Waverley council was forced into a by-election by one of its councillors becoming bankrupt. I understand that the subsequent by-election cost Waverley ratepayers, where they have much smaller wards, nearly \$40,000—and returned a member of the same political party anyhow. Apart from these costs to the community, there are two other great problems with council by-elections. The first is that very few people actually get to hear about them because they are concentrated in local areas and therefore voter

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turnout is extremely low. That is an historical fact. The other is that the election of one councillor only changes the voting system from proportional to preferential. The whole purpose of proportionality at the general election is overridden.

Councils are the only proportional representative systems in Australia that still have public voting by-elections to fill vacancies. The Senate and the upper Houses of all States and the Australian Capital Territory all have appointment systems—most where political parties replace their own by nominating a successor. In Tasmania, under the Hare Clarke system, the successor is chosen by recounting the original ballot among all still-available candidates. How easy would this be in New South Wales councils where votes have been already entered into a computer system? It would only be a matter of finding out which original candidates were still available for election, and pressing the proverbial button.

However, I submit—and I think this will be widely acknowledged—that on party tickets, most of the lesser candidates are not all that interested. Some have moved, or had career changes or marital breakdowns, or for some valid reason are no longer available—if they ever were. That is why the power to appoint replacements should be given, where it can be, to the organisations that have lost the councillor. This includes registered political parties and maybe even local resident action groups. In the case of lone independents, then the ballot could be recounted and the next available candidate declared elected.

The situation in Randwick in 2008 enabled me to have a Mayoral Minute unanimously adopted, suggesting that the State Government abolish council by-elections. I am not sure how far that suggestion got with the then Minister, but it is obviously something that should be examined closely by this Committee—and I hope favourably.

Mr Chairman and Committee members, what I am suggesting in relation to complete postal ballots is a cheaper election system, with few additional opportunities for vote tampering. It introduces a measure of democracy and fairness by allowing voters to examine the claims and policies of all candidates and groups, and casting their votes on a lot more informed basis. It encourages and facilitates voters who will be away from their homes on the normal election day; it gives them the opportunity to take part in the election. It cuts out the major need for political fundraising—that is, campaign advertising—and the next logical step would be to outlaw councillor donations altogether. There would be little need for any consideration of public funding for council elections, or for limits on spending. It might even encourage people—maybe even indigenous people and a lot more women—to put themselves up for election. It might encourage people to be more community minded, and it would certainly help to restore councils' standing within their communities.

No doubt in 50 years time we might be looking at a complete email voting system, but that is for the future. In the present, everyone has a letterbox and gets mail. Everyone has well-known arrangements for posting their mail. Everyone has family, or neighbours that can witness their forms. In Tasmania, obviously still with non-compulsory voting in local government, the complete postal voting system continually attracts more and more turnout—it is now nearly up to our compulsory voting turnout level in New South Wales.

In other States that allow it to be introduced by councils, the turnout for complete postal voting has been over 10 per cent higher than attendance elections, which are usually held in the same period, and it is growing. In Victoria, where councils are allowed to opt for complete postal voting, 88 per cent of councils now do so. I do not want to say anything more about by-elections in councils. They are completely unnecessary in proportional representation systems and the public already accepts all the replacement mechanisms that are being used in various State and Federal parliaments. In fact, it is now part of the Australian Constitution, the way they replace Senators.

In my submission I have also suggested changes as to the need to replace councillors at various stages of the election cycle. At present no by-elections need to be held in the last year of a term, and I think that could probably be extended in most councils that have seven or more councillors. However, if New South Wales were to abolish public by-elections in favour of appointment ones, then there would be no particular reason for not replacing councillors as they vacate office. I have brought with me some information, mostly from the Internet, for the Committee's attention, which I will pass to your clerk. Having experience in Parliament, I know I do not really have answer questions.

**CHAIR:** Thank you, Mr. Tracey. Are you available to answer questions?

**Mr TRACEY:** Yes.

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**CHAIR:** The issue of compulsory postal voting for council elections is something that has occupied a fair few submissions today. How would you see the decision of council to adopt full postal voting? Would you suggest that it be a decision of the elected body or a plebiscite of the community?

**Mr TRACEY:** I would say it would be a decision of the elected body. I would say that in a lot of councils in New South Wales there is no real contest in elections, especially in some of the country councils with 5,000 or 10,000 electors. They would happily go for postal voting because it is cheaper.

**CHAIR:** Why do you think the decision of the council as opposed to a plebiscite would be better?

**Mr TRACEY:** Because a plebiscite really stops the process for up to four years. The plebiscite itself would be an expensive exercise, unless it was held in conjunction with the general council election, and that would be up to four years away.

**Ms DIANE BEAMER:** Is it alright if the documents you have just tabled for the benefit of members are treated as part of your submission?

**Mr TRACEY:** Yes. It is just some information I have got. I do not think I have breached copyright or anything; it is available on Google.

**Mr ROBERT COOMBS:** How do you see election material and how-to-vote forms? I think you said in your submission that you would see a situation where voting papers are circulated to the voters at large approximately two weeks before ballot day. Would it include how-to-vote cards and other material? If the answer to that is yes, is it also the suggestion that there would be other opportunities for candidates to circulate supporting information, or would they only get one opportunity to do so?

