

SUBMISSION TO THE JOINT STANDING COMMITTEE ON ELECTORAL MATTERS

SUBMISSION 7

INQUIRY INTO CERTAIN ASPECTS OF THE ADMINISTRATION OF THE AUSTRALIAN ELECTORAL COMMISSION

Scope

1. This submission provides input to the above inquiry addressing the issued Terms of Reference (ToRs) in sequence. It seeks to offer commentary and recommendations that are seen as being in the public interest and considers not only the **efficiency**, but also the **effectiveness** of the Australian Electoral Commission (AEC) in discharging its statutory duties. It considers the present structure and methods of operation and some possible models that may be offered as being more efficient in the use of resources with critical commentary on each. In some areas where information is not readily available to the author, or has been difficult to access (see below) the submission offers recommendations that the Committee should adopt in its approaches to the ToRs. These approaches offer advice on the information that the Committee needs to gather and how that information might be assessed to arrive at rational conclusions that are in the overall public interest.

The Author

2. The author of this submission is a former soldier, senior public servant and currently, an active member of a political party. As a senior public servant, he served as an in-house consultant on – among other things – organization and establishment matters in the Department of Defence. He also has first-hand experience of working with a Divisional Office in Eden Monaro and in dealing with and assisting in the drafting of submissions on AEC matters, such as redistribution of electoral boundaries, the conduct of elections, selection and administration of polling places and has worked as a booth captain and scrutineer for local members at State and Federal level in two States of the Commonwealth. He holds a BA (Admin) from Canberra University and a Certificate IV in Workplace Training and Assessment as well as various post graduate certificates in management including public sector management and statistical analysis.

Difficulties and Caveats in Writing This Submission

3. Among the difficulties in writing this submission has been the dearth of readily-available/accessible information to the on-line researcher with limited resources, particularly time. While the AEC's Annual Reports are available on-line, it is difficult to compare financial performance with the rest of the portfolio in order to judge its relative efficiency or its contribution to the portfolio's performance. This is mainly due to disconnects experienced among agencies' web sites. This means that some of this submission will be concerned with recommending to the Committee approaches and information to be gathered in order to arrive at rational conclusions about the AEC's structure, performance and efficiency.

SUBMISSION TO THE JOINT STANDING COMMITTEE ON ELECTORAL MATTERS

Term 1: The adequacy of AEC co-location (*sic*) of divisional offices, including both financial and social consequences of co-locations (*sic*)

4. The submission on this term is framed in a manner that deals with the topic in a fairly general way. In the absence of detailed knowledge readily available to the lay person it is difficult to handle it any more detail. However, the principles enunciated offer an approach that the author recommends that the Committee take in this matter.
5. It is understood that some divisional offices, particularly in urban localities, have been collocated. In some instances they continue to function as separate divisional offices, perhaps with shared common services and in some there has been a pooling of resources to combine divisional offices into one entity working along functional lines¹. Unfortunately, the author has no knowledge of how many offices are involved or where they are, so it is difficult to comment on the *adequacy* of such arrangements. However, it suggested that this lack of detail is no reason to reject the contentions of this submission which follow.
6. In urban areas, where electoral divisions are close enough together that local knowledge about one division is also applicable to the neighbouring division, such collocations offer some measure of savings in common services staff and certain efficiencies in the use of staff by allowing them to specialise in a function to the point that individuals become highly skilled in that particular set of duties. Against this must be weighed the consequent need to cross-train staff to allow mobility and especially promotion. If individuals become too specialised, they have difficulty in making the transition to a new skill set and restrict their scope for promotion because they lack knowledge and experience of other areas that are essential to successful supervision. Therefore, the savings achieved by adopting such a model must be counterbalanced against the added costs of additional training, limits on flexibility and restricted promotional prospects for some staff. Unfortunately, it is difficult to quantify the costs and benefits with the information available, but any rational assessment of any changes must take these into account. Change for the sake of change is seldom beneficial.
7. The major social effect of collocations in rural and regional areas would be to isolate AEC staff from the divisions that they serve. As well as losing the all-important input of local knowledge, collocations of divisional offices may well put them into locations where there is no commonality of interest with the other divisions served in the region. This loss of local knowledge has all sorts of ramifications for AEC duties such as enrolments, boundary redrawing and general administration of electoral matters.
8. For example, collocated divisional offices or a regional office serving several divisions in rural/regional areas may not examine the reasons for the selection of polling booth sites as closely as at present. This could occur because of lack of

¹ In this context, 'functional lines' means an organization where elements handle one function (or a group of functions) of the AEC. For example, one element may handle enrolments, another electoral boundaries, another conduct of elections and so on.

