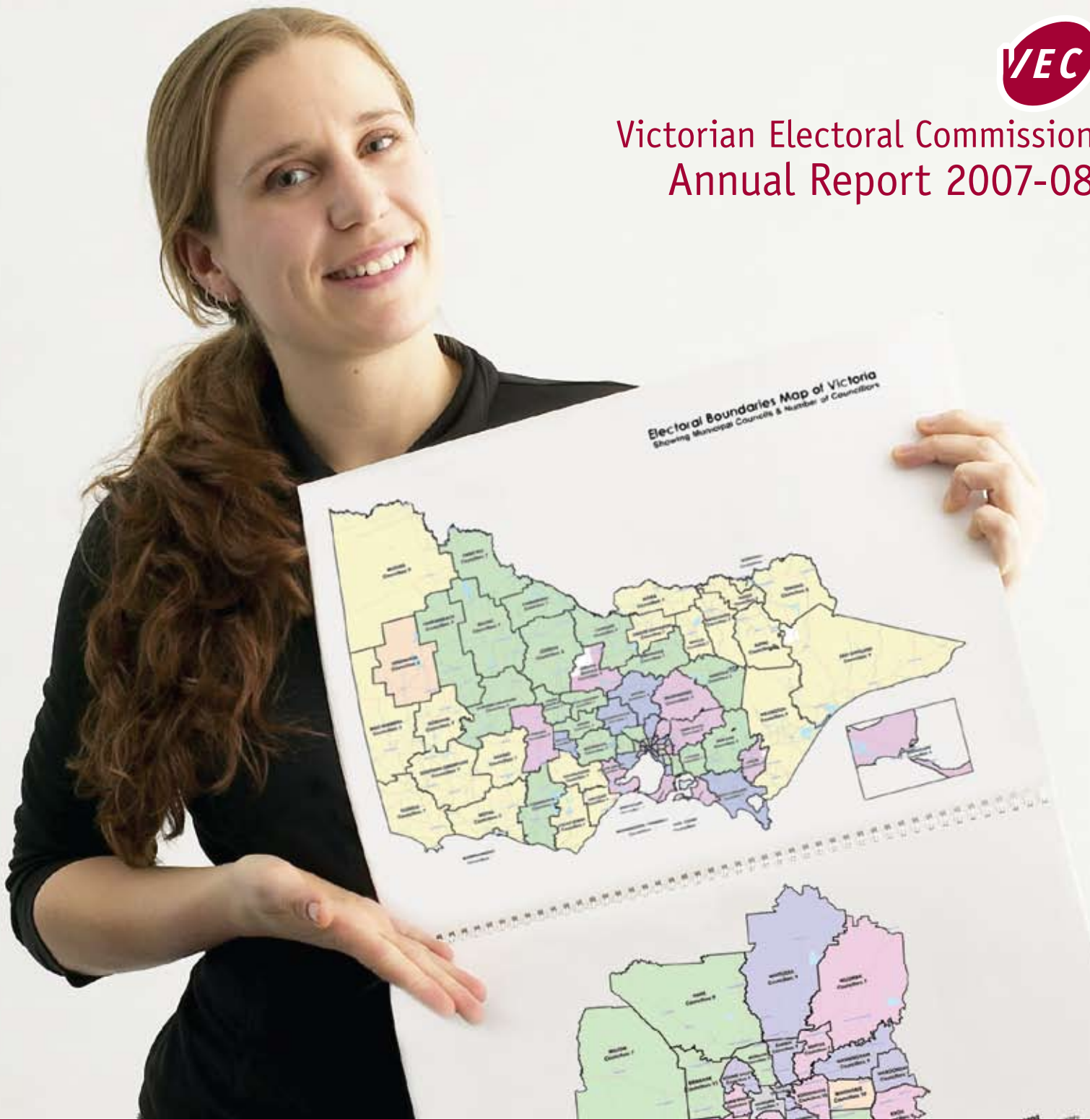




Victorian Electoral Commission Annual Report 2007-08



Working for democracy

Our challenge

To stimulate leading thinking and deliver excellence in all electoral endeavours.

Our vision

All Victorians actively participating in our democracy.

Our values

- **Independence:** acting with impartiality and integrity.
- **Accountability:** transparent reporting and effective stewardship of resources.
- **Innovation:** shaping our future through creativity and leadership.
- **Respect:** consideration of self, others and the environment.
- **Collaboration:** working as a team with partners and communities.

Our function

The Victorian Electoral Commission's (VEC) operations are governed by five main pieces of legislation:

- *Electoral Act 2002:* establishes the (VEC) as an independent statutory authority, and sets out the processes for State elections.
- *Constitution Act 1975:* sets out who is entitled to enrol as an elector, who is entitled to be elected to Parliament, and the size and term of Parliament.
- *Electoral Boundaries Commission Act 1982:* governs the determination of State electoral boundaries. Under this legislation the Victorian Electoral Commissioner is nominated as a member of the Electoral Boundaries Commission.
- *Local Government Act 1989:* provides for local government elections and electoral representation reviews.
- *Infringements Act 2006:* provides for stages two and three of compulsory voting enforcement.

Subject to these acts, the VEC maintains the electoral enrolment register, conducts State elections, local government elections, statutory elections, commercial and community elections, and boundary reviews. Electoral research and the provision of communication and education services that inform Victorians and engage them in the democratic process also form part of the VEC's operations. A full list of legislation and regulations governing the VEC is on page 47 of this annual report.

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About this report

This report is designed for easy and clear reading, with colour coding identifying each section. We printed 600 copies of this report on an Australian, environmentally friendly paper. The report is available online at www.vec.vic.gov.au and hard copies can be obtained by contacting the VEC.

Our theme, *Working for Democracy*, emphasises that during 2007-08, with no scheduled statewide election event, the VEC directed its efforts on a range of electoral activities across Victoria with the aim of increasing active participation in our democracy.

Letter to the Minister

The Hon. Rob Hulls, MP
Attorney-General
Level 3, 1 Treasury Place
East Melbourne Vic. 3002

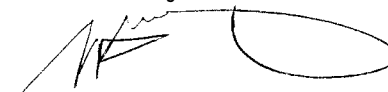
October 2008

Dear Attorney

I am pleased to submit the annual report of the Victorian Electoral Commission for 2007-08 for presentation to Parliament. The report has been prepared in accordance with the requirements of the *Financial Management Act 1994*.

Also included is the annual report of the Electoral Boundaries Commission for 2007-08.

Yours sincerely



Steve Tully

Electoral Commissioner

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Details the effective delivery of election services, representation reviews and other core business.	
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Outlines the VEC's activities that ensure the accuracy and security of the enrolment register.	
Details research and education programs aimed at increasing and maintaining enrolments and encouraging participation in the democratic process.	
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Foreword by the Electoral Commissioner



"The strategies implemented during this first year of our five-year corporate plan will help ensure fair and equitable representation for all Victorian voters."

Our work this year has brought us closer to realising the VEC's vision of all Victorians actively participating in our democracy. Efforts have been largely directed towards research, innovation, planning and preparation that will form the foundation for the successful conduct of the forthcoming local government elections.

All tasks were completed with the highest regard to the VEC's corporate values of independence, accountability, innovation, respect and collaboration, and we are justifiably proud of our achievements. The strategies implemented during this first year of our five-year corporate plan will help ensure fair and equitable representation for all Victorian voters.

The VEC administers laws, as passed by Parliament, and welcomes the establishment of the Electoral Matters Committee (EMC). The EMC provides an open and transparent forum for contemporary electoral matters to be raised and considered. In meetings with the EMC we have raised options aimed at decreasing informality, increasing enrolment and reducing the impact of electoral activities on the environment.

I congratulate all staff and associated personnel on their efforts. My appreciation also goes to our partner organisations, service providers and clients for their valued contributions to the success of our operations.

Our core business

Our collaborative approach, utilising expertise from across the organisation, resulted in the successful conduct of 3 State by-elections, 11 council by-elections, and countbacks, and 12 statutory elections, fee-for-service elections and polls. A significant project involving personnel from all branches of the VEC was the conduct of 31 representation reviews and 8 subdivision reviews in municipalities across Victoria. All the VEC's recommendations as a result of the reviews have been adopted by the Minister for Local Government.

Significant effort went into the successful quoting and tendering for the conduct of the forthcoming elections for all 79 Victorian councils. This included preparing a response to a proposal on behalf of 49 councils, from the Municipal Association of Victoria.

Our voters

With around four million votes expected to be cast at the November 2008 local government elections, every aspect of the election process has been reviewed to ensure the best possible service and support for all stakeholders.

