



Victorian Electoral Commission

Democracy at work

Annual Report

1 July 2002 – 30 June 2003



Key achievements

- The VEC conducted the 2002 Victorian State election – Victoria’s largest one-day public event. The voter participation rate was 93.2%.
- A braille ballot paper template was successfully trialled at the State election, enabling many vision-impaired voters to cast a secret ballot for the first time.
- Conducted 54 local government elections – the largest number of elections the VEC has conducted simultaneously. Council feedback following the elections commended the VEC’s management of the elections.
- A record 223,706 new enrolments and enrolment updates were generated as a result of the VEC’s enrolment initiatives.
- The development of a new computerised enrolment register was completed on time at the end of June 2003.
- A new electoral education strategy was developed in conjunction with the Australian Electoral Commission.

The VEC at a glance

	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003
Number of enrolled electors (30 June)	3,103,732	3,153,132	3,197,890	3,251,836	3,265,948
Total enrolment changes	446,400	590,772	477,629	565,730	597,902
Changes from VEC enrolment initiatives	43,166	83,186	100,654	94,774	223,706
State elections	-	1	-	-	1
State by-elections	1	5	-	-	2
Local government elections	12	42	3	17	54
Local government by-elections	5	3	5	5	5
Statutory, commercial and community elections	18	16	22	55	38
Staff numbers	79	72	63	77	74
Total expenditure	\$16.5m	\$33.9m	\$14.1m	\$21.5m	\$44.7m



Cover image

The image on the cover of the VEC's 2002-2003 Annual Report illustrates democracy at work. It represents the activities of the VEC and how the VEC interacts with voters and stakeholders.

Inside this report

20 October 2003

The Hon Rob Hulls, MP
Attorney-General
Level 1
55 St Andrews Place
Melbourne Vic. 3002

Dear Attorney

Victorian Electoral Commission Annual Report 2002-2003

I am pleased to submit to you, for presentation to Parliament, the 2002-2003 Annual Report of the Victorian Electoral Commission.

The report has been prepared in accordance with the requirements of the *Financial Management Act 1994*.

The report also includes the Report of the Electoral Boundaries Commission for 2002-2003.

Yours sincerely

C A Barry
Electoral Commissioner

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Mission and values

Mission

The VEC's mission is to conduct fair and impartial elections, efficiently and according to law, and to maintain the integrity of the Victorian electoral system.

The VEC is a dynamic organisation committed to quality and accountability in the delivery of electoral services in a changing environment.

Our aim is to continue to be recognised for excellence in providing services to all Victorian electors and our stakeholders.

Values

The VEC values:

- conducting elections with complete impartiality and integrity;
- the efficient provision of innovative services that effectively facilitate participation in the democratic process; and
- an approach to our work that demonstrates a commitment to ensuring the highest standards of service and professionalism.

Electoral Commissioner's report

The past year has been the Victorian Electoral Commission's (VEC) most challenging. The VEC conducted the Victorian State election on 30 November 2002 and 54 local government elections four months later. The scale and timing of these elections presented considerable challenges and placed extraordinary demands upon our staff.

Major achievements

New electoral boundaries and the new *Electoral Act 2002* altered the environment in which the 2002 State election was conducted. The new Act was the first major revision of Victoria's electoral legislation in a century and required the VEC to make significant changes to election procedures and systems.

The VEC provides high-quality election services to enable all members of the community to participate at elections. At last year's State election the VEC further extended the range of services provided to electors. The success of the early voting centres established in conjunction with Vision Australia was a highlight. These centres provided a range of specialised services, including a braille ballot paper template, which enabled vision-impaired voters to cast a secret ballot for the first time.

In March, the VEC conducted all 54 local government elections – the largest number of elections that the VEC has conducted simultaneously. Managing elections on behalf of 54 clients is more complex than the conduct of a State election as services must be tailored to meet the needs of each council. The VEC was able to reduce the costs incurred by councils by utilising the infrastructure established for the State election.

Achievements were not confined to elections in this busy year. The VEC's enrolment strategies helped to generate a record 223,706 new enrolments and enrolment updates. The development of a new computerised enrolment system to manage the register of electors was also completed, significantly improving the management of enrolment activity.

Looking forward

Legislation shapes the electoral environment and provides the framework for the conduct of elections. This environment is set for a period of further change. The recently enacted *Constitution (Parliamentary Reform) Act 2003* made significant changes to Victoria's parliamentary electoral system, introducing fixed four-year terms and a new voting system to elect members of the Legislative Council.

The Government has also announced changes to the timing and conduct of local government elections. Changes to the election cycle will see all councils elected for four-year terms from 2008 and proportional representation will be used in multi-member electorates. Councils will also be required to engage an electoral authority (likely to be the VEC) to conduct independent representation reviews – new work for the VEC.

Together these changes to legislation will have a significant impact on election administration and will require the VEC to restructure its business cycle. The VEC is developing a new corporate plan that outlines the VEC's response to the challenges ahead. Our efforts will be focussed on activities that give effect to the legislative changes and the development of initiatives that result in real improvements to services for electors.

I would like to thank VEC staff and contractors who, through their initiative, hard work and dedication, play an important role in ensuring the good health of the electoral system in Victoria.



Colin Barry
Electoral Commissioner



Colin Barry



Major achievements

Election services

Prior to the State election, the VEC updated all election services and procedures following the enactment of the *Electoral Act 2002* and the establishment of new electoral boundaries.

The VEC conducted the 2002 Victorian State election – Victoria's largest one-day public event. Ninety per cent of surveyed voters were satisfied with the VEC's election services.

A braille ballot paper template was successfully trialled at the State election, enabling many vision-impaired voters to cast a secret ballot for the first time.

Four months after the State election, the VEC conducted 54 local government elections – the largest number of elections the VEC has conducted simultaneously. Councils commended the VEC's management of the elections.

The VEC conducted 27 commercial and community elections and 11 statutory elections, involving more than 300,000 voters.

p14-16, 21-22, 28.

Electoral enrolment services

A record 223,706 new enrolments and enrolment updates were generated as a result of the VEC's enrolment initiatives.

The VEC sent an enrolment confirmation card to all electors following changes to electoral boundaries. This initiative encouraged almost 100,000 electors to update their enrolment details prior to the State election.

The VEC produced voters' rolls for all 54 local government elections, enabling more than 2.4 million Victorians to participate in these elections.

The final module of the new enrolment register was completed on time at the end of June 2003. The new system significantly improved the management of enrolment activity and the conduct of elections in 2002-2003.

p32, 35, 36.

Community understanding and participation

Voter turnout at the 2002 Victorian State election was 93.2%, consistent with the high turnout at previous elections. Post election research found that 74% of electors thought that the VEC's voter information campaign was effective.

The VEC developed and implemented 54 unique voter information campaigns to meet the communication needs of each council election. Average voter turnout increased to 75.2%, compared with 73.5% for the same councils in 2000.

A coordinated electoral education strategy was developed with the Australian Electoral Commission. The VEC sent an education kit to all Victorian schools prior to the State election and the feedback received was extremely positive.

p40-42, 44, 46.

Organisational effectiveness

Recruited and trained 180 senior election officials to manage the conduct of the State election and local government elections. Recruited 16,000 casual staff who were employed on State election day.

The VEC's human resource management processes exceeded the VPS average in the areas of integrity, impartiality, accountability, responsive service, and selecting and promoting employees.

The VEC developed and implemented a privacy policy in accordance with new privacy legislation to better protect the personal information it collects from electors.

p49-50, 53.

Future directions

The new *Constitution (Parliamentary Reform) Act 2003* significantly alters Victoria's electoral system. The introduction of fixed four-year terms will have a significant impact on the VEC's operations and the management of State elections. The next election will be held on 25 November 2006.

The introduction of a proportional representation system to elect members of the Legislative Council will require changes to election procedures and the introduction of a computerised vote counting system.

The VEC has made recommendations to further improve the *Electoral Act 2002*.

Proposed amendments to the *Local Government Act 1989* will result in significant changes to the election cycle and electoral administration, if introduced.

The VEC appears now to be the only provider of local government elections services in Victoria and will have to develop the capability to conduct all elections in the coming years.

p19-20, 27.

The VEC will continue to work closely with the AEC to implement the new joint enrolment arrangement (if approved by government). The focus will be on improving the quality and integrity of the register of electors and the efficiency of enrolment processing.

To effectively manage the register of electors the VEC will develop an audit framework to evaluate the accuracy, completeness and security of the register of electors, and continue to develop and implement programs to encourage eligible electors to enrol and update their enrolment.

Proposed amendments to the *Local Government Act 1989* will require the VEC to conduct representation reviews for municipal councils.

p38.

The VEC's State election communication strategy will be redeveloped in light of changes to legislation and the electoral environment. Campaigns will be developed to provide the community with information about changes to voting procedures and the new Legislative Council electoral system. The VEC will also develop specialised campaigns to provide information to communities where voter participation is low.

Proposed changes to the scheduling of local government elections present the VEC with an opportunity to work with councils to develop coordinated communication campaigns that better meet the needs of voters and are more cost-effective for councils.

The VEC's new electoral education strategy, developed with the AEC, signals the beginning of a new approach to electoral education in Victoria. Beginning in early 2004 the VEC will implement this strategy.

p47.

Changes to the timing and scheduling of State and local government elections will have a major impact on the VEC's workforce requirements. The VEC will attract and retain staff with the skills and knowledge required to meet strategic business objectives.

New strategies will be implemented to maintain a work environment that is safe, supportive, free from discriminatory behaviour, and enhances employee well-being.

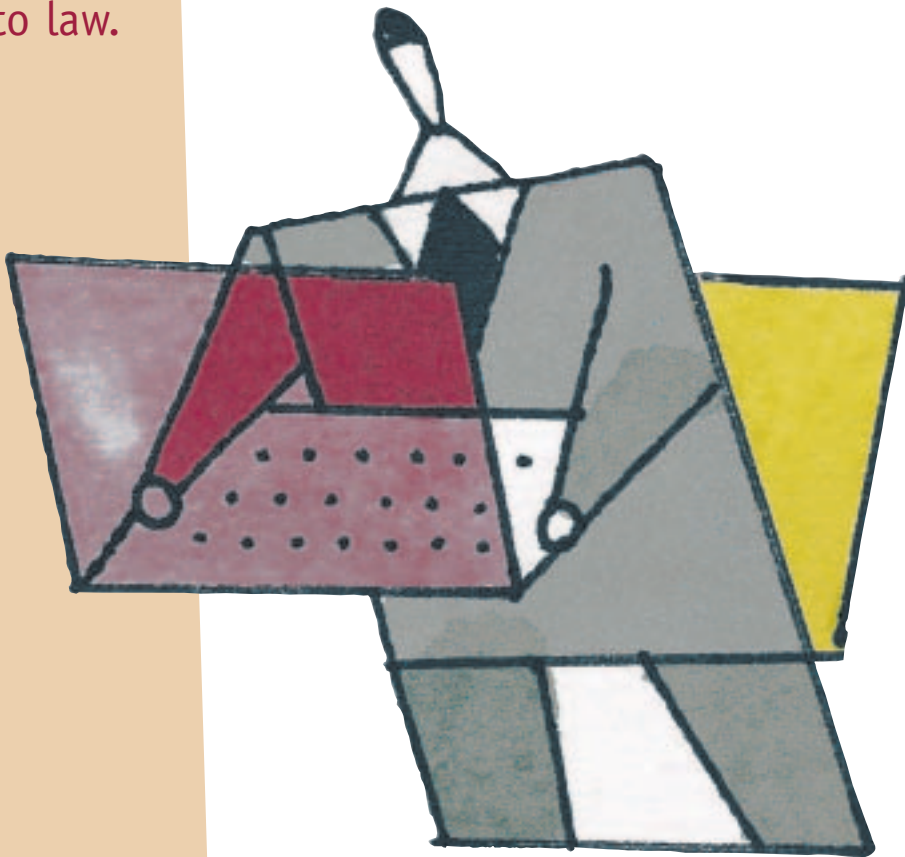
p55.

The VEC contributes to democracy in Victoria by ensuring that elections are conducted fairly and according to law.

Part 1

1
Corporate governance

and accountability



A basis in legislation

The Victorian Electoral Commission's (VEC) business is underpinned by legislation. The VEC's primary responsibilities, stated in the *Electoral Act 2002*, are to:

- conduct parliamentary elections and by-elections;
- conduct local government elections and by-elections, and certain statutory elections;
- ensure the enrolment of electors;
- prepare electoral rolls for parliamentary elections, voters' lists for local government elections and jury lists;
- contribute to public understanding of the electoral system and awareness and participation in elections;
- conduct and promote research into electoral matters;
- provide advice to the Attorney-General and Parliament on electoral issues; and
- report to Parliament on the VEC's activities.

Governing legislation

The *Electoral Act 2002* is Victoria's principal electoral Act, providing for the enrolment system and the conduct of parliamentary elections.

The *Constitution Act 1975* sets out who is entitled to enrol as an elector, who is entitled to be elected to Parliament and the size and term of Parliament.

The *Electoral Boundaries Commission Act 1982* governs the determination of State electoral boundaries.

The *Local Government Act 1989* provides for local government elections and requires the VEC to supply voters' lists to councils.

A number of other Acts impose duties on the VEC. These relate to the conduct of elections and polls (such as the *Liquor Control Reform Act 1998* and the *Health Services Act 1988*) or the provision of information (for example, the *Juries Act 2000*).

Role of the Electoral Commissioner

The Electoral Commissioner's chief responsibility is to conduct elections according to law and with complete impartiality.

The Electoral Commissioner is appointed by the Governor-in-Council for a ten-year term. Under the *Electoral Act 2002* (the Act) the Electoral Commissioner is independent of the government of the day and reports directly to Parliament.

The Act is assigned to the Attorney-General and the Electoral Commissioner is expected to implement the Act without direction from the Government or the Minister.

By virtue of section 16(1)(c) of the *Public Sector Management and Employment Act 1998*, the Electoral Commissioner has all the functions of a department head in relation to officers and employees of the VEC.



The Victorian Electoral Commission

Under section 7 of the Act, the VEC consists of one member, the Electoral Commissioner. As an organisation, the VEC is the administrative agency responsible for exercising the Commission's legislative obligations.

The VEC is divided into four branches. The responsibilities of each branch are listed in the organisational chart on page 9.

Unlike many other government agencies, the VEC's workload fluctuates depending on election cycles. State parliamentary elections occur every three to four years (under new legislation elections will occur every four years) and the VEC's work for a State election reaches a peak in the year that an election is due.

Victorian local government elections take place over a three-year cycle (the 'At a glance' table on the inside cover of this report illustrates these cycles).

Maintaining the register of electors and assisting electors to enrol or update their enrolment is a key function outside election periods. Other core functions that continue throughout election cycles include research and development and the conduct of commercial and community elections.

Executive Management Group

The Electoral Commissioner and the four branch managers are responsible for determining organisational policies and priorities. To ensure that organisational objectives are met effectively, the Executive Management Group meets regularly in order to monitor strategy and manage risk.

Electoral Commissioner

Colin Barry Dip T (Prim), BA, B Ed

Mr Barry was appointed Electoral Commissioner in 1999. He was previously the Deputy Electoral Commissioner, a position he had held since 1989, and the Deputy Chief Electoral Officer from 1988 to 1989.

Deputy Electoral Commissioner

Manager, Elections Branch

Debra Byrne Assoc Dip App Sc (Comp)

Ms Byrne was appointed Deputy Electoral Commissioner in 1999 and is the Manager of Elections Branch, which coordinates the conduct of Victoria's parliamentary and local government elections. Prior to this appointment, Ms Byrne was the VEC's IT projects manager.

Manager, Public Information and Corporate Communications Branch
Doug Beecroft BSc, BA, Dip Ed, Grad Dip App Soc Psych

Mr Beecroft joined the VEC in 1995 and manages the branch responsible for coordinating the VEC's communication strategies and corporate services. Mr Beecroft has extensive experience in policy development and advice in key service delivery areas of government.

Manager, Electoral Enrolment Branch

David Kelly B Com

Mr Kelly joined the VEC in 2001 to manage the branch responsible for maintaining the register of electors. Mr Kelly previously worked in the financial services sector managing the strategic and operational requirements of multi-disciplined business units.

Manager, Finance and Budget Branch

David Broom B Com, MBA, GCBA, GDBA

Mr Broom joined the VEC in 1999 and manages the branch responsible for the VEC's financial management. Mr Broom has extensive experience in providing financial advice and management to government organisations and private sector companies.

Left to right: Colin Barry, David Broom, Doug Beecroft, David Kelly and Debra Byrne.

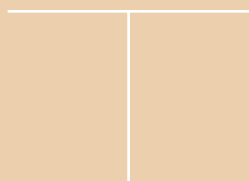


Organisational chart



Electoral Commissioner

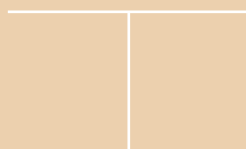
Elections Branch



Responsibilities

- planning and conducting parliamentary, local government and commercial and community elections;
- promoting the VEC's local government election services and tendering to conduct local government elections;
- recruiting and training election officials;
- developing manuals, handbooks and materials for use by election officials, candidates, scrutineers and others; and
- developing and implementing election management systems.

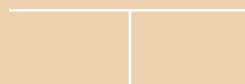
Electoral Enrolment Branch



Responsibilities

- maintaining an up to date and accurate electoral enrolment register, enabling the VEC to carry out its key legislative and electoral responsibilities;
- implementing electoral enrolment programs;
- producing electoral rolls and other roll products for State elections and by-elections; voters' lists and other roll products for local government elections; and
- providing the Electoral Commissioner and others with advice on electoral enrolment matters.

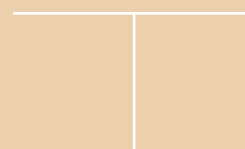
Public Information and Corporate Communications Branch



Responsibilities

- providing advertising, media and telephone enquiry services during parliamentary and local government elections and polls;
- delivering public information services to election stakeholders;
- developing strategies to promote and encourage electoral enrolment;
- providing advice to the Electoral Commissioner regarding electoral legislation, privacy and strategic matters;
- establishing and managing the tally room and media centre at the State election;
- writing and producing the VEC's reports to Parliament; and
- providing human resource and administrative services to the VEC.

Finance and Budget Branch



Responsibilities

- maintain the financial management systems of the VEC;
- managing the VEC's budget and expenditure;
- preparing the VEC's monthly and annual financial statements; and
- providing payroll services for the VEC



The VEC's Audit Committee

The primary objective of the Audit Committee is to assist the Electoral Commissioner to fulfil the VEC's responsibilities as they relate to the accounting, operational practices and controls of the Commission.

The Audit Committee provides an 'arms length' review of the VEC's operating practices and any proposed major projects.

In 2002-2003 the Committee comprised:

- Mr Robert Yeo (Chairman), Partner, Hall Chadwick Chartered Accountants;
- Ms Elizabeth Reeves, accountant and senior election official; and
- Mr Denis Rosenfeld, Senior Budget Analyst, Department of Justice.

The Committee provides advice to the Electoral Commissioner and the Manager of Finance and Budget. In addition, the VEC's internal auditors regularly attend Audit Committee meetings.

In accordance with its charter, the VEC's Audit Committee met four times in 2002-2003. Tasks included reviewing annual financial accounts and proposed budgets for 2004-2007, and analysing the effects brought about by the introduction of the *Electoral Act 2002*, which became effective on 1 September 2002.

The Committee also continued its program of internal audits, including corporate credit card use, information technology security, travel procedures and data security.

Electoral stakeholders

The needs and interests of the VEC's stakeholders vary according to their roles in the electoral process.

All Victorians

The VEC assists all Victorians by providing information about Victoria's democratic and electoral systems and electors' rights and responsibilities to enrol and vote.

Victorians must be confident that the VEC provides excellent services, as well as value for money.

Election clients

The VEC conducts elections on behalf of municipal councils and other organisations. Councils seek competitive tenders for the conduct of their elections. The VEC provides the highest quality election services at a cost-effective price.

The VEC has a statutory responsibility to conduct certain statutory elections and provides specialised election services to a range of organisations.

Election participants

The VEC must ensure that candidates and registered political parties are provided with information and services to enable them to participate in the electoral system, and that all processes are fair and impartial.

Election researchers and commentators

The VEC encourages electoral research that provides a basis for robust community debate and understanding about the broader electoral system. The media also provides vital opportunities for the VEC to motivate and inform voters.

Elected representatives

The VEC provides members of Parliament with accurate and timely electoral information to help them undertake their duties.



Risk management

The VEC operates within well-defined corporate governance accountabilities that are linked to the responsibilities of individual officers (see the organisational chart on page 9).

The VEC develops comprehensive risk management strategies for all major electoral events. This is essential given the critical nature of election arrangements and the fixed timeframes that operate during an election.

Risk management policies have been developed to cover key aspects of election management, including infrastructure, communications strategies, recruitment, and information technology.

Electoral Council of Australia

The Electoral Council of Australia (ECA) is a consultative forum with membership comprising Commonwealth, State and Territory Electoral Commissioners and Chief Electoral Officers.

As a member of this council, the Victorian Electoral Commissioner considers significant national issues in electoral administration and enrolment.

Matters considered by the ECA during the past year included:

- continuous enrolment programs;
- performance indicators monitoring improvements in enrolment management in Victoria;
- the establishment of a geo-coded national address file;
- the compatibility of electoral legislation across jurisdictions; and
- a research project examining electoral law.

Freedom of Information

The *Freedom of Information Act 1982* gives Victorians the right to access certain classes of documents held by government agencies. FOI procedures are detailed in Appendix 11 of this report.

The VEC received one FOI request in regard to the March 2003 Hume City Council elections. The request was subsequently withdrawn.

Whistleblowers

The VEC provides information to staff on the provisions of the *Whistleblowers Protection Act 2001* and has established structures for receiving and considering disclosures in accordance with the Act. No disclosures were received during the reporting period.

The VEC's procedures under the Act are detailed in Appendix 12 of this report.



Achievements at a glance

Parliamentary election services

- Prior to the State election, the VEC updated all election services and procedures in response to major changes to the elections environment following the enactment of the *Electoral Act 2002* and the establishment of new electoral boundaries.
- The VEC conducted the 2002 Victorian State election – Victoria's largest one-day public event. Ninety per cent of surveyed voters were satisfied with the VEC's election services.
- A braille ballot paper template was successfully trialed at the State election, providing vision-impaired voters with the opportunity to cast a secret ballot for the first time.

Local government election services

- Four months after the State election, the VEC conducted 54 local government elections – the largest number of elections the VEC has conducted at one time.
- Council feedback following the elections commended the VEC's management of the elections and the VEC's communications and planning procedures.

Statutory, commercial and community election services

- The VEC conducted 27 commercial and community elections and 11 statutory elections, involving more than 300,000 voters.

Part 2

Election services



Parliamentary election services

Victoria's electoral system

The Victorian Parliament is made up of two Houses: the Legislative Assembly and the Legislative Council. Members of the Legislative Assembly are elected from 88 single-member electoral districts, each with approximately 37,000 electors.

Members of the Legislative Council are elected from 22 electoral provinces, each with approximately 148,000 electors. Each province returns two elected members, who are elected on a rotating basis at each State election. State elections take place every three to four years, and at each State election voters elect all the members of the Legislative Assembly and half the members of the Legislative Council. The voting system for both houses is full preferential voting (see Figure 1).

Changes to Victoria's electoral system have been made in the recently enacted *Constitution (Parliamentary Reform) Act 2003*. The most significant changes include:

- the introduction of fixed four-year parliamentary terms;
- new electoral boundaries and the use of proportional representation to elect members of the Legislative Council; and
- the introduction of referenda, for the first time, as the means to make certain changes to the constitution (see p 20 for details).

Figure 1

The VEC and its role in the democratic process

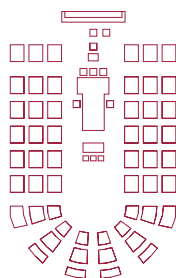
Electoral provinces

There are **22 electoral provinces**, each with two members. Members are elected on a rotating basis, one at each State election. There are approximately 148,000 electors enrolled in each province, ensuring that each vote has equal value.

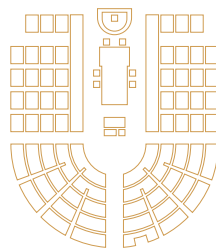
Legislative Council (Upper House)

There are **44 members of the Legislative Council**, who each serve two terms of parliament.

The Legislative Council reviews all Bills passed in the lower house before they are enacted into law.



The VEC contributes to democracy in Victoria by conducting elections to elect representatives to Victoria's State parliament.



Electoral districts

There are **88 electoral districts**. **One member is elected from each district** at every State election. There are approximately 37,000 electors enrolled in each district, ensuring that each vote has equal value.

Legislative Assembly (Lower House)

There are **88 members of the Legislative Assembly**, who each serve a single term of parliament (3-4 years). The party or coalition of parties with a majority in the Legislative Assembly forms the government.

The State election tally room was established at the Melbourne Exhibition Centre, one of only a few venues able to accommodate the tally board, sets for four television channels, areas for radio and print media, and 500 members of the public.



Victorian State election 2002

The VEC conducts all Victorian State parliamentary elections and by-elections. The VEC's responsibilities for the conduct of parliamentary elections are set out in the *Electoral Act 2002*.

A State election and simultaneous by-elections for East Yarra and Western provinces were held in the reporting period.

The 2002 Victorian State election was held on Saturday, 30 November. The cost of the election was \$23.7 million, which includes the cost of sending an enrolment confirmation card to all electors following the redivision of electoral boundaries.

Figure 2

Victorian State election 2002 timetable

Dissolution of the Legislative Assembly	4 November
Issue of writ	5 November
Close of rolls	8 November
Close of nominations	15 November
Election day	30 November
Return of writ	13 December

At the election, the Australian Labor Party (ALP) was returned with a record majority in the Legislative Assembly. The ALP won 62 seats, the Liberal Party 17, the National Party seven seats and two Independents were returned. This was the highest number of seats ever won by the ALP at a Victorian State election, and the highest ever won by a single party.

For the VEC, a State election is the culmination of months of preparation and 26 days of intense activity. The administrative infrastructure and large number of personnel that must be mobilised immediately a State election is announced make a State election one of the largest and most logistically complex events staged in Victoria.

Significantly, the 2002 election was conducted in a new electoral environment. The Electoral Boundaries Commission made changes to electoral boundaries in 2001. The redivision 'abolished' 21 of the 88 districts and one of the 22 provinces, and created 21 new districts and one new province. Only two districts' boundaries remained unchanged after the redivision. As a result, more than 1.1 million electors were required to vote in a different electorate at the 2002 election.

The new boundaries came into effect at the 2002 State election. However, members of the Legislative Council whose terms did not expire at the election continue to represent electorates constituted under the 'old' boundaries until the 2006 State election.

In September, two months before the election, new legislation governing the conduct of Victorian parliamentary elections, the *Electoral Act 2002*, came into operation.

The new Act was the first major revision of Victoria's electoral legislation in a century and it affected all election stakeholders and participants.

Election services for voters

The VEC provides Victorians with high-quality election services and in 2002 the range of services available to stakeholders and electors was further extended.

The VEC introduced new procedures to streamline early and postal voting. Improved processing meant that all early and most postal votes were counted on election night. (In the past, early and postal votes were counted in the days following the election.)

For the first time, postal vote applications were scanned and processed electronically, which eliminated labour-intensive handling of paper applications and helped to ensure the efficient delivery of ballot papers to electors. The VEC's election management system also enabled election officials to track all applications and inform electors of the status of their application. During the nine days of postal voting the VEC processed a record 170,000 applications for postal votes.