SUBMISSION TO THE JOINT STANDING COMMITTEE ON ELECTORAL MATTERS

local knowledge and an appreciation of the effects on voters on the ground or it could be driven by an attempt to cut costs. The upshot would be that voters in rural areas find that their nearest polling booth is now an extra 40-100 km further away than before and there is less incentive for them to travel the extra distance to record a vote. In these circumstances, the fact that voting in Federal elections is compulsory becomes irrelevant and the change is effectively disenfranchising those in remote areas. Any cost-savings in these cases tends to be offset by the costs of enforcing compliance, ranging from identification, contacting, follow-up and prosecution not to mention the cost shifting to the individuals who do travel the extra distance.

9. A further factor militating against the collocation/consolidation of division offices in rural/regional areas has to do with the difficulties likely to be experienced with counting of votes in an election. If, for example, the division offices of two or three divisions in a rural area were to be collocated in some central township, the mustering of scrutineers, for example, presents a significant logistical difficulty. This is exacerbated in the event of a recount. In the author's experience, a recount in the 1998 Federal election in Eden Monaro had volunteers coming from over 100 km away to attend the division office in Queanbeyan to scrutineer for their respective candidates. Had it been necessary for these volunteers to travel even further to a collocated division office elsewhere, the logistical problem would have been exacerbated. This is just one instance where collocation/consolidation would effectively transfer costs to and/or disenfranchise voters and candidates. There are probably other, similar instances.
10. Cost savings arising from collocation and/or consolidation of divisional offices need to be balanced against the needs and expectations of clients in the divisions serviced. Larger organizations tend to be slower to respond to client needs and the effectiveness is thus reduced. In the author's experience over several Federal and State elections in a rural/regional area, the responsiveness of the divisional office was satisfactory, but the staff appeared to be stretched at times and any diminution of the level of service would be unacceptable.
11. **Summary.** The thrust of the above is to point out that collocation and/or consolidation of divisional offices is not necessarily a means of enhancing efficiency. While staff numbers and, therefore, costs may be reduced, the loss of local knowledge, effectiveness in meeting clients' needs and expectations and the like result in increased costs. Often these costs are difficult to quantify because they are effectively shifted to individuals within the divisions' communities. Further, any loss of service on cost grounds can effectively disenfranchise individuals affected and enforcement costs are seldom recovered by the penalties involved. None of these is a desirable outcome.

Term 2: The number of Staff and the employment structure of staff in Divisional Offices

12. Any comment on this ToR by an outsider is fraught with difficulty. The Committee needs the evidence of both AEC staff and AEC management to

SUBMISSION TO THE JOINT STANDING COMMITTEE ON ELECTORAL MATTERS

arrive at a balanced view. However, even then there will be difficulties. AEC staff are likely to be reticent about giving their views for fear of retribution from their managers, particularly if those views are at odds with the 'party line' from AEC management. Further, the Committee needs to bear in mind that AEC managers will likely give views that are concerned with cost reductions and other matters that make them 'look good' as responsible and responsive managers. This is not meant as a criticism of current management as much as an acknowledgement of human nature and acceptance of a degree of 'goal displacement' to which every manager in every organization is prone to succumb.