Our Elections Branch devoted considerable effort to the review of electoral materials. Ballot packs for postal elections were redesigned to improve ease of understanding. Voting centre procedures, recruitment and training processes were revised to ensure that voters, election staff and candidates will have easy access to accurate information. We have an increased emphasis on accessibility when leasing buildings and facilities.

The Communication, Education and Research Branch worked with community groups to develop three Easy English publications to help people understand the electoral process. I am particularly pleased with the addition of "Passport to Democracy" to our education programs. This exciting new program, successfully piloted in 2007-08, is aimed at increasing secondary students' engagement in our democracy.

A significant task, undertaken by the VEC products and services team, was the preparation of municipal voters rolls for the November 2008 local government elections. The team worked extensively with local government councils to ensure that the rolls will be as accurate as possible.

Our clients

The VEC aims to develop and deliver high quality products and services for its clients, whether candidates, government or commercial organisations. The forthcoming local government elections have been a catalyst for development, and I am pleased to highlight two major innovations to be launched at those elections.

Firstly, a customised electronic ballot paper scanning application that integrates with the VEC's computerised counting system will be piloted in three municipalities. Secondly, an internet-based program, the online candidate helper, has been developed to streamline the nomination process for candidates. The online candidate helper will be implemented in all municipalities.

Managing our Commission

All our activities were completed according to legislation, on schedule and within budget. Sound financial management of the VEC has once again resulted in a good report from the Auditor-General. Risk management assessment and subsequent planning have ensured that risks are being managed in a manner consistent with government standards. The VEC has developed an Environmental Management System to improve our contribution to environmental sustainability.

We recognise the importance of knowledge capital to the success and ongoing future of the VEC. Significant effort has been directed at the review of policies and processes that support staff both professionally and personally. We also strive to ensure that staff who move to other organisations take with them a skill set that has been enriched by their experience at the VEC.

Our year ahead

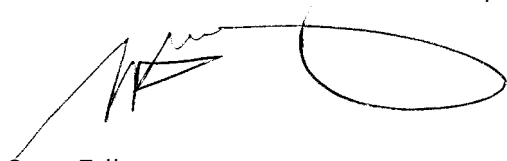
In November 2008, the VEC will manage the biggest election event it has ever undertaken, conducting up to 299 individual elections, in 79 local government municipalities, and involving around four million votes across Victoria.

Innovations such as electronic ballot paper scanning, the online candidate helper and Braille ballot papers will be evaluated and further developed in the context of planning and preparation for future elections, including the 2010 State election.

The VEC will continue to implement strategies in support of its corporate objectives, including conducting research to identify barriers to participation. Community engagement and education programs will be developed in response to the results of that research.

We look forward to working with the EMC in raising matters for its consideration, and with the Electoral Council of Australia exploring innovations in electoral processes.

Our challenge is to stimulate leading thinking and deliver excellence in all electoral endeavours. I am confident that the achievements detailed in this annual report, and our plans for the coming years, demonstrate the VEC's commitment and progress towards meeting that challenge.



Steve Tully

Electoral Commissioner

Snapshot, 2007-08

The VEC has a key contribution to make to democracy in Victoria, as do other individuals and groups including political parties, the media, academics and candidates. The VEC directs considerable effort towards maximising opportunities for all Victorians to participate in the democratic process. Key features of VEC operations include conducting research, providing electoral education, notifying electors of their rights and obligations, informing them about how to vote and make voting as accessible as possible. It is these activities that contribute to building and maintaining a healthy democracy.

This annual report is divided into four main sections: Our core business, Our voters, Our clients, Our people and Our Commission. A snapshot of these areas is provided below, with details presented in the colour coded sections that follow.

Our core business (page 7)

- Conducted 3 State by-elections.
- Conducted 9 council by-elections and 2 council countbacks to fill 12 vacancies.
- Conducted 31 electoral representation reviews on schedule and within budget.
- Conducted 8 subdivision reviews on schedule and within budget.
- No elections or by-elections overturned due to VEC error or omission.
- Developed a comprehensive service delivery plan and costing methodology for November 2008 local government elections.
- Appointed provider for all 79 Victorian local government elections.
- Enrolment rate of 18 – 25 year olds at 30 June 2008 increased to 82.68%.
- “Passport to Democracy” education program developed to complement existing schools education programs.
- 7 staff members seconded to other electoral agencies to assist with election activities.

Outlook, 2008-09

- Conduct 79 local government elections – up to 299 individual elections to fill 631 vacancies.
 - Roll out “Passport to Democracy” education program in up to 20 Victorian secondary schools.
 - Continue to formally document critical business processes.
-

Our voters (page 27)

- 62,595 new enrolments.
- Enrolment Register up 1.8%.to 3,466,557.
- 93.6% of eligible electors enrolled, up 0.8%.
- 29% percent of 17 year olds provisionally enrolled as a result of VEC initiatives.
- 774,456 enrolment transactions processed.
- 44,394 enrolment updates from VEC initiatives.
- Participation rates (average):
 - State by-elections – 79.6%, down from 84.8%
 - council by-elections (postal) – 73.6%, up from 68.7%
 - council by-elections (attendance) – 62.0%, up from 61.2%
- Informality rates (average):
 - State by-elections – 6.9%, up from 5.03%
 - council by-elections – 3.3%, down from 3.4 %
- Research and community engagement plans developed, including initiatives for low participation groups.
- Disability Action Plan reviewed and updated in consultation with key groups.
- Easy English publications:
 - *Guide to local government elections (postal)*
 - *Guide to local government elections (attendance)*
 - *Guide to first-past-the-post elections*

Outlook, 2008-09

- Continue to investigate new Continuous Roll Update opportunities.
 - Implement community engagement program.
 - Conduct research relating to low participation groups.
 - Investigate opportunities for additional Easy English publications and communication products in other languages.
-

Our clients (page 38)

- Electronic ballot paper scanning application developed and on schedule for pilot in three municipalities at November 2008 local government elections.
 - Online candidate helper developed and on schedule for implementation at November 2008 local government elections.
 - Records matching software developed to facilitate increased accuracy and easier production of municipal voters rolls.
 - Established partnerships with interstate electoral colleagues to optimise resource sharing and opportunities for innovation.
 - Participation, as a “knowledgeable notifier”, in the Department of Sustainability and Environment’s Notification and Editing Service pilot.
-

Outlook, 2008-09

- Electronic ballot paper scanning and the online candidate helper will be implemented at November 2008 local government elections. Evaluation will inform further trials or implementation during other elections.
 - The VEC’s enterprise software, Election Management System (EMS), will be reviewed and redevelopment will commence with the view to full implementation by 2012.
-

Managing our Commission (page 41)

Governance

- Sound financial management, approved by the Auditor-General.
- Risk management procedures reviewed and approved.
- Total expenditure, \$15.6million.
- Revenue paid to Consolidated Fund, \$2.6million.
- Environmental Management System developed.

Our people

- Learning and development opportunities identified through online performance management system (LYNX) guided staff training and professional development activities.
 - Onsite training provided:
 - information privacy;
 - workplace ergonomics;
 - preventing workplace bullying and harassment;
 - information privacy refresher course;
 - introduction to the *Charter of Human Rights and Responsibilities Act 2006*;
 - climate change and environmental sustainability;
 - Provided an average of 15.2 hours of training per staff member.
 - Average staff turnover (departures per FTE) reduced from 16.5% to 15% over three years.
 - Average of 18.3 applicants per advertised vacancy.
-

Outlook, 2008-09

- Financial and risk management to continue.
 - Environmental Management System to be implemented.
 - Provision of professional development and training related to identified needs and VEC directions.
 - Analysis of State Services Authority’s People Matter Survey 2008 data to be undertaken and response strategies developed.
 - All staff to complete an online occupational health and safety refresher course annually.
-

Snapshot, 2007-08

Figure 1: Snapshot 2003-04 to 2007-08

	2003-04	2004-05	2005-06	2006-07	2007-08
Enrolled electors (as at 30 June)	3,281,336	3,337,946	3,323,719	3,403,962	3,466,557
Enrolment updates - total	457,608	542,033	430,413	1,096,896	774,456
Enrolment updates - from VEC initiatives	117,611	112,566	128,833	218,342	(a)44,394
State elections	0	0	0	1	0
State by-elections	0	0	0	0	3
Local government elections	0	25	54	0	0
Local government by-elections and countbacks	9	6	4	6	11
Statutory and fee-for-service elections and polls	97	18	6	(b)49	12
Electoral representation reviews	9	30	0	7	31
Electoral subdivision reviews	-	-	-	-	8
Total expenditure	\$13.8m	\$18.9	\$25.0m	\$36.8m	\$15.6m
Revenue paid to Consolidated Fund	\$1.5m	\$5.6m	\$8.8m	\$0.9m	\$2.6m

(a) VEC initiatives were suspended for seven months from September to April due to Australian Electoral Commission activities relating to the 2007 Federal election

(b) Revised figure

Figure 2: Summary of major activity 2007-08

Activity	Number
Early voting and pre-poll services to interstate electoral agencies	4
Electoral subdivision reviews	8
Electoral representation reviews	31
Fee-for-service elections and polls	6
Statutory elections and polls	6
Council countbacks	2
Council by-elections	9
State by-elections	3



Our core business

The successful provision of election services depends on good project management, collaborative teamwork, effective communication, comprehensive risk controls and support by all personnel.