Although postal vote applications were processed on the day they were received, the VEC received a number of complaints regarding the apparent non-delivery of some postal votes. The VEC will continue to work with Australia Post as part of its review of the election in order to identify strategies for ensuring the efficient delivery of postal votes.

The use of 500 laptop computers at all early voting centres and 49 election day voting centres made the processing of early and absent votes faster, by allowing election officials to confirm a voter's enrolment and record them as having voted on an electronic electoral roll, removing the need for subsequent authentication.

All interstate and overseas voting locations were also supplied with an electronic electoral roll. As a result, the issuing and recording of votes was more accurate.

At the 2002 State election the VEC increased the number of locations where voters could cast an early vote, in recognition of the fact that people are often unable to vote on election day. Voters were able to vote before election day at any of 79 early voting centres, compared with the 61 established in 1999.

The *Electoral Act 2002* allows the VEC to appoint a larger range of institutions, including retirement villages and nursing homes, as early mobile voting centres than was possible under the previous legislation. As a result, there were 878 mobile voting centres appointed for the 2002 State election, compared with 471 in 1999. There were 22,179 votes cast at mobile voting centres, a substantial increase on the 11,611 votes cast in 1999.

Figure 3

Materials printed and distributed during the 2002 State election	
Ballot papers	25,320,000
Forms and manuals	324,937
Ballot boxes	7,235
Cardboard voting compartments	23,822
Electoral rolls	16,831

Evaluating services to voters

The VEC engaged Sweeney Research to survey voters during and after the 2002 State election. The purpose of the survey was to evaluate the VEC's management of the election and the services provided.

A summary of the results from these surveys is presented below. More information is available in the VEC's *Report to Parliament on the 2002 State election*.

Major findings included:

- nearly all postal voters (92%) were either satisfied or very satisfied with the service they received;
- nine in ten voters (90%) were either satisfied or very satisfied with their experience at a voting centre on election day. The main reasons voters regarded voting as positive included the efficiency and helpfulness of staff, the speed and ease of voting, and because the centre was well organised; and
- sixty per cent of voters believed that the VEC could make some improvements to voting at State elections. Suggestions included providing more information about how and where to vote, offering a greater range of voting methods (including the internet), and establishing more voting centres on election day.

The *Report to Parliament on the 2002 State election* contains a list of recommendations made following the election, which will be reviewed prior to the next election.



Services for voters with a disability

At the 2002 State election the VEC established, as a trial, early voting centres at four Vision Australia offices. The centres were established to make voting easier for the vision-impaired by providing a range of specialised services, including a braille ballot paper template.

Research conducted with visually impaired and special needs voters at each of the Vision Australia early voting centres showed:

- Nearly all respondents (96%) were satisfied with their experience of voting at the centre.
- Most voters (84%) thought that voting in this election was easier compared to voting on previous occasions.
- Using a hand-held magnifier (18%) and carer assistance (18%) were the methods most commonly used by voters at these centres. The braille ballot paper template was used by 16% of voters.

Providing these voters with an opportunity to cast a secret ballot was a significant step forward. Partnering with a major disability service provider to utilise its services, facilities and expertise was also a success, and the VEC will examine opportunities to extend this practice in other areas.

Other initiatives introduced to improve services for voters with a disability included:

- enhancements were made to the training of election officials so that they could better recognise the needs of people with disabilities and provide appropriate assistance;
- customised election information was provided to electors with special needs; and
- an accessibility audit was conducted at all voting centres.

Services to voters from culturally diverse backgrounds

At voting centres located in areas with large numbers of voters from culturally and linguistically diverse backgrounds the VEC provided specialised services to assist voters. The VEC employed 522 multi-lingual election officials on election day who were able to assist voters and answer enquiries in community languages. At all voting centres information about how to cast a formal vote was displayed in 16 languages on a large poster.

Survey research indicates that voting was a positive experience for the majority (75%) of voters from culturally and linguistically diverse backgrounds. Some respondents (17%) required assistance from another person while voting.

Services to registered political parties and candidates

Providing registered political parties and candidates with comprehensive support services and accurate information helps the VEC ensure that elections are fair and impartial.

Prior to the election, the VEC conducted briefing sessions for registered political parties to outline the VEC's preparations for the election, changes to legislation, the role of election managers, postal voting arrangements, nominations procedures, the registration of how-to-vote cards, the VEC's voter information campaign, complaints procedures and public funding of election expenses.

The VEC provided handbooks and manuals to all election candidates, which detailed their rights and responsibilities during the election. Candidates also received an electronic copy of the electoral roll for their district, information about the location of voting centres, electorate fact sheets, and other essential information and forms. An extensive State election information kit was also provided to all members of parliament and registered political parties.

The VEC established 53 election managers' offices throughout the State to provide support to candidates and other election participants. At these offices candidates were able to submit a formal nomination, register how-to-vote cards, register scrutineers and receive assistance from and meet with the election manager as required.



Record number of candidates

The VEC received a record 477 nominations for the 2002 Victorian State election, eclipsing the previous record of 444 candidates in 1992.

There were 372 candidates for the 88 Legislative Assembly (Lower House) districts and 97 candidates stood in the 22 Legislative Council (Upper House) provinces.

In addition, four candidates nominated to contest each of the Upper House by-elections in East Yarra and Western provinces.

The increase in the number of candidates was due to the large number of candidates nominated by registered political parties at this election.

Sixty-five candidates stood as independents, compared with 78 at the 1999 election.

Evaluating services to parties and candidates

Sweeney Research conducted surveys and interviews with candidates and parties as part of the VEC's post-election evaluation.

A summary of that research is presented below. More information is available in the VEC's *Report to Parliament on the 2002 State election*.

Overall, the political parties were satisfied with the management of the election and the services provided by the VEC and the Electoral Commissioner. The VEC was seen as an efficient organisation that had improved its services since the 1999 election.

Nearly all candidates (93%) were satisfied or very satisfied with the VEC's management of the election.

Other major findings included:

- the Electoral Commissioner and VEC staff were commended for their professionalism, helpfulness and the quality of the information they provided;
- changes to the postal voting system were regarded as improvements that generally worked well, though some concerns were raised by the parties about the delays experienced by voters awaiting the delivery of postal voting material;
- 93% of candidates rated the candidate's information kit as effective or very effective in providing them with useful information about standing as a candidate; and
- the performance of the VEC's election managers was rated very highly by nearly all candidates.

Election complaints

The Human Rights and Equal Opportunity Commission received a complaint in relation to access to a voting centre at the 2002 State election. The complaint was presented to the VEC on 17 April 2003. The VEC responded to the complaint and a conciliation conference was arranged for 8 August 2003.

Other election complaints are summarised in the VEC's *Report to Parliament on the 2002 Victorian State Election*.

Tony Clark of Vision Australia demonstrates the CCTV magnifiers used by vision-impaired voters at the 2002 State election. A range of options, including a braille ballot paper template, were available for use at four specialised early voting centres.



Register of political parties

The *Electoral Act 2002* requires the VEC to establish and maintain a register of political parties.

In order to qualify for registration a political party must, at the time of registration, have a written constitution and at least 500 members who are Victorian electors and party members in accordance with the party's rules, and not members of another registered political party or of a party applying for registration.

It is not compulsory for political parties to be registered to contest an election but registration gives a party a number of important entitlements. These include:

- the right to have the party's name on ballot papers;
- a requirement to nominate candidates and the option of registering how-to-vote cards centrally with the VEC; and
- access to enrolment and voter information on a periodic basis.

In 2002-2003 two new political parties were registered, the Citizens Electoral Council and the Socialist Alliance. The only other changes made were amendments to the registered officer or party contact details. No parties were deregistered during the reporting period.

There are 15 registered political parties in Victoria, ten of which contested the 2002 State election (see Appendix 5).

Public funding of election expenditure

The *Electoral Act 2002* provides for the public funding of election expenses incurred by registered political parties and candidates contesting Victorian State elections.

Registered political parties and independent candidates that receive four per cent or more of first-preference votes are entitled to \$1.20 for each first-preference vote received. (After 1 July 2003 this will increase to \$1.224 in line with increases in the CPI.) Payment is made to independent candidates and to registered political parties on behalf of their endorsed candidates.

Payment is dependent upon the VEC receiving an audited Statement of Expenditure (SOE) and an audit certificate that states that the auditor received full access to information and has no reason to believe that any matter in the SOE is incorrect.

Where the audited SOE shows that no less than the entitlement has been spent, payment is calculated at \$1.20 for each first-preference vote received. Where the SOE reveals that an amount less than the entitlement has been spent, payment is for the amount specified in the SOE.

The deadline for applications for the funding of election expenses was 19 April 2003. The VEC made payment of the entitlement within 30 days of receipt of an audited SOE in all cases. Appendix 8 details the funding of election expenditure at the 2002 Victorian State election.

Compulsory voting enforcement

The enforcement of compulsory voting at Victorian State elections is governed by the *Electoral Act 2002*.

Following the election, electoral rolls were electronically scanned to identify the names of electors who had voted.

In early February 2003 the VEC sent a failure to vote notice to 143,943 electors. The notice requested that people either provide a reason for not voting; explain how they voted; or pay the \$50 penalty. Electors who fell into certain categories were not sent failure to vote notices.

Figure 4

Compulsory voting enforcement	
Total voters enrolled	3,228,466
Total votes counted	3,007,598
Electors who did not vote	220,868
Failure to vote notices sent	143,943
Fines paid*	\$249,165

*As at 30 June 2003

Assistance to other electoral authorities

The VEC assists other electoral authorities by issuing votes and postal vote applications to voters from other jurisdictions who may be in Victoria during an election.

Tasmanian House of Assembly elections, 20 July 2002

The VEC issued postal vote applications.

NSW State election, 22 March 2003

The VEC received postal vote applications and issued 659 postal votes.

Queensland State by-election for the district of Maryborough, 26 April 2003

The VEC provided postal vote applications to electors. No ballots were issued.

Tasmanian Legislative Council elections, 3 May 2003

The VEC issued postal vote applications.

NSW supplementary election for the district of Londonderry, 31 May 2003

The VEC did not issue any postal vote applications or receive any ballots.

Future directions

Recommendations for changes to the Electoral Act

The 2002 State election was the first significant test for the *Electoral Act 2002*. The Act successfully met its objectives of providing a user-friendly, transparent and flexible framework for the conduct of State elections. However, the election revealed a number of areas in which the Act could be improved. In the *Report to Parliament on the 2002 Victorian State election*, the VEC made a number of recommendations for legislative change, including:

- allowing the VEC to process enrolment cards provided they have been received before the close of the roll for an election;
- requiring postal vote applications produced by political parties to state that they have been produced by the party, and to give electors who use such applications the option of whether their name and address details will be provided to the party;
- prohibiting the sale or consumption of liquor within the grounds of a school used as a voting centre on election day;
- simplifying the how-to-vote card registration process; and
- in a recount of votes, allowing the Electoral Commissioner to delegate the power to rule on ballot papers to other officers, where the ballot papers in question cannot affect the result in that electorate.



After further review, the VEC made additional recommendations for legislative change to the Attorney-General, including:

- reducing the period between the issue of the writ and the close of the rolls for an election from 7 days to 3 days;
- allowing for electronic voting by electors with a disability and electors in remote areas;
- providing for early and postal voting as of right;
- making current provisions relating to the capping of political donations more workable; and
- amending the *Electoral Boundaries Commission Act 1982* to make the redivision process clearer and more transparent.

The Constitution (Parliamentary Reform) Act 2003

In April 2003 major changes to Victoria's electoral system were enacted with the passing of the *Constitution (Parliamentary Reform) Act 2003*. The most significant electoral changes were:

- State elections will now be held every four years, on the last Saturday in November, with the next election to be held on 25 November 2006;
- the system for electing the Legislative Council will change from preferential voting (with half of the 44 members elected for individual provinces at each State election) to proportional representation (with 8 regions each electing 5 members). The system resembles that used for the Commonwealth Senate, except that voting 'below the line' will be optional preferential; and
- there is provision for referenda to alter entrenched parts of the State's Constitution.

These changes to electoral legislation, in particular the introduction of fixed four-year terms, will have a significant impact on the management and conduct of State elections. A detailed review of election services will examine opportunities to improve pre-election enrolment, the location of voting centres and the provision of specialised services to voters with a disability or from culturally and linguistically diverse backgrounds. A fixed election date will also allow the VEC to provide improved training to senior election officials, and recruit and train election officials with certainty in advance of the election.

Changes to the electoral system by which members are elected to the Legislative Council will require the VEC to update election training, manuals and procedures. Significant modifications must also be made to the VEC's election management system to enable the computerised counting of votes required to efficiently administer the proportional representation system that has been adopted. Proportional representation has not previously been used at Victorian State elections.

Review of political parties

Following an election, the *Electoral Act 2002* requires the VEC to review the registration of any political party that failed to obtain an average of four per cent of first-preference votes in all electorates contested by that party. The VEC will also review the registration of those parties that did not contest the election. The reviews will be conducted in 2003-2004 and will determine whether the parties are still entitled to be registered by virtue of having 500 members. This is the first time reviews of this type will have been undertaken in Victoria.



Local government election services

The VEC is the major provider of election services

The VEC conducts local government elections upon appointment by municipal councils following a competitive tendering process. The VEC stated in its 1999-2000 Annual Report that an objective was to conduct 75% of all local government elections in Victoria, thereby establishing the VEC as the major provider of election services to local government in Victoria. This aim has been achieved.

In March, only four months after the State election, the VEC conducted all of the 54 local government elections scheduled. The VEC had anticipated winning tenders to conduct 42 of these elections. However, the Australian Electoral Commission (AEC) did not submit tenders to conduct elections and, as a result, the VEC was awarded contracts to conduct all elections. This was the largest number of local government elections the VEC has conducted at one time and was a significant achievement. Conducting elections on behalf of 54 clients is, in many ways, more complex than the conduct of a State election as services have to be tailored to meet the needs of each council.

Local government elections in Victoria

The VEC has been active in the conduct of local government elections since 1994, when an amendment was made to the *Local Government Act 1989* that enabled municipal councils to tender for the provision of election services. Councils can conduct their own elections or invite tenders for election services from the VEC, the AEC or another council.

There are 79 municipal councils in Victoria, and each must hold elections every three years. The election cycle is spread over three years: three councils are elected in one year, 22 in the following year and 54 in the third year.

Elections can be conducted by either postal or attendance voting – the method of election is determined by each council. There has been a shift from attendance to postal elections as the benefits of the postal voting system are acknowledged (generally a higher voter turnout, a lower rate of informal voting and lower cost). The majority of councils now hold their elections by post. Generally, inner-metropolitan municipalities with large proportions of voters from non-English speaking backgrounds still favour attendance elections.

Figure 5

Local government elections conducted 2001 - 2003

		2001	2002	2003	Total
VEC	Postal	3	15	47	65
	Attendance	-	2	7	9
	Total	3	17	54	74
AEC	Postal	-	3	-	3
	Attendance	-	2	-	2
	Total	-	5	-	5
Other	Postal	-	-	-	-
	Attendance	-	-	-	-
	Total	-	-	-	-
Total	Postal	3	18	47	68
	Attendance	-	4	7	11
	Total	3	22	54	79



Seven of the fifty-four local government elections conducted by the VEC in March 2003 were attendance elections and forty-seven were postal elections.



Figure 6

Key election dates

Entitlement date	16 December
Close of nominations	11 February (postal elections) 12 February (attendance elections)
Close of voting	14 March (postal elections)
Election day	15 March (attendance elections)

Services to councils

The VEC has considerable experience and expertise in the management of local government elections and polls. The VEC's services to councils ensured that:

- elections were conducted by election professionals;
- election advertising was targeted and effective;
- voter participation was maximised;
- election services were tailored to local needs;
- election services were cost-effective; and
- independence and impartiality were assured.

The VEC established 45 offices to conduct the 54 elections. The VEC was able to pass considerable cost savings on to councils by using the election offices and infrastructure established for the State election.

To enable a more efficient use of key election resources, eight offices conducted more than one election. This was the first time this system had been adopted and as a result there were cost savings for councils, as computer infrastructure was only required at one location and fewer staff were employed. Also, newly recruited returning officers benefited from working closely with others who were more experienced.

The VEC trained and appointed 120 senior election officials as returning officers and deputy returning officers to manage these elections. Comprehensive training was provided in election administration, local government legislation, and customer and media relations.

In response to calls to improve the timeliness of election results the VEC has developed a computer count application. 'Computer Count' is part of the VEC's election management system and is primarily used to count votes and calculate the result in multi-member municipalities/wards or where there is a large field of candidates. There were 51 computer counts conducted across 18 of the 54 municipalities holding elections in 2003.

Figure 7

Local government elections conducted by the VEC*

	2000-2001	2001-2002	2002-2003
Elections conducted	3	17	54
Electors served	181,136	735,327 [^]	2,438,699 [^]
Councillors elected	28	143	412
Candidates standing	107	548	1,555
Total revenue** (\$)	\$690,000	\$2,099,000	\$5,956,000

* Excludes by-elections.

[^] Number of electors enrolled in contested wards.

** Includes all revenue collected from councils, including fees for election services and preparation of voters' lists. The VEC charges councils on a cost recovery basis.

Figure 8

Statistics relating to local government elections conducted by the VEC 2002-2003

Council	Enrolled voters*	Total votes	Voter participation	Candidates	Vacancies
Alpine	11,076	8,542	77.12%	16	5
Banyule^	77,418	51,878	67.01%	38	7
Bass Coast	37,084	26,586	71.69%	24	7
Baw Baw	27,063	22,139	81.81%	29	9
Bayside	68,021	50,645	74.45%	49	9
Benalla	9,979	8,400	84.18%	20	7
Brimbank^	119,791	90,172	75.27%	95	9
Buloke	4,496	3,782	84.12%	13	9
Campaspe	21,571	16,977	78.70%	15	7
Cardinia	36,439	27,021	74.15%	20	7
Casey	130,300	96,901	74.37%	83	11
Central Goldfields	4,691	3,876	82.63%	10	5
East Gippsland	36,756	29,773	81.00%	28	8
Frankston	74,868	52,741	70.45%	34	7
Gannawarra	8,403	7,292	86.78%	17	7
Glen Eira	96,200	68,130	70.82%	70	9
Greater Dandenong^	76,750	55,728	72.61%	54	11
Greater Shepparton	39,726	32,309	81.33%	16	7
Hepburn	13,778	10,264	74.50%	14	5
Hindmarsh	3,651	3,150	86.28%	11	6
Horsham	14,602	12,322	84.39%	11	7
Hume	97,935	73,595	75.15%	64	9
Indigo	11,283	9,399	83.30%	13	7
Kingston	90,370	68,122	75.38%	46	7
Knox^	110,006	80,909	73.55%	47	9
Latrobe	51,304	40,421	78.79%	38	9
Loddon	5,684	4,638	81.60%	12	6
Macedon Ranges^	30,189	21,204	70.24%	34	9
Manningham	86,841	68,215	78.55%	31	8
Mansfield	7,094	5,551	78.25%	13	5
Maribyrnong^	48,844	32,215	65.95%	36	7
Maroondah	65,408	49,024	74.95%	28	7
Mildura	36,312	29,493	81.22%	19	9
Mitchell	21,946	16,662	75.92%	23	7
Moira	20,597	17,006	82.57%	19	9
Monash	122,829	94,272	76.75%	46	8
Moonee Valley^	92,217	62,969	68.28%	48	7
Mornington Peninsula	104,822	76,419	72.90%	31	9
Mount Alexander	15,372	12,123	78.86%	25	7
Murrindindi	9,085	6,728	74.06%	11	6
Northern Grampians	11,078	9,213	83.16%	17	9
South Gippsland	21,575	16,924	78.44%	27	9
Strathbogie	7,928	6,793	85.68%	17	7
Swan Hill	14,583	12,141	83.25%	18	7
Towong	5,264	4,322	82.10%	10	5
Wangaratta	18,614	15,404	82.75%	17	8
Wellington	37,694	29,863	79.22%	16	9
West Wimmera	4,322	3,544	82.00%	7	5
Whitehorse	112,826	85,940	76.17%	52	10
Whittlesea	84,646	67,462	79.70%	47	9
Wodonga	23,367	18,301	78.32%	9	5
Wyndham	58,091	43,757	75.32%	24	7
Yarra Ranges	94,824	70,872	74.74%	32	9
Yarriambiack	3,086	2,407	78.00%	11	9
Total	2,438,699	1,834,536	75.23%	1,555	412

* Voters enrolled in contested wards.

^ Attendance elections; the others were postal elections.



Compulsory voting enforcement

Voting at local government elections is compulsory for residents of the municipality. Following the conduct of the elections in March 2003, 51 councils contracted the VEC to enforce compulsory voting procedures.

Voters who appeared not to have voted were sent a notice requesting that they provide a reason for not voting; explain how they voted; or pay the \$50 penalty. Electors who fell into certain categories were not sent a failure to vote notice.

Figure 9

Compulsory voting enforcement for local government elections 2002-2003

Total voters enrolled	2,447,418
Total votes counted	1,841,673
Electors who did not vote	605,745
Failure to vote notices sent	230,959
Fines paid*	\$956,429

*As at 30 June 2003

Services to candidates

A record 1,555 nominations were received for the 412 vacancies in the 2003 elections. Large fields of candidates contested the elections in the big metropolitan municipalities of Brimbank (95), Casey (83), Glen Eira (70) and Hume (64).

During an election, the VEC's returning officers are the first point of contact for candidates. The services provided to candidates by the VEC included:

- information sessions for all prospective candidates,
- a candidate's kit that outlined their rights and responsibilities;
- the provision of voters' rolls (electoral rolls);
- briefing sessions before the counting of votes;
- coordinating the attendance of scrutineers at the count; and
- responding to candidates' enquiries.

The VEC successfully introduced an electronic template to improve the lodgement and processing of candidates' statements at postal elections. The template enabled a more efficient and accurate transfer of statements into the VEC's election management system and minimised the formatting required before the statements were printed. A total of 1,175 candidates' statements were processed within the 10-day legislative timeframe and no complaints were received regarding their accuracy.



Services to voters

The VEC provided a range of election services to the 2.4 million electors eligible to vote at the 2003 local government elections.

To help voters participate in the elections:

- the VEC sent ballot papers to almost 1.9 million voters to enable them to vote in postal elections;
- 20 pre-poll locations were set up to allow voters at attendance elections to vote before election day;
- 163 polling places, for seven attendance elections, were established for voting on election day;
- pre-poll voting was extended to allow voters in Greater Dandenong to vote during late night shopping and the Labour Day public holiday;
- voters in Knox and Greater Dandenong were sent a personally addressed voting card alerting them to changes to ward boundaries;
- for the first time, municipality-wide electoral rolls were available at all polling places, removing the requirement that electors vote at a polling place in their ward;
- voters were able to call the returning officer or the VEC's hotline if they had any enquiries about the elections; and
- Vision Australia centres in Albury, Box Hill, Brighton, Essendon, Kooyong, Mildura, Mount Eliza, Shepparton and Warragul provided assistance to vision and print impaired voters.

The communication campaigns developed and implemented for these elections are discussed in the *Community understanding and participation* chapter.

Evaluation and review

Following the elections, the VEC met with representatives from all councils to evaluate the conduct of the elections. Overall, the feedback received from clients was positive. The VEC's management of the elections was commended – in particular the implementation of new communication and planning procedures that improved election administration. The speed with which the VEC responded to issues was also noted.

All aspects of the election were evaluated. Specific feedback included:

- notwithstanding individual cases, it was generally felt that the quality of the voters' rolls was very high and that processes for preparing the rolls were much improved;
- many positive comments referred to the VEC's efficient and effective support of returning officers when responding to issues raised by candidates;
- councils spoke favourably of computer counts, particularly because the result was available much earlier, and indicated they would use the facility again in the future;
- improvements need to be made to the VEC's website to improve navigation and the speed with which candidate information and election results move from the election management system to the website; and
- stricter quality assurance processes need to be imposed on some service providers to eliminate the possibility of errors during the printing and distribution of ballot packs.

The votes are in and the count begins.



Complaints and appeals

The VEC received 159 written complaints relating to the March 2003 local government elections. Almost all complaints made related to the behaviour of candidates. Most complaints against candidates alleged that campaign material was misleading, defamatory or unauthorised.

Fourteen of the 159 written complaints received related to the VEC's conduct of the elections. The VEC responded in writing to all written complaints, taking necessary action and providing substantive information as appropriate.

There were 45 complaints alleging breaches of the *Local Government Act 1989*. These were referred to the Local Government and Regional Services Division of the Department for Victorian Communities, the agency responsible for the Act.

Following the elections in March, nine applications were lodged with the Municipal Electoral Tribunal (MET). The MET is established under the *Local Government Act 1989* to consider disputes arising from local government elections. Applications are made to the Magistrates Court. Applications lodged with the MET in 2003 are summarised in Appendix 6. By 30 June, four applications had been withdrawn, and two others were withdrawn in early July.

Local government by-elections

The VEC conducted five local government by-elections in 2002-2003. By-elections occur when an elected councillor resigns or dies before the end of their term.

Figure 10

Local government by-elections conducted by the VEC in 2002-2003

Council	Ward	Candidates	Enrolled voters	Voter participation	Close of voting
Brimbank*	Padley	9	12,511	70.65%	20 July 2002
Wellington^		1	42,000		
Greater Geelong	Kardinia	10	12,899	75.11%	21 Feb 2003
Boroondara	Bellevue	10	11,969	78.68%	14 Mar 2003
Surf Coast	Moriac	4	2,562	80.48%	4 Apr 2003

* Attendance election

^ Uncontested election

Future directions

The local government elections environment

The VEC conducts local government elections upon appointment by councils following competitive tendering. In the past this meant that the VEC was unable to accurately predict the number of elections it would be required to conduct. Significantly, the VEC is now, effectively, the only provider of local government election services in Victoria, signalling a major change in the environment in which local government elections are conducted.

The VEC will now have to develop and maintain the capability to conduct all local government elections in Victoria. There will also be an opportunity to review the strategy for responding to tenders and conducting elections. Significant efficiencies and improvements to the management of local government elections could be achieved if the VEC was able to standardise some election services. The review may examine:

- the tendering process, which is time-consuming and expensive, so that the VEC can work closely with councils to establish clear costing and service parameters; and
- the possibility of standardising services to minimise the costs associated with providing individualised, and often idiosyncratic, services to each council.

Legislative change

The Government is considering amendments to the *Local Government Act 1989* that will result in significant changes to the election cycle and electoral administration, if introduced. It is proposed that from 2008 all 79 local government elections be held on the last Saturday in November, and then every four years thereafter.

It is intended that during the transition to this new arrangement, the four elections scheduled for March 2004 and the 21 elections scheduled for March 2005 be conducted in November 2004. The 54 elections scheduled for March 2006 would be held in November 2005.

Figure 11

Local government elections schedule

	Current	Proposed
2004	March: 4 elections	November: 25 elections
2005	March: 21 elections	November: 54 elections
2006	March: 54 elections	
2007		
2008		November: 79 elections

If these and other legislative changes are implemented the VEC will have to review and upgrade its infrastructure and operational capabilities, modify the election management system, update training programs and update all manuals, handbooks, and other support materials in order to meet the challenge of conducting all elections simultaneously.

City of Melbourne

The City of Melbourne election is conducted under its own legislation. The VEC will make the necessary changes to computer systems, manuals, handbooks and other support materials to conduct this election if required. (In the past the AEC has conducted elections on behalf of the City of Melbourne.)



Statutory, commercial and community election services

Independent election services

The VEC is an independent provider of election services with a recognised reputation. Its experience conducting State and local government elections enables the VEC to provide expert, independent election services to commercial and community organisations.