13. The problem is further complicated by the difficulty in surveying stakeholder opinion on this matter. The stakeholders are many and varied and range from the entire Australian population of voting age through political parties to individuals working as polling booth workers, scrutineers and polling booth venue proprietors.
14. The Committee may need to employ a consultant to conduct a survey of staff and management attitudes and opinions to ascertain the organization's own view of its services and effectiveness. Any such survey will need to be anonymous or universal and only the methodology and results published. There should be no scope for the identity of any individual being divulged or attributed in order to ensure candour in responses.
15. The survey of stakeholder views is much more difficult. In part, they will be met by the current enquiry. As the Committee will appreciate, only the stakeholders that are passionate about the AEC and those with serious vested interests (eg, political parties) will respond by making submissions to this enquiry. It will be an extremely difficult task for the Committee to judge where the truth lies in the process. Many stakeholders are blissfully unaware of this enquiry and would be daunted by the prospect of making any kind of submission to it. It is difficult to know how to address this problem except for the Committee using its own experience of what individual members' constituents expect and need from the AEC.
16. **Summary.** The process of investigation and resolution of this ToR is very difficult. While some dimension of the problem, *viz*, the AEC's view, is capable of treatment by the anonymous sampling of attitudes and opinions from both management and staff, the views of outside stakeholders will need to be tempered by consideration of the vested interest involved. Further, the Committee will need to use its own collective judgement, based on members' experience of the needs and expectations of the 'silent stakeholders'.

Term 3: Whether the current arrangements meet career expectations for AEC officers

17. The material above, in relation to ToR 2 also applies to this ToR. The Committee can expect two different views on this; one from management and another from AEC staff, but it will be difficult to get a candid view from staff

SUBMISSION TO THE JOINT STANDING COMMITTEE ON ELECTORAL MATTERS

for reasons similar to those cited above. Again, there appears to be a need to conduct an anonymous or universal survey of staff attitudes and expectations on this matter to arrive at useful conclusions.

18. There is certainly a need to balance the competing requirements of career-minded ('upwardly mobile') officers who wish to gain wide and varied experience to fit them for promotion in the organization, against those who wish to remain in the same place, doing pretty much a similar job over the years. Then, there will be those, somewhere in between, who wish to obtain some measure of advancement, but for whom constancy of location is an important factor. There is a place for all three aspirations in the organisation. The point here is that the organizational structure should accommodate all of them and not militate against any one at the expense of the others. To do so will result in resignations/departures and so rob the AEC of valuable corporate memory and expertise.
19. The needed balance probably means that some measure of collocation/consolidation of divisional offices is acceptable and desirable in urban areas, where divisions are geographically close. In such circumstances, officers can specialise and gain promotion within the larger office without suffering too much disruption of family life by the need to move.
20. The problem is different in rural/regional divisional offices. Here, the smaller single-division offices are needed to meet client and stakeholder expectations and needs and to avoid the loss of essential local knowledge. Such offices will be smaller and tend to be multi-skilled to cover all the functions of the AEC in the area. In these offices, promotion without moving out will be limited as will be the opportunities for staff specialisation and career 'streaming'. However, these offices will provide a degree of locational stability for those staff members who wish to stay in the same area and are happy to sacrifice or compromise upward mobility in the organization.
21. Such an arrangement of consolidated/collocated urban divisional offices and 'stand-alone' rural/regional divisional offices will not satisfy the entire spectrum of staff needs and expectations with respect to mobility, staff development and promotion. However, such an arrangement will meet the needs and expectations of many in the organization and reduce staff losses due to the inability of staff to realise their expectations in the organization, at least to a large degree.
22. **Summary.** Again, resolution of this ToR requires staff to be anonymously surveyed to ascertain their aspirations and preferences. It is suggested that collocation /consolidation of division offices in urban areas will allow many of these to be met, but there is still a need to offer some stability with respect to location and employment for those officers who want to specialise in an area of work or geographic location and who see their career streams differently. These could be met by maintaining smaller, multi-function offices in each division in rural/regional areas.

