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Auditor-General for Australia



23 September 2021

Senator Claire Chandler
Chair
Senate Standing Committee on Finance and Public Administration
Parliament House
CANBERRA ACT 2600

By email: fpa.sen@aph.gov.au

Dear Senator Chandler

Inquiry into the Commonwealth Electoral Amendment (Integrity of Elections) Bill 2021

I welcome the opportunity to provide a submission to the Finance and Public Administration Legislation Committee's inquiry into the Commonwealth Electoral Amendment (Integrity of Elections) Bill 2021 (Bill).

Before commenting on the specific proposals before the Committee, I note the well-established framework for scrutiny and review in this area.

The Australian Electoral Commission (AEC) is an independent statutory authority established by the Australian Parliament. The purpose of the AEC is to maintain an impartial and independent electoral system for eligible voters through active electoral roll management, efficient delivery of polling services and targeted education and public awareness programs. The functions of the AEC include conducting electoral events, including federal elections, and ensuring confidence in the electoral roll.

The Joint Standing Committee on Electoral Matters (JSCEM) is the parliamentary committee responsible for oversight of the operation and functions of the AEC. The JSCEM is empowered to inquire into aspects of the electoral process, including the conduct of federal electoral events. The JSCEM conducts inquiries into such matters relating to electoral laws and practices and the AEC's administration. It may also inquire into reports of the Auditor-General. Further, consistent with the *Commonwealth Electoral Act 1918*, the High Court sitting as the Court of Disputed Returns is empowered to hear petitions disputing the validity of any federal election or return.

The purpose of the Australian National Audit Office (ANAO) is to support accountability and transparency in the Australian Government sector through independent reporting to the Parliament, and thereby contribute to improved public sector performance. The ANAO delivers against this purpose by scrutinising and providing independent assurance to the Parliament as to whether the executive arm of government is operating and accounting for its performance in accordance with Parliament's intent.

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In accordance with the Auditor-General's mandate under the *Auditor-General Act 1997*, the Auditor-General is empowered to conduct a review or examination of a particular aspect of the operations of the AEC at any time.

With respect to the proposal in the Bill to expand the Auditor-General's mandate to include conducting audits on the use of authorised technology in each federal election cycle, from an audit perspective the ANAO foresees the following challenges.

- The Bill proposes that the Auditor-General be required to report to the Electoral Commissioner in respect of audits of the use of authorised technology at federal elections. As an independent officer of the Parliament, the Auditor-General is mandated, in accordance with the *Auditor-General Act 1997*, to report directly to the Parliament. It would be unusual and out of step with the established role of the Auditor-General to report to a statutory officer and not the Parliament.
- The ANAO considers that it would be able to conduct the proposed audits in accordance with the relevant ANAO Auditing Standards (set by the Auditor-General under the *Auditor-General Act 1997*). Nonetheless, the ANAO foresees challenges in testing whether the use of authorised technology produces the same result as would be obtained without the use of authorised technology, in the absence of a manual process to test against or a framework of procedures set down to undertake the testing.
- The timing of the proposed audits and the level of specificity in the Bill would require a significant amount of ANAO resources, with consequential cost implications for the ANAO and impacts on the audit program. The ANAO would not be able to undertake such work without supplementation.
- The ANAO considers that the proposed audit function would be more appropriately performed as an internal audit function, in support of the AEC's mandate. The Auditor-General's existing mandate enables the Auditor-General to independently audit and provide assurance on that work to the Parliament. The Auditor-General has regard to the audit priorities of the Parliament as determined by the Joint Committee of Public Accounts and Audit and such an audit could be considered by the Auditor-General.

I am available to further assist the Committee with its inquiry.

Yours sincerely

Grant Hehir

Auditor-General