Success also depends on targeted research and effective responses to findings in the development of education and community engagement programs that will meet the needs of all Victorians. The VEC aims to provide Victorians with:

Information – about the democratic process;

Opportunity – to participate fully in the democratic process; and

Facility – so that participation is easily accessible.

Objectives

- Deliver high quality election services, in accordance with legislation
- Contribute to an informed and engaged community with regard to electoral matters
- Manage resources to minimise environmental impact across all operations

Our core business

In this section

State elections and by-elections

**Local government elections,
by-elections and countbacks**

Statutory and fee-for-service elections

Electoral redivisions, State government

Representation reviews

Subdivision reviews

Services to other electoral agencies

Research

Education and community engagement

Electoral Council of Australia

Electoral Matters Committee

Register of political parties

New and proposed legislation

Outlook, 2008-09

State elections

The next Victorian State election will be held in November 2010 as prescribed by legislation. Preparatory work for future elections provides a backdrop to current activities.

Preliminary planning for the next State election, while low key, is connected with many of the activities required for the conduct of the local government elections. The evaluation and spring-boarding of ideas is ongoing, and many processes developed in the last 12 months will be evaluated in the context of the 2010 State election plan.

State by-elections

A State by-election occurs if a Member of Parliament resigns or can no longer hold office. The VEC must maintain the capability and capacity to conduct State by-elections as required, within minimum prescribed timeframes.

By-elections were held in the Districts of Albert Park and Williamstown on 15 September 2007, less than 12 months after the 2006 State election, after the resignations of both the Victorian Premier and the Deputy Premier. A third by-election was conducted on 28 June 2008, after the resignation of the Member for the District of Kororoit. All three State by-elections were conducted successfully, on schedule and within budget.

The performance of the VEC in conducting the Kororoit by-election in the shortest possible time frame (25 days), while continuing with other core business, indicates that the VEC is sufficiently

prepared for such an occurrence. This is due, in part, to the quality of training and resources, and to a great extent to the readiness of the VEC's associated personnel to take on an employment contract to manage an election at short notice.

Full reports have been provided to Parliament, and are available on the VEC's website.

Services to voters

The voter information campaigns consisted of direct mail, newspaper advertising, website, media relations and a telephone enquiry service.

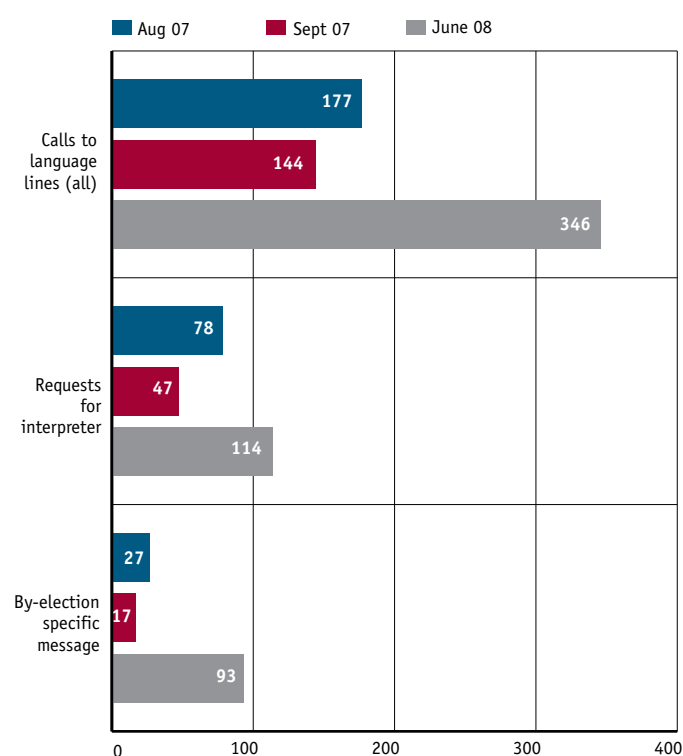
Reminders were sent to voters to ensure they were correctly enrolled and eligible to vote in the by-elections. Enrolment advertisements were placed in both of the major daily papers and the local papers within each electorate, and a letter was sent to all electors on the roll advising them of all voting options available to them.

Voters who were unable to vote on election day had the opportunity to vote early at their District election office or at the VEC's head office in Melbourne. Early voting offices were open during business hours for the two weeks of early voting, and for extended hours in the week prior to the by-elections. Postal vote applications were available from the VEC's website, by calling the VEC, or at post offices in the Districts.

Services to voters from non-English speaking backgrounds

Advertising in print media for all three by-elections included the 19 multi-lingual telephone enquiry service numbers that operate all year round. These were also included in the enrolment and voting information sent to householders/electors in each District. Introductory information about the by-elections was translated and recorded in each of these languages and callers could elect to use interpreter assistance via a three-way phone call with the Victorian Interpreting and Translating Service (VITS) and the VEC.

Figure 3: Use of multi-lingual telephone enquiry service in months coinciding with State by-elections in 2007-08



A leaflet with voting instructions in 24 languages (plus English) was available at each voting centre. In addition, 61 election staff, across 36 election day voting centres, spoke a language other than English and were on hand to assist where required (15 in Albert Park, 18 in Williamstown, 28 in Kororoit).

Services to voters with special needs

Prior to the scheduled review of the VEC's Disability Action Plan, the VEC extended a number of initiatives that had been in place at the 2006 State election, including:

- staff trained to assist voters with particular needs, e.g. seating, mobility, voting;
- chairs made available at voting centres for people with difficulties standing or queuing;

Our core business

- text telephone (TTY) hotline for communicating with voters with a hearing impairment;
- large pencils for use by voters with fine motor skill difficulties;
- magnifying sheets; and
- wheelchair-height voting booths.

During the Kororoit by-election, the VEC made special accessibility provisions for the St Albans early voting centre by installing a ramp two weeks prior to election day. Of the 10 voting centres in Kororoit, three were rated “Fully Wheelchair Accessible”, six were rated “Assisted Wheelchair Access” and one had no disability access.

The VEC could not locate any “Fully Wheelchair Accessible” venues available for lease at short notice in the Albert Park District. Ten of the eleven election day voting centres were rated “Assisted Wheelchair Access”. The VEC negotiated with the local council to organise a temporary, accessible car park bay in front of the Albert Park District election office.

Of the 15 election day voting centres in Williamstown District, two were “Fully Wheelchair Accessible”, seven were “Assisted Wheelchair Access” and the remainder had no wheelchair access. The rating of all voting centres for each by-election was advertised in press advertisements, on the voting leaflet sent to every elector and on the VEC’s website.

Candidate support

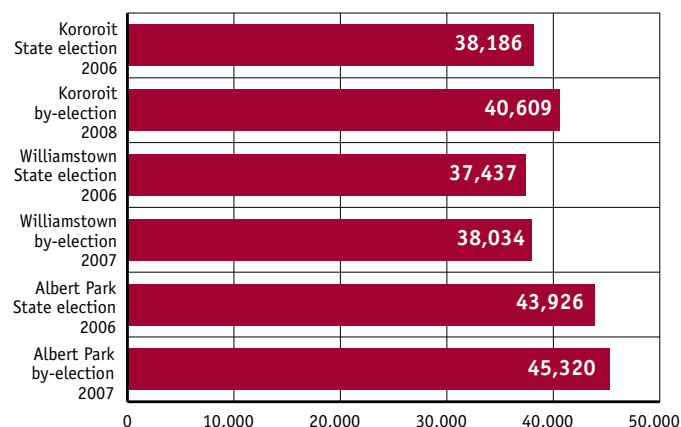
Candidate nomination forms for independent candidates were available from the Election Manager, the VEC’s website and by calling the VEC. Registered political party nominations were accepted through the VEC head office and party briefings were conducted by the VEC. Candidates were provided with a handbook explaining relevant aspects of electoral law and they received a “Candidates’ Kit” containing information, forms and fact sheets.

In accordance with section 33(6) of the *Electoral Act 2002*, candidates were provided with an electronic copy of the electoral roll for their district, for campaigning purposes, upon nominating and on request.