**Mr TRACEY:** That would be up to your learned colleagues. I have left it open, but what I would see as a group would probably get more space than individual candidates, and the how-to-vote information could be included on their group statement. All candidates put in a statement at the moment when they nominate for local government, as you know, and that is pinned up in the polling booth. Ordinary postal voters do not get to see that at all. I would probably leave it to the council concerned about how they went about it, because they are obviously paying the printing costs. Whether you would give councils any further opportunities through campaigning is to be determined. I probably would not, because I like to have an equal playing field. Part of my submission is getting away from the stage where candidates raise \$10,000, \$20,000, or whatever, to pay for coloured brochures and advertising. Probably what I did not get across is that councils have changed a fair bit since the 1993 Act. Most of them are just like boards of directors. The animosity that is in the political battleground is only going on in a few councils in Sydney.

**CHAIR:** The suggestion has been made that electors should be given a document—provided I assume by the Electoral Commissioner or the returning officer—which details all the candidates and has information about them.

**Mr TRACEY:** Yes, provided by the candidates.

**CHAIR:** The candidates give the information to the returning officer, who collates the information and then sends it out?

**Mr TRACEY:** With a booklet or something like that, yes. I think that is so in some other States.

**CHAIR:** As a councillor and as a member of Parliament who represents an extremely diverse community with a very high level of non-English speaking background voters, would there be steps that the Electoral Commissioner or the returning officer could take to make sure the information was provided in the major community languages?

**Mr TRACEY:** I think that is worth considering. But that does not happen at the moment with local government. As far as I know, postal vote instructions are only in English. The ability of candidates to put something out in Greek or Macedonian or something exists. I think it is a local decision for councils, who know their communities I would think.

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**CHAIR:** In the seat of Canterbury there are 156 different nationalities—not that many languages, of course.

**Mr TRACEY:** That is probably an existing problem that would carry over, I would think.

**Ms LEE RHIANNON:** Your opening statement was very interesting. The way you outlined it seemed to make an assumption that there will be a level playing field when we get to the election and people will get their book and will simply get the same amount of information about people. But, as we can see, the whole issue to do with the reform of electoral funding is proceeding very slowly. I cannot help thinking that if you have postal voting it could be a disadvantage for new candidates and for groups that are not yet established, because they are just not going to be known.

As we know, particularly the people sitting around this table, come election day it is a level playing field when you get to handing out your how-to-vote cards. I know that was really important for the Greens over the years. It is the one day when we are equal with all the other parties, getting out our how-to-vote cards and actually engaging with the electorate. I think we have all been through that. I feel that there are assumptions made here that we are going to deliver a level playing field, whereas I cannot see that yet. I can see it really being a disadvantage to those who are really excited by the democratic process and are waiting to get out there on their big day and give out their how-to-vote cards.

**Mr TRACEY:** Yes, it would be a problem, but I think it is an administrative problem as there is less political activity going on.

**Ms LEE RHIANNON:** But not on election day?

**Mr TRACEY:** There is some truth in that. But I am sure their services could be utilised in doorknocking and distributing material, or whatever candidates do.

**The Hon. DON HARWIN:** The alternative view to that of Ms Lee Rhiannon, of course, is that one of the hardest things for new entrants to the political process is managing to staff all the booths on polling days. In fact, polling day arrangements are seen by many to be a massive advantage that even minor political parties, let alone major political parties, have over new entrants and Independents.

**Mr TRACEY:** The voting square system also disadvantages candidates, too.

**The Hon. DON HARWIN:** Thank you for the work you have done; it is an excellent submission. Have you done any study of the comparative cost of elections where universal postal voting is used, rather than the attendance method?

**Mr TRACEY:** No, I have not, because I have not been able to delve into Tasmanian budgets and things. But I am sure that is available. It is something we could be commissioned to do, or perhaps someone else could do it. That would be interesting. But I cannot see why so many councils in Victoria, with 88 per cent, would opt for complete postal ballots, unless there was some financial consideration there.

**Ms DIANE BEAMER:** I do not yet have an opinion on postal ballots. I happen to love election day. I think it shows an incredible amount of peaceful, democratic process going on. I happen to enjoy seeing people going along to vote, and the fact that we live in a democracy whereby people travel to a polling booth and can peaceably make up their mind in the polling booth. I happen to like it very much—otherwise I probably would not have been handing out at polling booths for 35 years I guess.

However, I see a big problem in the other part of your submission referring to by-elections. The Labor Party probably has more candidates standing than any other party. Getting someone further down the track on that ticket might be easier. In most New South Wales council areas Independent candidates would be absolutely independent of political parties, particularly in the bush because as you get further way from Sydney there is very little party political activity. They are voted for as individuals. It does not seem to me that the people who voted for that person would think about recounting in terms of the way in which it goes forward into the future. I find that a great difficulty. I accept that you can say that perhaps we do not fill a vacancy given the numbers, but the idea of not filling a vacancy by having another ballot when it involves an Independent does not serve democracy at the council level.

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**Mr TRACEY:** I have not suggested that; I have suggested that we recount them.

**Ms DIANE BEAMER:** In one of the wards a recount was done for a candidate who was 200 votes ahead of a candidate of a totally different persuasion. The quota was 16,000. The change would have been from a Liberal candidate to a Labor candidate. Independents often stand on their own two feet about themselves and I do not know whether you could replace them with the next candidate.

**Mr TRACEY:** I do not believe they can; you have to vote for three candidates in a multi-ward system.

**CHAIR:** You have to vote for the number of candidates.

**Mr TRACEY:** So each of them is presumably given a preference.

**Ms DIANE BEAMER:** Yes.

**Mr TRACEY:** Each of them has some sort of how-to-vote card, otherwise people might vote informally. If candidate A resigned, his votes would flow in the direction that he indicated they should. If he did not indicate, the community is not showing any choice. I do not think that is a problem.

**Ms DIANE BEAMER:** I often see how-to-vote cards showing people how to mark their first choice and then leaving them to fill out the rest of the ballot themselves.