Term 4: Whether the current arrangements meet the community expectations about the appropriate use of staff resources

SUBMISSION TO THE JOINT STANDING COMMITTEE ON ELECTORAL MATTERS

23. The sampling of community opinion on this matter will only be partly met by the submissions to this enquiry. Therefore any changes made based on the results could well be flawed and lead to public outcry and criticism only after they are implemented and the community experiences the resultant changes.
24. As the members of the Committee will appreciate, many of their constituents have difficulty articulating any changes they would like to see in a given system. Frequently, this is because the system largely meets their needs. However, if changes are made to the system, and their needs and expectations are not adequately met after the changes, they quickly make their displeasure known. It is suggested that the AEC's situation may be similar; the current arrangements meet the needs and expectations of most of the community stakeholders, but changes could change this perception. In such a case, there is a strong impetus to change the system yet again to rectify the perceived shortcomings and deficiencies. Clearly, such a course means wasted effort and resources. To put it simply; "If it ain't broke, don't fix it!"

Term 5: What any changes to these arrangements would mean for the previous two points

25. To some extent the foregoing paragraphs have covered the problem presented by this ToR. In relation to Term 3, any reduced efficiency or effectiveness following changes to meet the widely varying career expectations of AEC officers could cause problems in the meeting community's expectations. With respect to Term 4, only changes that are likely to enhance community experience of the AEC's functions are likely to be acceptable. In general terms, any diminution of services from divisional offices due to staffing reductions are likely to be considered unfavourably by the community and other stakeholders. Also, the community and other stakeholders may not readily discern the effects of reductions initially. However they will show up when the effects of overwork and job stress take their toll on staff and reduce the effectiveness and efficiency of staff in divisional offices.

Term 6: What level of staffing would be required to meet ongoing habitation reviews

26. *Habitation reviews* is something of an arcane term to the layman and appears to be a *term of art* in the AEC's lexicon. From its ordinary English meaning and reference to some of the reports listed under a search of the AEC's web site, it appears that it has to do with checking whether enrolled electors actually live at their enrolled addresses. An important function given the need to ensure against electoral 'rotting'.
27. It seems strange that assessment of this task would be passed to the Committee, given that it has limited (overt) expertise in statistical methods and little, if any, expertise in Public Service establishment assessment matters. The former is required to assess the magnitude and nature of the task and the second to assess the staffing levels and expertise needed to carry it out. While the Committee

SUBMISSION TO THE JOINT STANDING COMMITTEE ON ELECTORAL MATTERS

should, quite properly, advise on the levels of accuracy, validity, security and completeness of the roll, it is for experts to implement those recommendations.

28. As a result, it is recommended that the Committee conclude what level of integrity it expects of the rolls and to what extent or the frequency of the necessary reviews it expects and leave the implementation to Government. If the Government considers the requirements too onerous or costly, then it is up to Government to seek the Committee's review of its parameters accordingly.

Term 7: Whether current APS staffing levels are appropriate for the actual work of divisional offices

29. This is another ToR that seems strange. The Committee has limited inherent expertise in deciding staff levels of divisional offices. About all it can judge is whether or not divisional offices are meeting stakeholders' needs and expectations. If they are not, the Committee can only really identify how and where the shortfalls and deficiencies lie.
30. Unless the Committee is prepared and resourced to engage expertise in APS staffing matters, it is considered that it can go no further than to identify the shortcomings and deficiencies as expressed by the relevant stakeholders. These aspects appear to be adequately covered in ToRs above.

Term 8: Any other issues relating to the staffing of divisional and central offices which may be raised in submission or by the Committee

- 31 Other issues that the Committee might consider raising to do with the staffing of divisional and central offices include:
- a. Costs associated with the operation of the AEC. From the AEC's Annual Reports² in a non-election year it costs about \$104M to \$111M per year to run. About half of this cost is related to staff costs. While it is always a worthy objective to reduce these costs, they are quite small in global Government terms considering the important function the AEC performs. Further, any cost-cutting, even if of a fairly drastic nature, yields relatively small dollar amounts. The Committee could argue that in view of the AEC's important functions concerning the very basis of our democracy, any decreases are undesirable and modest increases are affordable and are likely to offer good value for money.
 - b. Cost Recovery Models in the AEC. While it probably covered elsewhere in other reports or buried in annual reports of the AEC, it is not obvious to the public the circumstances of in what manner and how much the AEC recovers in costs from providing services to other agencies, both within and outside the Federal Government. In particular, the Committee might have regard for how these services are costed and whether they represent a full cost recovery regime or whether they are subsidised to some extent, depending on the client. The public should be reassured that it is getting all that it's paying for.

