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JOINT STANDING COMMITTEE ON ELECTORAL MATTERS

Reference: Review of Audit report No. 42 of 2001-02, Integrity of the electoral roll

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JOINT COMMITTEE ON ELECTORAL MATTERS

Monday, 17 June 2002

Members: Mr Georgiou (*Chair*), Senators Bartlett, Ferris, Mason, Murray and Robert Ray, and Mr Danby, Mr Forrest, Mrs Ley and Mr Melham

Senators and members in attendance: Senators Mason, Murray and Robert Ray, and Mr Danby, Mr Georgiou, Mr Melham and Mrs Ley

Terms of reference for the inquiry:

Review of Audit report No.42 of 2001-02, *Integrity of the electoral roll*

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Committee met at 10.02 a.m.

COCHRANE, Mr Warren, Group Executive Director, Australian National Audit Office

DELANEY, Mr Stephan, Director (Performance Audit), Australian National Audit Office

WHITE, Mr Peter, Executive Director, Australian National Audit Office

DACEY, Mr Paul Edwin, Deputy Electoral Commissioner, Australian Electoral Commission

MOYES, Mr Andrew David, Assistant Commissioner Enrolment, Australian Electoral Commission

PICKERING, Mr Tim, First Assistant Commissioner, Electoral Operations, Australian Electoral Commission

CHAIR—I declare open this public hearing of the Joint Standing Committee on Electoral Matters. Today the committee is reviewing the ANAO's Audit report No. 42: *Integrity of the electoral roll*. I note that while the Joint Statutory Committee of Public Accounts and Audit routinely examines all reports of the Auditor-General, we advised the Public Accounts Committee of our interest in examining this report.

I remind witnesses that although the committee does not require you to give evidence under oath, this hearing is a legal proceeding of the parliament and warrants the same respect as proceedings of the House itself. The giving of false or misleading evidence is a serious matter and may be regarded as a contempt of parliament, and the evidence given today will be recorded by Hansard and attract parliamentary privilege.

Finally, I refer any members of the press who are present to a committee statement about the broadcasting of proceedings. In particular, I draw the media's attention to the need to report fairly and accurately the proceedings of the committee. Copies of this statement are available from the secretariat staff.

I welcome representatives from the Australian National Audit Office and the Australian Electoral Commission to today's hearing. Before we begin questions, Mr Dacey, would you like to make a brief statement on behalf of the commission?

Mr Dacey—Thank you for the opportunity. Firstly, please, Mr Chair and committee members, accept my apologies for the absence of the Electoral Commissioner, Mr Becker. He is representing the AEC this week at a meeting of Commonwealth electoral commissioners and chief electoral officers being held in the warmer climes of Mauritius.

The AEC welcomes the findings in the report of the ANAO on its performance audit of the AEC, with specific reference to the integrity of the electoral roll. The report makes 12 recommendations for improvement—all of which have AEC's support. Some of the recommendations, such as recommendation 7 with respect to the strengthening of relationships with key stakeholders, have already begun. Others will take some time and, of course, resources

to implement. In his response to the Auditor-General, with respect to recommendation 1 of the report, the Electoral Commissioner stated:

The AEC anticipates that it will be another 12 to 18 months before a fully mature CRU—

CRU is an acronym we use for continuous roll update—

program able to identify and review all addresses will be available.

As members will see from a progress report that we provided earlier, an update of which you were given this morning, the AEC has established a timetable for many of the recommendations. Some of these have been taken up in the AEC's 2001-04 strategic plan—copies of which have also been distributed to the committee—and these were in fact taken up before the release of the report. I would ask that the committee note that strategies 1 to 4 of the eight identified in the AEC's corporate plan will specifically address many of the issues raised in the ANAO report.

With respect to the accuracy and integrity of the electoral roll, the AEC is working closely with its joint roll partners in the states and territories for the further development of enrolment strategies and has been doing this for some years. The Electoral Council of Australia, which comprises the heads of the AEC and the state and territory electoral agencies, meets regularly to consider enrolment initiatives and policies of national significance. This close relationship with our joint roll partners is essential if we are to maintain a truly effective joint roll which meets the requirements of accuracy, completeness, integrity and timeliness required for the conduct of the elections of our three levels of government in Australia. At its most recent meeting in Adelaide last week, the Electoral Council of Australia continued to commit its full support for the implementation of a fully mature, continuous roll update strategy for an effective national electoral roll.

While the AEC supports the ANAO report and recommendations, it is clear that the implementation of some of the recommendations will impose further resource and financial burdens on our agency. In particular, many data sources come at a price and the processing costs of matching data between databases is expensive, especially when these databases are large. The AEC is not yet in a position to quantify such additional resources. I would like the committee to note that the AEC's funding base for enrolment activities, including electoral roll review or CRU, has not been increased for some years. However, the size and complexity of the electoral roll database has grown substantially over this time.

As the committee would also recognise, the costs of supporting our unique infrastructure of three-person offices within each electoral division—and that is a structure which continues to be supported by successive governments and parliaments—also continue to increase. A major reason for this is our need to rely more and more on improvements in technology to assist these divisional staff to undertake their enrolment functions, to enable them to meet the expectations of the community and other stakeholders. Without an injection of funding, the AEC will not be in a position to implement all of the recommendations, even though we fully support their benefits. In this context, we will pursue the issue of additional funding through established budgetary procedures. We may also need to seek the support of the parliament in the strengthening of our demand powers for data from other agencies and organisations and we will

be making a submission, which is due shortly, to this committee about the last election. Mr Chair, we would now be happy to discuss with the committee in more detail any issues it may wish to raise in relation to the report. Thank you.

CHAIR—Mr Cochrane, do you want to say something on behalf of the ANAO?

Mr Cochrane—I am happy to table an opening statement, Mr Chair.

Resolved (on motion by **Senator Robert Ray**):

That the statement made by Mr Dacey and the statement tabled by Mr Cochrane be received as evidence and authorised for publication.

CHAIR—Mr Dacey, I refer you to page 42 of the ANAO report, paragraph 2.21, which states:

Whilst noting the potential benefits of CRU, the ANAO found that to date CRU has developed in an ad hoc manner, without the benefits of strategic planning and risk management by the AEC that would maximise its effectiveness. In particular, there has been an inconsistent approach across States and Territories due in part to their differing levels of cooperation with the AEC.

And then there is a contrast with the conduct of the habitation reviews. Firstly, could you tell us whether the AEC agrees with the ANAO's observation of it being ad hoc in manner and lacking in strategic planning and management? And, secondly, could you explain why?

Mr Dacey—Mr Chair, I do agree that until fairly recently the strategic planning process for CRU was somewhat limited, and that was due in part to the ad hoc arrangements we had with certain states. Over more recent times, and particularly over the last three months through the Electoral Council of Australia, it has become much clearer to us that we do need to put more strategic planning into the CRU process. I will ask Mr Pickering, who was at the meeting last week in Adelaide, to follow up on that in a moment. In relation to cooperation from the states, once again it certainly was ad hoc—and still is, to a certain extent—but that is due in part to different states having different legislation in terms of privacy and whether they can access state data. Once again, Mr Pickering will have an update. In fact, I will ask him to talk about that now, if he could, in relation particularly to those states like New South Wales, where we were not getting access to data previously.