**Mr TRACEY:** You can also still get your adrenaline fix in the state and federal elections.

**Ms DIANE BEAMER:** Knocking on doors.

**Mr TRACEY:** Very few Independents are elected, especially in the city. Most people seem to need a box to get elected these days.

**Ms DIANE BEAMER:** I think you would find that that it is different in regional areas.

**CHAIR:** Thank you for your submission, your ideas and suggestions and for coming in today to share your views.

**(The witness withdrew)**

## CORRECTED TRANSCRIPT

### ROUNDTABLE: Returning Officers—Accommodation and Other Issues

**JAMES MORISON TRELOAR**, Mayor, Tamworth Regional Council, 437 Peel Street, Tamworth, and

**PETER GREGORY GESLING**, General Manager, Port Stephens Council, 116 Adelaide Street, Raymond Terrace, sworn and examined:

**PETRA TINKER**, Manager, Governance and Customer Services, Fairfield City Council, 86 Avoca Road, Wakeley, affirmed and examined:

**CHAIR:** I welcome representatives of Tamworth Regional Council, Fairfield City Council and Port Stephens Council, who will be giving evidence to the Committee relating to their returning officer in the 2008 local government elections. The Committee thanks you for your submissions and is pleased to hear your evidence. I understand that some of you may have brought along other members of your organisation to assist and that they are sitting in the public gallery. Those colleagues may pass notes to you or through the secretariat or consult briefly with you to assist you in answering questions. However, they are not sworn in and cannot directly answer questions posed by members. The Committee has received submissions from each of your councils. Is it your desire that those written submissions form part of your sworn statements?

**Cr TRELOAR:** Yes.

**Mrs TINKER:** Yes.

**Mr GESLING:** Yes.

**CHAIR:** Would any of you like to make some brief opening remarks?

**Cr TRELOAR:** Tamworth Regional Council is an amalgamated council comprising five former local government areas. That amalgamation occurred in 2004. In response to the last witness, I can safely say that we have eight cemeteries in Tamworth and I have been successfully elected on all occasions on which I have stood. The Tamworth Regional Council had 18 candidates at the last local government elections standing for nine vacancies. All 18 stood below the line as totally independent candidates.

In our submission we have stated that we see the escalating cost of local government elections as a financial shift towards local government from the State Government. We see the independent audit as a farcical attempt to justify the cost of that organisation. Local government is charged a share of the Commission's fixed costs, which should be borne by the State in total. Local government does not have any control over the variable costs but is expected to pay the total costs. It has minimal input into the election process in terms of the number and placement of polling booths and pre-polling booth locations and the appointment of the returning officer. The original reason the Electoral Commission became involved in local government elections was to demonstrate independence to the community. However, I have not seen any evidence of public concern or a requirement for that independence.

Tamworth's time frame of 11 days to declare the polls was unacceptable given that votes never had to leave the city. The information on and the updating of the Commission's website was disgraceful during those 11 days. We also believe that the Electoral Commissioner's writing letters to the editor of the local newspaper is inappropriate. Remote areas should be given postal votes automatically and local government is a good area to trial such a process. The pre-polling location in Tamworth was also inappropriate.

**Mrs TINKER:** Thank you for the opportunity to deliver a short opening statement. Firstly, I thought it might be useful to the Committee if I briefly explain my role in the 2008 local government elections and also in preparing the Fairfield City Council's submission. During the election period I was the coordinator for Fairfield City Council's election process and the nominated contact person for New South Wales Electoral Commission. That means that all communications flowed through my office.

I was present at the meeting with the Electoral Commission's client services officer on 10 September 2007. I also had several discussions with our returning officer about the accommodation that was offered to her. Several people from our council later became involved in these negotiations as it was becoming a major issue.



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Eventually our property development services staff took over the sourcing and leasing of suitable premises and tried to assist in coordinating the changing of the locks and cleaning the premises. The premises ended up unnecessarily costing our council \$50,000. I personally visited the leased premises in Hamilton Road, Fairfield, both before and during the pre-polling period, and saw the long lines and problems that people were experiencing. In preparing the submission to this Committee, I personally interviewed our mayor and all the councillors individually to seek their input. All comments were collated into a separate document that was attached to the submission as Attachment A.

Essentially, our submission makes three main points: First, the difficulties with our returning officer regarding the accommodation and the attitude displayed during the pre-polling period; secondly, the approach taken by the Electoral Commission in relation to costs and payment for the election and the lack of consideration of our feedback based on our experience of running elections in the past; and, thirdly, the problems that occurred during the pre-polling period and on election day. They included the fact that there were long queues at the pre-poll booth and that on at least two occasions the doors were closed at 4.30 p.m. or 5.00 p.m., on election day there were very long queues and some booths ran out of ballot papers and numerous voters were sent home without being able to vote. I have brought copies of some correspondence to further support our submission and I am happy to answer any questions the Committee might have.

**Mr GESLING:** Port Stephens Council, like most councils, has had an increased financial burden placed upon it with the changes in how local government elections are held. The 2008 Port Stephens local government elections cost ratepayers \$308,000 compared to \$151,000 in 2004 and \$123,000 in 1999. While the Electoral Commission has endeavoured to provide a breakdown of the cost, it is unacceptable that it doubled from one election to the next.

The increased costs associated with local government elections restricts council even further in providing facilities and services on the ground for ratepayers. Through rate pegging the State Government limits councils' ability to increase revenue, and with election costs increasing at this rate it will further limit all New South Wales councils' ability to provide adequate services to their communities. Over the past two elections, council has had delays of up to two weeks in obtaining the results, which causes further delays in decision-making. At the last election council was also advised by the Department of Local Government not to make certain decisions after 4 August, which in effect meant that decisions were limited in Port Stephens for almost two months. That did not happen when councils were able to conduct elections in house—the results were known on the Monday following the election.