Enrolments

At the close of rolls in each district, there was an increase in the number of voters enrolled when compared with the 2006 State election (see Figure 11). The smaller increase in Albert Park and Williamstown Districts might be as a result of the short period between the State election and the by-elections, while the larger increase in Kororoit could be attributed to the longer period between the State election and the by-election, as well as enrolment activities leading up to the 2007 Federal election.

Figure 4: Comparison of number of electors enrolled at 2006 State election and 2007-08 State by-elections



Participation

A lower than expected participation rate and a higher than expected rate of informality occurred in Albert Park and Williamstown Districts. Analysis of the informal votes at the Albert Park and Williamstown by-elections revealed that around 65% of all informal votes appeared to have been deliberately informal. By comparison, at the 2006 State election, around 40% of the informal votes appeared to be deliberately informal.

The absence of Liberal Party candidates was the biggest single difference from the range of candidates at the 2006 State election. While a definitive explanation is not possible, the VEC considers it likely that this at least contributed to the higher proportion of deliberately informal votes. Comments written on ballot papers by voters support this assumption.

There were substantial numbers of accidental informal votes (as a result of a mistake rather than deliberately informal) and the VEC needs to maintain its efforts to inform voters how to vote correctly. However, analysis indicates that the phenomenon of “just voting 1” was not a serious problem at these by-elections. Analysis of participation and informality rates at the Kororoit District by-election will be carried out in 2008-09.



Election officials at the Kororoit by-election

Figure 5: Comparison of voter participation rates at 2006 State election and 2007-08 State by-elections

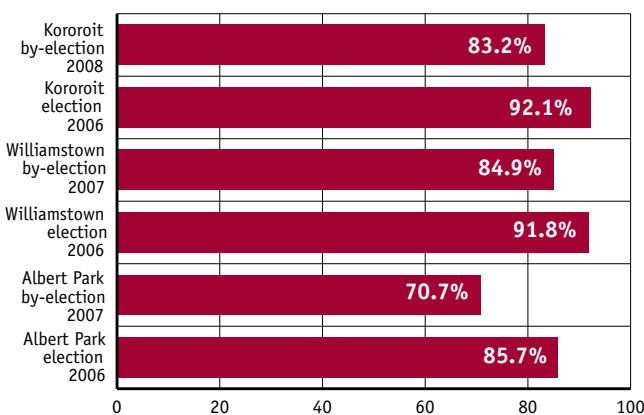
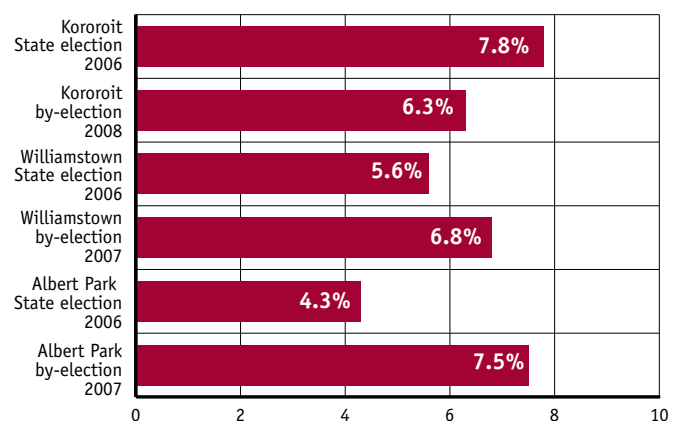


Figure 6: Comparison of informal voting rates at 2006 State election and 2007-08 State by-elections



Our core business

Local government elections

The principal legislation for the conduct of local government elections in Victoria is found in the *Local Government Act 1989*, and detailed provisions for the conduct of these elections are contained in the Local Government (Electoral) Regulations 2005.

The introduction of the *Local Government (Democratic) Reform Act 2003* aligned the timing of all 79 local government elections to coincide for the first time in November 2008, and every four years thereafter.

Unlike State elections, the VEC either tenders or quotes to conduct local government elections. Because of the nature of the process, a difficulty faced by the VEC in 2007-08 was having to plan and prepare to conduct elections for up to 79 councils without knowing the exact number that would ultimately engage the VEC.

The large amount of infrastructure, recruitment and training required to conduct these elections also presents a major challenge to the VEC, as does preparing to manage a large field of candidates with a wide range of skills and experience, all requiring assistance and support with the election process.

The VEC is satisfied that all planning and preparation for the November 2008 local government elections has been well executed, and will result in well-conducted elections for every municipality in Victoria. All commitments to date have been met, and projects are on schedule for delivery between July and December 2008.

All VEC branches have been involved in preparations for the forthcoming local government elections. To indicate the extent of the task, the following pages contain summaries of some of the many activities that have been carried out across the VEC.

Advertising and communication campaign

The VEC is concerned about levels of participation in elections. A lack of public awareness of the elections has been cited as one of the key reasons

for people failing to vote in local government elections in the past. The holding of elections in all 79 municipalities on the same day provides the first opportunity for the VEC to engage all Victorian electors in the council election process. Electors will benefit from a statewide information campaign. The VEC is optimistic that this awareness will translate into increased participation.

The VEC has planned an advertising campaign using statewide press, regional and metropolitan radio, as well as an advertising and communication campaign for each municipality at a local level, which will include all statutory notices.

Appointment and training of Returning Officers and Deputy Returning Officers

The VEC conducted an extensive recruitment drive in 2007 to ensure that sufficient senior election officials were available for appointment as Returning Officers and Deputy Returning Officers for up to 79 elections. A total of 85 new senior election officials were recruited as part of this program and completed four days of induction training in early 2008. The training covered general election management principles and an introduction to the VEC's enterprise software, the Election Management System.

The first round of training was completed in June 2008. By the time of the local government elections in November 2008, all 181 Returning Officers and Deputy Returning Officers will have completed a four or five day training program and 24 hours of home study.

Returning Officers will recruit and train Voting Centre Managers and staff. As far as is possible, applicants with appropriate language skills will be appointed to voting centres in the more linguistically diverse communities. The VEC will also actively encourage applicants with a disability to apply to work on election day where appropriate. The VEC has commenced production of training manuals, an advertising package and an online application form to support this initiative.

Ballot material production

Over 3.1 million ballot packs for up to 251 individual postal elections must be produced, assembled and delivered, along with the production and mailout of over 800,000 EasyVote cards for attendance elections, all within the legislative time frames. Considerable time has been spent enhancing the VEC's systems and streamlining processes to maximise the time available for printing, assembly and lodgement, and to minimise risk across these processes. The VEC will locate VEC personnel at each service provider's venue during the election period to help ensure the accuracy and quality of service products.

Candidate information

The VEC expects that up to 2,000 candidates will nominate for the November 2008 local government elections. The VEC has developed and commenced production of candidate information handbooks for both postal and attendance elections. Handbooks are also being produced for the Melbourne City Council elections.

Returning Officers and staff will provide information on the election process at candidate information sessions held by the MAV, and will conduct information sessions in municipalities.

Continuous improvement of the VEC's Election Management System

The VEC's election officials use the VEC's Election Management System (EMS), to support the conduct of State, local government and commercial elections. The VEC's computer count application is part of this system. Additional functionality and reporting facilities have been incorporated into this system to enhance the efficiency and transparency of the election process. Data from the EMS is uploaded directly onto the VEC's website, and extracted for ballot material products and advertisements. Full quality assurance of data contained in the EMS ensures the accuracy of products extracted from this system.

The VEC's Information Technology Branch had developed an ancillary election management software package, EMS Lite, to provide a more effective interface between hub election offices and satellite offices during the November 2008 local government election period.

Costing and responding to tenders

The VEC passes on marginal costs to councils. Costs that are not passed on to councils include core staff salaries and overheads such as head office accommodation and depreciation of assets. The VEC reviewed and updated its costing strategy in late 2007 and provided all councils with an estimated cost, with the final election plan, in December 2007.

A team of six staff responded to tenders and requests for quotations. As part of this process, the MAV advertised a joint tender for 49 councils. While it was more efficient for the VEC to respond to this joint tender as opposed to 49 individual tenders, the VEC team spent approximately 180 hours preparing that single response.

Council consultation

Over the past year, the VEC has been meeting and working with Victorian councils to create a comprehensive range of election services to meet councils' requirements, and address candidate's and voter's needs. The Municipal Association of Victoria (MAV) assisted with the hosting of these meetings.

In October 2007, the VEC conducted eight information sessions with 65 councils to outline the proposed service plan and to invite feedback. The final plan incorporating that feedback was distributed to councils in December 2007. The VEC also communicated with council revenue managers to discuss election arrangements, in particular those relating to roll preparation.