The VEC conducts elections and polls for organisations including superannuation funds, credit unions and universities, and an increasing number of ballots to approve enterprise bargaining agreements. The VEC conducts these elections and polls following consideration of their public interest and the nature of the organisation. These elections and polls are conducted on a cost-recovery basis.

A range of legislation also requires the VEC to conduct statutory elections and polls. This includes elections for the boards of management of community health centres, the Victorian Institute of Teaching, liquor licensing and agricultural polls.

In 2002-2003, the VEC conducted 27 elections for commercial or community organisations and 11 statutory elections and polls (details are in Appendix 7). The VEC provided election services to thirteen new clients in 2002-2003.

More than 300,000 electors voted in these elections and all elections were conducted to the satisfaction of the VEC's clients.

Figure 12

Statutory, commercial and community elections conducted 2001-2003

	2000-2001	2001-2002	2002-2003
Statutory elections	2	31 [^]	11 [*]
Commercial and community elections	20	24	27
Total	22	55	38
Number of new clients	6	12	13

[^] Includes 30 elections for community health centres; 11 elections were uncontested.

^{*} Includes 8 by-elections for community health centres; does not include 'countbacks'.

Statutory elections

Victorian Institute of Teaching Council Elections

Under the *Victorian Institute of Teaching Act 2001* the VEC was required to conduct elections to the council of the Victorian Institute of Teaching (VIT), which is responsible for the registration of teachers in Victorian schools.

The VEC conducted the inaugural VIT elections by postal ballot in October 2002. A total of 28 nominations were received for the 10 positions. There were 29,956 electors eligible to vote and the voter participation rate was 32.6%.

Community Health Centre elections

The *Health Services (Amendment) Act 2000* requires the VEC to conduct elections for elected positions on the boards of community health centres (previously all board members had been appointed).

In June and July 2001 the VEC conducted the inaugural elections to the boards of Victoria's 41 community health centres. In 2002-2003, the VEC conducted 8 by-elections and 3 'countbacks' to fill casual board vacancies.



Victorian Strawberry Industry poll

The VEC is required to conduct certain agricultural polls under the *Agricultural Industry Development Act 1990*. The Victorian Strawberry Industry poll was the only poll of this type conducted in this financial year.

Ashburton Liquor Licensing poll

The VEC is required to conduct polls for Liquor Licensing Victoria under the *Liquor Control Reform Act 1998*. A poll is required when Liquor Licensing Victoria receives an application for a liquor licence in a 'dry' neighbourhood. (Melbourne's dry area is located in the eastern part of the City of Boroondara and the western part of the City of Whitehorse.) Electors in the immediate neighbourhood of the premises making the application are required to vote.

The VEC conducted one liquor licensing poll this year on Saturday, 21 June. Significantly, this was the first poll where a majority had voted in favour of a licence being granted since the dry zone was established in 1920.

The VEC believes that legislation regarding these polls needs to be updated. Liquor licensing polls are conducted as attendance ballots, which is costly and inefficient; a postal ballot would be more appropriate. The legislation is silent on which agency should pay for these polls. The matter of payment needs to be clarified, as the VEC has no funding to cover the cost of future licensing polls. The outcome of the most recent poll may encourage further licence applications necessitating polls; therefore the issue of who pays for these polls must be clarified. The VEC has raised this issue with Liquor Licensing Victoria.

National Competition Policy

National Competition Policy applies to the VEC's conduct of commercial and community elections, where the VEC is in direct competition with private service providers for the delivery of election services. A review held in 1997 concluded that at the current level of operations the VEC's pricing and costing policy for commercial and community elections complied with competitive neutral pricing policy.

Future Directions

Improving elections management

The VEC conducts commercial and community elections in order to provide the benefit of its professional election services to community organisations, and to provide practical experience for our election officials at times when there are few other electoral commitments.

During 2003-2004, the VEC will develop a business plan to ensure that there is a formal framework for the conduct of commercial and community elections. The business plan will develop a strategy that allows these elections to be conducted by the VEC irrespective of other electoral activity. The VEC will also develop a costing model to ensure that all elections are conducted on a full cost-recovery basis.

Community health centre elections

Elections for positions on the boards of community health centres will be conducted in July 2004. Amendments to the Health Services (Community Health Centre) Regulations come into operation on 1 August 2003. These changes will simplify the election process and the VEC will be required to update election procedures in light of the changes.

During the nine days of postal voting at the 2002 State election, the VEC processed a record 170,000 applications for a postal vote.

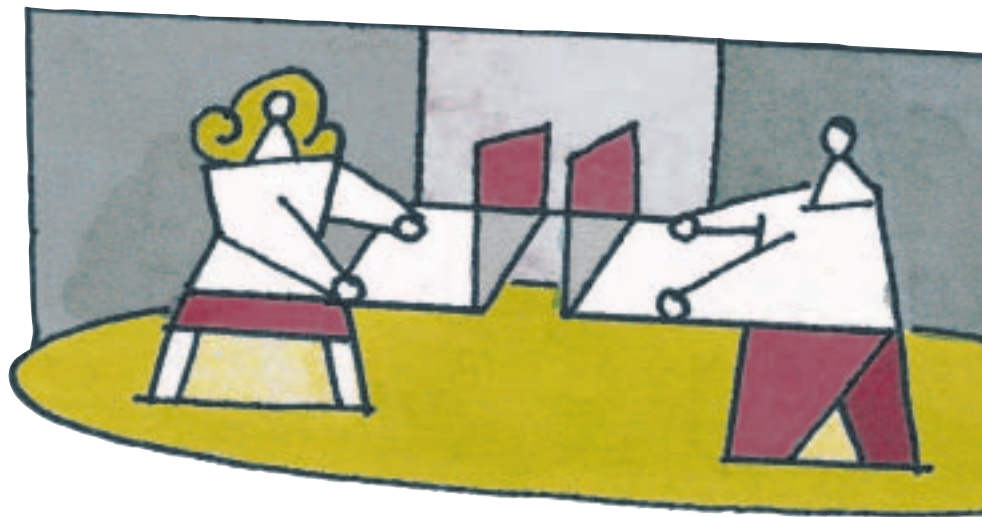


Achievements at a glance

- More than 3.26 million Victorians are currently enrolled to vote, estimated to be approximately 95% of the eligible population.
- A record 223,706 new enrolments and enrolment updates were generated as a result of the VEC's enrolment initiatives.
- The VEC sent an enrolment confirmation card to all electors following changes to electoral boundaries. This initiative encouraged almost 100,000 electors to update their enrolment details prior to the State election.
- The VEC processed more than 55,000 enrolment transactions in the four days between the announcement of the State election and the close of the roll.
- The VEC produced voters' rolls for all 54 local government elections, enabling more than 2.4 million Victorians to participate in these elections.
- The final module of the new enrolment register was completed on time at the end of June 2003. The new system significantly improved the management of enrolment activity and the conduct of elections in 2002-2003.

Part 3

Electoral enrolment services



Keeping the enrolment register up to date

Our democratic system assumes that eligible citizens value their right to vote and take seriously their legal responsibility to enrol and update their electoral enrolment. Ideally, this would mean that the electoral enrolment register would contain the up to date enrolment records of all eligible electors at any point in time.

In reality, the enrolment register is never complete or fully up to date. There is always a lag between people turning 18 and enrolling, and voters changing their address and notifying the VEC, while regrettably, some people will never enrol to vote.

The enrolment register needs to be continuously updated so that accurate electoral rolls can be produced whenever they are required.

Advertising before major electoral events is an effective way to encourage electors to enrol or update their enrolment details so that they can vote. This leads to one-off improvements in the accuracy of the enrolment register. However, while the register may be at its most accurate at the time of an election, its accuracy quickly deteriorates thereafter.

The VEC is engaged in a number of activities to keep the enrolment register as up to date as possible (see Figure 13).

Figure 13

The VEC's activities to keep the enrolment register up to date*



*The enrolment register is a database of all Victorian electors. An electoral roll is the list of electors eligible to vote in a particular election.

Joint enrolment arrangement

Under the 'Arrangement for a joint electoral enrolment procedure in Victoria', the VEC receives enrolment data from the Australian Electoral Commission (AEC). This data results from direct enrolment by electors (often in response to election advertising) and responses to enrolment initiatives by the AEC and the VEC.

The joint enrolment arrangement ensures that when an elector completes an enrolment form they are enrolling to vote in Federal, State and local government elections.

Electoral enrolment services *continued*

The VEC processes enrolment data received from the AEC and incorporates it into the enrolment register.

Of the 597,902 new enrolments and enrolment updates processed in Victoria under the joint enrolment arrangement in 2002-2003, a record 223,706 (37%) were generated as a result of the VEC's enrolment initiatives (see Figure 14).

Negotiations for a new joint enrolment arrangement between the VEC and the AEC were close to finalisation by 30 June 2003. The new agreement will require approval from the Federal and Victorian Governments before it is implemented. The new arrangement would better recognise the significant contribution made by the VEC to the management of electoral enrolment in Victoria, deliver significant cost savings to the VEC, and enable the VEC to exercise greater administrative control over enrolment related processes.

Enrolment and roll services for the State election

Changes to electoral boundaries

Changes to State electoral boundaries announced in October 2001 by the Electoral Boundaries Commission meant that more than 1.1 million Victorians would vote in a different electorate at the 2002 State election. The VEC updated the records of electors on the enrolment register to reflect the changed boundaries.

In August and September 2002 the VEC sent an enrolment confirmation card to each of Victoria's 3.2 million electors to advise them of the electorates where they were enrolled to vote and to confirm their enrolment details. As a result of this mailout, almost 100,000 electors updated their enrolment details.

Changes to electoral legislation

Under the *Electoral Act 2002*, which came into effect on 1 September 2002, Victorians must be enrolled at their principal place of residence to be eligible to vote. As a result of this legislative change, people who have changed their principal place of residence more than three months before election day without updating their enrolment are not permitted to vote at that election. In early October, the VEC launched an advertising campaign to alert voters to the legislative change and to encourage them to update their enrolment.

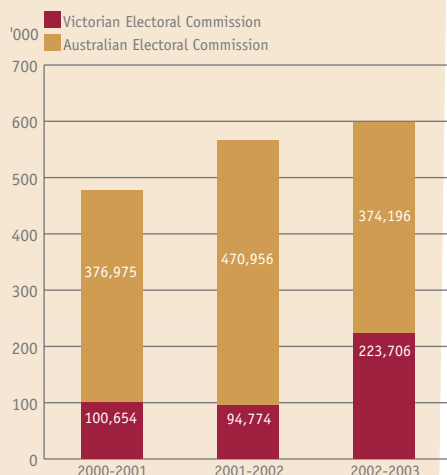
Election enrolment period

Once the State election was announced on 4 November 2002 eligible electors had four days to ensure they were on the electoral roll and that their enrolment details were correct. The *Electoral Act* extended the deadline for enrolments from 6.00 pm to 8.00 pm on the close of rolls day.

As a result of the VEC's advertising campaign, launched immediately after the announcement of the election, the VEC processed 21,158 new enrolments and 34,003 enrolment updates in the four days between the announcement of the election and the close of rolls.

Figure 14

Contributions to the Victorian enrolment register



Strategic enrolment programs

The VEC has a range of strategic programs to help Victorians enrol or update their enrolment and ensure that the enrolment register is accurate. The VEC contacts Victorians directly when they are required to enrol or update their enrolment, sending enrolment brochures to:

- Victorians when they turn 17 and become eligible to provisionally enrol; and
- electors who have changed their address and need to update their enrolment details.

Sending an enrolment brochure to electors prompts people who might otherwise be inclined to delay enrolling or updating their enrolment until an election is called.

Ten continuous roll update (CRU) programs are operated in conjunction with partner organisations and enrolment forms are also available at some municipal councils. In 2002-2003 the VEC collected 41,800 new enrolments and enrolment updates through its strategic enrolment programs.

As a result of the introduction and testing of the new enrolment register prior to the State election the VEC suspended most of its CRU activity in this financial year. However, enrolments generated in response to the VEC's enrolment confirmation mailout and activity in the lead-up to the State election contributed to this year's record number of new and updated enrolments.

Figure 16

Strategic enrolment programs

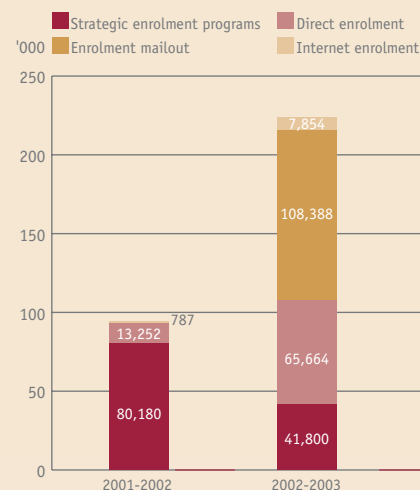
Partner	Recipients	Inception year	Enrolments
VicRoads [^]	New licence holders	Jan 1995	38
TXU	New connections	Jun 1996	1,888
Yarra Valley Water	New connections	Jun 1999	1,650
VCAA*	All year 11 and 12 students aged 17 and over	Aug 1999	19,372
RTBA*	Tenants who have recently lodged tenancy bonds	Apr 2000	3,886
Liquor Licensing Victoria	Young people applying for a Proof of Age card can simultaneously enrol	Nov 2000	3,411
VTAC*	Students enrolling at a tertiary education institution	Dec 2000	279
Office of Housing	People living in public housing who have changed address	Dec 2000	2
State Revenue Office	People changing address as a result of purchasing property	Jul 2001	2,572
Coles	A strategic enrolment partnership with Coles.	Apr 2002	5,051
Municipal councils	Enrolment forms are available at some municipal council offices.		3,651

[^] Suspended in 2002-2003 as VicRoads implemented a new computer system

* VCAA – Victorian Curriculum and Assessment Authority
RTBA – Residential Tenancies Bond Authority
VTAC – Victorian Tertiary Admissions Centre

Figure 15

Sources of electoral enrolments 2001-2003



Deletions from the enrolment register

Section 27 of the *Electoral Act 2002* requires the VEC to regularly review the register of electors and to ensure that the details of electors are accurate. The VEC removes electors from the register if their details are found to be incorrect. These transactions are known as enrolment deletions. The VEC receives information from the Office of Births, Deaths and Marriages, the Office of Corrections and other sources that enable deletions to be made.

For the 12 months ended 30 June 2003 the VEC removed 113,339 ineligible electors from the register of electors (see Figure 17).

Objections to enrolment

An enrolment objection is a notice issued by an electoral authority that requires a person to confirm that the address where they are enrolled is their principal place of residence or to confirm that they are entitled to be enrolled.

In Victoria notices of objection are issued regularly by the AEC on behalf of the VEC, in accordance with the provisions of the *Electoral Act 2002* and the *Commonwealth Electoral Act 1918*.

A large number of enrolment confirmation cards were returned to the VEC, as the elector was no longer living at their enrolled address. As a result of the objections process 27,169 electors were deleted from the enrolment register.

The VEC also receives private objections from electors who believe that another elector is not entitled to be on the enrolment register. The VEC received two objections regarding candidates contesting local government elections in 2003, both of which are subject to investigation.

Figure 17

Deletions from the register of electors 2002-2003*

Deletion type	Electors removed
Deceased	30,863
Imprisoned	52
Unsound mind	1,916
Interstate	26,969
No longer at enrolled address	52,111
Overseas	48
Other	1,380
Total	113,339

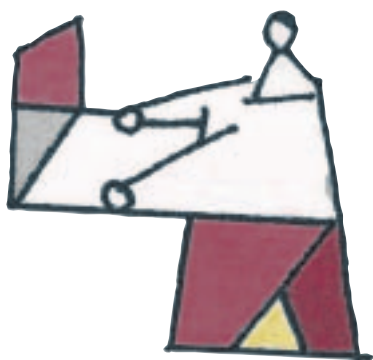
* Includes electors deleted as a result of the objections process.

Enrolment and roll services for local government

Local government boundary reviews

Under section 220 of the *Local Government Act 1989*, municipal councils must review their ward or riding boundaries every six years, to ensure that the number of voters represented by each councillor is within ten per cent of the average number of voters.

The VEC assists councils by providing independent assistance during the review of boundaries. The VEC did not assist with any boundary reviews in 2002-2003 as those councils holding elections in March 2003 had completed their reviews the previous year. (A proposed amendment to the *Local Government Act 1989* will require the VEC to conduct independent representation reviews for councils. See page 38.)



Rolls for local government elections

The VEC produced voters' rolls for all 54 local government elections in 2002-2003. The production of each roll is a complex process that requires the VEC to merge data from the State enrolment register with data provided by the council (referred to as the Chief Executive Officer's list). The information contained on the CEO's list relates principally to people with special municipal voting entitlements (people eligible to vote because they own property in the municipality but reside elsewhere). Merging this data to form a roll for an election is made more difficult because councils do not provide data in consistent formats.

A total of 305 voters' rolls were produced, one for each ward or riding. To ensure the accuracy of the rolls the VEC:

- merged more than 2.6 million elector records, including 377,315 council records;
- matched and removed some 146,000 records (including duplicates, multiple entries and deceased persons) from the data provided by councils.

Special rolls were also produced for the five by-elections conducted by the VEC.

All rolls were produced on time and met legislative requirements. Some errors were identified in the roll used for the elections in the City of Latrobe, as the information supplied by the council was inaccurate. As a result, a small number of voters were sent ballot packs in error. The VEC had safeguards in place to ensure that these ballot packs were not included in the count.

Members of Parliament and registered political parties

The *Electoral Act 2002* requires the VEC to provide each member of Parliament with the details of additions and deletions to the enrolment register for that member's electorate. This information is provided monthly.

In the past, the VEC provided roll information detailing the changes in each electorate. The VEC's new enrolment register now allows the VEC to provide a complete copy of the register for each MP's electorate electronically. All changes made since the last update are clearly identified. The provision of roll products to members of Parliament was suspended during the State election and resumed in March 2003. The VEC provided 1,071 enrolment extracts to MP's in 2002-2003.

The three parliamentary political parties also receive an electronic copy of the enrolment register every month, except December.

In addition, the VEC responded to one-off requests from members of Parliament, registered political parties and others for enrolment information.

Juries Commissioner

The VEC provides the Juries Commissioner with lists of electors randomly selected from the enrolment register. From these lists jury lists are prepared to select people for jury duty. Changes to electors' details on the enrolment register are also provided to the Juries Commissioner every month. In 2002-2003 a total of 42 jury lists were provided.

The VEC is also required to automatically apply an identifier to each person selected for jury duty exempting them from further jury service for a specified period. Exemption information is supplied by the Juries Commission and recorded by the VEC against the elector's name on the enrolment register. Some 186,553 electors had exemptions from jury duty at the end of June.

Following the State election announcement, the VEC processed 21,158 new enrolments and 34,003 enrolment updates in the four days before the close of the electoral roll.



New enrolment register

The final module of the VEC's new enrolment register was completed on time at the end of June 2003.

The register was built in stages and integrated with the VEC's existing election management system in July 2002, to create a single system that significantly improved the management of enrolment activity and the conduct of elections in 2002-2003.

The new system was fully tested and operational prior to the State election. The enrolment register was used to maintain electors' enrolment details in the lead-up to the State and local government elections and to produce electoral rolls for these elections.

The software previously used to manage enrolment information, the state roll system (SRS), was finally decommissioned in April 2003 following the successful implementation of the new enrolment register.

The new system contains features that have enabled the VEC to:

- improve the quality and accuracy of enrolment information processed and stored on the register of electors by improving data-matching capability and enabling more frequent evaluation of data;
- more efficiently manage and evaluate its ongoing enrolment programs by reducing the amount of manual processing required and the need for specialised IT support;
- implement policies to protect the privacy of electors' enrolment information; and
- prepare electoral rolls and other roll products much faster.

In the future, the new register will enable the VEC to provide a greater range of services to voters at State and local government elections and add new features to the system as required, including, for example, on-line enrolment searches.

Information privacy

The enrolment register

The register of electors contains personal enrolment information about the vast majority of adult Victorians, including name, address, date of birth and gender information. The register is an essential component in the conduct of elections. It is used to ensure that only those entitled to vote receive a ballot paper and that no one votes twice. The register is also used to enforce Victoria's system of compulsory voting.

The confidence of voters in the privacy and integrity of the register of electors is essential in order for voters to continue to register and update their personal details with the VEC, as well as for public confidence in the electoral system generally. Protecting the privacy of voter's personal enrolment information is therefore of fundamental importance to the VEC.

Mandatory provision of enrolment information

The *Electoral Act 2002* has reduced the availability of enrolment information. The latest print of the roll is no longer available for sale. The *Electoral Act 2002* (and certain other legislation) does, however, stipulate that specified enrolment information must be made available to the public or to other persons and organisations, as follows:

- The list of Victorian electors (names and addresses only) must be made available for inspection by members of the public under section 32(2) of the *Electoral Act*, but only at the offices of the VEC. Information can be searched only by name.
- The latest print of any electoral roll produced for an election (which contains name and address details only) must be made available for public inspection free of charge at any place and during times determined by the VEC under section 32(3) of the *Electoral Act*.
- Enrolment information must be made available for registered political parties, members of Parliament and election candidates under section 33 of the *Electoral Act*. This information must only be used for election-related purposes. Members of Parliament may also use this information to exercise their functions on behalf of their constituents. Severe penalties apply if this information is misused.

- Enrolment information must be provided to the Juries Commission to enable people to be called up for jury duty under section 19 of the *Juries Act 2000*.
- Enrolment information must be provided to municipal councils for elections under section 21 of the *Local Government Act 1989*.

Discretionary provision of enrolment information

The VEC has the discretion under section 34 of the *Electoral Act* to release enrolment information to other individuals or organisations. Before releasing any enrolment information, the VEC must consult with the Privacy Commissioner and determine that the public interest in providing the requested information outweighs the public interest relating to protecting the privacy of that personal information. Strict conditions are applied if information is provided. If these conditions are not met and enrolment information is misused, then severe penalties will apply.

When determining the public interest in response to requests for enrolment information, the VEC takes account of the *Information Privacy Act 2000* (and the Information Privacy Principles), which may provide guidance about the situations in which Parliament has considered that the public interest in disclosing personal information may outweigh the public interest in keeping this information private.

Also, in circumstances where enrolment information is requested for health research or health screening purposes, the VEC will establish an ad hoc reference group to determine the public interest in providing the requested information.

The VEC's activities during the reporting period regarding requests for information under section 34 have related mainly to requests from organisations that had previously been provided enrolment information on an ongoing basis, but that are not expressly entitled to receive this information under the *Electoral Act 2002* or any other legislation. The VEC met with these organisations to outline the new legislative arrangements and to explain that these organisations would have to submit fresh applications to the VEC in order to continue to receive enrolment information. By the end of the reporting period, 6 of the 10 organisations that were previously receiving enrolment information had submitted requests.

Reporting requirements

Under section 35 of the *Electoral Act 2002*, the VEC must report annually to Parliament on the provision of any information under section 34 and on any finding made under that section during the reporting period.

In total, the VEC received 20 requests for enrolment information under section 34 during the reporting period. Figure 18 summarises the requests received. A detailed explanation of the nature of the requests appears in Appendix 4.

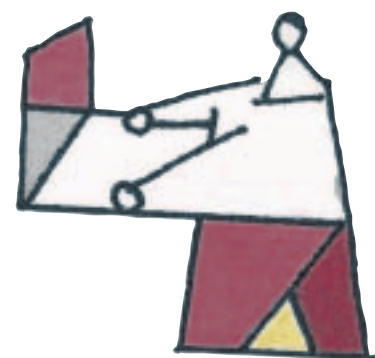
Figure 18

Requests for enrolment information 2002-2003

	Approved	Refused	Pending
Organisations renewing requests			6
Organisations submitting new requests	1*	5	
Individuals		3	
Requests from Victoria Police about specific individuals**	5		
Total	6	8	6

* Cancer Council Victoria, PapScreen Victoria program.

** The VEC provides Victoria Police with enrolment information if the request is made in writing by a specified police officer and is for law enforcement purposes.



Future Directions

Joint enrolment arrangement

If approved by the State and Federal Governments, the VEC will continue to work closely with the AEC to implement the initiatives contained in the joint enrolment arrangement. The focus will be on achieving improvements in the quality and integrity of the enrolment register, and implementing opportunities to improve the effectiveness and efficiency of enrolment information processing.

Keeping the enrolment register up to date

To ensure that the Victorian enrolment register is up to date the VEC will continue encourage people to enrol or update their enrolment.

In the coming year the VEC will:

- develop a framework for evaluating the accuracy, completeness and security of the register of electors; and
- review the effectiveness of its electoral enrolment programs and where necessary implement a revised program to encourage eligible electors to enrol and update their enrolment.

Enrolment products and services to stakeholders

The VEC will continue to trial new electronic mapping technology. Currently enrolment staff use maps to determine the electoral entitlements of electors. The introduction of electronic mapping will improve the accuracy and efficiency of enrolment processing.

The VEC will review the impact of legislative and other changes and develop a revised strategy for the manufacture and delivery of enrolment information and mapping products for State and local government elections. In consultation with stakeholders, the VEC will also explore opportunities to improve the quality and delivery method of roll information supplied to members of Parliament, political parties and the Juries Commission.

Prior to elections in 2004 and 2005, the VEC will work closely with municipal councils to improve the quality of information they provide to the VEC for the compilation of voters' rolls used at local government elections.

Representation reviews

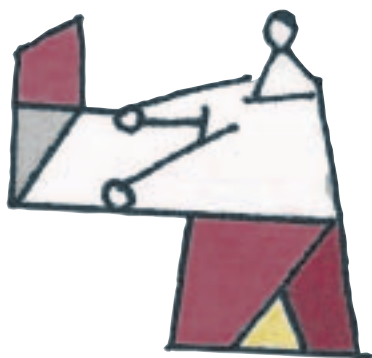
Under proposed amendments to the *Local Government Act 1989*, the VEC will be required to conduct independent representation reviews for municipal councils. The VEC is considered the appropriate organisation to provide independent advice regarding fair and equitable electoral representation for local governments in Victoria.

Following each representation review, the VEC will make recommendations to the Minister for Local Government regarding:

- the number of councillors; and
- an electoral structure that provides fair and equitable representation.

Conducting representation reviews will be an entirely new business activity for the VEC. The challenge in undertaking these reviews will be to balance differing views regarding the number of councillors and the location of boundaries during the consultation process. Previously these issues were determined by the Minister for Local Government based on a recommendation from the council. The VEC will add value to the process by ensuring that the consultation process is conducted at arms length from the elected councillors and will provide the Minister with an independent recommendation.