Mr Pickering—The meeting we had with ECA members last week identified that they are very keen to participate in some general planning for the future. We will be presenting at the next meeting in August a strategic plan for the way forward for continuous roll update. As Mr Dacey said, it has been a slow process of sucking and seeing whether or not certain databases available from state administrations have been of any use and we, from a federal basis, started off with the comparison, for example, with Australia Post data. All of that needs to be assessed as to whether or not there is value in adding each of those new databases. That is why it has been a very slow process up till now. We have all of our state regional managers meeting with their state counterparts over the next four weeks to discuss what is being proposed. We have a clear path as to the broad areas that CRU covers. We are going to get mutual endorsement of those particular strategies for each of the states and territories, moving forward for the next 12 months.

CHAIR—Could you explain why Queensland and South Australia seem to be doing so much better than the other states?

Mr Pickering—Queensland, South Australia and the ACT are two states and a territory that have had a very good correlation and ability to obtain state data over some of the other states where databases have not been available to the state electoral authorities. We have been able to do quite a bit of data matching between Queensland, South Australia and the ACT. We have a high confidence level on the data we are getting.

CHAIR—Yes, but why are they different?

Mr Pickering—Because we do not have any jurisdiction over the state databases, the momentum needs to come from the state electoral bodies seeking that data from their state counterparts.

CHAIR—Why is that? Sorry, the AEC, do you mean your state—

Mr Dacey—Mr Chair, under section 92 of our act we have demand powers but those demand powers do not cover state agencies.

CHAIR—Sorry, is this assistance or resistance on the part of state agencies in negotiation with your state?

Mr Dacey—No, in negotiation with state electoral authorities.

CHAIR—Who negotiates? Let us start simply. Does the central office negotiate or do your state offices negotiate?

Mr Dacey—It has been the function of the state electoral commissioners to negotiate the release of that data from their state agencies.

CHAIR—Why is that the case? If this is a strategic role, why are you leaving it to your state offices to do this negotiation?

Mr Dacey—This is state government electoral commissioners.

CHAIR—Who negotiates with them?

Mr Dacey—We do.

CHAIR—Your central office?

Mr Dacey—Our central office of the AEC.

CHAIR—So this happens on a coordinated basis?

Mr Dacey—That is correct, through the Electoral Council of Australia.

CHAIR—And your central office has been more capable of reaching agreement with South Australia and Queensland than it has with Victoria and New South Wales, for instance?

Mr Dacey—It is not a matter of our central office reaching agreement. It is more a matter of the state electoral commissioners in, for example, New South Wales not being in a position to be able to negotiate New South Wales data.

Senator ROBERT RAY—It is very easy to get confused between your state representatives and the actual state. What the chair really wants to know is this: why in those four states can't the state electoral commissions get the data out? Is it lack of initiative from them, or are there laws preventing that data, or is there resistance from the agency giving it to the state?

Mr Dacey—It is more the latter two. There would be laws preventing, particularly in New South Wales, and lack of initiative from the agencies as well. I keep giving New South Wales as an example; that is, we understand, turning around. There is now more incentive from the state agencies to provide that information to the Electoral Commission of New South Wales.

Senator MURRAY—Have you asked the Special Minister of State to talk to his counterpart?

Mr Dacey—We have not as yet. We have left that at negotiation between agencies. We have been involved with the state electoral commissioners as well in negotiating with those agencies.

Senator ROBERT RAY—Hasn't the whole area been a bit poisoned by potential federal regulations that completely disagree with what the state ministers want? Having cleared the decks of that, are you now going to have a better go at it?

Mr Dacey—Yes. We were in a holding pattern for some months. We now know the outcome of the regulations. At this stage those regulations are not there, and we can now proceed and the state agencies can now proceed to negotiate.

CHAIR—I am a simple chairman. Who is doing the negotiation? Is it your people at state level with the state officers or your people at central level with the state electoral commissioners?

Mr Dacey—It is our people at central level with the state electoral commissioners through the Electoral Council of Australia.

CHAIR—So there is no problem with variable performance on the part of the Commonwealth Electoral Commission in different states?

Mr Dacey—No.

CHAIR—Sometimes through this report the implication is that there is variability at the state level on the part of the Commonwealth electoral office. Is that incorrect?

Mr Delaney—Yes, that is correct. That was the impression that we got when we were travelling around the country talking to the different head offices, that at least some of the

negotiating was occurring at a state AEC level with the state electoral commissioner. We took into account that central office was doing some work, but we still felt that there was not enough being done, whether at central office or at AEC state office level, to progress those issues.

CHAIR—The position is now that the central office of the AEC is conducting these negotiations in order to overcome the variability between states and the lack of strategic planning. Have I got that? So you guys have the carriage of it, not your state offices.

Mr Pickering—I will clarify it.

CHAIR—Yes, please.

Mr Pickering—We are broadening that. Because we have received this report and we are acknowledging that this has been an observation, we are broadening the area of responsibility as part of this CRU process, too. Last week, when we were in South Australia with our state managers, the commissioner identified a requirement for our AEC state managers, as I said earlier, to speak with their state electoral counterparts, to work on what the strategies would be for the next financial year and to get agreement and sign off that they are relevant strategies for that particular state. As I was saying before, some states have much more robust information—for example, address information—than other states. If they are able to use strategies other than verifying certain address information, for example, some states will do certain strategies differently to other states. We have, as part of this central body, sought agreement from the Electoral Council of Australia from a centralised position and now directed our state electoral managers to speak and work forward.

CHAIR—Why don't you get agreement at central level? This negotiation with states on a one-to-one basis by officers that are down the line puzzles me a bit. Why are you delegating this down the line instead of getting central agreement?

Mr Pickering—We are starting to get a further increase in the success rate of the information that we are seeking to do database matches with. When that happens there is no need to go to ministerial level to seek agreement. From that point of view, as Mr Dacey said before, New South Wales was dragging the chain whilst this report was being prepared. That has turned around and things are looking a lot brighter in New South Wales than they were 12 months ago.

Senator ROBERT RAY—What is the problem in Victoria? The chair and I have a real self-interest in this.

Mr Dacey—Victoria has been a somewhat different issue in that the state electoral commissioner—not our person but the electoral commissioner for the state of Victoria—has been very proactive in seeking data in Victoria. He has managed over the years, and he was probably one of the first to be proactive, to gain access to all sorts of state data. That has been on his initiative and it has been a very good initiative. For instance, he has access to state education and state motor vehicle records. He has initiatives like sending birthday cards to 17- and 18-year-olds, wishing them a happy birthday and reminding them that, 'Now you have turned 17 or 18, you might wish to enrol to vote as well.' It has been a very successful initiative in Victoria as far as the enrolment of youth is concerned.

Senator ROBERT RAY—That all flows through to you, but in these other states it flows through to you directly. Is there just no incentive for you to have it flow through directly because the Victorians are basically paying and doing your job anyway, or would there be some benefit coming directly through to you?

Mr Dacey—Sorry, Senator, I missed the point of that.

Senator ROBERT RAY—It appears that that information is not coming directly through to the AEC; it is coming via the Victorians.

Mr Dacey—Yes, that is right.