Our core business

Disability Action Plan

In line with the VEC's revised Disability Action Plan, products to assist voters will be provided at each voting centre during the forthcoming local government elections. These will include vests to identify election officials who can assist with enquiries, badges to identify election officials with special language skills, and accessibility tools such as large pencils, magnifiers, multi-language voting instructions and accessible voting screens.

Extensible Markup Language technology

The VEC has developed a process to extract data from the EMS into ballot paper or candidate statement templates using Extensible Markup Language (XML). This allows for faster production of print-ready artwork after the close of indications of preferences and group voting ticket registration, and reduces the need for manual intervention for ballot material production. Since quality assurance will occur during input to the EMS, no further checking should be required.

Help Desk

The VEC will establish a Help Desk for the November 2008 local government election period, to provide procedural and technical support to Returning Officers and staff. The VEC has commenced development of a procedural and technical information manual, which will be used by Help Desk staff.

How-to-vote card registration (attendance elections)

All how-to-vote cards distributed within 400 metres of an early voting centre, or election day voting centre at an attendance election, must be registered by the Returning Officer. The VEC has planned for an estimated 430 cards to be lodged for registration.

Information technology

Over 50 election offices (and 25 smaller, satellite offices with wireless networking and reduced infrastructure) must be established by 17 October 2008. These offices must be equipped with electronic equipment such as computers, telephones and fax machines. Working with the VEC's Election Services team, the Information Technology Branch has implemented an action plan to manage the setting up, imaging, testing and packing of 327 computers and 54 servers currently stored at the VEC's warehouse.

The IT Branch has developed a service plan to support the equipment in external offices as well as the EMS, the Roll Management System and the large number of website updates anticipated to occur over the November 2008 election period.

Integration of ballot paper scanning with computer counting

Investigation and development of a ballot paper scanning system that uses Intelligent Character Recognition software was undertaken during 2006-07 and 2007-08 (see Our clients, page 38).

Mapping and geocoding

Preparing maps for each municipality, and geocoding electors (matching electors to addresses within municipalities and wards) helps ensure that the election period runs smoothly for voters, councils and candidates. As a result of electoral representation reviews and subdivision reviews, many council structures have changed and ward boundaries have been adjusted since the last local government elections (see Appendix 5). The Electoral Enrolment Branch has prepared new maps for all 79 municipalities in a number of formats for use in both print and electronic media. New structures will come into effect at the time of the elections, and voters will be able to access accurate information about ward boundaries and structures. Geocoding also helps to ensure that voters receive accurate information and are advised of changes that affect them.

Office acquisition and operation

The VEC has commenced the leasing and establishment of election offices for the local government election period, which runs from late October to mid-December 2008. Some offices will be located in council premises; others in commercial premises sourced by the VEC. In country locations, cost efficiencies will be made by establishing hub facilities – offices where two or three councils will share telephone enquiry facilities, ballot material processing and the main computer infrastructure. Hubs will be responsible for providing a telephone enquiry service. Where councils share a hub facility, a smaller satellite office will be located within each municipality to assist candidates. The VEC will endeavour to secure premises that provide maximum accessibility to voters and candidates.

Online Candidate Helper

The VEC has developed an online application to support candidates with the nomination process (see Our clients, page 38).

Service provision contracts

The VEC works closely with service providers, including Australia Post, mail-house and printing contractors, in the provision of products and services to support the local government elections. Contracts are in place with each provider for the required election services.

Telephone enquiry services

The VEC has commenced development of information look-up tools which will be accessed by telephone enquiry staff at election offices in each municipality. Where election office telephone systems experience high call numbers, overflow calls will be taken by a specially trained team of operators at the VEC.

Voters roll

Extensive work has been carried out by the enrolment services team to ensure that the voters rolls are up-to-date with no errors, duplications or omissions. Voting entitlement for local government

elections differs from that in a State or Federal election. The enrolment register must be merged with the voters lists from councils, so that all eligible voters are included on the final voters roll for the election. The VEC has worked with all councils to ensure that the lists they will provide to the VEC are in the best possible form to ensure a successful merge once close of rolls occurs.

Voting centres

Voting centre locations have been identified and recommended to councils. In making the recommendation, the VEC considered centres used at previous State, Federal and local government elections and their geographical location. An audit of each voting centre will be conducted to ensure that accessibility is accurately described in voter information products.

Warehouse

The VEC must ensure that all workplaces are fully resourced and operational during the election period, and that all sites under short-term lease are decommissioned, and equipment collected and returned to storage at the end of the election.

Planning has commenced on the logistics of receiving and distributing resources from the warehouse to 54 election offices and 25 satellite offices around the State. Resources will also be dispatched to voting centres and computer count centres in the week before election day. All resources must be returned to the warehouse, disposed of, or sent for recycling, as soon as possible after the declaration of election results.

Website

A web plan has been developed to ensure that the VEC's website will feature accurate and accessible election information about each council. This information is updated regularly during each phase of the election cycle.

Our core business

Council by-elections and countbacks

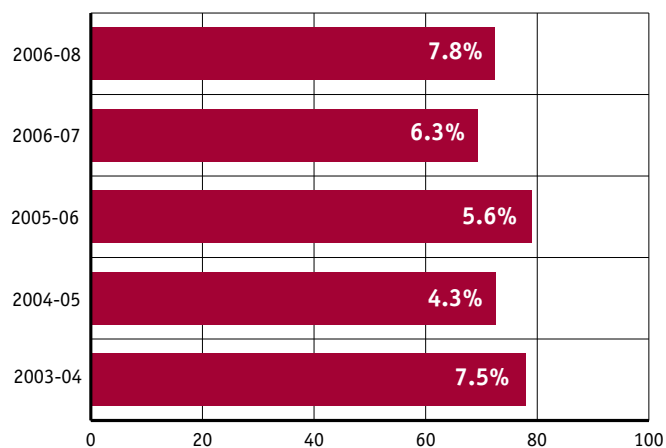
If, more than six months before a general council election, a councillor in a single-councillor ward resigns or can no longer hold office, an extraordinary vacancy arises, and a by-election is conducted. If this occurs in a multi-councillor ward, and there were unsuccessful candidates at the general election, a countback is conducted. Where there were no unsuccessful candidates, a by-election is conducted.

Where the original election result was determined by a manual proportional representation vote count, the countback is conducted manually. Where the original election result was determined by a computerised proportional representation vote count, the countback is conducted by computer.

Over the past 12 months, the VEC has conducted nine by-elections and two countbacks to fill 12 extraordinary vacancies arising in councils. This figure is higher than the expected target of six by-elections and/or countbacks, partly due to the unusual occurrence of the dismissal of three councillors from Colac Otway Shire.

All council by-elections and countbacks were conducted in accordance with legislative requirements. The VEC believes that it has achieved its target to provide value for money election services. The average cost per voter for a postal by-election was \$4.69. For the attendance by-election, the cost per voter was \$11.89. (Note: Costs do not include any compulsory voting services a council may have appointed the VEC to undertake on its behalf. See Our voters, page 27.)

Figure 7: Average participation rates at council by-elections, 2003-04 to 2007-08



Statutory and fee-for-service elections

Under Victorian legislation the VEC is required to conduct certain elections and polls.

Statutory elections include those for boards of management of community health centres under the *Health Services Act 1988* and Liquor Licensing Polls under the *Liquor Control Reform Act 1998*. Depending on the legislation, these elections and polls may be partly or wholly funded by the VEC.

Elections and polls for organisations such as superannuation funds, credit unions and universities are conducted on a full cost-recovery basis. In addition, the VEC conducts other fee-for-service and non-statutory elections that meet certain criteria, including the number of voters, the existence of formal election rules and election timing.

The VEC conducted four statutory polls, two statutory by-elections, five commercial elections, and one commercial poll during 2007-08.