A further burden placed on ratepayers is the group voting method. This increases the costs to the ratepayers and also delays the outcome of the election. Council questions if this is really necessary at the local government level. For the past two elections, Port Stephens has been in the top two with regard to the number of candidates. At the 2008 election the number was 78. By removing the group voting, the community's wishes are more likely to be evident through the elected officials and not merely as a result due to second preference on a group ticket.

The introduction of the requirement for candidates to have an agent and to have their account audited by suitably qualified persons further acts as a deterrent for people who are looking to give to the community as a councillor. We had a situation where one councillor could not find a person to audit in the local area. This, coupled with an ongoing requirement to submit six-monthly returns for expenditure, all amounts to a further barrier to those who are serious about pursuing an active role in local government. That brings me back to the issue I am here today to provide evidence to the inquiry about—the electoral office and staffing.

A number of councillors raised concerns about the experience and knowledge of some staff in the returning officer's office. Councillors have raised concerns that they are not totally confident that the advice provided to them was enough for them to feel that they had complied with the Act and regulations. Council also received a number of complaints with respect to the introduction by the Electoral Commission of a hotline service for inquiries by the community. Many residents were not satisfied with the service and felt the service is much better provided if it is done locally through the returning officer's office. There was also concern about the introduction of the returning officer only being able to be contacted by mobile telephone. When residents were at times provided with the local contact details of the returning officer it was via a mobile and this in itself burdened the elector with increased costs and at times may deter them from being involved in the voting process at all. Council thanks the Joint Standing Committee for the opportunity to provide this information to the inquiry. Hopefully, the outcome is positive and a cost-effective result.

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**CHAIR:** A common theme that has emerged throughout the submissions made today and the written submissions received by the Committee is, as you have all raised, the cost of the elections. Two schools of thought have been suggested as ways in which councils can contain these costs or there could be some scrutiny of the costs. One is an Independent Pricing and Regulatory Tribunal role in the setting of fees and charges for elections by the Electoral Commission, and the other is contestability of elections through electoral commissions from interstate or private organisations that could conceivably run an election. Do your councils have a view on which you think would be the better model for trying to contain costs to your council?

**Cr TRELOAR:** Our experience in the past has been that there was never a difficulty in terms of the local council running the election. The general manager, I think, as the returning officer provided a level of independence, and I am unaware of any community criticism of that process. I have tried to find out through the Electoral Commission where the concerns arose to require the Electoral Commission to become involved in local government elections, and the response I have received is there was a public perception that there needed to be greater independence but I have not been able to get any evidence of that public perception that there needed to be greater independence.

**CHAIR:** Do you think that there could be a public perception that if a general manager was responsible for conducting an election candidates who are not councillors may feel that they do not have the same access to the general manager that perhaps candidates who are councillors or the mayor might?

**Cr TRELOAR:** I would question whether a skerrick of a percentage would know who the returning officer is. I would have to say there needs to be a level of public concern for there to be a reason for there to be the Electoral Commission involved in the first instance. I am not aware of any of that concern in any of the elections I contested. In the first election where I stood, where I had no understanding of who the general manager was, I felt there was always a good level of independence.

**Mrs TINKER:** In our council we did not have a problem with the Electoral Commission actually running the elections. As a matter of fact, I think we welcomed it. There was a lot of work that we did not have to do. The problem we did have was with the horrendous cost estimates that we were provided. As far as any way of cost containment going forward, I do not personally have a view. My council has not discussed those matters so I cannot comment on that any further.

**Mr GESLING:** At Port Stephens the council has the view that it should be run locally. In our case in 1999 I outsourced that to a returning officer, appointed someone separate to myself to provide that independence and the perception of independence. That is how I would do it in the future if that recurred. I personally do not have any difficulty with it being run outside the council as such, other than the cost, and I do not believe that the benefit justifies the cost at the present time. If it was to go that way, I certainly have some concern about an IPART involvement. IPART works on the basis of what is a framework provided for them, and if the framework is to recover this amount of costs for Treasury in terms of what they contribute to it, that limits the findings that they can find there. So I would certainly in that case support the opportunity for contestability, probably not on a local basis but maybe a regional basis or even across the State.

**CHAIR:** Cr TRELOAR, you mentioned that below-the-line voting should be the norm and that above-the-line group voting should not be permitted. Was that your contention?

**Cr TRELOAR:** No, I did not say that. I said that in Tamworth we had only below-the-line voting.

**CHAIR:** Is it your view that it was less expensive to count the vote as a result of that?

**Cr TRELOAR:** Because it was below-the-line voting and not above the line, the vote was able to be counted locally; it did not have to be sent to the metropolitan.

**CHAIR:** So you got a quick result, compared to neighbouring councils?

**Cr TRELOAR:** No, we got an 11-day result.

**The Hon. JENNIFER GARDINER:** Eleven days.

**CHAIR:** You also mentioned that there was a minimum—

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**Cr TRELOAR:** That may well have been because the Electoral Commission was not set up in Tamworth to handle a locally counted vote. They probably made an assumption, because of the size of the area, that the vote would have been resourced in Sydney but that was not the case, and they would have known that when the ballot was declared.

**CHAIR:** You also mentioned that there was minimal involvement in choosing the polling booths in negotiations with the Electoral Commissioner.