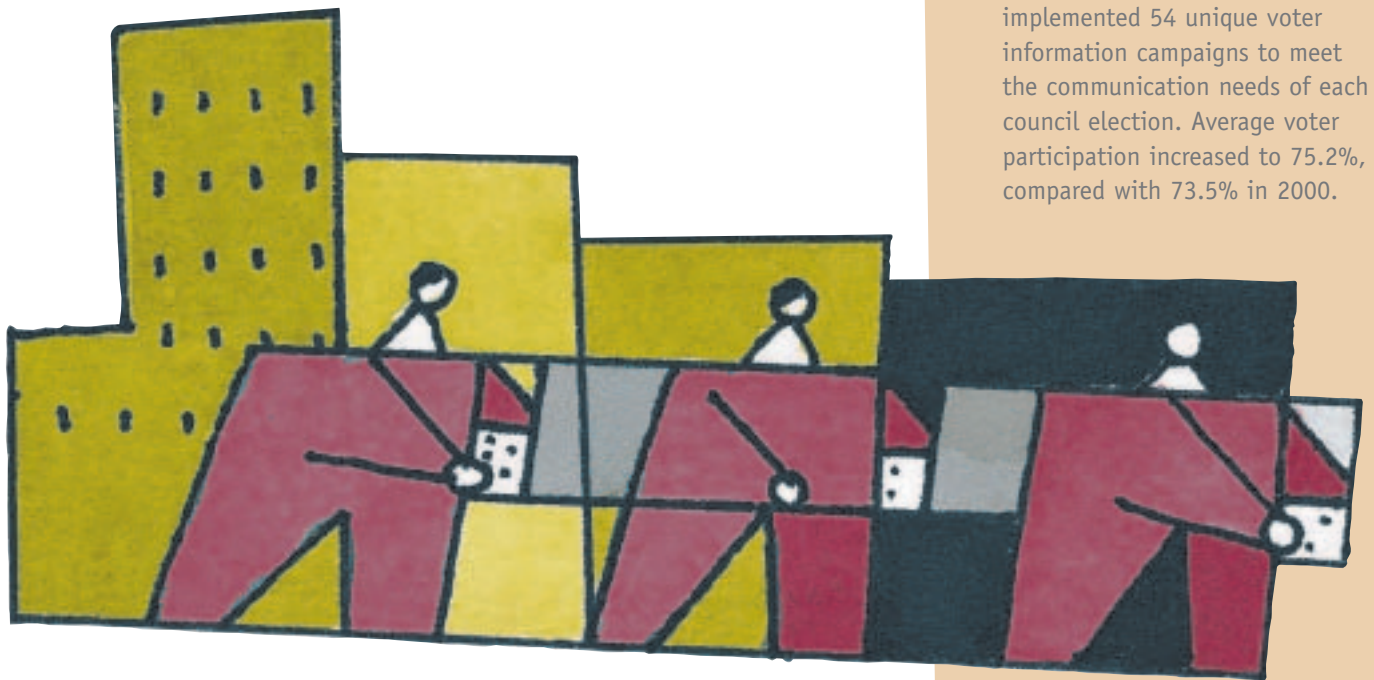
If this legislative amendment is passed, the VEC will develop and implement a framework for the conduct of local government representation reviews, and, in consultation with the Local Government and Regional Services Division, develop a timetable for the conduct of these reviews.



Part

4

Community understanding and participation



Achievements at a glance

- Voter participation at the 2002 Victorian State election was 93.2%, consistent with the high participation at previous elections.
- Post election research found that 77% of electors had seen or heard the VEC's election advertising (74% in 1999).
- All key election messages received media coverage and surveyed journalists rated the VEC's communications performance very highly.
- The VEC's website received 3.9 million hits from 94,000 users during the State election.
- A coordinated electoral education strategy was developed with the Australian Electoral Commission. An education kit was distributed to all Victorian schools prior to the State election.
- The VEC developed and implemented 54 unique voter information campaigns to meet the communication needs of each council election. Average voter participation increased to 75.2%, compared with 73.5% in 2000.

Community understanding and participation

Facilitating democratic participation

A healthy democracy exists when eligible members of the community participate in the electoral system. Compulsory voting requires the VEC to provide services that enable all members of Victoria's diverse community to enrol and vote. The VEC has a responsibility to demonstrate the relevance of the democratic system to people's lives and their communities. As the electoral environment changes, the VEC must also provide specialised services to voters with special needs, and encourage those who choose not to exercise their democratic right to actively participate in the electoral system.

State election communications

Within hours of the announcement of the 2002 State election, the VEC implemented an extensive communications campaign to increase public awareness, understanding and participation in the 2002 Victorian State election.

The integrated campaign relied on advertising, public relations, publications, a telephone enquiry service and the VEC's website to inform Victorian voters about election services and arrangements.

The campaign had four specific objectives:

- encourage electors to enrol or update their enrolment;
- inform electors about how and where to vote;
- minimise informal voting; and
- maximise voter participation at the election.

State election advertising

The theme of the campaign was *'Every vote will shape Victoria'*, which emphasised the collective effect of voting and the value of every vote.

The advertising campaign for the 2002 State election comprised television, radio, internet and newspaper advertisements and was focused on key electoral messages appropriate to each phase of the election. Extensive advertising appeared in Victorian metropolitan, regional and ethnic media.

Over three quarters of voters (77%) recalled seeing or hearing the VEC's election advertising (74% in 1999). Three quarters (74%) of those who saw election advertising felt it was effective in providing information about the election.

All political parties complimented the VEC's communications campaign, describing it as "excellent", "recognisable, extensive and effective".

Information services for voters from culturally diverse backgrounds

To assist voters from culturally and linguistically diverse backgrounds the advertising campaign for the 2002 State election included advertisements in 16 ethnic newspapers and on seven ethnic radio stations. The proportion of the voter information campaign budget spent on ethnic advertising was seven per cent, above the five per cent minimum required by government. A telephone interpreting service for electors from culturally and linguistically diverse backgrounds was also provided during the election.

Approximately two-thirds (63%) of surveyed voters from culturally and linguistically diverse backgrounds felt that the VEC's advertising campaign was effective in providing them with information about the election.

Nearly 130,000 calls were made to the VEC's election hotline during the 2002 State election.



Information services for visually impaired electors

In conjunction with Vision Australia, the VEC provided information to visually impaired electors on audiocassettes and in braille and large print documents. Advertising on 3RPH and a successful public relations campaign were also implemented to support and publicise services for vision-impaired voters.

Media relations

To support its election advertising campaign, and to further improve voter awareness and understanding, the VEC provided the media with clear and accurate information about the electoral process, sought opportunities to promote its electoral services, and responded to enquiries and issues as they arose to ensure public confidence in all aspects of the electoral process. There was significant media coverage of a number of initiatives developed by the VEC for the 2002 election.

Overall, surveyed journalists rated the VEC's communications performance very highly, and the VEC enjoys an excellent reputation among the media.

Election information kit

As part of its information services for the State election, the VEC prepared an extensive information kit. The kit was distributed to the media, political parties, members of Parliament, and election officials in early November 2002.

Journalists surveyed after the election were very positive about the kit and the improvements that had been made were also well received. The majority of surveyed journalists used the kit regularly during the election.

Election hotline

The VEC's election hotline was again outsourced, as the VEC does not have the telecommunication infrastructure or the staff necessary to operate a call centre capable of responding to the large volume of calls received during a State election.

The telephone enquiry service answered 96,779 calls during the election period (compared with 67,945 in 1999). All State election advertising publicised the hotline number. It was notable that advertising generated a large increase in the volume of calls received and that many callers had enquiries about matters clearly set out in the advertising.

Over two thirds (69%) of surveyed voters who contacted the hotline were satisfied with the service and information they received.

VEC website

Election information required by voters and candidates, including information specific to each phase of the election, was available on the VEC's website. Between the announcement of the election and 1 December 2002 (the day after election day) the VEC's website received 3.9 million hits from 94,225 distinct users (compared with only 32,989 users at the 1999 election). Seventy-five per cent of voters who used the VEC's website were satisfied with the information available.

For the media, the VEC's website was a more important source of election information during the 2002 election than in 1999. Journalists surveyed all used the website daily and the website was the primary source of election results.

The tally room

The tally room is the focus of media attention on election night, and television broadcasts were again hosted from the tally room at the 2002 election.

Election results were transmitted electronically to the tally room and broadcast media present in the tally room as it was keyed into the VEC's election management system at election managers' offices.

Feedback received from journalists regarding the tally room was positive – "democracy in action" was one description.



Voter participation and informal voting

Voter participation and informal voting rates are useful indicators of the health of an electoral system. It is important to note, however, that these may be affected by factors other than the services provided by an electoral authority, such as interest in the election, election issues, the geography and the demographic composition of the electorate, and even the weather on election day.

Communications campaigns produced by the VEC at parliamentary elections seek to maximise voter participation and reduce informal voting by providing Victorians with all the information they need to participate fully in an election.

Voter turnout at the 2002 State election was 93.16%. This was comparable with the 93.23% recorded at the 1999 State election.

Figure 19
Voter participation at Australian parliamentary elections

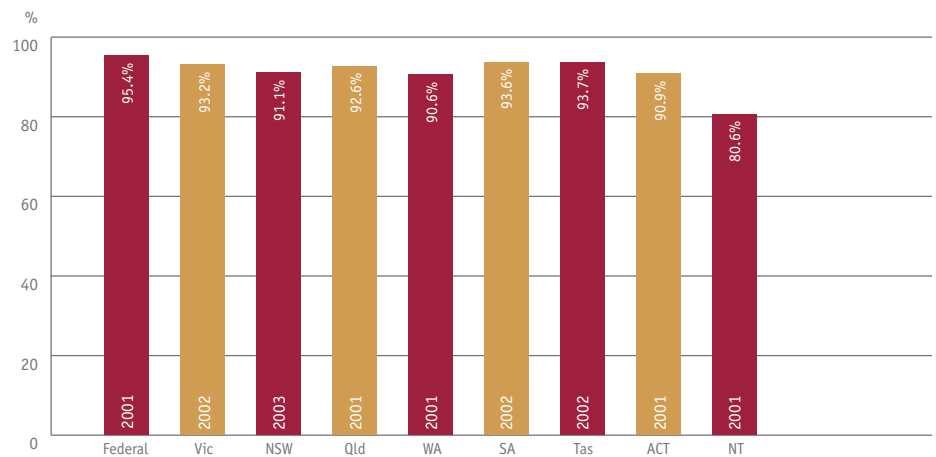
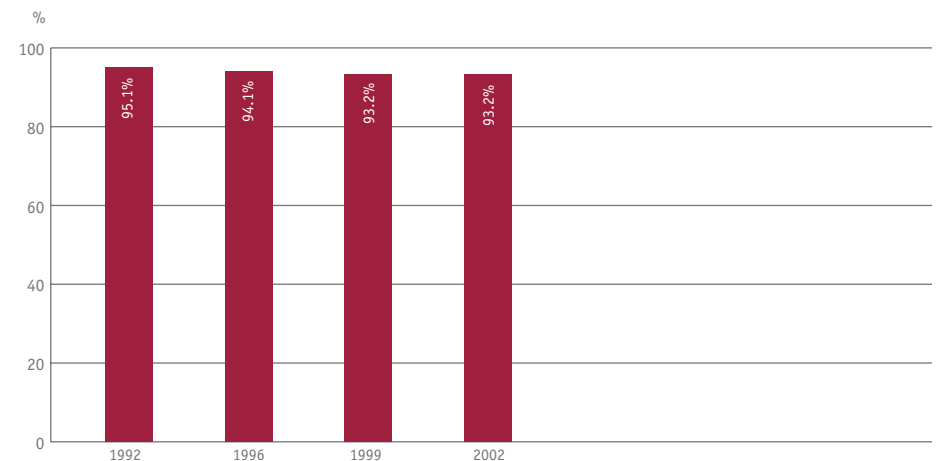
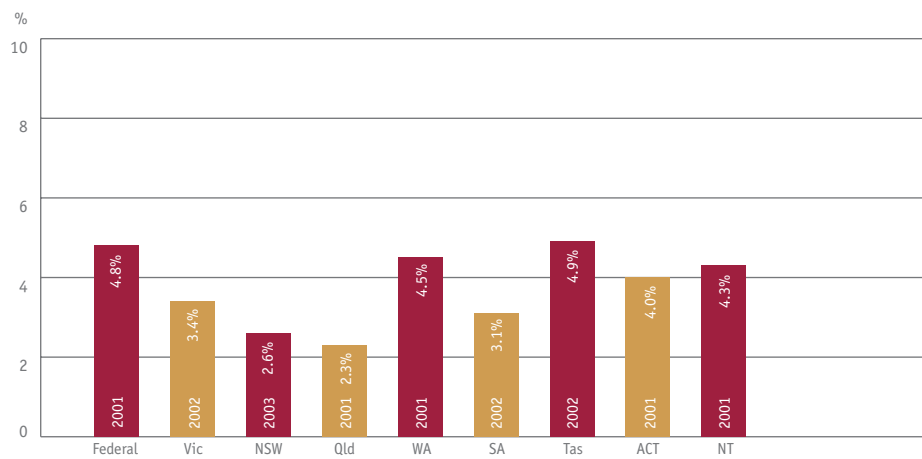


Figure 20
Voter participation at Victorian State elections 1992 - 2002



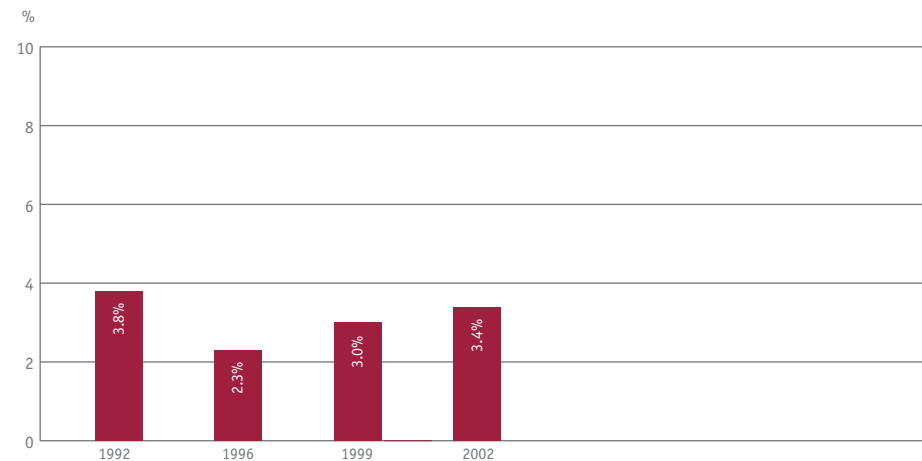
The rate of informal voting at the 2002 election was 3.42%, compared with 3.02% at the 1999 State election. The rate of informal voting in 2002 was very close to the long-term average for Victorian State elections (3.10 per cent for the seven elections held since 1982). The slight increase may be due to the record 477 candidates contesting the 2002 election.

Figure 21
Informal voting at Australian parliamentary elections*



* full preferential voting is used in Federal, Vic, WA, SA and NT elections.

Figure 22
Informal voting at Victorian State elections 1992 - 2002



Major media organisations and members of the public were present in the tally room, which is the focus of attention on election night.



Local government elections

More than 2.4 million Victorians were eligible to vote at the local government elections conducted in March 2003. The VEC's voter information campaigns aimed to raise voters' awareness of their rights and obligations, maximise voter turnout, and minimise the informal vote.

Unlike the State election, where a single communication campaign was developed, the tendering for local government election services required the development of 54 individual campaign proposals, each responding to the council's specific requirements.

Following the awarding of tenders, VEC staff met with all councils to finalise campaign proposals. The basic services offered to all councils comprised statutory press advertising, news releases and information on the VEC's website. Other services included additional press advertising, radio and television advertising, multi-language services and voter cards.

In developing and selecting these optional services, the VEC and councils took into account the method of election, the location and size of the municipality, available media coverage, the special needs of voters and the council's budget.

Local government election advertising

Press advertisements formed the basis of each campaign. These advertisements were published in the most widely circulating newspapers in each municipality and communicated key election messages. During the elections, the VEC placed over 330 press advertisements in 160 newspapers across Victoria.

A coordinated television and radio advertising campaign was developed for four councils in the Gippsland region. Shared campaign television and radio advertising again proved a particularly cost-effective method for councils in regional areas to increase voter awareness. Voter participation either increased or remained higher than the State average for the councils participating in this advertising.

Councils in Victoria's north participated in shared radio advertising campaigns and voter participation in these councils averaged above 81%, two percentage points higher than the average for councils in regional Victoria.

These campaigns demonstrated the benefits of coordinated campaigns: cost savings and levels of reach and frequency only possible through cost-sharing.

Media services

The VEC achieved excellent media coverage during each phase of the elections, with over 60% of news stories about election procedures based on information issued by the VEC. During the elections, close to 700 media releases were distributed by the VEC, achieving coverage in over 160 newspapers.

ABC regional radio proved vital in communicating election messages to regional voters. Feedback from councils indicated they were happy with the coverage of their elections.

VEC website

The VEC provided a customised home page for each local government election on its website. Councils were invited to link their website to the elections home page on the VEC's website to help ensure that the VEC was the primary source of on-line election information.

During the elections, the VEC introduced two new website services for councils, a daily update of nominations received and a progressive update of election results as they were counted.

Visits to the VEC's website increased by 75% compared with 2000, when these councils last held elections.

Information services for voters from culturally diverse backgrounds

Specialised communication services were offered to councils with significant numbers of voters from culturally and linguistically diverse backgrounds. Encouragingly, all councils offered these services opted to include them in their voter information campaigns.

Multi-language leaflets were included in ballot packs to provide election information in 19 languages to voters not fluent in English. In total, almost 1.3 million multi-language leaflets were distributed with ballot packs to voters in 13 councils.

A multi-lingual telephone enquiry service was established to provide information directly to voters. The telephone numbers for this service were featured in advertising and voter cards sent to voters.

A shared multi-lingual radio campaign was prepared for 11 metropolitan councils. Multi-lingual press advertisements also appeared in ethnic newspapers during the elections.

Information services for vision-impaired voters

The VEC aims to ensure that all eligible voters are able to readily access electoral services, including voters with a disability. The VEC implemented a range of initiatives aimed at providing voter information for vision-impaired voters.

Advertisements were aired on Vision Australia's radio station, 3RPH, throughout the elections, providing information to assist vision and print impaired voters.

Telephone enquiry service

During the election period, voters were able to call the office of the returning officer for their election with enquiries. From early February the VEC operated a centralised service to handle 'overflow' calls. During this period the overflow service responded to more than 12,000 telephone enquiries.

EasyVote cards

An initiative implemented by the VEC during the 2003 local government elections was the re-branding of voter cards, sent to all voters enrolled at attendance elections, as *EasyVote* cards.

Over 250,000 personally addressed *EasyVote* cards were sent to voters in Knox, Maribyrnong and Moonee Valley. These cards contained information about where to vote, candidates' names, voting instructions, and a ward map. The *EasyVote* cards had a tear-off slip showing the voters' entitlement details. Voters were advised to take this slip with them on election day to make voting quicker.

The councils that employed *EasyVote* cards maintained their previous levels of voter participation, with Knox recording an 11% increase in voter turnout.

Voter participation and informal voting

The average voter participation rate increased to 75.2% for the elections conducted in March 2003, up from 73.5% in 2000.

Of the 54 councils holding elections, 18 were in metropolitan Melbourne and 36 were in regional and rural Victoria. The 47 councils that conducted their elections by postal ballot had a voter participation rate of 76.7%, compared with 75.6% in 2000. The seven attendance elections had a voter participation rate of 69.3%, compared with 66.1% in 2000.

Voter participation increased in 33 of the 54 elections conducted. The highest voter participation rate was recorded in the Gannawarra Shire (86.8%), followed by Hindmarsh (86.3%) and Strathbogie (85.7%). In metropolitan Melbourne the highest voter participation was 79.7% in Whittlesea.

Figure 23

Voter participation at local government elections conducted by the VEC March 2003

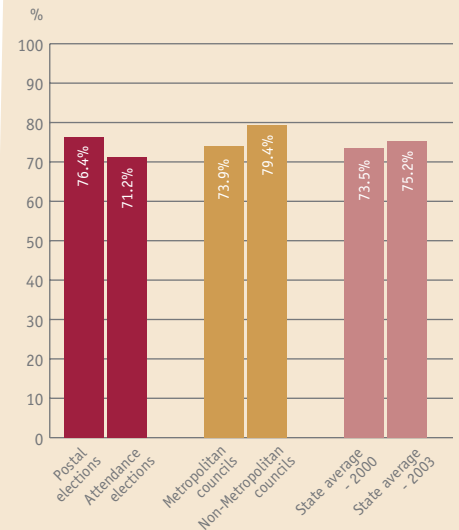
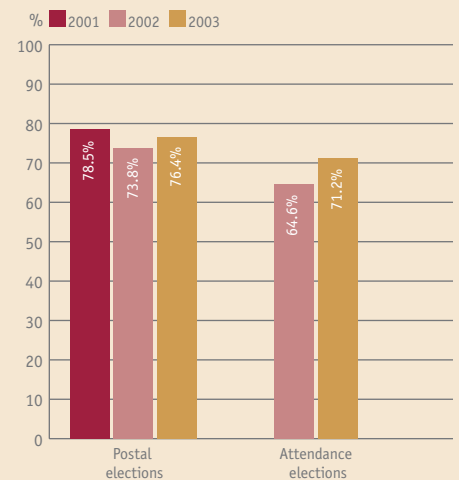


Figure 24

Voter participation at postal and attendance elections conducted the VEC 2001-2003



Community understanding and participation *continued*

Figure 25

Informal voting at local government elections conducted by the VEC March 2003

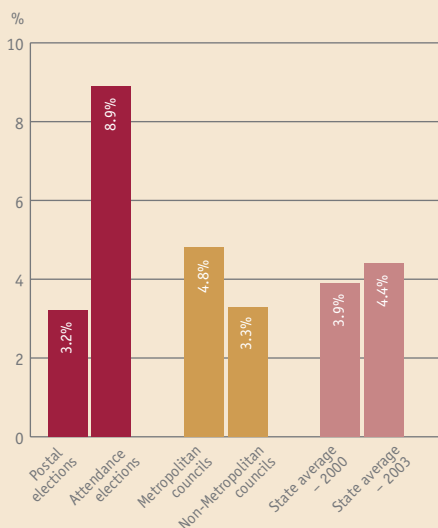
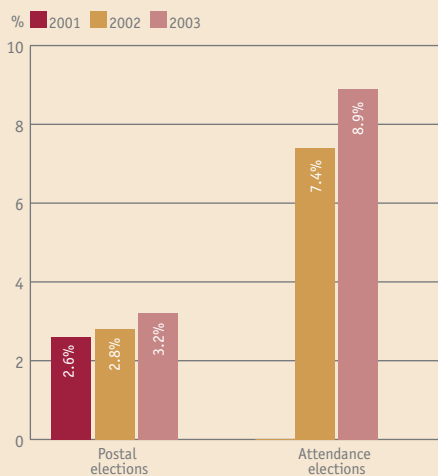


Figure 26

Informal voting at local government elections conducted by the VEC 2001-2003



The Frankston City, Towong Shire, and Yarra Ranges Shire councils conducted postal elections for the first time this year. Significant increases in voter participation were achieved in both Towong (up 11.6 percentage points) and Yarra Ranges (up 15.7 percentage points), while the voter participation rate in Frankston was stable. The City of Moonee Valley switched from a postal election to an attendance ballot this year and voter participation declined from 72.9% to 68.3%.

Figure 23 shows that there is a higher rate of voter participation at postal elections. Regional councils tend to have higher voter participation than metropolitan councils.

Voter participation rates at local government elections are usually lower than at State or Federal elections. Unlike parliamentary elections, voting is not compulsory for all voters at local government elections. The high profile of parliamentary elections also contributes to increased rates of voter participation.

The rate of informal voting is significantly lower at postal elections, where voters have access to more information about candidates and more time to cast their vote (see Figure 25). The average rate of informal voting in 2003 was slightly higher than for the same councils at the 2000 elections. This increase may be due to the record number of candidates contesting elections in 2003.

Electoral education

Coordinated electoral education strategy

The VEC has a legislative responsibility to provide education programs that increase Victorians' understanding of the electoral system.

Motivational campaigns that provide information about voting services and compulsory voting underpin high voter participation at elections conducted by the VEC. However, the VEC estimates that there were approximately 360,000 people who were eligible to vote at the 2002 State election who did not vote or were not enrolled. There is growing evidence that increased electoral participation will not be achieved by information programs alone, nor through the application of penalties.

In partnership with the AEC, the VEC has developed a coordinated electoral education strategy to increase Victorians' engagement in and understanding of the electoral system, in order to facilitate more meaningful participation. The objective of the strategy is to encourage a culture of democratic participation and community engagement, particularly in communities where participation in the electoral system is lower than the average.

A coordinated approach to electoral education has benefits for both the public and electoral commissions, and has few costs. The seamless provision of programs provides an excellent opportunity for Federal and State electoral authorities to minimise duplication, while increased administrative efficiencies will ensure that investment is spread over a wider base and has a wider reach. From the elector's perspective, individuals participate in elections without necessarily differentiating between electoral commissions and their operations.

The new strategies refocus and extend current approaches to electoral education and will begin in early 2004. The strategies include: the provision of targeted electoral education programs through the Electoral Education Centre in Melbourne, partnerships with schools and community groups, curriculum development, teacher professional development, and the development of school and community pilot programs. All strategies will be evaluated against baseline data and other project-specific performance measures.

Education kit

In October 2002 the VEC published the second edition of its teacher resource kit, *Your opinion counts – young people and voting*. This resource for teachers explores the themes of human rights, democracy and the right to vote, and is designed to foster an ongoing interest in the political process. It also incorporates new classroom activities and discussion topics.

Your opinion counts was distributed to the co-ordinators of Studies of Society and Environment in each secondary school in Victoria in October 2002. One of the modules in the kit contained an activity sheet that helped students follow the State election.

Corporate communications

In its reports to Parliament the VEC provides its stakeholders with comprehensive information regarding its services, organisational performance and cost effectiveness.

For the second year running, the VEC's annual report received a silver award at the Australasian Reporting Awards (ARA). To receive a Silver Award, a report needed to score more than 85% and provide quality coverage of ARA criteria.

Future directions

Voter understanding and participation at State elections

Continuous improvement and the introduction of four-year fixed terms will enable the VEC to enhance the services available at the 2006 State election. A fixed election date will require the VEC to develop new strategies to keep the electoral roll up to date and to reduce the rush to enrol once the election is called.

The VEC's communication strategy will be reviewed and redeveloped. In particular, strategies will be developed to provide information to the community about the new Legislative Council electoral system and changes to voting procedures, specialised information to communities where voter participation is low, and to more effectively inform voters about voting centre locations and services.

Communication strategies at local government elections

Proposed changes to the scheduling of local government elections present the VEC with an opportunity to work with municipal councils to develop and implement coordinated communication campaigns at the 2004 and 2005 local government elections. In the past, the VEC provided tailored communication services to meet the specific needs of each council. The VEC is now keen to examine the possibility of developing coordinated and regional campaigns that better meet the needs of voters and are more cost-effective for councils.

Electoral education

The development of a coordinated electoral education strategy with the AEC signals the beginning of a new approach to electoral education in Victoria. The challenge for both organisations is significant: to encourage a culture of democratic participation and community engagement, particularly in communities where participation is lower than average. Beginning in early 2004 the VEC will, in partnership with the AEC and other organisations, implement this strategy. A project coordinator will be appointed to liaise with schools and community organisations and oversee the development of programs.