Figure 8: Council by-elections and countbacks 2007-08

Council	Ward/riding	Type	Number on roll	Participation
Boroondara	Cotham	Postal	12,244	69.09%
Maribyrnong	Stony Creek	Attendance	6,542	62.01%
Mornington Peninsula	Truemans	Postal	11,750	66.37%
Colac Otway (2 vacancies)	Colac	Countback	NA	NA
Colac Otway	Otway	Postal	5,639	70.40%
Pyrenees	Warrenmang	Postal	1,423	73.51%
Ballarat	Alfredton	Postal	7,557	75.45%
Ballarat	Learmonth	Postal	7,905	77.32%
Greater Geelong	Deakin	Postal	14,491	77.64%
Central Goldfields	Maryborough	Postal	12,244	79.01%
Glen Eira	Tucker	Countback	NA	NA

Figure 9: Statutory elections and polls

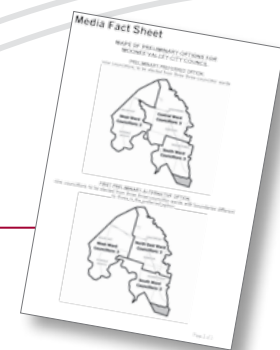
Election	Election Type	Voting Method	Vacancies	Voters	Candidates	Count Method
Dry Area Poll 231 Whitehorse Rd, Balwyn (Palace Cinema)	Poll	Postal	NA	1,693	NA	Yes/No
Dry Area Poll - 45-51 Banool Rd, Balwyn (The Concierge)	Poll	Postal	NA	1,883	NA	Yes/No
Dry Area Poll 170 Belmore Rd, Balwyn (Indian Chimes)	Poll	Postal	NA	1,557	NA	Yes/No
Murray Valley Citrus Poll	Poll	Postal	NA	442	NA	Yes/No
Ranges Community Health Service	By-election	Postal	2	175	2	Uncontested
North Richmond Community Health Service	By-election					Did not proceed

Figure 10: Fee-for-service elections and polls

Election	Type	Voting Method	Vacancies	Voters	Candidates	Count Method
University of Melbourne Post-Graduate Association	Election	Postal	1	13,000	5	Preferential
University of Melbourne Post-Graduate Association	Election	Postal	17	13,000	17	Uncontested
Police Association Credit Cooperative	Election	Postal	2	66,680	4	First-past-the-post
Emergency Services Superannuation Board	Election	Postal	6	35,755	13	Preferential
Victoria Police Workplace agreement	Poll	Postal	NA	11,000	NA	Yes/No
Victorian Canine Association	Election	Postal	3	10,000	4	Proportional representation

Representation reviews

Case Study – City of Moonee Valley



1 19 March 2007

The Minister for Local Government announces that a review of the City of Moonee Valley will take place. The notice appears in the *Victoria Government Gazette*.

2 3 December 2007

The Moonee Valley City Council appoints the VEC to conduct the review.

At this stage, Moonee Valley City Council consists of seven councillors elected from seven single-councillor wards.

3 29 January 2008

A general advertisement covering several electoral representation reviews, including the City of Moonee Valley review, appears in the *Melbourne Herald Sun* and *The Age*.

4 4 February 2008

A public notice of the representation review appears in the *Moonee Valley Leader*, and the *Moonee Valley Community News*.

An information leaflet is made available at key locations in the City of Moonee Valley.

Media releases regarding the City of Moonee Valley review are distributed to the *Moonee Valley Leader* and the *Moonee Valley Community News*.

5 21 February 2008

Moonee Valley Civic Centre, to outline the review process and to respond to questions from members of the public.

The VEC releases a *Guide for Submissions*. The guide outlines the review process and calls for preliminary submissions.

The VEC begins posting preliminary submissions on its website. This supports an open and transparent process and increases public awareness of the review.

6 3 March 2008

Close of preliminary submissions. The VEC receives a total of 15 preliminary submissions.

(A further 2 submissions are received late and cannot be considered)



12 12 June 2008

The Minister for Local Government adopts the VEC's recommendation. The new arrangements will apply at the next City of Moonee Valley Council elections.

11 19 May 2008

The VEC releases its *Final Report*.

The Final Report recommends that the Moonee Valley City Council consist of nine councillors to be elected from three three-councillor wards. In light of information provided in public submissions, the VEC adopts the ward boundaries suggested in its preliminary preferred option.

Media releases regarding the *Final Report* are distributed to the *Moonee Valley Leader* and the *Moonee Valley Community News*.

10 1 May 2008

The VEC conducts a public hearing at the Moonee Valley Civic Centre to provide those people who requested to speak in support of their response submissions, with an opportunity to do so. The hearing is open to the public and 20 people (10 of whom choose to speak) attend.

9 22 April 2008

Close of response submissions.
The VEC receives 199 response submissions (including 182 form letters).

8 31 March 2008

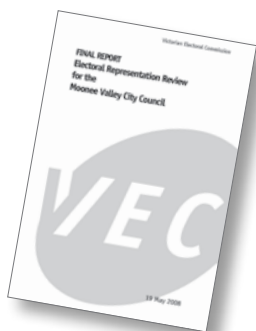
A notice of the *Preliminary Report* appears in the *Moonee Valley Leader*, and the *Moonee Valley Community News*.
Media releases regarding the *Preliminary Report* are distributed to the *Moonee Valley Leader* and the *Moonee Valley Community News*

7 31 March 2008

The VEC releases its *Preliminary Report*. The report is available at the City of Moonee Valley Council offices, at the VEC offices and on the VEC's website.

The Report contains four options for the City of Moonee Valley.

- Preferred option: nine councillors to be elected from three-three councillor wards
- Alternative option 1: nine councillors to be elected from three three-councillor wards (with different boundaries)
- Alternative option 2: seven councillors to be elected from one three-councillor ward and two two-councillor wards
- Alternative option 3: seven councillors, to be elected from seven single-councillor wards



Our core business

Electoral redivisions, State government

The VEC is required to provide administrative and technical services to the Electoral Boundaries Commission. *The Report of the Electoral Boundaries Commission 2007-08* can be found on page 114 of this annual report.

Electoral divisions, local government

Representation reviews

The *Local Government Act 1989* specifies that before every second council election, each council must undergo a representation review.

Within each municipality (except the City of Melbourne), the number of voters represented by each councillor in each ward must be within 10% of the average number of voters per councillor for the municipality. That way, each person's vote has the same value. Comparable municipalities, communities of interest, demographics, growth potential and input from the public are considered by the reviewer, and a recommendation is made to the Minister for Local Government. The recommendation addresses the number of councillors, whether a council should be divided into wards, ward boundaries and the number of councillors per ward.

A total of 31 representation reviews were completed, with the last of the final reports delivered to the Minister on 26 May 2008. All representation reviews were conducted according to legislation and within scheduled timelines. Reports from all representation reviews are available from the VEC. All electoral structures approved by the Minister during the 2007-08 representation reviews will come into effect at the November 2008 local government elections.

Subdivision reviews

Under the *Local Government Act 1989*, a subdivision review may be required to ensure the number of electors represented by each councillor is within 10% of the average number of electors represented by all councillors (compliance may be determined by reference to the number of electors at the time of the review or the projected number electors as at the entitlement date for the next general election). The VEC, as required under the legislation, provided the Minister for Local Government with a list of councils it considered may require a subdivision review before the forthcoming local government elections.

In January 2007, the Minister advised the VEC that electoral subdivision reviews should be conducted for eight municipalities. When the enrolment predictions were recalculated in early 2008, it became apparent that, in two of those municipalities, no wards were likely to exceed the 10% limit at the 2008 elections. Consequently, the VEC considered that no boundary changes would be necessary for these two municipalities and published a report to that effect, without calling for public feedback.

Subdivision reviews were conducted in the remaining six municipalities between March 2008 and May 2008 as the VEC believed that the most accurate results would be achieved by conducting the reviews as close as possible to the November 2008 elections.

All subdivision reviews were conducted according to legislation and within scheduled timelines. Reports from all subdivision reviews are available from the VEC. All of the VEC's final recommendations for subdivision reviews were accepted by the Minister for Local Government by 30 June 2008.

The VEC will provide a comprehensive report on the conduct of the electoral representation reviews and subdivision reviews. The report will address the principles and practice for both types of reviews. Details of the electoral structures of all councils reviewed in 2007-08 can be found in Appendix 5.

Services to other electoral agencies

As part of its core business responsibilities, the VEC provides services to other electoral agencies in Australian states and territories, and to the Australian Electoral Commission.

Figure 11: Services provided to other electoral agencies

Dates	Agency	Election
28 July 2007	Northern Territory Electoral Office	Greatorrex by-election
13 October 2007	Electoral Commission Queensland	Brisbane Central by-election
23 February 2008	Western Australian Electoral Commission	Murdoch by-election
3 May 2008	Tasmanian Electoral Commission	Legislative Council elections (divisions of Huon and Rosevears)

The VEC releases staff on secondment to electoral agencies around Australia to provide assistance and expertise at federal, state and territory electoral events.

Figure 12: Staff secondments to other Australian electoral agencies, 2007-08

Dates	Agency	Election	Number of staff
October to November 2007	Australian Electoral Commission	Federal election 2007	1
October to November 2007	Australian Electoral Commission	Tasmanian local government elections	5
March 2008	Northern Territory Electoral Office	Northern Territory local government elections	1
June 2008	New South Wales Electoral Commission	New South Wales local government elections	1

Our core business

Research

The VEC places considerable importance on identifying low participation groups, researching ways of providing information about electoral matters to these groups and more generally to Victorians of all ages and backgrounds. Developing education and information programs designed to inform and engage specific groups, as well as the broader community is an important part of achieving this aim. Increased accessibility to enrolment and voting is also an important focus.