**Cr TRELOAR:** We made available to the Electoral Commission facilities within the council. They chose for whatever reason not to use those. The location identified was a busy part of the CBD area where there was inadequate parking out the front. There were two car parking spaces allocated to potential people who wished to vote. On a Friday afternoon before the polling you can imagine what congestion two allocated car parking spaces provide for that. There was limited, if any, area other than the CBD footpath for people to campaign on, and I can say from my own personal experience the facility was totally inadequate for a pre-polling situation.

**The Hon. AMANDA FAZIO:** In relation to Fairfield, you said that it cost \$50,000 for the office for the returning officer and that also you had some concerns about the way that office space was utilised so that there were limited opportunities for pre-poll voters to actually vote. Have you raised this dissatisfaction with the Electoral Commission of New South Wales?

**Mrs TINKER:** Numerous times. We have written many letters through our local members and personally our mayor wrote a letter. I have brought some of that correspondence about voicing our concerns. What happened at Fairfield was we offered our civic wing to the returning officer, which is where the returning officer in the past placed the office and also conducted the pre-polling. Previous returning officers deemed that accommodation to be palatial. It was not acceptable this time. We then ended up sourcing a building in the middle of Fairfield which was huge. What happened was they actually cordoned that off right at the front so that only five or six people could be inside at any one time. So you had these huge queues out along the footpath. People were fainting, it was hot, people became angry. There were quite a lot of disputes. Some candidates wanted to bring elderly people inside because of the heat and they were told off. It was just not very well run.

**The Hon. AMANDA FAZIO:** Where was the office for the returning officer?

**Mrs TINKER:** It was in Hamilton Road in Fairfield.

**The Hon. AMANDA FAZIO:** Where were the premises that were previously used?

**Mrs TINKER:** Our administration centre in Avoca Road in Wakeley.

**The Hon. AMANDA FAZIO:** Did you have any similar delays in terms of pre-poll voters being able to gain access to the pre-poll voting area? On election day did you have the problems that Fairfield encountered with huge queues and people running out of ballot papers?

**Mr GESLING:** At Port Stephens my recollection—I may need to consult my colleague—there was no problem with accommodation in Raymond Terrace, which is the main area. There was a difficulty with pre-poll voting at Nelson Bay, which is some 40, 50 kilometres away, which being there not frequently enough and the request was that it be more often. We did not have accommodation available in the council chambers but we owned other buildings which we were able to lease to them effectively which had appropriate parking and accessibility.

**The Hon. AMANDA FAZIO:** So if the State Electoral Office continued to conduct local government elections, would you prefer that the option be given or that a recommendation come forward to say that councils should be given first option to offer accommodation for the returning officers, rather than them having to go out and pay commercial rents?

**Mrs TINKER:** We were given that opportunity but the returning officer came and inspected the premises that we offered. Initially it was okay, then it was not okay, then it was okay and then it was not okay.

**CHAIR:** Did they give a reason?

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**Mrs TINKER:** I am not sure. When we had face-to-face discussions with our returning officer we seemed to have reached agreement and everything was fine. The next day we would get a telephone call from the Electoral Commission to say that the returning officer has indicated problems. Did not come back to us; it came back to us through the Electoral Commission, and I think that was part of the cause that caused the relationship to get off to a rocky start.

**Cr TRELOAR:** I think the local council is the body that would probably have the best history of the election process. If the location of the pre-polling facility is not done through consultation with both parties, you will end up with some difficulties of a location. I think it should be done through a consultative process. If there is a difficulty and it can be clearly explained, I think both parties would be able to move on to another site. But when there is no consultation you end up with an inappropriate site. I have to say that the front counter of a local council is the area that wears that complaint; it is not the Electoral Commission. People do not ring up Sydney and say, "We've got a problem with the office in Tamworth." It is always the local government's front counter.

**CHAIR:** One of the suggestions provided by previous people making addresses today was that the process of choosing polling places, pre-poll and otherwise but primarily polling booths, should happen quite some time out from the election, rather than in the shadow of the election. Would that be something you would agree with?

**Cr TRELOAR:** We know when the next election is, and there is no doubt about that. I do not know why things cannot be put in place well in advance of that election for suitable accommodation. That is not just pre-polling but that is also polling booths.

**Mrs TINKER:** From Fairfield's perspective, we felt that the Electoral Commission provided us with a spread sheet fairly well in advance of the election and invited our comment, which we provided, which of course they then ignored. As part of that submission they also told us how they were going to staff the booths, and some of the booths that we had used in the past—as Councillor Treloar mentioned, council has the experience to run these elections in the past, so we had a history of polling booths. They chose not to use what we recommended and chose other booths. Then they told us they were going to use 266 staff. In 2004 we used 495 people and the people in 2004 had indicated that they were pretty well stretched. We fed all of that information back to the Electoral Commission and they said, "You can submit whatever you like but we are going to do what we need to do because we want to have the process in line with other elections".

**Mr GESLING:** In Port Stephens I am not aware of any particular issues. We certainly had the information earlier and there was negotiation about some issues, but I agree with Councillor Treloar, there is no reason why it cannot be done earlier. You can sort out all sorts of issues of access that need to be resolved.

**Mr ROBERT COOMBS:** I am just trying to get to the guts, if you like, of this cost impediment. Unfortunately, I could not make it this morning but this afternoon we have had something like a dozen witnesses and they have all talked about this further cost impediment, especially when you take into account the change in the local elections being run from 2004 to 2008. Of course, on the other side of the ledger—again, I was not here this morning but talking to some of my colleagues here, the Electoral Commission representatives basically said, "This is the first time we have actually charged this service based upon a number of principles". Basically they are making the statement that in years gone by we undercharged; we had to go through a new process to ensure that in actual fact the functions that we were providing were properly costed—we went through a re-auditing effect and all the rest of it.