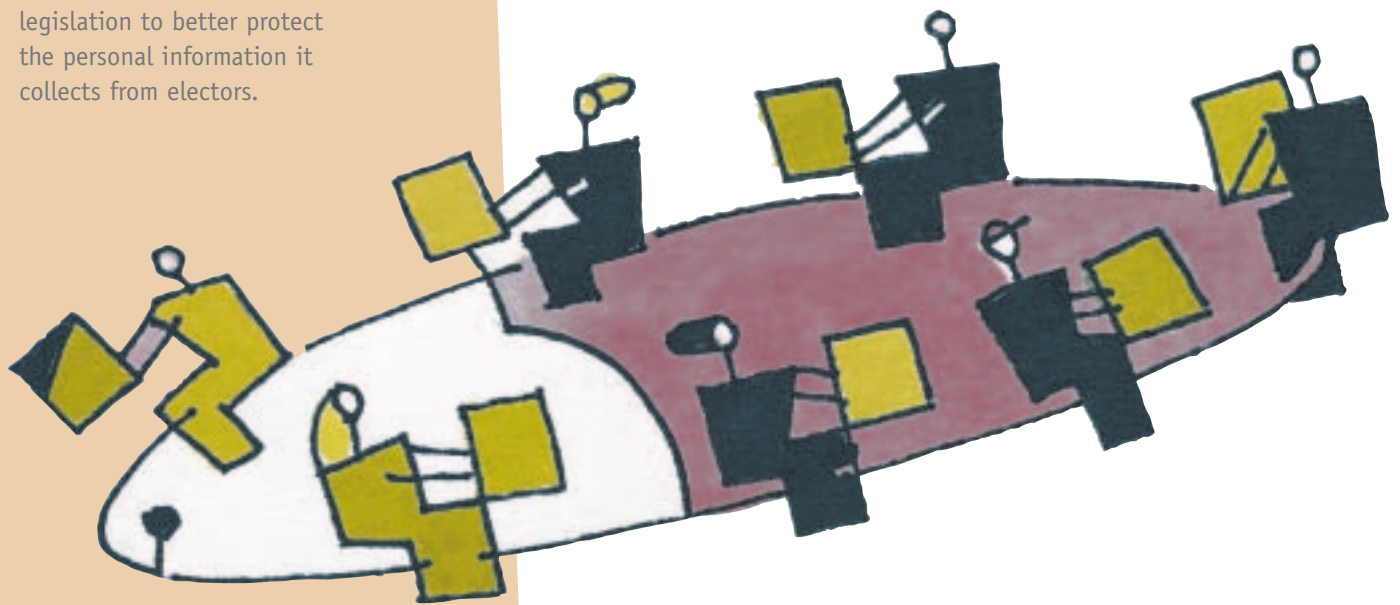


Achievements at a glance

- VEC staff ensured the successful conduct of the State election and 54 local government elections during our busiest year.
- Recruited and trained 180 senior election officials to manage the conduct of the State election and local government elections and recruited 16,000 casual staff who were employed on election day.
- The VEC's human resource management processes were assessed as exceeding the VPS average in the areas of integrity, impartiality, accountability, responsive service, and selecting and promoting employees.
- The VEC developed and implemented a privacy policy in accordance with new legislation to better protect the personal information it collects from electors.

Part 5

Organisational effectiveness



Staffing and work practices

The VEC's staffing and work practices are determined and guided by:

- the *Public Sector Management and Employment Act 1998*;
- Victorian Public Service (Non-Executive Staff) Agreement 2001;
- the VPS Code of Conduct; and
- guidelines provided by the Office of Public Employment (OPE).

In addition, the VEC has developed its own human resource management systems in consultation with the Department of Justice.

Staff are kept informed of the VEC's organisational priorities and human resource systems through a handbook, its quarterly newsletter *Staff Notes* and at staff meetings. The VEC's Consultative Committee provides a forum for representatives to address the needs of both employees and management.

Figure 27

Workforce statistics

	2001-2002	2002-2003
Staff numbers	77*	74*
Staff commencements	24	16
Staff departures	7	19
WorkCover claims	0	8
Days lost (due to WorkCover)	0	5
Personal grievances	0	0

* As at 30 June

Merit and equity

In April 2003, the VEC conducted an annual organisational self assessment (OSA), as directed by the Office of Public Employment (OPE). The purpose of the OSA is to gather information on processes that are in place in Victorian Public Sector (VPS) organisations to support the application of the employment and conduct principles.

The OSA also provides the VEC with useful feedback on the degree to which its processes support the application of the employment and conduct principles.

The VEC's processes exceeded the VPS average in the areas of integrity, impartiality, accountability, responsive service, and selecting and promoting employees. In comparison with the VPS average, the self assessment shows that the VEC needs to introduce further processes in the areas of fair and reasonable treatment, equal employment opportunity, and avenues of redress.

The VEC's forthcoming corporate and business plans will include strategies to improve those processes identified for improvement.



Organisational effectiveness *continued*

Staff

VEC staff numbers fluctuate significantly depending on election commitments. (See the 'At a glance table' at the beginning of this report.) The VEC has a core staff of 50 and additional staff are employed to meet the requirements of preparing for and conducting elections.

The VEC also has 180 senior election officials who are trained and available for appointment as election managers or returning officers. Of these, 161 were employed as election managers or assistant election managers at the 2002 State election, and 120 were employed as returning officers or deputy returning officers during local government elections. All senior election officials participated in extensive training programs prior to these elections.

The VEC relies heavily on casual staff during elections. Casual staff are employed and trained to work as administrative staff, at voting centres and to count votes. Because these people are only employed during elections the VEC maintains a database to assist with the recruitment and training of election casuals. The VEC employed some 16,000 casual staff to assist with the conduct of the State election and 4,000 staff during local government elections.

Figure 28
VEC staff profile as at 30 June 2003

	Male	Female	Total
Ongoing full-time	18	24	42
Ongoing part-time	0	4	4
Fixed-term full-time	10	8	18
Fixed-term part-time	0	1	1
Casual	4	3	7
Statutory	1	1	2
Total[^]	33	41	74
FTE*	26.9	39.9	66.8
VPS 1	0	0	0
VPS 2	12	21	33
VPS 3	9	12	21
VPS 4	8	5	13
VPS 5	3	2	5
EO 1	0	0	0
EO 2	1	0	1
EO 3	0	1	1
Total[^]	33	41	74

[^] 89 staff were employed during the State and local government elections.

* Full-time equivalent.

Recruitment

Merit and equity principles underpin all recruitment and selection processes. Eighteen vacancies were filled during 2002-2003. The majority of these staff were employed on a fixed-term or casual basis to the end of June 2003.

Four of these vacancies were exempt from advertisement. Exemptions were granted in cases where there was no infringement of merit and equity principles as the vacancy had duties and requirements of a specialised nature unique to the VEC.

Under the directions on public sector employment, employees may lodge a grievance application if they believe there were deficiencies in the recruitment process that prevented selection on merit. No grievances were lodged during the reporting period.

Performance management

Individualised performance plans were developed for all VEC staff employed throughout the financial year. These plans sought to align staff goals and objectives with those of the VEC.

Mid-term performance reviews were scheduled to take place in December 2002, an extremely busy period, just after the State election in November and just before the local government elections in March 2003. As a consequence, mid-term performance reviews did not take place. All staff were invited to discuss their performance management plan.

Training and development

Twenty-six staff members participated in professional development programs in 2002-2003 in line with their individual performance plans. Training undertaken included project management, leadership development, research and analysis, public relations and report writing skills. All staff also had access to computer training to enable them to keep their skills up to date.

As a result of increased election activity there was reduced training and development undertaken this year.

Youth Employment Scheme

The VEC has participated in the Victorian Government Youth Employment Scheme (YES) for the past three years. This scheme offers young Victorians an excellent opportunity to develop on the job training and career foundations. Under this scheme the VEC again engaged a trainee who gained valuable skills and experience working in a warehouse and storage environment. This trainee was subsequently employed by the VEC on a fixed-term basis at the VEC's warehouse.

Flexible working arrangements

Staff are able to utilise options available through the VEC's flexible work arrangements policy. During 2002-2003, management and staff used the following options to effectively manage their work, personal and family commitments: flexible working hours, working from home, part-time employment, job sharing and parental leave at half pay.

Personal grievance management

The Commission did not receive any grievance applications during the reporting period.

The VEC has issue resolution processes to help maintain healthy and productive working relationships. These processes are designed to ensure that:

- employee issues are resolved in line with the directions issued by the Commissioner for Public Employment's *People Management Strategy*;
- principles of merit and equity are applied throughout the VEC; and
- work-related complaints are resolved quickly, confidentially and without prejudice.



Occupational health and safety

The VEC has an obligation to staff and visitors to provide a safe work environment that meets legislative requirements and is consistent with the duty of care provisions under the *Occupational Health and Safety Act 1985*.

Initiatives implemented to help increase health and safety in the workplace in 2002-2003 included:

- The implementation of tighter security measures following advice from Victoria Police. As a result, the VEC's reception area was redesigned; security access and control systems were upgraded and new procedures for processing and opening mail were introduced.
- All senior election officials participated in occupational health and safety training programs.
- Ergonomic consultants were engaged to assess staff workstations and a program was implemented to help all employees ensure that their workstations meet ergonomic standards.
- All staff were invited to have an influenza immunisation.
- All staff had access to the Department of Justice's employee assistance program.

The VEC's forthcoming corporate plan will include a work environment strategy that focuses on workplace safety. In addition, an occupational health and safety systems audit will assist with identifying strategies to improve the VEC's occupational health and safety systems at head office, election offices and voting centres.

Claims for WorkCover

The VEC received eight minor claims for WorkCover in 2002-2003, resulting in the loss of five working days.

This unusual rise in claims reflects the increased number of staff employed to assist with the conduct of elections. Six of these claims were received from casual staff employed in election offices and voting centres.

Figure 29

WorkCover claims 1999-2003

	1999	2000	2001	2002	2003
Claims received	1	2	1	0	8

Employee relations

During 2002-2003 there were no industrial relations incidents within the VEC and no time was lost due to industrial disputes.

The Victorian Public Service (Non-Executive Staff) Agreement 2001 was implemented in 2001-2002 and will remain in force until 1 November 2003. The VEC is monitoring the negotiation of a new agreement, which will include significant changes to the VPS career structure. The VEC will implement the new agreement once it has been certified.

Information privacy

The VEC is subject to the *Information Privacy Act 2000 (IPA)*, which came into force on 1 September 2002. The VEC must act in accordance with the Information Privacy Principles set out in the IPA to protect the personal information that it collects from electors and other individuals.

The VEC collects personal information only in order to fulfil its functions under the *Electoral Act 2002*. The personal information collected, used and disclosed by the VEC falls into 6 main categories:

- Enrolment information – personal information associated with the maintenance of the register of electors. (See p 36 for further details.)



- Political party registration information – personal information associated with the registration of political parties.
- Candidate information – personal information associated with nomination of candidates for elections.
- Voting information – personal information associated with voting in elections.
- Human resources information – personal information associated with the employment of permanent and casual staff.
- Miscellaneous contact information – personal information about business contacts in other organisations, the media, complainants etc.

The VEC's policies regarding its management of this personal information is set out in its Privacy Policy.

The VEC's Privacy Policy has been developed during the reporting period in compliance with the IPA and Information Privacy Principle 5, 'Openness'. The VEC consulted with the Privacy Commissioner regarding the content of the Privacy Policy, and also sought comment from all members of Parliament and registered political parties before the policy was finalised. The VEC's Privacy Policy is available for public inspection. The VEC's website contains a summary of the policy.

Access to and correction of personal information

Individuals have rights of access and correction under the IPA in relation to any personal information about them held by the VEC. The VEC complies with these requirements by following the freedom of information processes laid down in the *Freedom of Information Act 1982* in the event that it receives a request relating to accessing and correcting personal information.

No such requests were received during the reporting period.

Complaints about privacy

Three complaints were received about privacy during the reporting period. All three complaints related to the privacy of information provided by voters on their postal vote applications at the 2002 State election.

Electoral law provides that registered political parties may write to voters offering a postal vote application. A new process for the return of postal vote applications was implemented at the 2002 State election to remove the possibility of delay in the issuing of ballot papers. At this State election, political parties were asked to include the VEC's return address envelope with their postal vote applications so that completed applications were sent directly to the VEC, rather than to the political party as occurred at previous elections.

The VEC then provided political parties with the names and address of those who applied for postal votes using a form provided by the party.

The procedures employed at the 2002 State election complied with the *Electoral Act*. In regard to the IPA, the VEC weighed up the public's interest in receiving information to assist them with their vote against their right to privacy. It was considered that when people apply for a postal vote on a form provided by a political party (as opposed to a form provided by the VEC) they could reasonably expect to receive a how-to-vote card from that party.

To this extent the process applied at the 2002 State election was comparable with the practices of the past. Nonetheless, the VEC considers that it would be prudent at future State elections for parties to ask people completing a postal vote application whether they wish to have the party's how-to-vote material sent to them. The VEC will review this procedure in consultation with political parties and has recommended that the legislation be amended.

The VEC implemented upgraded security procedures for the processing and opening of mail prior to the State election. The VEC received more than 250,000 items of mail during the State election and in excess of 1.5 million items during the local government elections.



The use of laptop computers at all early voting centres made voting easier at the State election. The VEC will continue to explore opportunities for the introduction of electronic voting at future elections.



Developments in electronic voting

In October 2002 the VEC and the AEC published a report, *E-voting – evolution not revolution*. This report discussed the findings of a visit to the United Kingdom in May 2002 to further investigate the use of electronic voting and vote counting systems by a delegation including the Victorian Electoral Commissioner and representatives from the AEC.

The delegation visited eight municipalities participating in the electoral modernisation pilot study, which trialled a range of initiatives at local government elections examining options for arresting declining voter participation. The delegation observed the use of voting machines, kiosk and touch screen voting, and internet voting.

The report concluded that the barriers to the introduction of e-voting were not insurmountable. Technical solutions capable of overcoming privacy and security concerns were, or soon would be, available. However, it was noted that many of the concerns regarding e-voting relate to understanding and public confidence, suggesting a need for greater public debate in Australia on the possible introduction of e-voting.

Electoral best practice

The VEC and the Western Australian Electoral Commission (WAEC) worked together to examine best practice in electoral administration by comparing systems and approaches, with a view to learning from the most effective practices. Two best practice studies were conducted in 2002-2003, examining electoral education and the delivery of election services at voting centres.

Electoral education

This study noted that electoral authorities have traditionally focused their educational activities on providing services to school-aged children (particularly in metropolitan areas). There has also been limited evaluation of school-based approaches to electoral education and evidence is limited regarding the link between school-based electoral education and long-term participation in the electoral system.

The study identified a number of areas for further action by the VEC, including:

- developing partnerships with other bodies involved in electoral education;
- developing strategies to encourage participation in the electoral system among voters from culturally diverse backgrounds and young people no longer at school; and
- developing an evaluation program in order to investigate the 'educational' validity of the VEC's electoral education materials and strategy.

In 2003 the VEC, in conjunction with the AEC, developed a joint electoral education strategy for Victoria (see p 46 for details).

Election services

At the 30 November 2002 Victorian State election, representatives from the WAEC worked with the VEC to observe first hand the delivery of electoral services and the operation of voting centres on election day.

It is at voting centres that election stakeholders are most likely to notice and benefit from service improvements. The aim of this study was to observe the effectiveness of the election services provided by the VEC and to identify areas where service delivery could be improved or practices modified.

The study's findings were summarised in the VEC's *Report to Parliament on the 2002 Victorian State election* and will have a significant impact on the planning and delivery of services at future elections. Some of the major recommendations included:

- The VEC will consider establishing a number of 'super centres'. These multi-service voting centres would be established in large modern venues and would offer a range of voting services, including specialised services for disabled and vision-impaired voters, and would also be staffed by multi-lingual election officials.
- The criteria used to select voting centres will be reviewed, particularly in relation to disabled access.
- The VEC will liaise with community leaders in electorates with large numbers of voters from culturally and linguistically diverse backgrounds in order to improve the recruitment and placement of multi-lingual election officials.

Future directions

Staffing and work practices

Changes to the timing and scheduling of State and local government elections will have a major impact on the VEC's workforce requirements in coming years. In its forthcoming corporate plan, the VEC has identified the following staffing and work practice priorities:

- Develop and implement strategies to identify, attract and retain people with the skills and knowledge required to meet the VEC's strategic business objectives and the 'seasonal' requirements of the new election cycle.
- Develop and retain a dynamic, flexible and highly skilled workforce to ensure that the VEC continues to efficiently deliver accessible, high-quality electoral services.
- Ensure that the contribution of staff is aligned with strategic business objectives and that staff are acknowledged, valued and appropriately rewarded.
- Continue to focus on workplace safety and maintaining a work environment that is safe, supportive, free from discriminatory behaviour, and enhances employee well-being.

Information privacy

The reporting period was distinguished by efforts to ensure privacy practices comply with all appropriate privacy principles and legislative requirements. Through this process, the VEC gained an appreciation of a range of public interest and privacy considerations that guide its use and disclosure of personal information.

The VEC will continue its efforts to maintain and enhance the confidence of the general public in the VEC's use and transparent disclosure of personal information. As organisations continue to submit requests for enrolment information, the VEC expects to further consolidate and refine the procedures it has developed, including those documented in its privacy policy.

Electronic voting

Any future introduction of electronic voting in Victoria will be gradual and preceded by legislative change. The VEC will continue to monitor international initiatives and explore suitable opportunities for the introduction of electronic voting at Victorian elections, particularly for voters who are interstate or overseas.

The VEC's new IT strategy, to be developed in 2003-2004, will review security practices and report on future needs, and examine more closely the technology available for the provision of electronic enrolment and voting.



Report of the Electoral Boundaries Commission

The Electoral Boundaries Commission (EBC) is constituted under the *Electoral Boundaries Commission Act 1982* to divide the State of Victoria into electoral provinces for the Legislative Council and electoral districts for the Legislative Assembly. The EBC must establish and maintain provinces and districts of approximately equal enrolment (that is, not varying by more than ten per cent from the average), for the conduct of parliamentary elections.

The members of the Electoral Boundaries Commission are:

- His Honour Chief Judge GDR Waldron, AO, Chief Judge of the County Court (Chairman, retired 24 November 2002);
- His Honour Chief Judge Michael Rozenes QC, Chief Judge of the County Court (Chairman from November 2002);
- Mr Colin Barry, Electoral Commissioner; and
- Mr Keith Bell, Surveyor-General.

The Deputy Electoral Commissioner, Ms Debra Byrne, is the secretary of the EBC. The Electoral Boundaries Commission is situated at Level 8, 505 Little Collins Street, Melbourne.

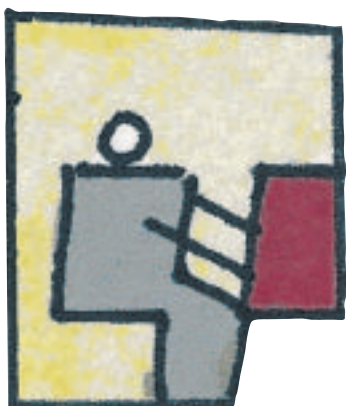
The EBC did not meet in 2002-2003.

Under the *Constitution (Parliamentary Reform) Act 2003* passed in April 2003, the Legislative Council will, from the 2006 State election, comprise 40 members (rather than the current 44). This will require the EBC to conduct a redivision of electoral boundaries to divide the State into eight electoral regions. (Five members will be elected from each region.) Under legislation the redivision cannot begin until 2005.

Chairman of the Electoral Boundaries Commission

His Honour Chief Judge Waldron retired as Chief Judge on 24 November 2002 and thereby retired as the Chairman of the Electoral Boundaries Commission.

Chief Judge Waldron was the inaugural Chairman of the Electoral Boundaries Commission from its establishment in 1982. He chaired the first redivision conducted by the Electoral Boundaries Commission in 1983-84 and the 1990-91 redivision. Chief Judge Waldron assigned the chairmanship of the 2000-2001 redivision to His Honour Judge Nixon.



Financial statements

1 July 2002 – 30 June 2003



The VEC's financial year in review

This year has seen the VEC experience a record in terms of turnover and elections conducted. Revenue, mainly in the form of government appropriations, was \$53.4 million and expenditure totalled \$44.7 million, both primarily as a result of the record numbers of elections conducted. The VEC's net result for the reporting period was \$8.7 million.

Included as revenue is \$5.1 million that relates to the recognition of previously unrecognised non-current assets. In addition, the VEC was also responsible for administering the revenue provided for the funding of election expenses incurred by registered political parties and independent candidates who obtained at least 4% of first-preference votes at the 2002 State election. The payments for these totalled \$6.7 million.

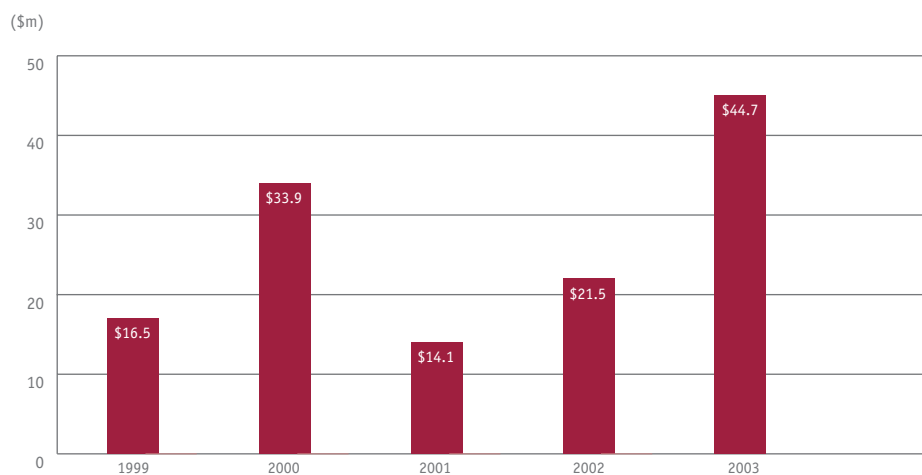
Major items of expenditure to increase during the reporting period included:

- Employee costs of \$13.5m (\$4.1m in 2001-2002). More than 19,500 additional staff were employed to assist with the conduct of the State and local government elections.
- Supplies and services of \$18.6m (\$13.3m in 2001-2002). This includes the cost of additional premises, information technology and other resources required for the conduct of elections.

The 2002 State election cost \$23.7 million, which includes the cost of sending an enrolment confirmation card to all electors following the redivision of electoral boundaries. (This figure does not include election expenditure payments made to registered political parties and independent candidates.)

The local government elections conducted in March 2003 cost \$7.0 million. These elections are conducted on a cost-recovery basis. However, due to the timing of the State election the total cost of these elections increased above that which could be passed on to councils. This deficit arose as the cost of maintaining satellite offices between the end of the State election and the commencement of the local government elections was less than closing and re-opening those offices.

Figure 30
VEC expenditure 1999-2003 (\$m)*



* Does not include electoral entitlement payments.

The variation in annual expenditure is evidence of the peaks and troughs in activity that occur as a result of specific election cycles. The expenditure patterns shown above are best considered with reference to the 'At a glance' table at the beginning of this report.

In addition to its elections work, other factors that impact on the VEC's annual expenditure include:

- meeting community expectations with respect to electoral enrolment and election information and services; and
- responding to election stakeholder needs.

During the year the VEC processed all payroll 'in-house' including, for the first time, salaries for all casual staff – in excess of 19,000 persons. Improvements were also made to the financial administration processes in operation at election managers' offices during elections.

In the forthcoming year the VEC's expenditure will be reduced, as the next State election will not be held until November 2006. Changes to the local government election cycle announced by the Minister for Local Government will also reduce expenditure next year and in the years to follow, if the legislative amendments are passed. From 2008, it is intended that all local government elections be held every four years. During the transition to this new arrangement the four elections scheduled for March 2004 and the 21 elections scheduled for March 2005 will be conducted in November 2004. The 54 elections scheduled for March 2006 would be held in November 2005.

Figure 31
Summary of financial performance 1999-2003

	1999 \$000	2000 \$000	2001* \$000	2002* \$000	2003*# \$000
Revenue:					
Annual Grant Revenue	1,082	866	742	765	732
Special Grant Revenue	18,517	27,471	12,317	14,625	39,979
Commercial Elections	153	189	435	352	366
Municipal Elections	1,000	4,244	690	2,099	5,956
Other	188	433	35	93	1,267
Total Revenue from Ordinary Activities	20,940	33,203	14,219	17,934	48,300
Previously unrecognised non-current assets	-	-	-	-	5,121
Total Revenue	20,940	33,203	14,219	17,934	53,421
Expenditure:					
Employee Costs	3,927	10,983	3,188	4,102	13,523
Supplies and services	8,694	14,709	8,497	13,379	18,664
Commercial elections	184	195	415	296	343
Municipal elections	1,708	4,247	522	2,107	6,963
Other	2,010	3,814	1,435	1,640	5,244
Total Expenditure from Ordinary Activities	16,523	33,948	14,057	21,524	44,737
Net Result	4,417	(745)	162	(3,590)	8,684

* The figures for 2001, 2002 and 2003 have been adjusted to reflect the Capital Contribution by the Department of Justice for assets with a value of greater than \$1,000. Previous years have not been adjusted.

The figures for 2003 do not include the revenue or expenditure for the administered election entitlement funding.

More than 2.5 tonnes of material was delivered to each election manager's office during the State election.



STATEMENT OF FINANCIAL PERFORMANCE for the year ended 30 June 2003

	Notes	2003 \$'000	2002 \$'000
Revenues from Ordinary Activity			
Annual grant revenue	1(c)	732	765
Special grant revenue	1(c)	39,979	14,625
Commercial and Community elections		366	352
Municipal elections grant revenue	4	5,956	2,099
Proceeds from sale of assets		990	44
Other	2	277	49
Total Revenues from Ordinary Activity		48,300	17,934
Recognition of previously unrecognised non-current assets	24	5,121	-
Total Revenues		53,421	17,934
Expenses from Ordinary Activity			
Employee costs		13,523	4,102
Supplies and services	3	18,664	13,379
Commercial and Community elections		343	296
Depreciation	5	1,233	862
Municipal elections		6,963	2,107
Written down value of assets disposed		527	58
Other	6	3,484	720
Total expenses		44,737	21,524
Net result for the reporting period		8,684	(3,590)

The above statement of financial performance should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION as at 30 June 2003

	Notes	2003 \$'000	2002 \$'000
CURRENT ASSETS			
Cash		2	1
Trust Funds	16	200	321
Bonds	7	40	-
Receivables	8	1,883	528
Prepayments		173	104
Inventory	9	921	889
Total current assets		3,219	1,843
NON-CURRENT ASSETS			
Property, plant and equipment	10	13,618	5,150
Total non-current assets		13,618	5,150
TOTAL ASSETS		16,837	6,993
CURRENT LIABILITIES			
Bank	11	258	68
Accounts Payable	12	3,035	3,169
Provision for employee entitlements	1(h), 13	504	439
Total current liabilities		3,798	3,676
NON-CURRENT LIABILITIES			
Provision for employee entitlements	1(h), 13	585	551
Total non-current liabilities		585	551
TOTAL LIABILITIES		4,383	4,227
NET ASSETS		12,454	2,766
EQUITY			
Contributed Capital	1(d), 17(a)	7,360	6,356
Accumulated Surplus/(Loss)	17(b)	5,094	(3,590)
TOTAL EQUITY		12,454	2,766
Commitment for Expenditure	14		
Contingent Assets and Liabilities	20		

The above statement of financial position should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS for the year ended 30 June 2003

	Notes	2003 \$'000	2002 \$'000
Cash flows in operating activities			
<i>Receipts:</i>			
Receipts from Government		40,711	15,390
User charges, bonds, fines and fees		284	45
Trust fund receipts - Commercial and Community Elections		391	364
Municipal Elections		4,529	2,051
		<u>45,915</u>	<u>17,850</u>
<i>Payments:</i>			
Employee Costs		(13,447)	(3,729)
Supplies, services and other expenses		(23,360)	(11,090)
Trust fund payments - Commercial and Community Elections		(343)	(296)
Municipal Elections		(6,963)	(2,107)
		<u>(43,113)</u>	<u>(17,222)</u>
Net cash used from operating activities	15(b)	<u>2,802</u>	<u>628</u>
Cash flows from investing activities			
Payments for purchase of non-current assets		(5,107)	(1,541)
Proceeds received from sale of non-current assets		990	44
Net cash inflow/(outflow) in investing activities		<u>(4,117)</u>	<u>(1,497)</u>
Cash flows from financing activities			
Proceeds of Capital contribution from Dept of Justice		1,004	1,309
		<u>1,004</u>	<u>1,309</u>
Net increase (decrease) in cash held		(310)	440
Cash at 1 July 2002		253	(187)
Cash at 30 June 2003	15(a)	<u>(58)</u>	<u>253</u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

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1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose report of the Victorian Electoral Commission and has been prepared in accordance with the *Financial Management Act 1994*, applicable Australian Accounting Standards, UIG Consensus Views and other mandatory professional reporting requirements including the accrual basis of accounting.