Senator ROBERT RAY—Is there a benefit in it coming directly to you or should we just leave it, with the Victorians probably having to pay all the costs and then sending all the information to you anyway?

Mr Dacey—We certainly see it as a benefit if it comes directly to us, because it saves double handling and double processing. The Victorian Electoral Commission have chosen to go that way. We get the spin-off at this stage but that spin-off will not always be at no cost to the AEC because, under the joint roll arrangements, we charge the Victorian commission a significant number of dollars every year to maintain their roll. It is getting to the stage where they have made it clear to us that they will now be charging us for the work that has the spin-off for us. Obviously, if it came through directly to us, as it does in the other states, we would see an advantage.

CHAIR—There must be a disadvantage, given that Victoria's coverage is not as good as that of New South Wales, South Australia and Queensland. I refer you to page 43, which states:

The most notable gaps in coverage are in the two most populous States—

Victoria and New South Wales—

... in Victoria the State electoral authority has access to State agencies' data for its own purposes but does not provide that data to the AEC.

Mr Dacey—That data is not provided directly to the AEC, but it is provided indirectly electronically. After people have been put onto the state roll in Victoria, we then get access to that data.

CHAIR—Can you tell us about Victoria setting up its own separate state electoral roll management?

Mr Dacey—Only as much as we know, Mr Chair, in that they have been funded by government in Victoria to do that. That is the way they wish to proceed. While we do not see it as being ideal, we recognise that we have to work with them as best we can to save duplication, to make it as simple as possible for our clients. To use the words of the Victorian Electoral Commissioner, 'They wish to control their own destiny in terms of the state electoral roll.'

Senator ROBERT RAY—How much of that was driven by moves to massively regulate enrolment procedures at the federal level? Do you know?

Mr Dacey—I do not know, Senator.

Mr Pickering—We do not know that, Senator. We are currently working on renegotiating the joint roll arrangement with Victoria. It is our intention to keep the free flow of information to a high level, as it is currently. There is a difference: Mr Dacey is correct in saying that Victoria are now wanting recognition financially on the contribution they are making to the roll update process, but there is no taking into effect their keeping of a separate roll, for example.

Senator MURRAY—I would like some clarification, please; I am a little confused. From earlier remarks I understood that one of the impediments, identified both in the ANAO report and in your remarks, to New South Wales being brought up to speed in terms of data interchange was their privacy laws, yet when Senator Ray said to you that the disallowance of the regulations would have had a material effect you answered positively. You said yes, that it had for New South Wales. But how can it? If the privacy laws are still the main impediment, how can things change in terms of the kind of data delivery that you are asking for?

Mr Dacey—My understanding was that advice from the Electoral Commission of New South Wales indicated that the privacy laws were an impediment. Senator, that is really a matter for the New South Wales government.

Senator MURRAY—No, it is not. You answered us earlier by saying that the privacy laws were an impediment, and then you said that when the regulations were disallowed that impediment had fallen away. I do not understand that.

Mr Dacey—I also understand that the Electoral Commission of New South Wales is negotiating with the Premier's office. There may be some agreement—and I am not absolutely sure—to strengthen the demand powers in the New South Wales state electoral legislation to allow the Electoral Commission of New South Wales to be able to access data.

Senator MURRAY—It is a prospective possibility?

Mr Dacey—That is correct. It is looking positive prospectively.

Senator MURRAY—Thank you.

CHAIR—We now turn to the issue of roll integrity. The ANAO has a very riveting conclusion at paragraph 4.46 on page 78, which states:

The results from ANAO independent data-matching indicated that at close of roll for the November 2001 election, the roll was over 96 percent accurate. The remaining four per cent would require additional investigation to confirm their accuracy. This finding confirmed the AEC claim that the roll is accurate and reliable.

Could the ANAO explain how that powerful conclusion can rest on a data matching exercise that did not match addresses? I will say once again that this is not an issue I have raised today or I have raised before, so I do not believe that I have blind sided the ANAO.

Mr Cochrane—To put it in the context of 4.42, I think it has to be read in the context of 4.38, the introductory paragraph, which states:

However, ANAO confirmed only the accuracy of the names and dates of birth of individuals on the roll. The matching of roll addresses with Medicare addresses was not attempted as the more uneven time frames of client transactions with Medicare meant that would be of little value.

Certainly the conclusion does only go to names.

CHAIR—There is a fairly broad conclusion. It talks about the accuracy of the roll. You can go back to the other paragraph, but I am concerned about that conclusion in light of the fact that one of the fundamentals of roll accuracy—that is, ‘Person living, entitled to vote, at this address’—was simply not touched on in any of your data matching. It was not touched on through Medicare data matching and not touched on through your data matching of motor transport records in South Australia and Queensland. Does the ANAO wish to qualify or round out that conclusion so that I can read another considered summation of this?

Mr Cochrane—The best thing I can say is that—as the report says—the 96 per cent only goes to the data matching of names on the roll. I will leave it at that. We make no more claims in terms of the 96 per cent, other than the fact that it is about names.

CHAIR—I will try this once more and then I will leave it. When the AEC claims that the roll is accurate and reliable, does it mean it is only accurate and reliable about names and dates of birth?

Mr Cochrane—No. Certainly we would not say that because in other areas of the report we are bringing it together and saying the data matching with the CRU process et cetera has a high degree of integrity. That is all we are saying.

CHAIR—As to names and dates of birth?

Mr Cochrane—In terms of the 96 per cent, yes.

CHAIR—From the ANAO’s independent data matching—that is what you are talking about—your conclusion is that it validates the AEC’s claim that the roll is accurate and reliable without having a look at one address, not one?

Mr Cochrane—I think we actually do in terms of bringing that together, though.

CHAIR—Mr Cochrane, so they are the results from the ANAO independent data matching—not your general review or anything but from your independent data matching?

Mr Cochrane—Yes. I am concurring with that statement. It is a true statement.

CHAIR—And you did not look at one address. Mr Dacey or Mr Pickering, do you think the fact that the ANAO did not look at matching any addresses at all has any implications for its conclusion?

Mr Pickering—The AEC identifies the enrolment components in two parts: the first one is the biological identity, which is the name and date of birth and the second one is the location, the address identity. Both of those areas are of importance to the AEC. You might recall that I talked earlier about an address verification process as part of our continuous roll update strategies. That is just one of the areas we are undertaking to pick up that exact point you are talking about.

We are trying to validate all addresses in Australia that are able to be enrolled against versus unenrollable. We are building that profile on our address database around Australia as we speak. We do not need to do that by way of field work in all states because some of the database matching we are able to do, for example with Australia Post, picks up a lot of new addresses. We have arrangements with local councils for new addresses coming on. It is important that we have validation of those addresses so that we are confident, when we are enrolling people against a certain address they claim for, that it is a true and enrollable address.

CHAIR—How many people enrolled between the issuing of the writs and the close of the rolls at the announcement of the last election?

Mr Dacey—Approximately 350,000.

Senator ROBERT RAY—How many were 18-year-olds?

Mr Dacey—We will have to take it on notice, Senator.

Senator ROBERT RAY—We are looking for a rough proportion here.

Mr Dacey—I hate to stick my neck out, but I think about a third may have been under 25.