Has your council or any other council that you know of done an independent analysis to basically work out what the actual cost of it is and then go from that basis in making a comment whether you believe that you were overcharged for the service or whether it represents a fair and reasonable cost in association with all those things that need to be provided?

**Cr TRELOAR:** We have looked at the independent audit of our election and whilst it is very difficult to trace many of the items in that independent audit, some we were able to identify we had been charged for twice, and on two or three occasions there were actually three charges for the same service. I find it difficult to suggest that computer IT and some of those other things that were supposedly in the audit as being a fair and reasonable charge on our community has been acceptable when the IT is there from State government elections, and that is one of those fixed costs, which I would question why they have to flow through to local government when the State has already borne that cost. It is purely an application to regain some revenue on some of those costs that were already in place.

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The difficulty I say with that though is in 2004 where you see councils that have had a 100 per cent increase in their fees from the Electoral Commission. During that same period of time rate pegging meant that local councils were allowed to increase their rates on the community by 14 per cent. At some stage you have to say how is that shortfall going to be collected?

**Mrs TINKER:** I have a spreadsheet where I have been able to identify our 2004 costs versus the 2008 actual and our 2008 election cost us twice as much as the 2004 election. The initial estimate from the Electoral Commission was \$858,000. We paid \$350,000 in 2004. The revised estimate was \$801,000 and the actual cost ended up being \$684,000—so double the amount. I am going to hand this in to the Committee. I can see where the charges have come from.

**Mr GESLING:** Similarly, in Port Stephens we have done an analysis between the two years and, again I support Councillor Treloar, there does not seem any justification to pass on fixed costs that exist anyway. If I heard the evidence correctly this morning, the Commission put on no extra staff; they were going to be employed by the State in any circumstance, and for some reason Treasury has not given the revenue to pay for that. It is expected to come back from the local community. If those costs are there and that is the cost for getting local government elected, surely the easiest way to apply that to the State is for the State Government to apply the revenue for that purpose, for the administrative and the fixed costs. Certainly for the direct costs it would be difficult for us to argue against those.

**The Hon. JENNIFER GARDINER:** Councillor Treloar, in relation to the delay and the length of the count in Tamworth you have suggested a particular reason that might have led to that—a miscalculation by the Commission. Did they give you any information during the count as to why it was taking so long?

**Cr TRELOAR:** To try and save some of the costs we shared the returning officer with two other local government areas in our region. Those two other local government areas were smaller than the Tamworth Regional Council area and I think they had anticipated counting those votes locally. So they went through the process of doing those two local government areas first and then Tamworth Regional Council was left to be the third one processed. During that period of time there were continual updates if a scrutineer went into the counting room, but unfortunately that was not passed onto the websites, which was an undertaking given that we would have constant and continued updates on the websites. That just did not happen in our particular circumstance whilst they were still proceeding with some of the counting process.

**The Hon. AMANDA FAZIO:** Can I just ask you, Councillor Treloar, which other two councils did you share the returning officer with?

**Cr TRELOAR:** Liverpool Plains and Gunnedah.

**CHAIR:** Did you have any other comments in regard to the shared returning officer model? Were there any other criticisms or is there any evidence of where it worked well?

**Cr TRELOAR:** Can I place on record that we did not actually have any problems with the returning officer as a person and the process that they worked through. I think they were disadvantaged in some instances because of their location and also the circumstances that arose. I do, however, question that person on the basis that they would have known well in advance that the count was going to have to be done locally. On Saturday night I think staff were dismissed who had acted in the polling booths and the whole process was left to a very limited number of staff. Now they would have known well in advance that all those votes were going to be counted locally because there was just no above-the-line voting.

**CHAIR:** As a candidate in the election as opposed to staff from the council and in discussing with colleagues from other councils who shared your returning officer, do your colleagues have any concerns about access to the regional returning officer for information days, for candidate requests or inquiries, the drawing of the candidates' names, those sorts of things? Were there any issues that they raised with you?

**Cr TRELOAR:** I am not aware of any. It was very well conducted in that process. Can I just make one other statement in relation to a previous statement made? The process of having 18 independent candidates is a very different process to having four or five political parties and it is very, very embarrassing to be the eighteenth person in a queue handing out a how to vote card for somebody who has got a pile of paper this big

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and they basically move into the polling booth and place everything in the bin and hope they stand a chance of getting it right.

I understand that there is a very different process in regional centres and country communities as opposed to metropolitan centres and it is going to be very, very hard to satisfy both those concerns, but I have to say the best way of a candidate becoming known is the good old-fashioned walk the streets and knock on a door. It is not a process where that person will become well-known on election day being sixteenth, first or eighteenth in the process of handing out a how to vote, and I suggest an area where they have 78 candidates I would hate to think of what the process is like at a polling booth where that is the circumstance.

**The Hon. JENNIFER GARDINER:** Councillor Treloar, you raised a different matter, namely, the Electoral Commissioner writing letters to the editor during the process. Would you like to elaborate on that, because no one else has raised that?

**Cr TRELOAR:** We had a letter to the editor from Colin Barry and it was a letter to the editor in response to some communication in the paper. I do not know if it is appropriate, from the State Government's perspective, a commissioner making statements to the local paper in response to certain allegations. I just feel it is inappropriate for that. I certainly, as mayor, do not go responding to statements by the media—I would spend my entire day writing letters to the editor if that was the case—and I question why a commissioner would choose to respond to a paper article, however accurate or inaccurate the statement was.

**The Hon. JENNIFER GARDINER:** Do you think anyone else on behalf of the commission should respond if they are just trying to correct the record or to clarify a point of law?