The financial report has been prepared in accordance with the historical cost convention. The accounting policies adopted are consistent with those of the previous year except where a change is required to comply with an Australian Accounting Standard or Urgent Issues Group Consensus View, or an alternative accounting policy or an alternative presentation or classification of an item, as permitted by an Australian Accounting Standard, is adopted to improve the relevance and reliability of the financial report. Where practicable, comparative amounts are presented and calculated on a basis consistent with the current year.

(a) The reporting entity

All funds through which the Commission controls resources to carry on its functions have been included in this financial report.

Non-current assets

All non-current assets controlled by the Commission are reported in the statement of financial position.

Trust funds

The Commission has received monies in a trustee capacity for various trusts as set out in note 16.

(b) User charges, fines and fees

User charges controlled by the Commission are recognised as revenues. User charges are controlled by the Commission where they can be deployed for the achievement of Commission objectives.

(c) Grants, donations and other contributions

Grants, special or other contributions are recognised as revenues when the Commission obtains control over the assets comprising the contributions. Control over grants is normally obtained upon their receipt.

Amounts received from the Department of Justice are disclosed under the headings of annual grant revenue, special grant revenue, municipal elections grant revenue and capital contribution (refer note 17 (a)) when those grants/contributions have been utilised to purchase assets with individual values of \$1,000 or greater.

Contributions are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed. There are no undischarged conditions recognised as revenue as at the reporting date.

(d) Contributed capital

Consistent with UIG abstract 38 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* appropriations for additions to net assets have been designated as contributed capital. Other transfers that are in the nature of contributions or distributions have also been designated as contributed capital.

(e) Acquisitions of assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Commission. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition and all other costs incurred in getting the assets ready for use.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition.

Fair value means the amount for which an asset could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction.

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

(f) Capitalised computer development expenditure

During the reporting period ending 30 June 2003 the entity has chosen to capitalise computer development expenditure incurred during the previous and current years, relating to the enrolment register (Roll Management System).

Total development costs as at 30 June 2003 are \$9.137 million, of which \$5.121 million pertain to previous financial years and \$4.016 million was incurred in the current financial year.

Enrolment register costs which had been expensed in previous years has been recognised as revenue in the accounts for 2003, (refer to Note 24).

Capitalised computer development expenditure will be amortised on a straight line basis over a twelve year period being the period in which the related benefits are expected to be realised.

(g) Depreciation of non-current assets

Depreciation is calculated on a straight line basis to write off the net cost of each non-current asset over its expected useful life to the Commission. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items.

The depreciation rates used for each class of assets are:

<i>Class of non-current assets</i>	<i>Depreciation rates</i>
Plant & Equipment	10.00% to 50.00%
Furniture & Fittings	7.00% to 20.00%
Computer Equipment	33.33% to 50.00%
Computer Software*	8.33%

* The Commission has developed its own software (Election Management System) to run elections and it is anticipated that the useful life to the Commission will be three to four elections over a twelve year period. Depreciation has therefore been calculated at 8.33% per annum which will be re-assessed annually.

(h) Employee entitlements

(i) Wages and salaries, annual leave

Liabilities for wages and salaries are recognised, and are measured as the amount unpaid at the reporting date at current current pay rates in respect of employees' services up to that date

Liability for annual leave is recognised at the current pay rate adjusted for any expected pay increases to come into effect in the forthcoming year, effective from the date of the increase(s).

Related on-costs have also been included in the liability.

(ii) Long service leave

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given, when assessing expected future payments, to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using interest rates attaching, as at the reporting date, to Commonwealth Government guaranteed securities with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Long service leave liability has been calculated between current and non-current liability on a 10%-90% split respectively.

(i) Leases

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased non-current assets (finance leases), and operating leases under which the lessor effectively retains substantially all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is established at its fair value at the inception of the lease. The liability is established at the same amount. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are representative of the pattern of benefits derived from the leased assets and accordingly are charged to the Statement of Financial Performance in the periods in which they are incurred.

(j) Inventory

The basis of valuation for inventory is at lower of cost or net realisable value.

(k) Employee costs

Employee costs relating to Municipal Elections and commercial and community elections are included in Municipal and commercial and community elections expenditure.

(l) Revenue

Funding grants are received from the Department of Justice to enable the conduct of State elections and the ongoing operations of the organisation.

(m) Change in revaluation Policy

In previous reporting periods up to 30 June 2001, certain plant and equipment and furniture and fittings were measured at valuation. For the reporting period ended on 30 June 2002, the Commission elected to revert to the cost basis for measuring all plant and equipment and furniture and fittings.

In changing from at valuation basis to cost basis, the carrying value for plant and equipment and furniture and fittings at 1 July 2001 was deemed to equal the cost of the assets.

Accordingly, the change in accounting policy for plant and equipment and furniture and fittings has had no impact on either the current year statement of financial performance or opening accumulated surplus.

The change in measurement basis is to comply with the accounting requirements of AASB 1041 and the Victorian Government Policy, Revaluation of Non-Current Physical Assets.

(n) Administered fines on behalf of third party

The Commission collected fines during the 2002/03 financial year on behalf of various municipal councils. These fines were imposed on non-voters at municipal elections conducted in 2002/03. The Commission acted as a collection agency only, refunding fines to the relevant councils. Transactions for these fines have been recorded in Note 16.

During the 2002/03 financial year the Commission collected fines imposed on non-voters at the Victorian State Election conducted in 2002. These monies represent income to the Commission and have been treated accordingly in the Financial Statements. Transactions for these fines have been recorded in Note 2.

1A. ADMINISTERED ITEMS

	2003 \$'000	2002 \$'000
Administered Revenue		
Election Entitlements	6,743	-
Total	<u>6,743</u>	<u>-</u>
Administered Expenses		
Election Entitlements - Registered Political Parties	6,648	-
Election Entitlements - Independents	95	-
	<u>6,743</u>	<u>-</u>

2. OTHER REVENUES	2003	2002
	\$'000	\$'000
State fines	249	1
Miscellaneous	28	48
Interest Received*	-	-
	277	49
* Moneys generated from Interest Received are transferred electronically to Consolidated Revenue.		
3. SUPPLIES AND SERVICES		
Computer Requisites	378	675
Data Processing - External	1,954	2,172
Other Supplies and Services	10,616	2,792
Professional Services	4,262	7,294
Telephones, Facsimile	1,454	446
	18,664	13,379
4. MUNICIPAL ELECTIONS		
Municipal Revenue	5,750	1,935
Municipal voters' lists	206	164
	5,956	2,099
5. DEPRECIATION EXPENSES		
Details of Depreciation		
Plant and Equipment	862	492
Furniture and Fittings	13	13
Software	357	357
Leasehold Improvements	1	-
	1,233	862
6. OTHER EXPENSES		
Details of Other Expenses		
Other expenses includes:		
Rental expense relating to operating leases	3,468	704
Auditor's remuneration - Victorian Auditor-General's Office	16	16
	3,484	720
7. CURRENT ASSETS - bonds		
Rent Bonds for Returning Officers Offices	40	-
Other	-	-
	40	-

8. CURRENT ASSETS - receivables

	2003 \$'000	2002 \$'000
Trade debtors - Commercial and Community	2	27
Trade debtors - Municipal	1,831	404
	<hr/> 1,833	<hr/> 431
Other debtors	50	97
	<hr/> 1,883	<hr/> 528

9. CURRENT ASSETS - inventory

The increase in inventory on hand is the result of holding extra stocks to meet increased demand expected due to the large number of Municipal Elections and a State Election held in 2002/03.

<hr/> 921	<hr/> 889
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10. NON-CURRENT ASSETS - property, plant and equipment

Plant & Equipment

At Valuation	-	-
At Cost	3,634	2,433
	<hr/> 3,634	<hr/> 2,433
Less: Accumulated depreciation	(2,017)	(492)
	<hr/> 1,617	<hr/> 1,941

Furniture & Fittings

At Valuation	-	-
At Cost	140	143
	<hr/> 140	<hr/> 143
Less: Accumulated depreciation	(76)	(64)
	<hr/> 64	<hr/> 79

Computer Software

Capitalised computer development expenditure - at cost	4,285	4,285
Less: Accumulated depreciation	(1,515)	(1,158)
	<hr/> 2,770	<hr/> 3,127

Leasehold Improvements

Leasehold Improvements - at cost	33	4
Less: Accumulated depreciation	(3)	(1)
	<hr/> 30	<hr/> 3

Computer Software in the course of construction

Software Construction - at cost	9,137	-
	<hr/> 9,137	<hr/> -

Total Property, Plant and Equipment

<hr/> 13,618	<hr/> 5,150
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10. NON-CURRENT ASSETS - Property, plant and equipment (continued)

Reconciliations

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current and previous financial year are set out below.

	Plant and equipment	Furniture and fittings	Computer software	Leasehold improvements	Computer software in the course of construction	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2003						
Carrying amount at start of year	1,941	79	3,127	3	-	5,150
Additions	1,063	-	-	28	9,137	10,228
Disposals	(525)	(2)	-	-	-	(527)
Depreciation/amortisation expense (note 5)	(862)	(13)	(357)	(1)	-	(1,233)
Carrying amount at end of year	1,617	64	2,770	30	9,137	13,618
2002						
Carrying amount at start of year	950	92	3,484	3	-	4,529
Additions	1,541	-	-	-	-	1,541
Disposals	(58)	-	-	-	-	(58)
Depreciation/amortisation expense (note 5)	(492)	(13)	(357)	-	-	(862)
Carrying amount at end of year	1,941	79	3,127	3	-	5,150

2003
\$'000

2002
\$'000

11. CURRENT LIABILITIES - Bank

Bank - Operating Account

258

68

258

68

12. CURRENT LIABILITIES - Accounts Payable

Employee costs

Supplies and services

Capital Expenditure

Other

Fines Trust

Candidates Deposit Trust

230

2,012

-

641

105

47

3,035

253

2,186

400

21

308

1

3,169

13. PROVISIONS FOR EMPLOYEE ENTITLEMENTS

	2003 \$'000	2002 \$'000
CURRENT LIABILITIES		
Provision for recreation leave	439	378
Provision for long service leave	65	61
	504	439
NON-CURRENT LIABILITIES		
Provision for long service leave	585	551
	1,089	990

14. COMMITMENTS FOR EXPENDITURE

(a) Operating leases

Commitments under a non-cancellable operating lease at the reporting date are as follows:

Not later than one year	1,800	3,083
Later than one year and not later than 5 years	3,372	2,763
Later than 5 years	1,290	1,365
	6,462	7,211

(b) Expenditure commitments

Expenditure commitments contracted for:

Joint Electoral Enrolment Procedure	8,200	7,500
Information Technology Services	1,177	4,904
Election Services	337	4,066
Financial Management Services	111	326
	9,825	16,796

Payable:

Not later than one year	2,980	8,961
Later than one year and not later than 2 years	1,925	3,217
Later than 2 years and not later than 5 years	4,920	4,618
	9,825	16,796

15. NOTES TO THE STATEMENT OF CASH FLOWS

2003 **2002**
\$'000 \$'000

(a) Reconciliation of cash

For purposes of the statement of cash flows, cash includes cash deposits which are readily convertible to cash on hand and which are used in the cash management function. Cash at the end of the reporting period as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash	(258)	(68)
Trust funds	200	321
	<u>(58)</u>	<u>253</u>

(b) Reconciliation of net cost of services to net cash outflows from operating activities

Operating surplus / (deficit)	<u>8,684</u>	<u>(3,590)</u>
Items not involving cash		
Depreciation	1,233	862
(Profit)/loss on sale of non-current assets	(463)	14
Recognition of previously unrecognised non-current assets	(5,121)	-
Change in assets and liabilities:		
Decrease/(Increase) in receivables/bonds	(1,395)	(40)
Decrease/(Increase) in prepayments	(69)	(43)
(Decrease)/Increase in creditors and accruals	(134)	2,953
Increase in provision for employee entitlements	99	143
Decrease/(Increase) in inventory	(32)	329
	<u>(5,882)</u>	<u>4,218</u>
Net cash used from operating activities	<u>2,802</u>	<u>628</u>

16. TRUST FUNDS

	2003 \$'000	2002 \$'000
The Commission administers and controls the following trust funds:		
Trust - Fines Trust		
Balance as at 30/6/03	164	308
Aggregate details of the transactions and balances relating to this trust fund are as follows:		
Cash balance at the beginning of the reporting period	308	9
Add: Receipts*	1,187	556
Less: Expenditure*	1,331	257
Cash balance at the end of the reporting period	164	308
Trust - Treasury Trust - State Election		
Balance as at 30/6/03	-	-
Aggregate details of the transactions and balances relating to the trust funds are as follows:		
Cash balance at the beginning of the reporting period	-	-
Add: Receipts	-	-
Less: Expenditure	-	-
Cash balance at the end of the reporting period	-	-
Trust - Candidates Deposits		
Balance as at 30/6/03	36	13
Aggregate details of the transactions and balances relating to this trust fund are as follows:		
Cash balance at the beginning of the reporting period	13	-
Add: Receipts*	402	71
Less: Expenditure*	379	58
Cash balance at the end of the reporting period	36	13
Total Cash Balance of Trust Funds:	200	321

17. EQUITY AND MOVEMENTS IN EQUITY

	2003 \$'000	2002 \$'000
(a) Contributed Capital		
Balance 1 July	6,356	-
Transfer - Accumulated surplus deemed as contributed capital at 1 July 2002	-	5,047
Capital Contribution from Dept of Justice	1,004	1,309
Balance 30 June 2003	<u>7,360</u>	<u>6,356</u>
(b) Accumulated Surplus		
Accumulated Retained Earnings/(Losses) at the beginning of the financial year	(3,590)	5,047
Transfers - deemed contributed capital 1 July 2002	-	(5,047)
Net result for the reporting period	8,684	(3,590)
Accumulated Surplus/(Loss) at the end of the financial year	<u>5,094</u>	<u>(3,590)</u>
(c) Equity		
Total Equity at the beginning of the Financial Year	2,766	5,047
Total changes in Equity recognised in Statement of Financial Performance	8,684	(3,590)
Contribution of Equity (Note 17 (a))	1,004	1,309
Total Equity at end of the Financial Year	<u>12,454</u>	<u>2,766</u>

18. RESPONSIBLE PERSONS REMUNERATION

The names of persons who were Responsible Persons during the financial year are as follows:

Mr C A Barry - Electoral Commissioner
Ms D Byrne - Deputy Electoral Commissioner

Total remuneration of Responsible Persons (including salary, superannuation contributions and other benefits):	<u>261</u>	<u>261</u>
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Total remuneration received, or due and receivable, (including salary, superannuation contributions and other benefits) by Responsible Persons from the Victorian Electoral Commission for the financial year ended 30 June 2003

\$ 90,000 to \$100,000	-	-
\$100,000 to \$110,000	-	-
\$110,000 to \$120,000	1	1
\$120,000 to \$130,000	-	-
\$130,000 to \$140,000	-	-
\$140,000 to \$150,000	1	1

There are no other executive officers other than the above.

19. RELATED-PARTY TRANSACTIONS

There were no related-party transactions for the financial year ended 30 June 2003, (2002 : \$ Nil)

20. CONTINGENT LIABILITIES

2003
\$'000

2002
\$'000

Details and estimates of contingent liabilities are as follows:

Claims for damages were lodged during the year against the Commission in relation to the breach of the Constitution Act Amendment Act and the Court of Disputed Returns - Petition of Mr. Ford.

16

-

21. RESOURCES RECEIVED FREE-OF-CHARGE

The Commission did not utilise any free-of-charge resources in the 2002/03 financial year, (2001/02 : \$ Nil).

22. FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

The Commission's exposure to interest rates for financial assets and liabilities, both recognised and unrecognised at balance date are:

Financial Instruments	Floating interest rate	1 year or less	Over 1 to 5 years	More than 5 years	Non-interest bearing	Total	Weighted average effective interest rate
2003	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	%
Financial Assets							
Cash					202	202	n/a
Bonds					40	40	n/a
Receivables					1,883	1,883	n/a
Total	-	-	-	-	2,125	2,125	
Financial Liabilities							
Bank					258	258	
Accounts Payable					3,035	3,035	n/a
Total	-	-	-	-	3,294	3,294	

22. FINANCIAL INSTRUMENTS continued

Financial Instruments	Floating interest rate	1 year or less	Over 1 to 5 years	More than 5 years	Non-interest bearing	Total	Weighted average effective interest rate
2003	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	%
Financial Assets							
Cash					322	322	n/a
Bonds					-	-	n/a
Receivables					528	528	n/a
Total	-	-	-	-	850	850	
Financial Liabilities							
Bank					68	68	
Accounts Payable					3,169	3,169	n/a
Total	-	-	-	-	3,237	3,237	

(b) Net Fair Values

The aggregate net fair values of financial assets and financial liabilities, both recognised and unrecognised at balance date are:

Financial Instruments	2003		2002	
	Carry Amount \$'000	Aggregate Net Fair Value \$'000	Carry Amount \$'000	Aggregate Net Fair Value \$'000
Financial Assets				
Cash	202	202	322	322
Bonds	40	40	-	-
Receivables	1,883	1,883	528	528
Total	2,125	2,125	850	850
Financial Liabilities				
Bank	258	258	68	68
Accounts Payable	3,035	3,035	3,169	3,169
Total	3,294	3,294	3,237	3,237

22. FINANCIAL INSTRUMENTS (continued)

The following methods and assumptions are used to determine the net fair values of financial assets and liabilities:

Cash: The carrying amount approximates fair value because of their short-term to maturity.

Receivables and Payables: The carrying amount approximates fair value because of their short-term to maturity.

(c) Credit Risk Exposure

The Commission's maximum credit risk exposure at balance date in relation to each class of recognised financial assets is the carrying amount of the assets indicated in the balance sheet. The Commission minimises credit risk in relation to receivables by regular application of commercial credit practices and by undertaking transactions with many customers within specified industries. Credit risk in receivables is managed by applying commercial payment terms with all customers, regular review of doubtful debts provisioning, timely recognition and write-off of bad debts.

(d) Terms, Conditions and Accounting Policies

Accounting policies including the terms and conditions of each class of financial asset, liability and equity instrument, both recognised and unrecognised at balance date, are as follows:

Financial Instrument	Note Ref.	Accounting Policy	Terms and Conditions
Financial Assets			
Cash	-	Imprest amounts for cash on hand are recognised upon establishment and when increased.	Not applicable - internal transaction only.
Trust Funds	16	Fines collected on behalf of various Municipal Councils are held in trust and recognised as a liability in the accounts until funds are onforwarded to them.	Fine monies are onforwarded to Councils upon their request and/or on completion of the Fine Notice and collection process.
Bonds	7	Payments for rental bonds of premises etc are recognised as assets upon establishment.	Bonds are refunded to the VEC upon the surrender of premises etc in good order.
Receivables	8	Debtors are carried at the nominal amounts due less any provision for doubtful debts. A doubtful debt provision is made for any amounts considered unlikely to be collectable.	Payment is required thirty days from the end of the month following the date of invoice.
Financial Liabilities			
Bank	11	Deficit of bank funds are included as at balance date. This deficit is generated by unrepresented cheques. The Department of Justice electronically reimburses the VEC's bank account as and when needed on a daily basis.	Not applicable - internal transaction only.
Accounts Payable	12	Creditors and accruals are recognised for future amounts to be paid in respect of goods and services received, whether or not billed to the VEC.	Settlement of creditors is usually by the end of the month following the month invoiced.

23. SUPERANNUATION FUNDS

2003
\$'000

2002
\$'000

The Commission contributes superannuation payments on behalf of its employees to the following superannuation funds:

State Superannuation Schemes (<i>Defined benefit scheme</i>)	117	126
Vic Super (Accumulation scheme)	591	195
Other Complying Funds	134	7

Unfunded liabilities associated with the State Superannuation "Revised" and "New" Schemes are assumed by the Department of Treasury and Finance. There are no unfunded liabilities associated with Vic Super and State Employees Retirement Benefit Board funds as these are accumulation schemes.

At 30 June 2003 an amount of \$24,280.08 was payable to the above funds (2002 : \$ 29,203.73). No loans existed between the funds and the Commission.

The Commission has staff who are members of the following Public Sector Superannuation schemes administered by the Victorian Superannuation Board:

- Revised Scheme
- New Scheme
- VicSuper Scheme

Employer contributions to the Revised and New Schemes are determined actuarially at the rate appropriate to fund the future benefit accrual rates. Any historical shortfall is met from consolidated revenue. Employer contributions to VicSuper satisfy the requirements of the Superannuation Guarantee legislation.

Benefits and Contributions

Revised Scheme -

Any person completing 30 years service and aged 55 is eligible for approximately 53% of their final average salary as a pension. They have the option of commuting up to half the pension to a lump sum. In June 1995 the Fund changed its status to a taxed fund and commenced to pay rebateable pensions. The illustration above is based on untaxed values which would be reduced to a taxed value on payment.

Employer contributions for Revised Scheme members were set at 15.5% of salary in 2002/03, (2001/02 : 15.5%)

New Scheme -

Retirement benefits vary in accordance with employee contributions and are supported by different employer rates.

Contributions

Employee	Employer	Benefits
0%	7.3%	10% (8.5%) of final average salary for each year at the rate
3%	8.8%	16% (14%) of final average salary for each year at the rate
5%	9.8%	20% (17.5%) of final average salary for each year at the rate
7%	10.8%	24% (21%) of final average salary for each year at the rate (for prescribed class members and catch up purposes only)

The benefit accrual rates in brackets are the accrual rates applying after the change in tax status of the Fund in June 1995.

VicSuper Scheme -

From 1 January 1994, new employees' superannuation contributions have been made into the VicSuper accumulation scheme at the rates determined under the Commonwealth Superannuation Guarantee Legislation. The employer contribution rate for 2002/03 was 9% (2001/02: 8%). The VicSuper benefit consists of contributions and interest earned less any administration charges.

24. RECOGNITION OF PREVIOUSLY UNRECOGNISED NON-CURRENT ASSETS

Due to the incorrect recognition of capital expenditure as professional service fees, supplies and services expenditure for the year ended 30 June 2002 was overstated by \$5,121,000. This error had the effect of understating property, plant and equipment and accumulated surplus by \$5,121,000 as at 30 June 2002.

The reversal of the expenditure in the first half of the year ended 30 June 2003 has increased the result from ordinary activities for that year by \$5,121,000.

Restated financial information is presented below to show the information that would have been disclosed in the 2002 and 2003 financial reports had the error not been made.

	2003 \$'000 (Restated)	2002 \$'000 (Restated)
Revenues from Ordinary Activity		
Annual grant revenue	732	765
Special grant revenue	39,979	14,625
Commercial and Community elections	366	352
Municipal elections grant revenue	5,956	2,099
Proceeds from sale of assets	990	44
Other	277	49
Total Revenues	48,300	17,934
Expenses from Ordinary Activity		
Employee costs	13,523	4,102
Supplies and services	18,664	8,258
Commercial and Community elections	343	296
Depreciation	1,232	862
Municipal elections	6,963	2,107
Written down value of assets disposed	527	58
Other	3,484	720
Total expenses	44,736	16,403
Total changes in equity other than those resulting from transactions with the Victorian State Government in its capacity as owner	3,564	1,531
Restatement of Accumulated Surplus/(Loss)		
Previously reported accumulated surplus/(loss) at the end of the previous financial year (Note (17))	(3,590)	5,047
Recognition of Previously Unrecognised Non-Current Assets	5,121	-
Restated Accumulated Surplus	1,531	5,047
Transfers - deemed contributed capital 1 July 2002	-	(5,047)
Restated net result for the reporting period	3,564	1,531
Restated Accumulated Surplus at the end of the financial year	5,095	1,531
Restatement of Property, Plant & Equipment		
Balance at the end of the financial year as previously reported	8,498	5,150
Recognition of Previously Unrecognised Non-Current Assets	5,121	5,121
Restated balance at the end of the financial year	13,619	10,271



Our ref:

Accountable Officer's and Chief Financial Officer's Declaration

We certify that the attached financial statements for the Victorian Electoral Commission have been prepared in accordance with Part 9 of the Directions of the Minister for Finance under the *Financial Management Act 1994*, applicable Australian accounting standards and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the statement of financial performance, statement of financial position, statement of cash flows and notes to and forming part of the financial statements, presents fairly the financial transactions during the year ended 30 June 2003 and financial position of the Commission as at 30 June 2003.

We are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

Colin A Barry
Electoral Commissioner
Victorian Electoral Commission

Melbourne
12 September 2003

David C Broom
Chief Financial Officer
Victorian Electoral Commission

Melbourne
12 September 2003



AUDITOR GENERAL
VICTORIA

AUDITOR-GENERAL'S REPORT

To the Members of the Parliament of Victoria, the responsible Ministers and the Electoral Commissioner

Matters relating to the electronic presentation of the Audited Financial Report

This audit report relates to the financial report of the Victorian Electoral Commission for the financial year ended 30 June 2003 included on the Victorian Electoral Commission's web site. The Electoral Commissioner is responsible for the integrity of the Victorian Electoral Commission's web site. I have not been engaged to report on the integrity of the Victorian Electoral Commission's web site. The audit report refers only to the statements named below. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

Audit Scope

The accompanying financial report of the Victorian Electoral Commission for the financial year ended 30 June 2003, comprising a statement of financial performance, statement of financial position, statement of cash flows and notes to the financial statements, has been audited. The Electoral Commissioner is responsible for the preparation and presentation of the financial report and the information it contains. An independent audit of the financial report has been carried out in order to express an opinion on it to the Members of the Parliament of Victoria, responsible Ministers and the Electoral Commissioner as required by the *Audit Act* 1994.

The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. The audit procedures included an examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia, and the financial reporting requirements of the *Financial Management Act* 1994, so as to present a view which is consistent with my understanding of the Commission's financial position, and its financial performance and cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion, the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, and the financial reporting requirements of the *Financial Management Act* 1994, the financial position of the Victorian Electoral Commission as at 30 June 2003 and its financial performance and cash flows for the year then ended.

MELBOURNE
15 September 2003



J.W. CAMERON
Auditor-General

Victorian Auditor-General's Office Level 34, 140 William Street, Melbourne Victoria 3000
Telephone (03) 8661 7000 Facsimile (03) 8661 7010 Email comments@audit.vic.gov.au Website www.audit.vic.gov.au

Auditing in the Public Interest

COMPLIANCE INDEX to disclosure requirements 2002-2003

The Annual Report of the entity is prepared in accordance with the *Financial Management Act 1994* and the Directions of the Minister for Finance. This index has been prepared to facilitate identification of compliance with statutory disclosure requirements.