Senator ROBERT RAY—To make it accurate, or subject to the chair's guidance, my question really is: how many were first time enrollees? Then we can probably assume all the rest, with change of address—

Mr Dacey—The majority usually are changes of address.

Senator ROBERT RAY—‘Majority’ is not very helpful to us in analysis.

CHAIR—The point is that I took a great deal of comfort from the ‘96 per cent accurate’ until I had a look at the fact that it was not 96 per cent accurate at an address. That was 96 per cent alive, kicking and entitled to vote. I think other people like me gave a sigh of relief when they read that, until they took it in context. One of the issues which concerns politicians of all parties is that sometimes we argue about issues such as when the rolls closed and the incompleteness of the rolls, partly because the system is not being driven hard enough to resolve a lot of those issues well before elections. Degrees of comfort that one could get out of a 96 per cent accuracy finding, which is not actually the full story, should not deter the commission from pursuing this particular issue very strongly, nor should it deter the commission from not having spot checks and sample checks of enrolment at correct addresses—not merely addresses but people at addresses.

Mr Dacey—I would like to assure the committee that certainly this report does not in any way make the AEC complacent in terms of its ongoing work with address register verification. It is an ongoing function now with continuous roll update, and it is something we are very much committed to.

Senator ROBERT RAY—We should place on the record, if I am right, that in terms of the accuracy of the roll this is not a matter that can be adduced before a court of disputed returns, is it?

Mr Dacey—That is correct, Senator.

Senator ROBERT RAY—Which makes it, from our point of view, even more important. We both knew that, but I thought we would have it put on the record.

Mr Dacey—Mr Chair, we can give you some figures on close of rolls, which we did have with us. I have not got them by age. The total number of enrolment forms processed in that period was approximately 370,000, of which new enrolments were 83,000; transfers intrastate, 96,000; transfers interstate, 28,000; interdivisional movement, 93,000; reinstatements, 800; and re-enrolments, 47,000. So 83,000 of 370,000 were first time enrolments.

Senator ROBERT RAY—There would also be at least admitted into account an average of 200 sectional votes across divisions?

Mr Dacey—Probably up towards that figure, from 150 to 200.

Senator ROBERT RAY—Yes, so that by another 150 is a few more. We could think about another 3,000.

CHAIR—Can I ask why hasn't the commission set goals for accuracy of the roll?

Mr Dacey—It is a very difficult figure to set, Mr Chair. Obviously you cannot have a roll that is 100 per cent accurate, particularly with the legislation the way it is where people are not required to change their enrolment immediately when they move. We all know that many people do not, as a matter of course, change their enrolment when they move because it is more important to change your address with Australia Post and the motor vehicle registry. What I would say is that, since we have embarked on the continuous roll update program, we are now more and more capturing that change as people move, whereas years ago in the old habitation review program we were capturing that when we went around and knocked on the doors every two years. The data we are getting now, which flags to us 'Paul Dacey has moved', prompts the AEC to write to Paul Dacey and say, 'We understand you have moved. Would you like to change your address?' It might be a fairly brave organisation that would put an accuracy figure on it, but we would like to say it is somewhere within the high 90s.

CHAIR—No, we were talking about targets in terms of accuracy. Why has the AEC not put a target that it aspires to in terms of its accuracy? You have 95 per cent for completeness.

Mr Dacey—We do.

CHAIR—And no target for accuracy.

Mr Dacey—You are right, Mr Chair. The target is 95 per cent completeness, which was verified by ANAO and which our surveys have been showing over the years. You are correct; we have not put an actual target, other than saying that it is in the high 90s on accuracy.

CHAIR—Sorry, have you said in the high 90s for accuracy? I had not seen that anywhere. Would the ANAO care to comment?

Mr Delaney—Certainly, Mr Chair, there is no target set for accuracy. We would have expected it to be in the high 90s, but that is not set as a target at this stage. The only target set by the AEC is the 95 per cent for completeness.

CHAIR—Can I ask the question again.

Mr Dacey—I guess in saying, ‘It has not been set,’ it has not been set in terms of our performance indicators. As an organisation we work on high 90s.

CHAIR—Would it be possible to set that as a performance indicator?

Mr Dacey—It would be. I would like to be more specific.

CHAIR—High 90s is fine by me.

Senator MURRAY—On this same line of questioning my ears pricked up—and probably the question goes to you, Mr Cochrane—Mr Dacey deliberately said, I think, that your budget had not been increased in this area over the last few years. Is that code for telling us you do not have enough money to do the job? Did you find that to be the case, Mr Cochrane? Are they underfunded in that they are incapable of achieving the accuracy that might be achievable?

Mr Cochrane—It is somewhat of a circular argument in that what we are saying is without establishing targets it is hard to measure what the gap in shortfall would be. Obviously the closer you get to 100 per cent of accuracy and completeness, the more it is going to cost. What we need to do now, in making some of these recommendations and implementing some of those recommendations, is make sure we have established our targets so we can really establish what the shortfall would be and, therefore, the funding. Funding is not something we have focused on specifically, though, in this audit.

Senator MURRAY—The AEC have mentioned budget today in the context of not having increased, which would mean a real decrease, against inflation. Did they mention that to you as an acknowledgment?

Mr Delaney—Not specifically, Senator. They did say some of the things they would like to do would be dependent on resources being available. For example, Mr Dacey has mentioned the cost of data matching. The more data sets you have to match, there is a cost involved. We certainly acknowledge that but we still believe more needs to be done to get consistent CRU across the country, and that may well have resource implications.

Senator MURRAY—Turning to the chair's question then, just to finish off: Mr Dacey, are you saying if you were to set targets you would need more money to achieve those targets?

Mr Dacey—I guess, Senator, it depends how high you set the bar.

CHAIR—High 90s.

Mr Dacey—If we use high 90s without putting an actual figure on it, of course every agency needs more funding to do certain things. What I was referring to in mentioning our financial situation was that over the last several years—and particularly through the implementation of the CRU program—the roll has grown. We have many more electors than we had, say, five years ago; that is obvious. And we have not been funded accordingly.

The other difficulty we have is that, because of our three-person office structure, which is out there, and we accept that obviously it is there, we need more and more technology to support that. We are not asking necessarily to have more people in each of those three-person offices, but the infrastructure required for data matching—not just in our central office in Canberra, but for the work that is done through use of technology such as geographic information systems, which we do not have and which we would like to have in divisional offices—is more and more costly. It is whether you throw in an extra \$100 million to get an extra one per cent. That is the sort of figure we have to grapple with to put some quantifier around the additional funding we would seek through budgetary processes.

Senator MURRAY—Is \$100 million a loose figure?

Mr Dacey—It is a very loose figure, yes. I was using it as an example only.

Senator ROBERT RAY—You raised the funding issues in response to—and I am paraphrasing here—being asked when you can deliver on this. You said that depended on funding. Then I think you said—and I am not trying to verbal you here—you get to quantify.

Mr Dacey—We have not yet quantified the additional funding.

Senator ROBERT RAY—When do you expect to have done that?

Mr Dacey—That is something we have given priority in looking through the ANAO recommendations and setting out timetables of how we will achieve them. In looking at those timetables we then need to cost them, particularly when we get access to other large databases and the costs of that, and particularly if we want to look at the implementation of geographic information systems to help us increase the accuracy of our address data.