During 2007-08, to coordinate and maximise the benefit of its research activities, the VEC developed and commenced implementation of a research policy. Under this policy, research should comply with at least one of the following principles:

- it must take into account the general public interest;
- it should lead to the achievement of the corporate objectives;
- it should contribute to fair and equitable representation; or
- it should build the VEC's research capability.

The VEC conducted several research projects over the year. In November 2007, the VEC facilitated informal focus groups of people under 30, people over 30 and Somali Australians to test attitudes to the ballot pack used in postal council elections. The results of this research have been taken into account in the design of the ballot packs for the November 2008 local government elections.

Early in 2008, the VEC (with the assistance of academics at the University of Melbourne) used the data entered into the EMS at the time of the election to research "below-the-line" votes at the 2006 State election, analysing their incidence by party and region, the mistakes that voters made, the degree to which voters kept within party groups and to ballot paper order when completing their ballot papers, and the number of boxes they

completed. The VEC's paper on the "below-the-line" vote research was submitted to Parliament's Electoral Matters Committee, and prompted considerable interest.

The VEC has engaged market research companies to work on two large projects – the first looking at possible barriers to enrolment and voting for Victorians with a disability, and the second examining similar issues for the Chinese and Vietnamese communities. This research will be completed in 2008-09. Data from the research will assist with the VEC's efforts to maximise effective participation by these groups at future elections.

Education and community engagement

The VEC's community engagement and education work focuses on groups that have been identified as less likely to participate in the electoral process. These include:

- young people, aged 18 – 25 years;
- culturally and linguistically diverse (CALD) communities;
- people with disabilities;
- Indigenous Victorians; and
- people experiencing homelessness.

The VEC recognises that these groups are not homogeneous or exclusive, and that there may be a degree of crossover between them. To maximise the impact, different approaches are taken and information is tailored to suit individual audiences.

A key element of the VEC's approach to education and community engagement is community consultation to ensure that the VEC's programs take into account the different needs of each group. This involves describing the mechanics of an election, and relating democracy to everyday lives and issues.

Due to the diversity within the Victorian community, the VEC has made efforts to identify groups with low participation rates who need or want education about electoral matters. In the past 12 months, the VEC has focused on developing an education plan that will address recognised needs, identify potential target groups and determine the best methods of providing electoral education to specific groups within Victoria's diverse community. The following are summaries of the work in some of these focus areas.

Electoral education in schools

The enrolment rate of 18 – 25 year olds increased slightly from 82% to 82.68% in 2007-08. However this figure indicates that at any point in time nearly one in five eligible young Victorians are not enrolled to vote. The VEC believes that demonstrating the importance of democratic participation to young people will have an impact for the rest of their lives, as well as an impact on their parents, friends and community.

On request, the VEC took the voting experience to a number of schools (secondary, primary and special needs), ran student elections, and demonstrated the voting and vote counting processes. School voting events were well received and requests for follow-up events have been registered with the VEC's education officer.

A new education program, "Passport to Democracy", a short course aimed at motivating students to participate in democratic processes, was developed and piloted in two schools during 2007-08. The program incorporates three essential learning components which have been identified in research as critical to encouraging young people to vote at elections. These are:

- motivation to vote;
- being informed about the democratic system; and
- knowing how to vote.

Positive and valuable feedback was received from both students and teachers, and follow-up work has included curriculum mapping to Victorian Essential Learning Standards, with clear objectives for each of the major activities and cross-curricular links to assist with the take-up of the program by schools.

Parliament House Open Day

The VEC took part in Parliament House Open Day in September 2007, setting up an information stand with a mobile elector look-up facility and on-the-spot enrolment. The electronic education resources *Reggie and Dessie's fantastic voting adventure* and *A virtual voting experience in 19 languages* were available for use on three laptops. Children visiting the VEC's stand were invited to vote for their favourite animal and participate in three preferential vote counts during the day. Results were displayed on an electronic tally board. An estimated 4,000 people completed the Open Day tour, and over 570 votes were cast on the day. The VEC considers that this day was valuable in demonstrating to participants how to fill out a ballot paper formally and in demonstrating what voting means.



VEC education resources were available on Parliament House Open Day.

Our core business

Indigenous communities programs

The VEC's work with Indigenous communities included providing personnel, in conjunction with the Australian Electoral Commission (AEC), for a stall at the *Reconciliate 08 – Dreaming Together* celebration in May 2008.

The VEC's Indigenous officer contacted Indigenous communities to establish relationships and provided electoral information and assistance with enrolment and voting. This officer was seconded to the AEC during the 2007 Federal election period to assist with its Indigenous program.

Electoral Council of Australia

The Electoral Council of Australia (ECA) is a consultative forum with membership comprising Commonwealth, State and Territory electoral commissioners. It met four times in 2007-08. The ECA considers best practice and innovations in activities such as the maintenance of electoral rolls, the operation of new electoral legislation and the management of elections. During 2007-08, the ECA undertook projects and consulted on a range of issues including:

- the activity relating to updating the national electoral roll in preparation for the 2007 Federal election;
- the use of new technology at voting centres to assist voting;
- the development by the Australian Electoral Commission (AEC) of a new computer system for the maintenance of the joint rolls;
- participation trends in enrolment and voting; and
- training requirements for casual electoral officials.

The main focus, which commenced in 2007-08 and will continue into 2008-09, was related to the Federal Government's commitment, in March 2008, to a program aimed at harmonising electoral processes in Australia.

Electoral Matters Committee

The VEC has an interest in the work of the Electoral Matters Committee (EMC), a Joint Investigatory Committee of the Parliament of Victoria. The EMC comprises seven Members of Parliament drawn from both Houses.

The powers and responsibilities of the EMC are determined by the *Parliamentary Committees Act 2003*. The functions of the EMC, as defined by section 9A, are, if so required or permitted under this Act, to inquire into, consider and report to the Parliament on any proposal, matter or thing concerned with:

- (a) the conduct of parliamentary elections and referendums in Victoria;
- (b) the conduct of elections of Councillors under the *Local Government Act 1989*; and
- (c) the administration of, or practices associated with, the *Electoral Act 2002* and any other law relating to electoral matters.

The EMC makes recommendations, and does not have legislative or regulatory powers. It is the Minister's responsibility to address the Committee's recommendations or findings.

The VEC responded to an EMC inquiry relating to voter participation and informal voting, and made a number of supplementary submissions relating to the EMC inquiry into the conduct of the 2006 State election.

The VEC did not make a submission to the EMC's inquiry into political donations. Because of its very limited role in this field, the VEC considered it could not provide significant input in relation to the inquiry.

In 2008-09, the VEC will respond to issues raised in a report on the inquiry into the conduct of the 2006 State election tabled by the EMC in June 2008, and contribute to EMC inquiries, providing submissions and responses as appropriate.

Register of political parties

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

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

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

- the right to have the party's name on ballot papers;
- access to enrolment and voter information on a periodic basis; and
- public funding for parties that attain a specified level of first preference votes.

The VEC's activities in 2007-08 fell into two main areas: reviewing the eligibility of registered parties, and processing applications to change the register. The VEC completed a required review of the registration of those parties that had failed to obtain an average of 4% of first-preference votes across the electorates contested by the party at the 2006 State election. The registration of the Citizens Electoral Council, Socialist Alliance and Australian Democrats was confirmed.

Following the Albert Park District and Williamstown District by-elections in September 2007, the VEC was obliged to review the registration of the Democratic Labor Party, which had obtained an average of 2.16% of the first preference votes across the two districts. Given that the party had recently passed an audit of its membership, the Electoral Commissioner was satisfied by a statutory declaration by the party's registered officer that its membership had not decreased. The party's registration was confirmed on 17 October 2007.

Two parties – Family First and the Liberal Party – changed their registered officer during 2007-08.

Registered political parties will be required to apply for re-registration between 27 August 2008 and 27 October 2008. The VEC will audit party memberships as part of its processing of the applications for re-registration. The VEC will review the registration of the Citizens Electoral Council as a consequence of the Kororoit by-election, which was held on 28 June 2008.

See Appendix 6 for the details of registered political parties and their registered officers as at 30 June 2008.

New and proposed legislation

Changes to existing legislation or new legislation proposed or considered by Parliament may have an impact on the VEC's operations. The VEC is consulted on the administrative implications of proposed changes to electoral laws. The VEC also proposes recommendations to improve the administrative provisions of electoral legislation.

When new legislation is passed, the VEC must ensure that the necessary changes are made to its operations, policy and practices to accurately reflect the laws.