Clause	Disclosure	Page
Report of operations		
<i>Charter and purpose</i>		
9.1.3 (i) (a)	Manner of establishment and Relevant Minister	7
9.1.3 (i) (b)	Objectives, functions, powers and duties	7
9.1.3 (i) (c)	Services provided and persons or sections of community served	7
<i>Management and structure</i>		
9.1.3 (i) (d) (i)	Names of governing board members, Audit Committee and Chief Executive	8,10
9.1.3 (i) (d) (ii)	Names of senior office holders and brief description of each office	8
9.1.3 (i) (d) (iii)	Chart setting out organizational structure	9
<i>Financial and other information</i>		
9.1.3 (i) (e)	Workforce data and application of merit and equity principles	49-50
9.1.3 (i) (f)	Application and operation of FOI Act 1982	11, 96
9.1.3 (ii) (a)	Summary of financial results with previous four-year comparatives (2 years' comparatives)	58-59
9.1.3 (ii) (b)	Summary of significant changes in financial position	58-59
9.1.3 (ii) (c)	Operational objectives for the year and performance against those objectives	4-5
9.1.3 (ii) (d)	Major changes or factors affecting achievement of objectives	12-55
9.1.3 (ii) (e)	Events subsequent to balance date	N/A
9.1.3 (ii) (f)	Full details of each consultancy > \$100,000	95
9.1.3 (ii) (g)	Number and total cost of consulting engagements, each costing < \$100,000	95
9.1.3 (ii) (h)	Extent of compliance with <i>Building Act 1993</i>	N/A
9.1.3 (ii) (i)	Statement that information listed in Part 9.1.3 (iv) is available on request	Available
9.1.3 (ii) (k)	Statement on implementation and compliance with National Competition Policy	29
Financial statements		
<i>Statements of financial operations</i>		
9.2.3 (ii) (a)	Operating revenue by class	60
9.2.3 (ii) (b)	Investment income by class	N/A
9.2.3 (ii) (c)	Other material revenue by class including sale of non-goods assets and contributions of assets	54
9.2.3 (ii) (d)	Material revenues arising from exchanges of goods or services	N/A
9.2.3 (ii) (e)	Depreciation, amortisation or diminution in value	67-68
9.2.3 (ii) (f)	Bad and doubtful debts	N/A
9.2.3 (ii) (g)	Financing cost	N/A
9.2.3 (ii) (h)	Net increment or decrement on the revaluation of each category of assets	N/A
9.2.3 (ii) (i)	Audit expense	67

COMPLIANCE INDEX to disclosure requirements 2002-2003 continued

Statement of financial position

9.2.3 (iii) (a) (i)	Cash at bank or in hand	61, 69
9.2.3 (iii) (a) (ii)	Inventories by class	61, 68
9.2.3 (iii) (a) (iii)	Receivables, including trade debtors, loans and other debtors	61, 68
9.2.3 (iii) (a) (iv)	Other assets, including prepayments	61
9.2.3 (iii) (a) (v)	Investments by class	N/A
9.2.3 (iii) (a) (vi)	Property, plant and equipment	61, 68-69
9.2.3 (iii) (a) (vii)	Intangible assets	N/A
9.2.3 (iii) (b) (i)	Overdrafts	N/A
9.2.3 (iii) (b) (ii)	Bank loans, bills payable, promissory notes, debentures and other loans	N/A
9.2.3 (iii) (b) (iii)	Trade and other creditors	61, 69
9.2.3 (iii) (b) (iv)	Finance lease liabilities	N/A
9.2.3 (iii) (b) (v)	Provisions, including employee entitlements	61, 65, 70
9.2.3 (iii) (c) (i)	Authorized capital	N/A
9.2.3 (iii) (c) (ii)	Issued capital	N/A
9.2.3 (iii) (d)	Reserves, and transfers to and from reserves, shown separately	N/A

Statement of cash flows

9.2.2 (i) (c)	A statement of cash flows during the year	62
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Notes to the financial statements

9.2.2 (i) (d)	Ex-gratia payments	N/A
9.2.2 (i) (d)	Amounts written off	N/A
9.2.3 (iv) (a)	Charges against assets	N/A
9.2.3 (iv) (b)	Contingent liabilities	74
9.2.3 (iv) (c)	Commitments for expenditure	70
9.2.3 (iv) (d)	Government grants received or receivable	60, 64
9.2.3 (iv) (e)	Employee superannuation funds	77
9.2.3 (iv) (f)	Assets received without adequate consideration	N/A
9.4	Transactions with Responsible Persons and their related parties	73

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APPENDIX 1

Legislation governing the work of the Electoral Commissioner and the Victorian Electoral Commission

Constitution Act 1975

Electoral Act 2002

Legislation imposing certain duties on the Electoral Commissioner

Agricultural Industry Development Act 1990

Electoral Boundaries Commission Act 1982

Essential Services Act 1958

Health Services Act 1988

Juries Act 2000

Legal Practice Act 1996

Liquor Control Reform Act 1998

Local Government Act 1989

Murray Valley Citrus Marketing Act 1989

Senate Elections Act 1958

Shop Trading Reform Act 1996

Victorian Institute of Teaching Act 2001

Vital State Projects Act 1976

Relevant regulations

Electoral Regulations 2002

Health Services (Community Health Centre Elections) Regulations 2001

Liquor Control Reform Regulations 1999

Local Government (Elections) Regulations 1995

Shop Trading Reform (Polls) Regulations 1996

Victorian Institute of Teaching (Elections) Regulations 2002

APPENDIX 2

Recent publications

*Report to Parliament on the 2002 Victorian State election**^
VEC privacy policy and framework^
Information Kit for the 2002 Victorian State election
Your opinion counts – young people and voting^
e-volution not revolution - electronic voting status report 2^
List of Streets Victoria (2002)
Candidates' handbook for the Victorian State election 2002
Scrutineers' handbook for the Victorian State election 2002
Selections – Victorian Electoral Commission newsletter, number 9, July 2002*^
*Victorian Electoral Commission: Annual Report 2001- 2002**^

Unless otherwise indicated, the above publications are available from:

Victorian Electoral Commission
Level 8, 505 Little Collins Street
Melbourne Vic. 3000
Tel. 13 18 32

* Available from Information Victoria, 356 Collins Street, Melbourne Vic. 3000.
Tel. 1300 366 356

^ Available on-line at www.vec.vic.gov.au

APPENDIX 3

District and province enrolments as at 30 June 2003

Table 1
District enrolments as at 30 June 2003*

Electoral district	Enrolment	% deviation from average
Albert Park	39,575	6.63
Altona	36,831	-0.76
Ballarat East	36,831	-0.76
Ballarat West	40,223	8.38
Bass	35,938	-3.17
Bayswater	36,539	-1.55
Bellarine	38,999	5.08
Benalla	35,100	-5.42
Benambra	34,801	-6.23
Bendigo East	35,942	-3.16
Bendigo West	38,767	4.46
Bentleigh	37,048	-0.18
Box Hill	37,745	1.70
Brighton	36,689	-1.14
Broadmeadows	37,916	2.16
Brunswick	38,550	3.87
Bulleen	34,946	-5.84
Bundoora	35,061	-5.53
Burwood	38,197	2.92
Carrum	39,336	5.99
Caulfield	36,509	-1.63
Clayton	34,737	-6.40
Cranbourne	35,141	-5.31
Dandenong	35,681	-3.86
Derrimut	34,940	-5.86
Doncaster	35,667	-3.90
Eltham	38,220	2.98
Essendon	37,540	1.15
Evelyn	37,330	0.58
Ferntree Gully	39,132	5.44
Footscray	37,665	1.49
Forest Hill	37,523	1.10
Frankston	36,746	-0.99

Table 1
District enrolments as at 30 June 2003*

Electoral district	Enrolment	% deviation from average
Geelong	38,948	4.94
Gembrook	35,157	-5.27
Gippsland East	38,100	2.66
Gippsland South	36,911	-0.54
Hastings	38,298	3.19
Hawthorn	37,309	0.53
Ivanhoe	37,707	1.60
Keilor	39,526	6.50
Kew	35,643	-3.96
Kilsyth	37,932	2.21
Kororoit	36,065	-2.82
Lara	39,124	5.42
Lowan	38,524	3.80
Lyndhurst	35,185	-5.20
Macedon	39,970	7.70
Malvern	37,016	-0.26
Melbourne	34,426	-7.24
Melton	36,164	-2.56
Mildura	36,481	-1.70
Mill Park	36,675	-1.18
Mitcham	36,695	-1.13
Monbulk	36,348	-2.06
Mordialloc	38,133	2.75
Mornington	35,225	-5.09
Morwell	36,445	-1.80
Mount Waverley	36,719	-1.06
Mulgrave	34,426	-7.24
Murray Valley	35,703	-3.80
Narracan	37,777	1.79
Narre Warren North	35,782	-3.59
Narre Warren South	39,183	5.58
Nepean	36,526	-1.58
Niddrie	36,910	-0.55

Table 1
District enrolments as at 30 June 2003*

Electoral district	Enrolment	% deviation from average
Northcote	38,036	2.49
Oakleigh	35,146	-5.30
Pascoe Vale	37,889	2.09
Polwarth	39,598	6.70
Prahran	37,346	0.63
Preston	38,512	3.77
Richmond	37,381	0.72
Ripon	36,343	-2.07
Rodney	35,435	-4.52
Sandringham	36,230	-2.38
Scoresby	38,003	2.40
Seymour	36,384	-1.96
Shepparton	36,271	-2.27
South Barwon	39,708	6.99
South-West Coast	40,379	8.80
Swan Hill	34,812	-6.20
Tarneit	37,776	1.79
Thomastown	38,233	3.02
Warrandyte	39,292	5.87
Williamstown	37,749	1.71
Yan Yean	35,644	-3.96
Yuroke	36,883	-0.62
Total number of electors	3,265,948	
Average number of electors	37,113	

*Boundaries determined at the 2001 redistribution. As at 30 June 2003, enrolment did not vary by 10 per cent or more in any electoral district.

APPENDIX 3

District and province enrolments as at 30 June 2003 continued

Table 2
Province enrolments as at 30 June 2003*

Electoral province	Enrolment	% deviation from average
Ballarat	153,188	3.19
Central Highlands	144,458	-2.69
Chelsea	146,408	-1.38
Doutta Galla	147,441	-0.68
East Yarra	148,894	0.30
Eumemmerring	145,803	-1.78
Geelong	156,779	5.61
Gippsland	149,233	0.53
Higinbotham	148,100	-0.24
Jika Jika	148,284	-0.11
Koonung	151,353	1.95
Melbourne	147,897	-0.37
Melbourne North	150,921	1.66
Melbourne West	150,021	1.06
Monash	150,446	1.34
North Eastern	142,210	-4.20
North Western	146,002	-1.65
Silvan	150,111	1.12
Templestowe	146,540	-1.29
Waverley	141,028	-5.00
Western	154,844	4.31
Western Port	145,987	-1.66
Total number of electors	3,265,948	
Average number of electors	148,452	

*Boundaries determined at the 2001 redistribution. As at 30 June 2003, enrolment did not vary by 10 per cent or more in any electoral province.

Table 3
Province enrolments as at 30 June 2003^

Electoral province	Enrolment	% deviation from average
Ballarat	141,134	-4.93
Central Highlands	159,375	7.36
Chelsea	135,967	-8.41
Doutta Galla	173,945	17.17
East Yarra	142,519	-4.00
Eumemmerring	176,970	19.21
Geelong	147,505	-0.64
Gippsland	135,368	-8.81
Higinbotham	138,196	-6.91
Jika Jika	151,327	1.94
Koonung	151,841	2.28
Melbourne	156,639	5.51
Melbourne North	146,353	-1.41
Melbourne West	157,111	5.83
Monash	156,944	5.72
North Eastern	141,890	-4.42
North Western	137,428	-7.43
Silvan	142,794	-3.81
South Eastern	162,665	9.57
Templestowe	145,569	-1.94
Waverley	132,836	-10.52
Western	131,572	-11.37
Total number of electors	3,265,948	
Average number of electors	148,452	

^Boundaries determined at the 1991 redistribution. The 22 members elected at the 1999 State election will represent electorates constituted under the 'old' boundaries until the 2006 State election. There were four provinces (highlighted) that were more than 10 per cent above or below the average for all provinces, as at 30 June 2003. The Report of the Electoral Boundaries Commission is relevant.

APPENDIX 4

Requests for enrolment information 2002 - 2003

A total of 20 requests for enrolment information under section 34 were received by the VEC during the reporting period.

Of these requests, three were received from individuals who were seeking the contact details of another individual. All such requests were refused. The VEC considers that there is not a public interest in providing one person's personal details to another person that would outweigh the public interest in maintaining the privacy of enrolment information.

Five individual requests were received from Victoria Police, and a further 12 requests for enrolment information were received from organisations. The requests received from organisations are summarised in the following table.

Organisation	Nature of request	Status of request
BreastScreen Victoria	BreastScreen Victoria requested name, address and date of birth information of all women aged 50 to 69 in order to write to these women to inform them of the BreastScreen Victoria program. Specifically, these women would receive information about breast cancer and would be invited to have a free breast x-ray to test for any signs of breast cancer.	Pending*
Cancer Council Victoria (for the PapScreen Victoria program)	The Cancer Council Victoria requested name, address and date of birth information of all women aged 50 to 69 in order to write to these women to inform them of the PapScreen Victoria program and to encourage them to have a Pap test.	Request granted 12 June 2003. The VEC was satisfied that the PapScreen program raises awareness of cervical cancer in the community, aids early detection, and therefore acts to lessen or prevent a serious threat to public health or welfare in Victoria. The public interest in these factors outweighs the public interest in protecting the privacy of enrolment information.
Department of Human Services, Communicable Diseases Section (CDS)	CDS requested name and address information for persons born between 21 December 1971 and 25 December 1984 in the Portland area in order to research why persons either chose to, or chose not to, participate in an emergency meningococcal vaccination program conducted during December 2002.	Request refused 15 May 2003. The VEC did not consider that the research for which information was required had a direct link to any current, serious threat to public health such that the public interest in providing the requested information outweighed the public interest relating to protecting the privacy of personal information.
Department of Primary Industries, Special Investigations Group (SIG)	SIG requested a copy of the full register of electors in order to assist it to perform its law enforcement functions by assisting it to verify or locate a person's address. SIG investigates offences under numerous Acts relating mainly to the protection of the environment and the regulation of the exploitation of natural resources.	Pending
La Trobe University, School of Human Biosciences (SHB)	SHB requested name and contact information of 500 women aged 55 to 80 in the Banyule and Darebin areas in order to conduct research relating to foot-health-related quality of life.	Request refused 15 May 2003. The VEC did not consider that the public interest in research of this nature outweighed the public interest relating to protecting the privacy of personal information.
Rural Finance Corporation of Victoria (Rural Finance)	Rural Finance requested enrolment information for specified Victorian regions that were drought declared in order to confirm a farmers' claimed address and assist it to determine a farmers' eligibility for a drought-relief grant.	Request refused 28 October 2002. The VEC did not consider that the public interest in providing the requested information outweighed the public interest relating to protecting the privacy of personal information, particularly given that privacy considerations would normally require that personal information be obtained directly from the individual, and that Rural Finance was able to obtain the required information directly from individual farmers in these circumstances.

APPENDIX 4

Requests for enrolment information 2002 - 2003 continued

Organisation	Nature of request	Status of request
Sale and District Family History Group Inc. (Sale Group)	The Sale Group requested to purchase out-dated electoral rolls.	Request refused 8 May 2003. The VEC did not consider that the public interest in providing the requested information outweighed the public interest relating to protecting the privacy of personal information.
State Revenue Office (SRO)	The SRO requested name and address information of all persons who are on the VEC's register of electors in order to assist its assessment and collection of state taxes and duties pursuant to the taxation legislation administered by the SRO.	Pending*
Transport Accident Commission (TAC)	TAC requested a copy of the full register of electors in order to assist it to perform its law enforcement functions under the <i>Transport Accident Act 1986</i> , as well as to protect the viability of the transport accident compensation scheme more generally, by assisting it to verify or locate a person's address.	Pending*
Victorian Department of Human Services, Adoptions Information Service (AIS)	AIS requested a copy of the full register of electors in order to assist it to search, on behalf of eligible parties, for adopted persons, birth parents, birth relatives and adoptive parents. AIS performs these functions under the <i>Adoption Act 1984</i> . The request was made also on behalf of Adoptions Information Services approved under the <i>Adoption Act 1984</i> .	Pending*
Victoria Police, Ethical Standards Department (ESD)	ESD requested a copy of the full register of electors in order to assist it to perform its law enforcement functions (relating to internal police investigations) by assisting it to verify or locate a person's address.	Pending
Wimmera-Mallee Rail Service Association	The Wimmera-Mallee Rail Service Association requested a copy of the electoral roll for the District of Lowan and the District of Wimmera for purposes related to its organisation.	Request refused 5 February 2003. The VEC did not consider that the public interest in providing the requested information outweighed the public interest relating to protecting the privacy of personal information.

* Indicates that consultation with the Privacy Commissioner has taken place under section 34(1)(b) of the Electoral Act.

APPENDIX 5

Victorian registered political parties as at 30 June 2003

Political party	Registered Officer
Abolish Child Support and Family Court	Mr Nevil J. Brewer Registered Officer 8 Paulette Court, Scoresby Vic. 3179
Australian Democrats (Victorian Division)	Mr R Stone Registered Officer G2 Eastbourne House 62 Wellington Parade, East Melbourne Vic. 3002
Australian Labor Party (Victorian Branch)	Mr Erik Locke State Secretary 360 King Street, West Melbourne Vic. 3003
Australian Reform Party	Ms D M Worrell Registered Officer Lot 1, Lewis Road, Upper Beaconsfield Vic. 3808
Christian Democratic Party (Fred Nile Group)	Mr K Cook Registered Officer PO Box 9, Doveton Vic. 3177
Citizens Electoral Council (Victorian Division)	Ms Gabrielle Marie Peut Registered Officer PO Box 376, Coburg Vic. 3058
Democratic Labor Party of Australia (DLP)	Mr J V Mulholland Registered Officer PO Box 855, Mulgrave Vic. 3170
Hope Party Victoria ethics equality ecology	Mr Timothy Petherbridge Registered Officer 39-41 Bemboka Road, Warranwood Vic. 3134
Liberal Party of Australia (Victorian Division)	Mr Brian Loughnane State Director 104 Exhibition Street, Melbourne Vic. 3000
National Party of Australia (Victoria)	Ms Meredith Dickie State Director Level 7, 24 Collins Street, Melbourne Vic. 3000
One Nation (Victoria)	Mr John Holtman President 10 Elm Court Churchill Vic. 3842
Phil Cleary – Independent Australia	Mr Bernard Sanaghan Registered Officer PO Box 1074, Preston Vic. 3072
Shooters' Party (Victoria)	Mr Russell A Pearson Registered Officer 17 Drovers Lane, Somerville Vic. 3912
Socialist Alliance (Victoria)	Mr Graham Mathews Registered Officer 1/77 Pender Street, Thornbury Vic. 3071
The Australian Greens (Victoria)	Mr Gurmeet Sekhon Registered Officer GPO Box 4589, Melbourne Vic. 3001

APPENDIX 6

Applications to the Municipal Electoral Tribunal 2002 - 2003

Council	Details	Status
Hepburn Shire Birch Ward	It was alleged that the personal collection of mail by the returning officer might have affected the outcome of the election.	Directions hearing held on 13 June. The matter is proceeding and is listed for 15 August.
Hepburn Shire Birch, Cameron, Coliban, Creswick and Holcome Wards	It was alleged that the personal collection of mail by the returning officer might have affected the outcome of the election.	Application withdrawn at directions hearing.
Hepburn Shire Coliban Ward	It was alleged that information in a candidate statement was false and affected the result of the election.	Application withdrawn.
Hume City Ningulabul Ward	It was alleged that a successful candidate's election material contained false and misleading statements and breached the LGA.	A directions hearing was held on 13 June. The matter is proceeding and is listed for 18 August.
Hume City Airport Ward	It was alleged that a successful candidate's election material contained false and misleading statements and breached the LGA.	A directions hearing was held on 13 June and the application withdrawn.
Hume City Shankland Ward	It was alleged that a successful candidate's election material contained false and misleading statements and breached the LGA.	A directions hearing was held on 13 June. The matter is proceeding and is listed for 19 August.
La Trobe City Firmin Ward	It was alleged that the election was invalid because an inaccurate voters' roll was used at the election.	Application withdrawn at directions hearing.
Maroondah City Loughnan's Hill Ward	It was alleged that an error was made during the distribution of preferences and that it was not possible to request a recount because the returning officer's office was closed.	Directions hearing held on 16 June and orders to proceed issued. Application subsequently withdrawn on 8 July.
Mt Alexander Shire Campbell Ward	It was alleged that information in a candidate statement was false.	Directions hearing held on 16 June and orders to proceed issued. Application subsequently withdrawn on 2 July.

APPENDIX 7

Statutory, commercial and community elections conducted

Client	Type	Method	Voters
Statutory elections			
Victorian Institute of Teaching Council	Election	Postal	26,000
Cobaw Community Health Service	By-election	Postal	Uncontested
Bendigo Community Health Service	By-election	Postal	Uncontested
Dianella Community Health Service	By-election	Postal	66
Doutta Galla Community Health Service	By-election	Postal	348
Goulburn Valley Community Health Service	By-election	Postal	Uncontested
Ovens and King Community Health Service	By-election	Postal	Uncontested
Grampians Community Health Centre	By-election	Postal	235
Ovens and King Community Health Service	By-election	Postal	Uncontested
Ashburton Liquor Licensing Poll	Poll	Attendance	1,128
Victorian Strawberry Growers Industry Poll	Poll	Postal	137
Moreland Community Health Service	Countback		
Murrindindi Community Health Service	Countback		
Banyule Community Health Service	Countback		
Commercial and community elections			
Municipal Association of Victoria	Election	Postal	76
Victoria Racing Club By-election	Election	Postal	20,300
Monash University Student Union (Caulfield & Peninsula)	Election	Attendance	10,000
University of Melbourne Postgraduate Association	Election	Postal	10,000
National Crime Authority*	EBA	Postal	240
Emergency Services Superannuation Board	Election	Postal	14,000
Government Superannuation Office	Election	Postal	Uncontested
Victoria Racing Club	Election	Postal	Uncontested
Victorian Teachers Credit Union	Election	Postal	60,000
TAC*	EBA	Attendance	529
Castricum Brothers*	EBA	Postal	230
Australian Radiation Protection and Nuclear Safety Agency*	EBA	Postal	130
AXA Australia Staff Superannuation Plan 2002 – Trustee Election	Election	Postal	Uncontested
Dnister Ukrainian Credit Union	Election	Postal	6,500
Health Super Pty Ltd	Election	Postal	163,478
Moonee Valley Racing Club*	Election	Postal	8,000
Victorian Canine Association	Election	Postal	13,000
CoINVEST Ltd	Election	Postal	Uncontested
Adecco*	EBA	Postal	17
Australia Post (Technical Officers) *	EBA	Postal	107
Air New Zealand*	EBA	Postal	93
Intercontinental Ship Management*	EBA	Postal	19
La Trobe University Union Board	Election	Attendance	20,000
Hayman Reese*	EBA	Postal	80
First Mildura Irrigation Trust	Election	Postal	1,500
Metropolitan Ambulance Service*	EBA	Postal	65
Skilled Engineering*	Poll	Postal	68

*New client

EBA – Enterprise bargaining agreement

APPENDIX 8

Funding of parliamentary election expenditure 2002-2003[^]

Party	Total candidates	Eligible candidates	Entitlement paid
Australian Labor Party	112	112	\$3,423,844.80
Citizens Electoral Council	18	1	\$3,016.80
Christian Party	5	0	Nil
Australian Democrats	23	1	\$6,313.20
Democratic Labor Party	1	0	Nil
Hope Party	5	0	Nil
Liberal Party	112	112	\$2,507,563.20
National Party*	23	23	\$326,671.84
Socialist Alliance	5	0	Nil
The Australian Greens*	108	106	\$376,588.00
Alexander, H			\$1,825.20
Cumming, C			\$3,906.00
Chamberlain, K			\$2,028.00
Davies, S			\$8,416.80
George, A			\$2,860.80
Hazelman, C			\$6,154.80
Hudson, C			\$3,373.20
Ingram, C			\$16,702.80
Nesbitt, K			\$1,681.20
Hyett, J			\$2,638.80
Platschinda, B			\$5,679.60
Reilly, B			\$2,007.60
Savage, R			\$20,054.40
Sayers, T			\$2,394.00
Sonogan, R			\$2,660.40
Toll, G			\$2,174.40
Westbury, J			\$2,546.40
Whelan, L*			\$12,047.35
Total		373	\$6,743,149.59

*The Australian Greens, National Party and L. Whelan spent less than their entitlement.

[^] Payment of \$1.20 was made for each first-preference vote received at the 2002 Victorian State election and the simultaneous by-elections in East Yarra and Western provinces.

APPENDIX 9

Pecuniary interest declarations

The Electoral Commissioner, Mr C A Barry, and the Deputy Electoral Commissioner, Ms D Byrne, have completed declarations of pecuniary interests.

APPENDIX 10

Consultants engaged: 1 July 2002 to 30 June 2003

Consultancy engagements over \$100,000

nil

Consultancy engagements under \$100,000

2 consultancies \$23,200

Total **\$23,200**

Decision-making powers

Decision-making powers and other powers and other powers affecting members of the public are found in the legislation administered by the Victorian Electoral Commission (VEC), particularly the *Electoral Act 2002*.

Categories of documents

Description of record-keeping system

The VEC maintains its registry on Level 8, 505 Little Collins Street, Melbourne Vic. 3000. Registry files group material according to subject areas. Each file relates to a separate subject. The subject may be very broad, such as the general file on an election, or it may be an individual transaction with an external party, an election manager, or within the VEC. Files contain correspondence and internal documents in chronological order.

Electoral Boundaries Commission files are maintained on Level 8, 505 Little Collins Street, Melbourne Vic. 3000, in a separate system from the VEC registry.

Other records

An up-to-date list of the names and addresses of electors is available for inspection at the VEC without charge.

A register of political parties is available for public inspection.

FOI arrangements

Requests for access

Requests for access to VEC records are dealt with by the Office's FOI Manager:

Mr Doug Beecroft

FOI Manager

Victorian Electoral Commission

Level 8, 505 Little Collins Street

Melbourne Vic. 3000

Tel: 9299 0520

You can request to inspect a document, to obtain a copy, or both to see it and obtain a copy. Also, other forms of access can be granted depending on the nature of your request and the type of document, for example producing a printed document containing information held on computer equipment.

Requests should be made in writing, and should be accompanied by a \$20 application fee.

Publications available for sale from Information Victoria or the VEC are not available under FOI.

Identification of documents

FOI requests should be as specific as possible to enable the VEC to identify documents. Where the terms of a request are vague, the VEC will attempt to assist applicants to identify the documents sought.

Response to requests

Once the VEC has received sufficient information to identify the document requested, you will be notified in writing within 45 days whether the document is available.

Sometimes the VEC cannot grant full access to documents. The classes of documents that are exempt from release are detailed in Part IV of the Act. It is the responsibility of the FOI Manager to identify any such documents and to set out to you, in writing, the reasons for their exempt status. You will be advised, as required under the Act, how you can seek an internal review of any decision to claim an exemption for any document(s), or part of any document(s).

Charges under the Act

In summary, charges for access to documents as set out in the Freedom of Information (Access Charges) Regulations 1993 are:

- application fee: \$20.00;
- search fees: where the VEC has to identify and locate the documents – maximum of \$20.00 per hour;
- supervision fees: where a document is inspected at the VEC by the applicant under the supervision of an officer – \$5.00 per 15 minutes;
- photocopy fees: 20 cents per A4 page, non-coloured photocopy;
- other fees: the actual costs incurred by the VEC in producing a copy can be charged, for example a microfiche of a file, or the retrieval of information from a computer file; and
- deposits: where charges will be substantial, a deposit of \$25.00 may be requested before the VEC will grant access.