Senator ROBERT RAY—This is a two-way street, though. You are paying to get access to other data and it is costing—and you have my sympathy there—but you are also pouring out a lot of information. Do you have the right charging regime to balance back? That is all I am asking.

Mr Dacey—We are not commercial in terms of the information we put out.

Senator ROBERT RAY—I would stop whingeing and start charging. I think it is time. We know, because it is in regulations, how many people can have access to your electronic data, and we know about the restrictions, et cetera, but if people are getting that you have to charge full tote odds. You are paying it; you have to really say, ‘Let’s fund that by charging every other department.’

Mr Dacey—Or does it come back to the issue of whether or not we should be perhaps putting restrictions on some of the public information that is currently available in non-electronic form so that certain market research type companies which want to use that data in a very profitable way should not have access to it?

Senator ROBERT RAY—The answer to that is no, because transparency of the roll is the ultimate honesty test. We can do everything else.

Mr Dacey—I am not suggesting that it is not available for inspection. I am asking whether perhaps we should be selling hard copies of the electoral roll, which people, as we know, can take offshore or scan in and have an instant database.

Senator ROBERT RAY—As long as members of parliament are exempt, I am sure we can look sympathetically at it.

Mr Dacey—We do not sell them to you, Senator; they are given to you.

Senator ROBERT RAY—I know. That is the point I was making.

CHAIR—How does stopping people getting access to the roll help your budgetary issue?

Mr Dacey—It does not. I was trying to address Senator Ray’s issue.

CHAIR—But he wants you to sell it to them.

Mr Dacey—If you are facing reality and it is ultimately the parliament’s decision that the rolls are for sale, then yes, perhaps we do need—

Senator ROBERT RAY—I do not want to be verballed here, and you did not mean to, Chair. The rolls are currently made available.

Mr Dacey—That is correct.

Senator ROBERT RAY—To a list of prescribed people such as ASIC and a whole range of others.

Mr Dacey—Yes.

Senator ROBERT RAY—They should be paying for the sort of privilege the Electoral Commission has to pay for to get information from others. That is the only point I am making.

CHAIR—I have no problem with that.

Senator ROBERT RAY—If that means a legislative change, which I doubt, let us know.

Mr Dacey—At the moment we are only charging basically cost recovery for processing costs.

CHAIR—In fairness, Mr Dacey took that in a different direction.

Mr Dacey—I did.

Senator ROBERT RAY—An old saying from a former Prime Minister: ‘Never nurse a mug. They will die in your arms every time.’

CHAIR—Can you tell us how much the conduct of the habitation review was?

Mr Dacey—It is \$18 million over a two-year period.

CHAIR—Currently?

Mr Dacey—Currently. That is what we are funded for.

CHAIR—But you are not conducting full habitation reviews any more.

Mr Dacey—We are doing them differently. We are not doing them in the same way as we did them before, but the funding allocation is \$18 million, and we would argue that we are getting perhaps better and more accurate coverage than we did in the past.

Senator ROBERT RAY—Yes, but how are you doing it? How are you doing the habitation reviews? You said you were not doing them the same.

Mr Dacey—Perhaps Mr Moyes can talk about continuous roll update and how we now proceed.

Mr Moyes—The traditional habitation review was a doorknock which was undertaken approximately every 18 months. That provided a fairly accurate roll once every 18 months, but it was identified that the roll was used not only for federal elections but also for state elections and local government and that a more accurate roll on a more continuous basis was certainly preferred. We have moved away from the doorknock to a continuous roll updating process. In that process, broadly what we do is obtain data, for example, from Australia Post on information about movements at addresses. We then mail to the address or to the individual—depending on the circumstance—and obtain enrolments in that way. We also have information from Centrelink, for example, again on changes of addresses. We mine our own database for such things as vacant houses where there has been enrolment before. We can mail to that address on a regular basis to see if there is somebody there who should be enrolled. The result is that every year now we are obtaining something like 2.2 million to 2.5 million enrolments a year instead of that number during a habitation review, or the old doorknock method, once

every 18 months. The enrolment, if you like, is more accurate and more up to date on a continuous basis.

Senator ROBERT RAY—Thank you, but that was not the question. Do you do any spot habitation reviews?

Mr Moyes—Yes, we do, as part of the follow-up. For example, if we mail to an address from Australia Post information and we do not get any response to that, eventually we will knock on the door to see what happens.

Senator ROBERT RAY—But that is a reactive thing. Do you ever pick a census area, go in and doorknock it like you used to in a habitation review, then compare it with a continuous roll update to see—this is a photo at one particular incident but a containable one—how you are in fact doing?

Mr Moyes—We have not done that to date.

Senator ROBERT RAY—Do you think you might in the future?

Mr Moyes—Yes, that is certainly one of the things we have in mind. One of the recommendations of the ANAO report is that we undertake regular checks of the roll, and that will be one of the options we will be looking at.

CHAIR—The point I was trying to make was that you used to do physical habitation reviews and now you do not.

Mr Dacey—Not to the same level.

CHAIR—No, but you were talking about not getting paid any more. But you are now doing a totally different activity: namely you are data matching rather than physically going around and doing habitation reviews. There must be some saving.

Mr Moyes—They are dealing with individual areas.

CHAIR—Yes, but not the total habitation review every two years.

Mr Dacey—That is correct, but by not doing that it does not mean that what we are doing now achieves savings.

CHAIR—Yes.

Mr MELHAM—But your divisional return officers use their local knowledge.

Mr Dacey—They do. In fact, as part of our new strategic directions or plan, which I have handed out to the committee, what we have asked each of our divisions to do—and they are in the process of doing it—is to develop their own continuous roll update plan for each division. We have national mail-outs to cover certain things, like Australia Post, but we know certain

divisions have particular demographics and make-up. We have asked each division to look at a particular plan where some of the national initiatives we have may not cover something—such as areas of high ethnicity in areas like Grayndler, for instance. Divisions can compare their enrolment with what census data says. Of course, we are waiting for the census demographic data by CCD to be released; then those plans will be finalised.

Senator ROBERT RAY—You mentioned that the campaign by the AEC to merge the divisional returning offices together is now 14 years old, I think.

Mr Dacey—It has been around for a while.

Senator ROBERT RAY—It started in 1988, as I recall. How many combined divisional offices do you have now?

Mr Dacey—Less than 20, probably, nationally. I can get you a figure shortly.

Senator ROBERT RAY—No, the exact, accurate figure does not matter.

Mr Delaney—At page 60 of our report, it says there are 31 divisional offices in all the states and territories.

Mr Dacey—I take back my less than 20.

Senator ROBERT RAY—I think you said in your earlier evidence that this divisional structure is affecting training. Would you like to expand on that? Would you like to indicate in the 31 combined offices whether you can get a better training regime than individual ones.

Mr Dacey—Perhaps Andrew might like to cover that.

Mr Moyes—As far as the training is concerned, generally it is undertaken in a centralised location, bringing together 10 or 12 people to undertake the training in a more efficient way. As far as the combined offices are concerned, I think the largest one is four offices in Victoria. In that situation it would enable the training of all those people to take place in one location. But most of the co-located offices are two offices. In a situation of only having two offices together, I am not sure that it would improve the training on a large scale but, as far as being able to bounce ideas around other than within your own office, it certainly does help.