**Cr TRELOAR:** If it was potentially to correct a misstatement, yes it probably is appropriate, but to justify a position I do not think it is appropriate.

**Ms DIANE BEAMER:** Petra, you are going to give us a breakdown of the 2004 costings that you have. They were done by council running their election and coming out to a fixed cost.

**Mrs TINKER:** Correct.

**Ms DIANE BEAMER:** When you looked at those did it include all the on-costs that your staff had and everything as well?

**Mrs TINKER:** No. It included all of the wages for the returning officer, wages for office assistants and wages for election officials but not the general wages that staff would normally get.

**Ms DIANE BEAMER:** Who did partake in the election?

**Mrs TINKER:** It did include the wages for council staff.

**Ms DIANE BEAMER:** Who spent the Saturday?

**Mrs TINKER:** Who spent the Saturday, and for training or whatever happens, yes, it does include that.

**Ms DIANE BEAMER:** One of the things in accounting for council costs is all the on-costs that they have, et cetera—

**CHAIR:** Superannuation costs.

**Ms DIANE BEAMER:** Superannuation costs, payroll costs. I have sat on council and to write a cheque for \$50, on-costs were \$50 or thereabouts. Were they all included in it?

**Mrs TINKER:** I do not believe so.

**Ms DIANE BEAMER:** I am not trying to criticise this. I think one of the things that can occur is when you look at costs you can look at them in a whole range of things. It is very easy to look at exactly what you are charged by the Electoral Commission because it comes in and it has got a bottom-line and you have got to write

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a cheque, even though you cannot get a breakdown—or sometimes you can get a breakdown and find you have been charged for things three times. I want to gauge whether I am comparing apples with apples.

**Mrs TINKER:** I appreciate that. The wages for election officials in 2004 were \$199,000 and in 2008 they were \$122,000. It was actually a lower amount based on the lesser number of people. I cannot tell you what else was incurred. My understanding is that the employees that worked on election day were engaged by the returning officer in 2004. So I do believe we are comparing apples with apples, but I do not have any concrete evidence to that. It was just what was in the accounts broken down.

**Ms DIANE BEAMER:** Mr Gesling, you have conducted your own comparison and have been a returning officer before hiring a returning officer. A lot of the costs that were associated with the elections are absorbed, if you like, in-house with hours being not so much donated but saying, "Instead of doing this today you are doing that today". Were those costs looked at?

**Mr GESLING:** We certainly looked at those costs and we calculated there were savings being made. Having the Electoral Commissioner do it we did not have to apply to a process. We have not gone to the extent of comparing them against those issues. We could do so but it is more our view that it is the fixed costs that are being transferred to us from the Electoral Commission.

**Ms DIANE BEAMER:** The point has been well made by a few people that if you have a system that you have developed for a State election and you say, "Here is your proportion of it"—

**Mr GESLING:** There might be differential costs that have to be incurred in modifying it in a new system, but that is not the whole system. Obviously there are some savings there, which are available to all the community.

**Ms DIANE BEAMER:** The Tamworth submission uses quite a few adjectives such as "farcical" and "debacle". It is very strongly worded, I might say, to the point where it states that the review lacked independence, transparency, credibility and integrity. You have really given it quite a blast. It suggested that costs for information technology being placed on you was unfair. Is it your contention, though, that the review was flawed or that it was delivering costs to you that you think were unfair?

**Cr TRELOAR:** What we were trying to demonstrate was that even once internally audited, the Electoral Commission was appointing its own auditor for a start. I really find an independence of auditor, when you have appointed your own auditor—it is a bit like going to the solicitor of your choice and getting a view that you really like, is it not? When we have then questioned some of the internal audit process, there was an enormous area of error where there was duplication, triplication, of some of the charges. We actually had to go and try to work through that audit ourselves without information that an auditor would have had in the first instance to demonstrate that there was actually an error in their own auditing process.

**Ms DIANE BEAMER:** Okay, you have answered me; it was a flaw in the auditing.

**Cr TRELOAR:** When that actually happens, the staff do become very concerned and they view it as being a farcical process. The process was one of justification of the cost rather than actually auditing the true costs of the process.

**CHAIR:** Do you think there would be some value in an externally appointed auditor to review the Commission's costings to determine whether they have been done appropriately? When I say, "externally appointed", I mean not by the New South Wales Electoral Commissioner?

**Cr TRELOAR:** I would love to say yes, but if it is going to add to the costs of the process, I am here saying, "Look, if the costs are there and they have to be borne by the community, really the question is: who is going to bear the cost?" I suppose the bulk of our submission was based on the fact that local government is a very constrained revenue source. I have got some figures here. If you look at the State's collection of land tax from the period 2001 through to 2007, there has been a 128 per cent increase in revenue. During that same period local government rates went up 32 per cent.

We have not got a revenue source that allows us to incur an additional cost of potentially \$100,000 or \$200,000 and continue delivering the services to our community that they have an expectation of. At the end of the day we actually have to either find another revenue source or we have to be given greater consideration by

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the State that we are rate pegged and we can only collect at that rate and if we start getting charges outside of that rate, our services to the community have to start to diminish.

**Ms DIANE BEAMER:** Going on from the things you said about forensically looking at your bill, when you pointed out that you had been charged twice for the same thing, did they decrease the price at all?

**Cr TRELOAR:** You have heard on numerous submissions that our initial cost estimate was this and then it continually got refined down. I do not know of any local government area where they went up at any stage because I think we constantly questioned many of the things within their charging. I think, unfortunately, the audit process was done after the election, which is appropriate, but some of the costs had already been levied. I sit here feeling sort of like the king at the moment because our costs only went up 28 per cent and I really think I am here as a fraud because we did not get 100 per cent increases. Can you imagine what terminology we would have used if we had got a 100 per cent increase?