Some or all of these charges will be waived if the applicant cannot afford to pay, and in certain other circumstances.

1. Statement of support to whistleblowers

The Victorian Electoral Commission (VEC) is committed to the aims and objectives of the *Whistleblowers Protection Act 2001* (the Act). It does not tolerate improper conduct by its employees, officers or members, nor the taking of reprisals against those who come forward to disclose such conduct.

The VEC recognises the value of transparency and accountability in its administrative and management practices, and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

The VEC will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. It will also afford natural justice to the person who is the subject of the disclosure.

2. Purpose of these procedures

These procedures establish a system for reporting disclosures of improper conduct or detrimental action by the VEC or its employees. The system enables such disclosures to be made to the protected disclosure coordinator or to one of the nominated protected disclosure officers. Disclosures may be made by employees or by members of the public.

These procedures are designed to complement normal communication channels between supervisors and employees. Employees are encouraged to continue to raise appropriate matters at any time with their supervisors. As an alternative, employees may make a disclosure of improper conduct or detrimental action under the Act in accordance with these procedures.

3. Objects of the Act

The *Whistleblowers Protection Act 2001* commenced operation on 1 January 2002. The purpose of the Act is to encourage and facilitate the making of disclosures of improper conduct by public officers and public bodies. The Act provides protection to whistleblowers who make disclosures in accordance with the Act, and establishes a system for the matters disclosed to be investigated and rectifying action to be taken. The Victorian Electoral Commissioner is one of the few public officers who is exempt from the Act.

4. Definitions of key terms

Three key concepts in the reporting system are improper conduct, corrupt conduct and detrimental action. Definitions of these terms are set out below.

4.1 Improper conduct

A disclosure may be made about improper conduct by a public body or public official. Improper conduct means

conduct that is corrupt, a substantial mismanagement of public resources, or conduct involving substantial risk to public health or safety or to the environment. The conduct must be serious enough to constitute, if proved, a criminal offence or reasonable grounds for dismissal.

Improper conduct includes corrupt conduct such as:

- Conduct of any person (whether or not a public official) that adversely affects the honest performance of a public officer's or public body's functions;
- The performance of a public officer's functions dishonestly or with inappropriate partiality;
- Conduct of a public officer, former public officer or a public body that amounts to a breach of public trust;
- Conduct by a public officer, former public officer or a public body that amounts to the misuse of information or material acquired in the course of the performance of their official functions; or
- A conspiracy or attempt to engage in the above conduct.

Examples

A VEC employee falsifies an election result.

A VEC employee takes a bribe or receives a payment other than his or her wages or salary in exchange for the discharge of a public duty.

A VEC employee favours unmeritorious applications for jobs.

A VEC employee sells confidential information.

4.3 Detrimental action

The Act makes it an offence for a person to take detrimental action against a person in reprisal for a protected disclosure. Detrimental action includes:

- Action causing injury, loss or damage;
- Intimidation or harassment; and
- Discrimination, disadvantage or adverse treatment in relation to a person's employment, career, profession, trade or business, including the taking of disciplinary action.

Examples

The VEC refuses a deserved promotion of a person who makes a disclosure.

The VEC transfers or isolates in the workplace or changes the duties of a whistleblower due to the making of a disclosure.

A person threatens, abuses or carries out other forms of harassment directly or indirectly against a whistleblower who has made a disclosure against a VEC employee, his or her family or friends.

The VEC discriminates against the whistleblower or his or her family and associates in subsequent applications for jobs, permits or tenders.

APPENDIX 12

Victorian Electoral Commission procedures under the Whistleblowers Protection Act 2001 continued

5. The reporting system

5.1 Contact persons within the VEC

Disclosures of improper conduct or detrimental action by VEC or its employees may be made to the protected disclosure coordinator or to a protected disclosure officer. Where a person is contemplating making a disclosure and is concerned about approaching the protected disclosure coordinator or a protected disclosure officer in the workplace, he or she can call the relevant officer and request a meeting in a discreet location away from the workplace.

The protected disclosure coordinator

The protected disclosure coordinator oversees the internal reporting system. He or she will receive and assess all disclosures made under the Act, including all correspondence, phone calls and e-mails from external whistleblowers, and will report directly to the Electoral Commissioner. See paragraph 6.1 below for more details about the role of the protected disclosure coordinator.

Protected disclosure officer

The protected disclosure officer is available to all VEC staff and to members of the public as an initial point of contact about whistleblower matters. He or she will give general advice about making a disclosure under the Act and may receive this disclosure verbally or in writing. All disclosures will be forwarded to the protected disclosure coordinator for assessment. See paragraph 6.2 below for more details about the role of the protected disclosure officers.

The protected disclosure coordinator and officer for the VEC is:

Mr Doug Beecroft
 Manager, Public Information and
 Corporate Communications Branch
 L 8, 505 Little Collins Street
 Melbourne 3000
 Phone: 9299 0520
 email: doug.beecroft@vec.vic.gov.au

5.2 Alternative contact persons

A disclosure about improper conduct or detrimental action by the VEC or its employees, may also be made directly to the Ombudsman:

The Ombudsman Victoria
 L 22, 459 Collins Street
 Melbourne Victoria 3000
 Tel: 9613 6222
 Toll Free: 1800 806 314
 email: ombudvic@ombudsman.vic.gov.au
 Internet: ombudsman.vic.gov.au

Disclosures concerning public bodies other than the VEC

The following table sets out where disclosures about persons other than employees of the VEC should be made. A contact list for the public bodies listed in the table on this page can

be found in Attachment A. Alternatively, a person wishing to make a disclosure about another public body may call Information Victoria on 1300 366 356 to be referred to the correct contact person. A guide to making a disclosure under the Act can be found in Attachment B.

Person who is the subject of the disclosure	Person/body to whom the disclosure must be made
Employee of a public body	That public body or the Ombudsman
Member of Parliament (Legislative Assembly)	Speaker of the Legislative Assembly
Member of Parliament (Legislative Council)	President of the Legislative Council
Councillors	The Ombudsman
Chief Commissioner of Police	The Ombudsman or Deputy Ombudsman
Member of the police force	The Ombudsman, Deputy Ombudsman or Chief Commissioner of Police

6. Roles and responsibilities

6.1 Protected disclosure coordinator

The protected disclosure coordinator has a central 'clearing house' role in the internal reporting system. He or she will:

- Receive all disclosures forwarded from the protected disclosure officers;
- Receive all phone calls, e-mails and letters from members of the public or employees seeking to make a disclosure;
- Impartially assess each disclosure to determine whether it comes under the Act and is a public interest disclosure;
- Refer all public interest disclosures to the Ombudsman;
- Ensure that matters which do not meet the definition of a public interest disclosure are dealt with appropriately, after consultation with the person who made the allegation or report;
- Be responsible for carrying out, or appointing an investigator to carry out, an investigation referred to the public body by the Ombudsman;
- Be responsible for overseeing and coordinating an investigation where an investigator has been appointed;
- Appoint a welfare manager to support the whistleblower and to protect him or her from any reprisals;
- Advise the whistleblower of the progress of an investigation into the disclosed matter;
- Establish and manage a confidential filing system;
- Collate and publish statistics on disclosures made;
- Take all necessary steps to ensure the identity of the whistleblower and the identity of the person who is the subject of the disclosure are kept confidential; and
- Liaise with the Electoral Commissioner.

6.2 Protected disclosure officers

Protected disclosure officers will:

- Be a contact point for general advice about the operation of the Act for any person wishing to make a disclosure about improper conduct or detrimental action;
- Make arrangements for a disclosure to be made privately and discreetly and, if necessary, away from the workplace;
- Receive any disclosure made verbally or in writing (from internal and external whistleblowers);
- Commit to writing any disclosure made verbally;
- Impartially assess the allegation, in consultation with the protected disclosure coordinator, and advise the person making the disclosure whether the disclosure comes Part 2 of the Act;
- Take all necessary steps to ensure the identity of the whistleblower and the identity of the person who is the subject of the disclosure are kept confidential; and
- Forward all disclosures and supporting evidence to the protected disclosure coordinator.

6.3 Employees

Employees are encouraged to report known or suspected incidences of improper conduct or detrimental action in accordance with these procedures. All employees of the VEC have an important role to play in supporting those who have made a legitimate disclosure. They must refrain from any activity that is, or could be perceived to be, victimisation or harassment of a person who makes a disclosure. Furthermore, they should protect and maintain the confidentiality of a person they know or suspect to have made a disclosure.

6.4 Investigator

The investigator will be responsible for carrying out an internal investigation into a disclosure where the Ombudsman has referred a matter to the public body. The VEC may appoint a person from within the VEC or engage a consultant for that purpose.

6.5 Welfare manager

The welfare manager is responsible for looking after the general welfare of the whistleblower. The welfare manager will:

- Examine the immediate welfare and protection needs of a whistleblower who has made a disclosure and seek to foster a supportive work environment;
- Inform the whistleblower of the legislative and administrative protections available to him or her;
- Listen and respond to any concerns of harassment, intimidation or victimisation in reprisal for making disclosure; and
- Discuss with the whistleblower what would be a realistic expectation for the outcome of an investigation of the disclosure.

The welfare manager for the VEC is:

Ms Gill Bray
HR Officer
L 8, 505 Little Collins Street
Melbourne 3000
Phone: 9299 0520
Email: gill.bray@vec.vic.gov.au

7. Confidentiality

The VEC will take all reasonable steps to protect the identity of the whistleblower. Maintaining confidentiality is crucial in ensuring reprisals are not made against a whistleblower.

The Act requires any person who receives information due to the handling or investigation of a protected disclosure, not to disclose that information except in certain limited circumstances. Disclosure of information in breach of section 22 constitutes an offence that is punishable by a maximum fine of 60 penalty units (\$6000) or six months imprisonment or both.

The circumstances in which a person may disclose information obtained about a protected disclosure include:

- Where exercising the functions of the public body under the Act;
- When making a report or recommendation under the Act;
- When publishing statistics in the annual report of a public body; and
- In criminal proceedings for certain offences in the Act.

However, the Act prohibits the inclusion of particulars in any report or recommendation that is likely to lead to the identification of the whistleblower. The Act also prohibits the identification of the person who is the subject of the disclosure in any particulars included in an annual report.

The VEC will ensure all files, whether paper or electronic, are kept in a secure room and can only be accessed by the protected disclosure coordinator and the investigator. All printed material will be kept in files that are clearly marked as a Whistleblower Protection Act matter, and warn of the criminal penalties that apply to any unauthorised divulging information concerning a protected disclosure. All electronic files will be produced and stored on a stand-alone computer and be given password protection. Backup files will be kept on floppy disc. All materials relevant to an investigation, such as tapes from interviews, will also be stored securely with the whistleblower files.

The VEC will not email documents relevant to a whistleblower matter and will ensure all phone calls and meetings are conducted in private.

8. Collating and publishing statistics

The protected disclosure coordinator will establish a secure register to record the information required to be published in the annual report, and to generally keep account of the status of whistleblower disclosures. The register will be confidential and will not record any information that may identify the whistleblower.

The register will contain the following information:

- The number and types of disclosures made to the VEC during the year;
- The number of disclosures referred to the Ombudsman for determination as to whether they are public interest disclosures;
- The number and types of disclosed matters referred to the VEC by the Ombudsman for investigation;
- The number and types of disclosures referred by the VEC to the Ombudsman for investigation;
- The number and types of investigations taken over from the VEC by the Ombudsman;
- The number of requests made by a whistleblower to the Ombudsman to take over an investigation by the VEC;
- The number and types of disclosed matters that the VEC has declined to investigate;
- The number and types of disclosed matters that were substantiated upon investigation and the action taken on completion of the investigation; and
- Any recommendations made by the Ombudsman that relate to the VEC.

9. Receiving and assessing disclosures

9.1 *Has the disclosure been made in accordance with Part 2 of the Act?*

Where a disclosure has been received by the protected disclosure officer or by the protected disclosure coordinator, he or she will assess whether the disclosure has been made in accordance with Part 2 of the Act and is, therefore, a protected disclosure.

9.1.1 *Has the disclosure been made to the appropriate person?*

For the disclosure to be responded to by the VEC, it must concern an employee, member or officer of the VEC. If the disclosure concerns an employee, officer or member of another public body, the person who has made the disclosure will be advised of the correct person or body to whom the disclosure should be directed. (See the table in 5.2). If the disclosure has been made anonymously, it will be referred to the Ombudsman.

9.1.2 *Does the disclosure contain the essential elements of a protected disclosure?*

To be a protected disclosure, a disclosure must satisfy the following criteria:

- Did a natural person (that is, an individual person rather than a corporation) make the disclosure?
- Does the disclosure relate to conduct of a public body or public officer acting in their official capacity?
- Is the alleged conduct either improper conduct or detrimental action taken against a person in reprisal for making a protected disclosure?
- Does the person making a disclosure have reasonable grounds for believing the alleged conduct has occurred?

Where a disclosure is assessed to be a protected disclosure, the protected disclosure coordinator will then determine whether the disclosure is a public interest disclosure (see 9.2).

Where a disclosure is assessed not to be a protected disclosure, the matter does not need to be dealt with under the Act. The protected disclosure coordinator will decide how the matter should be responded to. The whistleblower will be consulted before the matter is dealt with under any other VEC policy or referred to any other person or body.

9.2 *Is the disclosure a public interest disclosure?*

Where the protected disclosure officer or coordinator has received a disclosure that has been assessed to be a protected disclosure, the protected disclosure coordinator will determine whether the disclosure amounts to a public interest disclosure. This assessment will be made within 45 days of the receipt of the disclosure.

In reaching a conclusion as to whether a protected disclosure is a public interest disclosure, the protected disclosure coordinator will consider whether the disclosure shows, or tends to show, that the public officer to whom the disclosure relates:

- Has engaged, is engaging or proposes to engage in improper conduct in his or her capacity as a public officer; or
- Has taken, is taking or proposes to take detrimental action in reprisal for the making of the protected disclosure.

Improper conduct means conduct that is corrupt, a substantial mismanagement of public resources, or conduct involving substantial risk to public health or safety or to the environment. The conduct must be serious enough to constitute, if proved, a criminal offence or reasonable grounds for dismissal.

The Act makes it an offence for a person to take detrimental action against a person in reprisal for a protected disclosure. Detrimental action includes:

- Action causing injury, loss or damage;
- Intimidation or harassment; and
- Discrimination, disadvantage or adverse treatment in relation to a person's employment, career, profession, trade or business, including the taking of disciplinary action.

Where the protected disclosure coordinator concludes that the disclosure amounts to a public interest disclosure, he or she will:

1. Notify the person who made the disclosure of that conclusion; and
2. Refer the disclosure to the Ombudsman for formal determination as to whether it is indeed a public interest disclosure.

Where the protected disclosure coordinator concludes that the disclosure is not a public interest disclosure, he or she will:

1. Notify the person who made the disclosure of that conclusion; and
2. Advise that person that he or she may request the public body to refer the disclosure to the Ombudsman for a formal determination as to whether the disclosure is a public interest disclosure, and that this request must be made within 28 days of the notification.

In either case, the protected disclosure coordinator will make the notification and the referral within 14 days of the conclusion being reached by the public body. Notification to the whistleblower is not necessary where the disclosure has been made anonymously.

10. Investigations

10.1 Introduction

Where the Ombudsman refers a protected disclosure to the VEC for investigation, the protected disclosure coordinator will appoint an investigator to carry out the investigation.

The objectives of an investigation will be to:

- collate information relating to the allegation as quickly as possible. This may involve taking steps to protect or preserve documents, materials and equipment;
- consider the information collected and to draw conclusions objectively and impartially;
- maintain procedural fairness in the treatment of witnesses and the person who is the subject of the disclosure; and to
- make recommendations arising from the conclusions drawn concerning remedial or other appropriate action.

10.2 Terms of reference

Before commencing an investigation, the protected disclosure coordinator will draw up terms of reference and obtain authorisation for those terms by the Electoral Commissioner. The terms of reference will set a date by which the investigation report is to be concluded, and will describe the resources available to the investigator to complete the investigation within the time set. The protected disclosure coordinator may approve, if reasonable, an extension of time requested by the investigator. The terms of reference will require the investigator to make regular reports to the protected disclosure coordinator who, in turn, is to keep the Ombudsman informed of general progress.

10.3 Investigation plan

The investigator will prepare an investigation plan for approval by the protected disclosure coordinator. The plan will list the issues to be substantiated and describe the avenue of inquiry. It will address the following issues:

- What is being alleged?
- What are the possible findings or offences?
- What are the facts in issue?
- How is the inquiry to be conducted?
- What resources are required?

At the commencement of the investigation, the whistleblower should be:

- Notified by the investigator that he or she has been appointed to conduct the investigation;
- Asked to clarify any matters; and
- Provide any additional material he or she might have.

The investigator will be sensitive to the whistleblower's possible fear of reprisals and will be aware of the statutory protections provided to the whistleblower.

10.4 Natural justice

The principles of natural justice will be followed in any investigation of a public interest disclosure. The principles of natural justice concern procedural fairness and ensure a fair decision is reached by an objective decision maker. Maintaining procedural fairness protects the rights of individuals and enhances public confidence in the process.

The VEC will have regard to the following issues in ensuring procedural fairness:

- The person who is the subject of the disclosure is entitled to know the allegations made against him or her and must be given the right to respond. (This does not mean the person must be advised of the allegation as soon as the disclosure is received or the investigation has commenced);

- If the investigator is contemplating making a report adverse to the interests of any person, that person should be given the opportunity to put forward further material that may influence the outcome of the report and that person's defence should be fairly set out in the report;
- All relevant parties to a matter should be heard and all submissions should be considered;
- A decision should not be made until all reasonable inquiries have been made;
- The investigator or any decision maker should not have a personal or direct interest in the matter being investigated;
- All proceedings must be carried out fairly and without bias. Care should be taken to exclude perceived bias from the process; and
- The investigator must be impartial in assessing the credibility of the whistleblowers and any witnesses. Where appropriate, conclusions as to credibility should be included in the investigation report.

10.5 *Conduct of the investigation*

The investigator will make contemporaneous notes of all discussions and phone calls, and all interviews with witnesses will be taped. All information gathered in an investigation will be stored securely. Interviews will be conducted in private and the investigator will take all reasonable steps to protect the identity of the whistleblower. Where disclosure of the identity of the whistleblower cannot be avoided, due to the nature of the allegations, the investigator will warn the whistleblower and his or her welfare manager of this probability.

It is in the discretion of the investigator to allow any witness to have legal or other representation or support during an interview. If a witness has a special need for legal representation or support, permission should be granted.

10.6 *Referral of an investigation to the Ombudsman*

The protected disclosure coordinator will make a decision regarding the referral of an investigation to the Ombudsman where, on the advice of the investigator:

- The investigation is being obstructed by, for example, the non-cooperation of key witnesses; or
- The investigation has revealed conduct that may constitute a criminal offence.

10.7 *Reporting requirements*

The protected disclosure coordinator will ensure the whistleblower is kept regularly informed concerning the handling of a protected disclosure and an investigation.

The protected disclosure coordinator will report to the Ombudsman about the progress of an investigation. Where the Ombudsman or the whistleblower requests information about the progress of an investigation, that information will be provided within 28 days of the date of the request.

11. Action taken after an investigation

11.1 *Investigator's final report*

At the conclusion of the investigation, the investigator will submit a written report of his or her findings to the protected disclosure coordinator. The report will contain:

- The allegation/s;
- An account of all relevant information received and, if the investigator has rejected evidence as being unreliable, the reasons for this opinion being formed;
- The conclusions reached and the basis for them; and
- Any recommendations arising from the conclusions.

Where the investigator has found that the conduct disclosed by the whistleblower has occurred, recommendations made by the investigator will include:

- The steps that need to be taken by the VEC to prevent the conduct from continuing or occurring in the future; and
- Any action that should be taken by the VEC to remedy any harm or loss arising from the conduct. This action may include bringing disciplinary proceedings against the person responsible for the conduct, and referring the matter to an appropriate authority for further consideration.
- The transcript or other record of any oral evidence taken, including tape recordings; and
- All documents, statements or other exhibits received by the officer and accepted as evidence during the course of the investigation.

Where the investigator's report is to include an adverse comment against any person, that person will be given the opportunity to respond and his or her defence will be fairly included in the report. The report will not disclose particulars likely to lead to the identification of the whistleblower.

11.2 *Action to be taken*

If the protected disclosure coordinator is satisfied that the investigation has found that the disclosed conduct has occurred, he or she will recommend to the Electoral Commissioner the action that must be taken to prevent the conduct from continuing or occurring in the future. The protected disclosure coordinator may also recommend that action be taken to remedy any harm or loss arising from the conduct.

The protected disclosure coordinator will provide a written report to the Attorney-General, the Ombudsman and the whistleblower setting out the findings of the investigation and any remedial steps taken.

Where the investigation concludes that the disclosed conduct did not occur, the protected disclosure coordinator will report these findings to the Ombudsman and to the whistleblower.

12. Managing the welfare of the whistleblower

12.1 Commitment to protecting whistleblowers

The VEC is committed to the protection of genuine whistleblowers against detrimental action taken in reprisal for the making of protected disclosures. The protected disclosure coordinator is responsible for ensuring whistleblowers are protected from direct and indirect detrimental action, and that the culture of the workplace is supportive of protected disclosures being made.

The protected disclosure coordinator will appoint a welfare manager to all whistleblowers who have made a protected disclosure. The welfare manager will:

- Examine the immediate welfare and protection needs of a whistleblower who has made a disclosure and, where the whistleblower is an employee, seek to foster a supportive work environment;
- Inform the whistleblower of the legislative and administrative protections available to him or her;
- Listen and respond to any concerns of harassment, intimidation or victimisation in reprisal for making disclosure;
- Keep a contemporaneous record of all aspects of the case management of the whistleblower including all contact and follow-up action; and
- Discuss with the whistleblower what would be a realistic expectation for the outcome of an investigation of the disclosure.

All employees will be advised that it is an offence for a person to take detrimental action in reprisal for a protected disclosure. The maximum penalty is a fine of 240 penalty units (\$24,000) or two years imprisonment or both. The taking of detrimental action in breach of this provision can also be grounds for making a disclosure under the Act and can result in an investigation.

Detrimental action includes:

- Causing injury, loss or damage;
- Intimidation or harassment; and
- Discrimination, disadvantage or adverse treatment in relation to a person's employment, career, profession, trade or business (including the taking of disciplinary action).

12.2 Keeping the whistleblower informed

The protected disclosure coordinator will ensure the whistleblower is kept informed of action taken in relation to his or her disclosure, and the time frames that apply. The whistleblower will be informed of the objectives of an investigation, the findings of an investigation, and the steps taken by the VEC to address any improper conduct that has been found to have occurred. The whistleblower will be given reasons for decisions made by the VEC in relation to a protected disclosure. All communication with the whistleblower will be in plain English.

12.3 Occurrence of detrimental action

If a whistleblower reports an incident of harassment, discrimination or adverse treatment that would amount to detrimental action taken in reprisal for the making of the disclosure, the welfare manager will:

- Record details of the incident;
- Inform the whistleblower of his or her rights under the Act; and
- Advise the protected disclosure coordinator of the detrimental action.

The taking of detrimental action in reprisal for the making of a disclosure can be an offence against the Act as well as grounds for making a further disclosure. Where such detrimental action is reported, the protected disclosure coordinator will assess the report as a new disclosure under the Act. Where the protected disclosure coordinator is satisfied that the disclosure is a public interest disclosure, he or she will refer it to the Ombudsman. If the Ombudsman subsequently determines the matter to be a public interest disclosure, the Ombudsman may investigate the matter or refer it to another body for investigation as outlined in the Act.

12.4 Whistleblowers implicated in improper conduct

Where a person who makes a disclosure is implicated in misconduct, the VEC will handle the disclosure and protect the whistleblower from reprisals in accordance with the Act, the Ombudsman's guidelines and these procedures. The VEC acknowledges that the act of whistleblowing should not shield whistleblowers from the reasonable consequences flowing from any involvement in improper conduct. Section 17 of the Act specifically provides that a person's liability for his or her own conduct is not affected by the person's disclosure of that conduct under the Act. However, in some circumstances, an admission may be a mitigating factor when considering disciplinary or other action.

The Electoral Commissioner will make the final decision on the advice of the protected disclosure coordinator as to whether disciplinary or other action will be taken against a whistleblower. Where disciplinary or other action relates to conduct that is the subject of the whistleblower's disclosure, the disciplinary or other action will only be taken after the disclosed matter has been appropriately dealt with.

In all cases where disciplinary or other action is being contemplated, the Electoral Commissioner must be satisfied that it has been clearly demonstrated that:

- The intention to proceed with disciplinary action is not causally connected to the making of the disclosure (as opposed to the content of the disclosure or other available information);
- There are good and sufficient grounds that would fully justify action against any non-whistleblower in the same circumstances; and

- There are good and sufficient grounds that justify exercising any discretion to institute disciplinary or other action.

The protected disclosure coordinator will thoroughly document the process including recording the reasons why the disciplinary or other action is being taken, and the reasons why the action is not in retribution for the making of the disclosure. The protected disclosure coordinator will clearly advise the whistleblower of the proposed action to be taken, and of any mitigating factors that have been taken into account.

13. Management of the person against whom a disclosure has been made

The VEC recognises that employees against whom disclosures are made must also be supported during the handling and investigation of disclosures. The VEC will take all reasonable steps to ensure the confidentiality of the person who is the subject of the disclosure during the assessment and investigation process. Where investigations do not substantiate disclosures, the fact that the investigation has been carried out, the results of the investigation, and the identity of the person who is the subject of the disclosure will remain confidential.

The protected disclosure coordinator will ensure the person who is the subject of any disclosure investigated by or on behalf of a public body is:

- Informed as to the substance of the allegations;
- Given the opportunity to answer the allegations before a final decision is made;
- Informed as to the substance of any adverse comment that may be included in any report arising from the investigation; and has
- His or her defence set out fairly in any report.

Where the allegations in a disclosure have been investigated, and the person who is the subject of the disclosure is aware of the allegations or the fact of the investigation, the protected disclosure coordinator will formally advise the person who is the subject of the disclosure of the outcome of the investigation.

The VEC will give its full support to a person who is the subject of a disclosure where the allegations contained in a disclosure are clearly wrong or unsubstantiated. If the matter has been publicly disclosed, the chief executive officer of the VEC will consider any request by that person to issue a statement of support setting out that the allegations were clearly wrong or unsubstantiated.

14. Criminal offences

The VEC will ensure officers appointed to handle protected disclosures and all other employees are aware of the following offences created by the Act:

1. It is an offence for a person to take detrimental action against a person in reprisal for a protected disclosure being made. The Act provides a maximum penalty of a fine of 240 penalty units (\$24,000) or two years imprisonment or both.
2. It is an offence for a person to divulge information obtained as a result of the handling or investigation of a protected disclosure without legislative authority. The Act provides a maximum penalty of 60 penalty units (\$6,000) or six months imprisonment or both.
3. It is an offence for a person to obstruct the Ombudsman in performing his responsibilities under the Act. The Act provides a maximum penalty of 240 penalty units (\$24,000) or two years imprisonment or both.
4. It is an offence for a person to knowingly provide false information under the Act with the intention that it be acted on as a disclosed matter. The Act provides a maximum penalty of 240 penalty units (\$24,000) or two years imprisonment or both.

15. Review

These procedures will be reviewed annually to ensure they meet the objectives of the Act and accord with the Ombudsman's guidelines.



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