² Australian Government, AEC, *Annual Report 2003-04* p114 and *Annual Report 2005-06* p135

SUBMISSION TO THE JOINT STANDING COMMITTEE ON ELECTORAL MATTERS

Conclusions and Recommendations.

31. In relation to ToR 1, it is concluded that collocation and/or consolidation of divisional offices is only advisable in urban areas where the tyranny of distance is minimised and stakeholders are neither unduly disenfranchised or inconvenienced by the need to have reasonably ready access to an AEC office in their division. The practice is inadvisable in rural and regional areas where local knowledge is very important and denial of ready access of stakeholders to an AEC divisional office effectively shifts costs to those stakeholders and tends to disenfranchise the constituents. The small saving in AEC costs is largely offset by the cost of enforcement and compliance.
32. In relation to ToR 2, there is a need to seek the opinions of AEC staff and management as well as stakeholders. The former investigation needs to preserve anonymity to allay any fears respondents may have about retribution against those expressing opinions known or suspected to be at odds with those of AEC management. This is essential if candour in responses is expected. The sampling of stakeholder opinion will come partly from submissions to the enquiry, but it must be borne in mind that not all stakeholders will be represented as they are either ignorant of the enquiry's existence or feel they that existing arrangements are satisfactory.
33. Similar considerations apply to ToR 2. As well as anonymity in obtaining AEC staff opinions, there is a need to consider the variety of expectations that staff have about their careers. It is assessed as unlikely that collocated/consolidated divisional offices will meet all the various career expectations of staff, particularly those who favour locational stability over rapid promotion. As other factors militate against collocated/consolidated divisional offices in rural/regional areas, their retention offers some prospect of satisfying the career expectations of such staff. On the other hand, the career expectations of those who want specialisation and promotion will probably best be met with larger, collocated/consolidated offices serving several divisions.
34. The essential message on ToR 4 is that the present system appears to meet the needs and expectations of the majority of stakeholders. Diminution of current resources and, therefore, services are undesirable as that will tend to lead to the expression of dissatisfaction with the AEC's performance. At worst, they could undermine the present integrity of our electoral system.
35. With regard to ToR 5, any changes to present arrangements that reduce staff resources and the ability to meet stakeholders needs and expectations are likely to result in adverse reactions from those stakeholders. It will then be necessary to modify staffing levels to rectify the situation. That means needless expenditure of scarce resources and disruption to staff careers for no nett gain. If divisional offices are collocated or consolidated, it must be done on the basis that similar staffing levels will provide better levels of service rather than reductions that may or may not deliver at least the same levels of service as at present.

SUBMISSION TO THE JOINT STANDING COMMITTEE ON ELECTORAL MATTERS

36. ToR 6 is a problematic one, given the Committee's lack of expertise in statistical analysis and APS staffing matters. Unless the Committee is resourced with and able to use such expertise, it should determine what standards it requires to be practised in these reviews and allow Government to work out the staffing levels required. Government can always refer back to the Committee any instances where it (the Government) considers that the requirements are too onerous or expensive.
37. ToR 7 is another problematic one for the Committee. It appears that it can only highlight the problems discovered in its consideration of the ToRs above and recommend to Government what needs to be fixed and how. It is then up to Government to determine the appropriate staffing levels and expertise and deploy them accordingly. As before, Government can come back to the Committee on any requirement that it considers unduly onerous or expensive.
38. Other matters considered under ToR 8 include an observation that savings from staff reductions are likely to be limited and must be questioned on the basis of how much are such savings worth in relation to the tasks performed and the importance of those tasks. In terms of total Government expenditure, the costs of operation of the AEC are miniscule by comparison and yet its functions go to the very base of our democratic system. Also, the Committee may care to examine the detail of the AEC's cost recovery models that are used when performing tasks for other agencies and determine their appropriateness and effectiveness in funding the operations concerned.
39. Finally, It is recommended that the Committee take the above considerations into account in its deliberations.

John Snell
4 May 2007