Mr Dacey—Senator, underlining the comment which I have mentioned before, about the increasing costs of the infrastructure, as technology improves, our people are wanting faster and faster lines. They want graphics down the line so they can have maps and GISs on line. If you have to provide that to 150 offices rather than, say, 100 offices, obviously the costs escalate in providing that to 150 three-person offices. It is just the demands of daily CRU type data matching work, looking at maps. Obviously that can be done more effectively if we have better technology. The infrastructure to provide better technology obviously is more expensive the more offices you have.

CHAIR—Yes, but that is not really very substantially argued in the course of the ANAO report. Every so often people accuse ANAO of being intransigent towards authorities. Every so often I think they carry the line quite well but when the line is pretty thin, as it is in this case, using available technology, there is not one scintilla of evidence in the report that consolidation of offices, or lack of consolidation of offices, precludes the utilisation of existing technology—not one iota. Would ANAO care to comment on that? Once again, I have not blind-sided you.

Mr Cochrane—We were making some general statements about the fact that the accommodation costs have been decreased, as it leads to there on page 59. Clearly, I would have to agree. If you have fewer locations, less accommodation and so forth, then your infrastructure is going to be easier to deliver.

CHAIR—It depends on how you use your technology—for training, for communication. A lot of things you mention here strike me as being eminently resolvable within the context of a proactive central office.

Mr Dacey—Although probably more than 50 per cent of the CRU work now is desk based, machine based and computer based in the divisional offices, not just in our central office. Whilst we may have replaced the doorknock, we have replaced it with the desk and the computer. More facilities, higher speeds and different technologies cost more money.

Senator ROBERT RAY—But I thought all this machinery and stuff was supposed to save money. Anyway, it is just a quaint theory of government.

CHAIR—That is when they are buying it, not when they are using it.

Mr DANBY—You have described before the process of individual houses that do not respond to mail and eventually you send someone out. Are they sent out from a divisional office in the division where you do not get the return of mail, or is there a central investigatory panel? Who does it?

Mr Moyes—That is undertaken at the divisional level.

Mr DANBY—Do you know how many of those would take place in a year?

Mr Moyes—In the next financial year we are looking at two rounds of what we call targeted review: one would be around September-October, the other one around March-April.

Mr DANBY—Can you quantify those in thousands or hundreds that take place on average over a year?

Mr Moyes—I could not give you a figure off the top of my head but it depends on the responses in the particular divisions.

Mr DANBY—Do you have a standard procedure? If, after six mail-outs to this address, they do not respond, do you then go?

Mr Moyes—Yes. If there is no response to two letters, I think, then that particular address would be targeted later down the track. The procedures are in place for the different types of mail-out. Some will occur on a monthly basis. For example, Australia Post data is received monthly and those mail-outs are undertaken on a monthly basis; others are undertaken on a quarterly basis and others on a six-monthly basis. As that accumulates, then we do the targeted review at points every six months or so.

Senator ROBERT RAY—When we are trying to measure this system, we are always measuring it by the past. What about measuring it by overseas equivalents? You would have a lot of information available to you to share with us, wouldn't you, on how they do it overseas?

Mr Dacey—Yes, Senator.

Senator ROBERT RAY—Did you make that available to the ANAO?

Mr Dacey—I am not sure. Do we have any information on international practice?

Mr Delaney—We asked for it on many occasions. We got some but it did not really tell us anything about how well the roll was managed. There was nothing that told us how well the Canadians managed their roll, or the English, or the Americans. We did ask on a number of occasions.

Senator ROBERT RAY—I know, as you have mentioned, that you are travelling overseas in your thirst for knowledge of other countries.

Mr Dacey—I think some of that non-response is due to lack of information from other countries. Whilst we are aware that Canada has a similar sort of enrolment scheme in place, I am not sure how successful it is—nor have I seen any literature—or what they are measuring it against in terms of their roll. There are not too many we can compare. It is like comparing apples and oranges. As we know, the UK is quite different and the US is quite different. In the US it is based on country registrars. In the UK the rolls are compiled at local government level, although I do note that the UK is now currently looking at a possible project for a national UK roll for the first time ever. We are fairly unique and it is difficult to compare.

Mr MELHAM—No-one is seeking to embrace Florida's performance, are they?

Mr Dacey—No, I don't think so, Mr Melham.

Senator ROBERT RAY—If we were to say to you, 'There are 12 recommendations here,' and put the necessary qualifier in as to funding, by taking this question on notice and coming back to us after giving it a bit of mature thought, would you be able to put a time line on when you think you will have these 12 agreed recommendations implemented?

Mr Dacey—Certainly.

Senator MURRAY—Could you also advise whether that time line would allow the ANAO to do a follow-up audit by the first half of 2004, the first half-year.

Mr Dacey—We would need to talk about it, but we can get back to you on that.

Senator MURRAY—The timing from our perspective was clear. That would probably be prior to the federal election, all things being equal. That must be the time frame that we work within.

Senator ROBERT RAY—Do you get a draft report of the auditor's report before the final report?

Mr Dacey—Yes.

Senator ROBERT RAY—I take you to page 11. You did not correct them in point 17 about compulsory voting, did you? Why not? Would you like to point out in the Electoral Act where there is compulsory voting? I am talking of page 11, the first sentence of 17.

Mr Dacey—Compulsory attendance.

Senator ROBERT RAY—I assume that was just accidental. You didn't get someone to dump on this?

Mr Dacey—No, we did not.

Senator ROBERT RAY—You will be more careful next time?

Mr Dacey—We will.

CHAIR—Could I ask about the demand powers? There seem to be two distinct perspectives about demand powers. The first one is from the ANAO and the second one is from the AEC. Would the ANAO give us its perspective on the AEC's demand powers?

Mr Delaney—Certainly. The demand powers arise within the context of CRU—that we do not have the same data sets being collected by the AEC from every state and territory—and there is a risk that the Commonwealth roll will go out of sync across states and territories: some will be in better shape than others. What we were suggesting was that the AEC might need to use its demand powers to get data where it cannot go into cooperative arrangements with states and territories, at either an electoral office level or a state agency level. We are aware that the demand powers are limited. It appears they do not allow the AEC to go directly to state agencies for data, but our concern is that they have not been sufficiently tested at this stage. We are suggesting in the report that they be tried and, if found deficient, brought to this parliament for rectification.

CHAIR—Could I ask for a comment from the Electoral Commission, please.

Mr Moyes—The commission has always held the view that the demand powers of section 92 of the Commonwealth Electoral Act do not allow us to go to state agencies to obtain data. In the joint standing committee submission that we will be putting forward for the 2001 election inquiry, we will be discussing that particular aspect; in fact, we will be preparing a report on the

recommendation of the former committee in regard to sections 89 to 92 of the act and we will be raising the issue of increasing the demand powers of the AEC to make it quite clear that we can obtain the data.

CHAIR—So there is no issue between you and the ANAO? The ANAO, as I understood it, said your demand powers, in terms of the capacity to demand things, were quite wide-ranging. Your view was that they were not. Is that difference still there?

Mr Moyes—As was pointed out a moment ago, the demand powers are limited. I do not think it is very clear that the demand powers do allow us to obtain the sort of data that we would like to obtain.