**Ms DIANE BEAMER:** I could.

**Mr COOMBS:** We would not be able to print it.

**Ms DIANE BEAMER:** It would have little black lines.

**Cr TRELOAR:** You would have to delete half of it, I suggest.

**The Hon. AMANDA FAZIO:** Councillor Treloar, I go back to something you said in your opening statement when you were critical of there being a lack of local input into the selection of polling places. Was there a lot of difference in terms of the polling places that were used in the last local government election to the ones that the council ran before?

**Cr TRELOAR:** I think this goes back to a statement raised earlier. We know in September 2012 on the second Saturday there is going to be another local government election. I think we should have in place the schools and the major polling booths that we wish to use well prior to that election, so there is no doubt this is where the polling booths will be. When you find that the town hall suddenly is not available because they had chosen not to book it sufficiently in advance, that is just an error, and in most country towns the main polling booths will be the town hall.

If that is certainly not available because they just chose to try and find out if it was available three months before an election, that is the wrong process. I think there is a better process of going through that, particularly in areas where there has been significant growth and a change in the population mix. There should be consideration given to the proximity and the size of some of those booths. If that is done in consultation with the local government area, it will be a better outcome, rather than the Electoral Commission trying to judge that by statistics.

**The Hon. AMANDA FAZIO:** This Fairfield situation has got me puzzled where you said people were waiting around all day on polling day; they were not getting in to vote and when they did get in, they did not have enough ballot papers. You said that people were told to go home because it was after six; people could not get in to vote. Why was it organised so badly, given that presumably a lot of the polling places were the same as those used in State elections and in previous local government elections?

**Mrs TINKER:** I do not know. I can just say that there were different polling places. They proposed to use about 10 polling places that we had not used in the past. We used another 10, so there was sort of a balancing, but I think the main problem was the staffing. Like I said, they offered to use 266 staff when we had used 495. From my discussions with the councillors, they said some polling places were still open at 7.30 but where they ran out of ballot papers they were told, "We'll just mark your name off. You won't get fined. We'll mark your name off." They did not get to vote. That happened at a number of booths. Like I said, I interviewed all of the councillors individually and recorded—

**Ms DIANE BEAMER:** Everyone said the same thing?

**Mrs TINKER:** Most of them, yes. Some of them did not give me as much information as others, but a number of them went around to the different polling places. I live in the Fairfield area and my experience was that we had to wait an hour and a half to get in. There was a lady who needed to sit down somewhere, so



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someone held her spot in the line while she sat somewhere, but as was said, there were no toilets, there was no water; it was a hot day.

**Mr ROBERT COOMBS:** Third World country stuff.

**Mrs TINKER:** Some people were thinking they had to produce identification [ID]; some people were going home because they did not have ID. There was just a lot of confusion.

**The Hon. AMANDA FAZIO:** Do you think they took into account the fact that there were a lot of people who vote in the Fairfield local government area for whom English is a second language and that they often take a little longer to get marked off the roll and be given their instructions?

**Mrs TINKER:** I cannot really comment on that, only from what I have personally seen at my booth and the process seems to flow okay. People are able to find their name, point and get on with it. I do not think it was particularly slower than it would normally be.

**The Hon. AMANDA FAZIO:** Was it just that there were not enough tables and voting officials?

**Mrs TINKER:** That is certainly my understanding and that is the message that has come through from the councillors. They get around to a lot more polling places than what I did. I just know what I saw when I went to vote and I know what I saw at the pre-polling premises as to what occurred there.

**The Hon. DON HARWIN:** The old rule of thumb was one issuing table per 500 voters attending that booth. Do you think that was the approximate ratio that they were working to?

**Mrs TINKER:** I really could not comment on that. I do not know what they would have used. I just know what we had done in the past and I know that in 2004 people worked very, very late on the Saturday. They did not have a break for lunch. They were run off their feet. There were 495 of them. This time there were 266.

**CHAIR:** Some of you have some additional information that you want to include as part of your submissions. For the purposes of including that into your submissions the Committee has no problem with the documents being tabled.

### Documents tabled.

**CHAIR:** The question of postal voting has been raised several times today. Have you considered making postal voting compulsory?

**Cr TRELOAR:** From a personal level I think local government would be a very good area to trial such a process, mainly because the number of candidates means there would be greater opportunity for people to be informed by a sitting candidate. In terms of our more remote areas, we have got some booths that may take 127 votes. That is a very remote community area and most of those votes would have travelled a significant distance to get there to cast their vote. I am sure those people in those particular areas of our community would much prefer a postal vote and I am sure it would assist in getting a return from those people. But I think if you are looking at it, local government would be a very good area to at least trial such a process and from our point of view, I do not believe the community would have any problems with that.

**Mrs TINKER:** It is not a matter that has been discussed at our council, so I cannot comment on it.

**Mr GESLING:** It has not been discussed at our council so I cannot comment. Personally I would see it would have some advantages, but it may need to be optional.

**CHAIR:** I would like to thank you all for coming, particularly those who have travelled some distance to be here today. Thank you for coming and for your contributions.

**Cr TRELOAR:** Thank you for your support of the process as well because the election process of local government is important.

**CHAIR:** Mrs Tinker, are you happy for the information you have provided regarding the costings to be made publicly available?

**CORRECTED TRANSCRIPT**

**Mrs TINKER:** Yes.

**CHAIR:** Thank you.

**(The witnesses withdrew)**

**(The Committee adjourned at 5.14 p.m.)**