CHAIR—So you will be taking the view that, if there is a need for more demand powers, you will be approaching this committee and the parliament about them?

Mr Moyes—Yes.

CHAIR—Could you foreshadow which way you are going to jump on this?

Mr Moyes—We will be approaching the committee and the parliament asking for the demand powers to be increased.

CHAIR—Thank you.

Mr Dacey—As they currently stand, probably drafted in 1918, there was no need for demand powers on state agencies to provide information, except—as referred to in the act—for all police, statistical and electoral officers in the service of the state. We would also want to consider broadening the act, for example, as to whether or not we could have demand powers for utilities such as electricity and water boards. Whether or not that is possible under Commonwealth legislation—

Senator ROBERT RAY—And the e-tag people.

Mr Dacey—That is correct. Of course, as they stand at the moment, they are toothless because there are no penalties for anyone who fails to provide information.

Senator ROBERT RAY—We do not know a percentage of people who are eligible to be on the roll but are not on the roll. We can have guesstimates.

Mr Dacey—We have had a fairly educated guess for some time now at about five per cent.

Senator ROBERT RAY—I doubt if that has changed over 20 or 30 years.

Mr Dacey—Our quarterly market research surveys that we participate in still show it at the same figure.

Senator ROBERT RAY—Do you know who they are, if you had to roughly categorise the groups? That in turn will affect your targeting.

Mr Dacey—It is difficult.

Senator ROBERT RAY—Have you got a gender breakdown, for instance?

Mr Dacey—We would have a gender breakdown from those market research surveys but I do not have that with me.

Mr Moyes—Traditionally it is the younger age group, the 17- to 21-year-olds.

Senator ROBERT RAY—A useful breakdown would be those that have never been on the roll. I assume some of that five per cent of people have been on the roll and then disappeared off the roll.

Mr Moyes—Yes.

CHAIR—Ms Ley.

Ms LEY—Thank you, Chair, and thanks for coming along, gentlemen. My questions concern audit recommendation No. 5 and your management information systems. It surprises me a little, if this is how it is, that accuracy and costs are not incorporated in the management information systems you use. How do you accurately determine the cost of your activities? We have talked about budgets, and obviously that would have to feed into requests or the need for further funding later on. The continuous roll update activities that you do without management information systems in place to provide the necessary information and feed back the necessary results are not going to be as good as they could be. You have noted in your responses here that a review of management information systems is scheduled to commence in 2002-03, but that seems rather vague and general. Can you be a bit more specific about that, and also about the costing?

Mr Moyes—Sure. At this point in time we have not fully scoped out the management information systems. It may well be done in two stages, starting in the 2002-03 financial year. We have very basic statistical information in respect to enrolment, and CRU in particular. We have recognised the need for better management information, and not only through the recommendations of the report. We will be looking at going to stakeholders as well as our own people for the sort of information we should be obtaining. Included in that information will be the sorts of things that we have been talking about already—that is, the number of people who appear not to be on the roll in particular areas, by division, by CCD, so that we can better target the areas that we need to do some work on.

We have not had that sort of information before. Our systems have not been sophisticated enough to be able to do that for us. That is a priority for the coming financial year. That will assist us in organising the costs and as to where we should be best targeting our available funding. I think you were asking also how we determine what the costs have been so far. We have only been able to do that on a reasonably broad basis because we do not have the sort of

information we would like to have. We can, on a national and state basis, determine the expenditure for CRU and enrolment but we cannot go much further than that.

Ms LEY—You do not find yourselves inhibited by that lack of information?

Mr Moyes—We certainly do. That is why it is a priority for the coming financial year.

Ms LEY—Do you have any idea how long it will take, given that changes to management information systems are huge shifts for organisations to make?

Mr Moyes—As I was saying before, it will probably be in two stages. The first stage would be reasonably straightforward basic information. As we become more familiar with that and more sophisticated ourselves, we will broaden that base. Without having scoped it out I do not want to be locked into a time, but certainly in the coming financial year we would like to have some information that would enable us to target in on enrolment. Then we would make that more sophisticated in the following financial year.

Ms LEY—I wonder if the Audit Office could also comment?

Mr Cochrane—I think there is a point to be made that goes to the whole of the recommendations. They really provide a layered approach right from the top in the strategic planning and objective setting down, and through the development of systems to be able to measure the achievement of the original objectives. There would be a lead time in establishing systems, and the last thing you would want to do is to rush into that system development before you had a clear idea of the objectives that you need to set and finalised a strategic plan.

Mr Delaney—We thought that the AEC could make a little bit more use of the existing data that they have. I refer the committee to our figure 4 on page 83. We tried to take AEC data and give the committee some indication of how much the cost of an enrolment would be at various stages through the CRU process. We would be the first to admit it is a quick and nasty analysis. We took what figures were available to us from the AEC, but it gives some indication, and we would be suggesting that maybe the AEC could take some of their existing information and refine it to develop similar analyses.

Mr Dacey—And we accept that.

Senator MURRAY—Mr Cochrane, I get the impression from your report that you did not find that there were any dangers that there were systemic inaccuracies resulting from a failure of the process. However, my summation of both the AEC's view and this committee's view in the past has been that inaccuracies on a significant scale are far more likely than fraud on a significant scale. Perhaps both the ANAO and the AEC could answer this question: do you hold to the view that targeted fraud—in other words, fraud by a minority of persons in a specific division, broadly—is a risk because you cannot quantify the likely levels of fraud, given the present 'auditability'?

Mr Cochrane—Yes, Senator. Our view would have to rest on the fact that we have looked at the controls over fraud, including fraud control plans. We think there is room to tighten up on fraud control and we certainly did not make any judgments about the level of likely fraudulent

activity. The main point is that there is scope for the AEC to be giving some priority to increasing the benefit that it can obtain from its fraud control plans.

Senator MURRAY—In terms of empirical statistical theory, inaccuracies will fall on both sides of the sheet, so they do not matter as much. They will wash through and benefit people as they form, whereas fraud is deliberately structured to benefit one particular person or body. Is it your belief that, as a result of your recommendations—if they are properly implemented within an appropriate time frame—fraudulent risk will be reduced?

Mr Cochrane—One would hope, Senator, yes. With a much better control system, a good plan, well-educated officers and a sound system of internal control, one hopes you do minimise the possibility that frauds will get through.

Senator MURRAY—Perhaps you could comment, Mr Dacey.

Mr Dacey—Senator, obviously we support the ANAO's view. While it has always been of some comfort for us to sit in front of this committee over many years and say that we have no evidence of any systemic or other sorts of fraud on a scale that would have affected an election, to use the words I used before, we are not complacent. We accept the ANAO view that, once we cascade down from the top with the strategic direction with CRU, and as it beds down, there is certainly scope for us to increase particularly the awareness of our staff of potential fraud and our fraud control plan, and we have accepted that. That is part of the process of the implementation of these recommendations. With the system we have—a compulsory enrolment system—it is as open as possible, but we have never said it is not possible to defraud the system. We have always said that it has not occurred in a systemic way.

Senator MURRAY—Or in a significant way.

Mr Dacey—But we recognise that there is always a possibility and we need to be alert to that.

Senator MURRAY—You have also said that it has not occurred in a significant way. That is right, isn't it?

Mr Dacey—That is correct, in a significant way or in any way that would have affected the result of any election.

CHAIR—Mr Dacey, the ANAO report mentions automatic roll upgrades.

Mr Dacey—That is correct, automatic addresses changed.

CHAIR—No. This is where it is done without reference to the individual. I have forgotten the term.

Mr Dacey—Direct address change.

CHAIR—Is the commission interested in a measure like that?

Mr Dacey—We certainly are. We will be following that up with the joint standing committee. To give you an example, if we have information from a trusted authority—and assuming Centrelink is a trusted authority—and, using myself as an example, Paul Dacey has changed his address and we already have Paul Dacey on the electoral roll for his old address, one possibility could be—and it could lead to significant savings for the AEC—that the AEC transferred Paul Dacey to the new address and sent him a card to say, ‘We have now transferred you to your new address,’ rather than sending him out a card asking him to change his address, get it back and then send him an acknowledgment card. That is in a very crude form. We would have to investigate it further. However, given that the majority of the changes to the electoral roll are changes of address, there certainly is potential for significant savings if we adopt that sort of system.

CHAIR—Isn’t there also potential for inaccurate outcomes if you do not involve the elector himself or herself?

Mr Dacey—We would involve the elector by writing to the elector.

CHAIR—Yes, ‘We’ve done it to you.’

Mr Dacey—That is right—‘We’ve done it to you. You are now at this address’—and if that was returned unclaimed it would start to ring bells with us and we would follow it up. But there is potential. It is something we need to give a lot more thought to.

CHAIR—I would suggest you do.

Mr Dacey—We are not suggesting at all that we enrol people for the first time without any interaction. We are suggesting it for people who are already on the electoral roll and who move, and we get advice of that move from however we define some trusted agency.

CHAIR—Can you please consider it very carefully. There is a note from the ANAO that the data provided to members and senators does not have specific restrictions on end use. I understood that we did have specific restrictions on end use with respect to third parties and with respect to permanent commercial utilisation.

Mr Dacey—I do not wish to speak for ANAO, but it may be in relation to the broadness in terms of provision for electoral purposes, which is fairly broad. That could be interpreted to mean that a member or a party who had information—

CHAIR—No, this is specific. Sorry, we will come to that one first.

Mr Cochrane—At page 97, at the tail end of paragraph 5.20, it is noted that currently there appears to be a gap in the Commonwealth Electoral Act in that, while there are end-use restrictions on electronic copies of the electoral roll, there are none on print or microfiche copies. That is just to clarify the comment.

CHAIR—That then gets broadened out and broadened out and, at the end, there is no restriction on end use by members and senators. Can you possibly bear in mind that there are?

Mr Cochrane—Yes.

Mr Dacey—I think that point gets back to the one I was raising before about anyone being able to purchase the hard copy roll.

CHAIR—Yes, but that is different. The last time I saw a hard copy of a roll was when I still had lots of hair.

Senator ROBERT RAY—It is good to see Mr Dacey answer that question without throwing the Electoral Act on the table.

CHAIR—The other issue is the notion of broadness. It seems to me that agencies themselves get data with substantially broad definitions about what it is going to be used for. For example, ‘police investigations’ is pretty broad. I am not being defensive in the slightest way but sometimes I think politicians are focused on a bit. I would not like the view to emerge that we did not have controls on end use of the electronic roll, because they are there and agencies get quite broad utilisation of the electronic roll as well.

Mr Dacey—For specific purposes, Mr Chairman. The Electoral Commission has to be satisfied of the purpose for which that data is provided to other agencies. Agencies have to make application and they have to be included in the schedule in the regulations.

CHAIR—There are a number of agencies on the schedule.

Mr Dacey—That is correct.

CHAIR—Their purposes are quite broad.

Senator MURRAY—Going back to the state-Commonwealth interaction, which is key, I understand that the West Australian Labor government have a fairly big draft bill of amendments to their electoral act. What has the AEC done in interacting with the WA state election commissioner to coordinate, as much as they can, consistency and commonality between the two?

Mr Dacey—To be honest, the last time I was at a meeting with the WA electoral commissioner and we talked about state legislation in the pipeline, I had no indication that there were any electoral law changes. Victoria has recently had significant amendments but I am not aware of any in Western Australia. We did ask the state commissioner specifically to bring to our attention any proposals.

Senator MURRAY—Is your standard procedure to push for commonality in the areas that matter to you?

Mr Dacey—As far as we can. My understanding is that with some state electoral agencies even the agency itself does not have a lot of scope for say in what ends up being drafted because they do not prepare their own drafting instructions, whereas we in the AEC prepare drafting

instructions for Commonwealth legislation. We do try as much as possible to get commonality, but it does not always work out that way.

Senator MURRAY—When you see a draft bill in a state situation and it concerns you because it does not take the opportunity for getting commonality where appropriate, do you draw that to the attention of the Special Minister of State for him to raise ministerially?

Mr Dacey—We have done in the past. We would, first of all, draw it to the attention of the state electoral agency, of course.

Senator MURRAY—Yes.

Mr Dacey—If it is something significant which would really put electoral law between state and Commonwealth out of kilter, we would certainly bring it to the attention of the minister—and also, more than likely, to the attention of this committee. We would not necessarily suggest that we go the same way; it would depend on what the change to the law was. It may be something that we, the AEC, did not agree with but I think it would certainly be our duty, if there was a significant change, to bring it to the attention of this committee.

Mr DANBY—I have a question for the Audit Office. According to the report, at page 70, paragraph 3.43, the AEC's relationship with the JSCEM requires review. Can you elaborate? How do you consider this relationship could be improved?

Mr White—We were looking at all stakeholders; from discussions with the secretariat, we thought this committee was important for the commission and should be considered a stakeholder, and that it should be reflected in corporate plans of the AEC as one of the key stakeholders. We thought that it was timely to get feedback from the committee in terms of the relationship.

CHAIR—Has the AEC given any thought to that perspective?

Mr Dacey—Yes. In fact, it is probably covered in strategy 3 of our corporate plan, which is to conduct interactive workshops with customers and staff. We are planning under that strategy to have a stakeholder workshop in the near future, which would include our important stakeholders, members of parliament and the joint standing committee.

Senator MURRAY—Chair, in view of the fact that some members of the committee are new, I should say that I have previously asked whether it is appropriate for the electoral commissioner to have the same sort of relationship with this committee as, say, the Auditor-General does with the JCPAA or the head of ASIC does with the Joint Committee on Corporations and Financial Services—in other words, that it is a far closer statutory relationship than it presently is.

Senator ROBERT RAY—We are not a statutory committee and some of the other committees are.

Senator MURRAY—That is right. I think it is an area for continuing debate.

CHAIR—Bearing in mind the commission’s autonomy.

Senator MURRAY—That is right—like the Auditor-General.

CHAIR—Yes, you are quite right.

Resolved (on motion by Mr Danby):

That this committee authorises publication, including publication on the parliamentary database, of the proof of the transcript of the evidence given before it at the public hearing today.

CHAIR—I thank everyone for attending—the ANAO and the AEC. I hope it has been productive. It was certainly interesting for us. Thank you very much.

Committee adjourned at 11.31 a.m.