The VEC has responded in a timely manner to all requests from other agencies for information regarding electoral legislation. The VEC responded to relevant matters included in *Better Local Governance Consultation*, a paper released by Local Government Victoria in November 2007. The paper included a number of proposals for administrative amendments to the *Local Government Act 1989*. A number of the proposed administrative changes in the consultation paper were put forward by the VEC following the 2005 local government elections. The VEC has provided information on request to the Minister for Local Government regarding the administrative implications of proposals under consideration.

Our core business

The VEC was also consulted by the Department of Human Services in regard to elements of the *Health Services Amendment Bill 2008* relating to the conduct of Community Health Centre Board of Management elections.

The majority of the administrative amendments recommended by the VEC during 2007-08 in relation to electoral legislation have been subsequently adopted by Parliament.

Following the conduct of elections in 2008-09, the VEC will make recommendations for legislative change to the relevant agencies where it believes that amendments will improve the administration of these elections.

Disclosure of donations to political parties

Section 216 of the *Electoral Act 2002* (the Act) prohibits gaming institutions covered by the *Casino Control Act 1991* or the *Gambling Regulations Act 2003* from making donations in excess of \$50,000 to a political party during a financial year. If a donation of more than \$50,000 is made, the amount above \$50,000 is forfeited to the State.

To ensure that this provision is observed, section 222 of the Act requires registered political parties to give the VEC copies of the disclosure documents that the parties provide to the Australian Electoral Commission (AEC) by 20 October each year. The documents relate to the preceding financial year.

Following a reminder by the VEC, parties that were registered at the Commonwealth level provided copies of the disclosure documents. The documents revealed that in 2006-2007 there were no donations in excess of \$50,000 made by gaming institutions to registered political parties.

Outlook, 2008-09

- In November 2008, the VEC will conduct up to 299 elections in 79 councils, to fill up to 631 vacancies. A total of 104 computer counts will take place in 46 councils. Evaluation and analysis of the conduct of the elections will take place early in 2009, with results and findings informing decisions about future elections.
- The VEC expects that all results will be declared within five days of election day. An individual report on each election will be prepared for councils. A report on the conduct of the local government elections will be prepared for the Minister for Local Government.
- The VEC will ensure that risk management plans are in place so that it has the capability and capacity to conduct elections and polls as required.
- The VEC will continue to capitalise on public events such as Parliament House Open Day and will aim to have a strong presence at educational events to promote its activities to all schools.
- The VEC will package the "Passport to Democracy" program as an easy-to-use product for teachers and VEC educators, and an inspirational audio-visual product will be developed to strengthen the program. The VEC will engage a small number of educators to work with teachers in schools and professional development opportunities for teachers will be considered. The VEC will continue to explore options for school-based electoral education.
- The VEC will also be focusing on developing programs that effectively target young people in the 18-25 age group. A range of strategies will be investigated, including opportunities for using electronic media, such as the internet.
- As part of the VEC's community engagement program, the VEC will attend community and education events, and develop and deliver educational materials or information to assist groups within the Victorian community who are identified as experiencing difficulties with participation in the democratic process.

Ballot Paper

YOUR LOCAL COUNCIL

Your Ward

Election of 2 Councillors

Number the boxes 1 to 4
in the order of your choice.
Number every box to make your vote count
You must not use any number more than once.

3	ALEX
1	NICK
2	KIM
4	MARY



Our voters

The VEC aims to make it as easy as possible for Victorians to participate in democracy. Maintaining an accurate and secure enrolment register assists with increasing Victorian's belief in the integrity of the electoral process and is an important part of increasing the motivation to vote.

Well-planned electoral education based on targeted research increases understanding of, and confidence in the democratic process. During 2007-08, the VEC has worked to identify the barriers to full participation and has developed enrolment, communication and education initiatives aimed at overcoming these barriers.

Objectives

- Increase new and maintain existing enrolments
- Increase voter participation

In this section

Continuous Roll Update

Enrolment register

Mapping services

Participation

Enrolment

Voter turn-out

Access to voting services

Informality

Enforcement of compulsory voting

Outlook, 2008-09

Continuous Roll Update

Continuous Roll Update (CRU) comprises a range of strategic programs that assist the VEC to maintain an accurate enrolment register. Electors targeted through data matching initiatives with the Residential Tenancies Bond Authority, Victorian Tertiary Admissions Centre and VicRoads are sent enrolment forms as they register a change of address. Data supplied by the Victorian Curriculum and Assessment Authority (VCAA) enables the VEC to send a birthday card with enrolment form to Victorians in the education system as they turn 17 years of age (Victorians are eligible to enrol at 17 but cannot vote until they are 18). According to VEC tracking of enrolments, 29% percent of 17 year olds who enrolled in 2007-08, did so as a result of VEC initiatives.

Enrolment forms are available year round on the VEC's website, at local council offices, Coles supermarkets, Australia Post offices, Centrelink and Australian Electoral Commission divisional offices.

In 2007-08, additional resources were provided by the VEC to support the ongoing arrangement to supply VEC enrolment forms at Coles supermarkets. A new confidentially agreement was negotiated between VicRoads and the VEC. A total of 408,664 service provider records and 61,004 VCAA records were processed for the year. After data matching and exclusions, 132,889 enrolment applications were sent to potential electors.

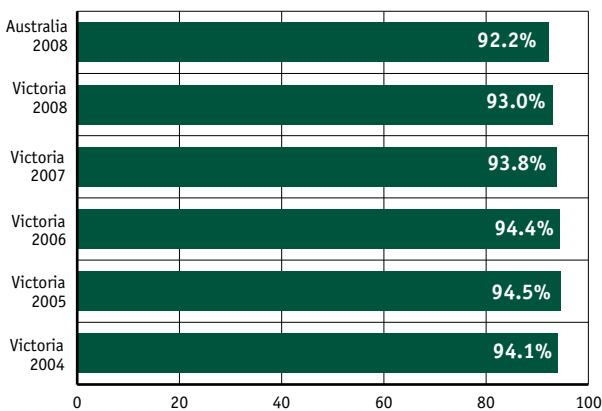
A total of 29,539 returns were received and processed as a result of the VEC mailout activities during 2007-08 (22,437 completed applications, 2,799 unclaimed, 1,961 non-citizen advices and 2,342 others). The VEC regards this 16.9% return of completed enrolment applications to be satisfactory, but feels that it will need to investigate alternative activities that will contribute to CRU. These may include short messaging service and other technology-based activities.

A table showing the total enrolment transactions for 2007-08 is included as Appendix 9.

Enrolment Register

The VEC is entrusted with the maintenance and security of the Enrolment Register - a valuable resource for democracy in Victoria, and arguably the most important resource in the VEC's care.

Figure 13: Percentage of eligible electors enrolled in Victoria at 30 June



Mapping services

Geocoding of voters was completed for councils undergoing representation reviews and subdivision reviews. Boundary models, maps for preliminary and final reports and for the Central Planning Office were prepared for the 31 councils undergoing representation reviews. Subdivision review reports and maps were prepared for eight councils undergoing subdivision reviews. As a result of the new council electoral structures adopted after the 2007-08 electoral representation reviews and subdivision reviews, the VEC recoded addresses on the enrolment register according to new local government boundaries.

Development commenced on a specification plan detailing the business requirements for integrating spatial technology within the Enrolment Register. Programs were enhanced to automate repetitive functions and the VEC's Electoral Boundary Modelling System was also improved.

A plan for uploading Delivery Point Identifiers provided by the Australian Electoral Commission (AEC) to addresses on the Enrolment Register will be developed during 2008-09.

Privacy of enrolment information

The register of Victorian electors contains personal enrolment information, including name, address, date of birth and gender. The confidence of electors in the privacy and integrity of the register is essential as it creates an environment conducive to eligible Victorians registering and updating their enrolment, and maintains public confidence in the electoral system more generally. Protecting the privacy of electors' personal enrolment information is, therefore, of fundamental importance to the VEC and information is only disclosed according to legislation.

During 2007-08, VEC staff members were reminded of their privacy and confidentiality responsibilities through office communications, bulletins and in a privacy awareness training session presented by a privacy specialist during a staff meeting. New staff signed confidentiality agreements and received relevant information during their induction training. The VEC privacy awareness officer attended privacy network meetings on a regular basis and relevant information was disseminated to staff.

Mandatory provision of enrolment information

The *Electoral Act 2002* stipulates that specified enrolment information must be made available to individuals and organisations, as follows:

- The list of Victorian electors (names and addresses only) must be made available for public inspection at the offices of the VEC and updated every six months. Information can only be searched by name.
- The latest print of any electoral roll produced for an election (which contains name and address details only) must be made available for public inspection, free of charge, at locations and during times determined by the VEC.

Our voters

- Under section 33 of the *Electoral Act 2002*, enrolment information, excluding silent electors, must be provided to registered political parties, Members of Parliament and election candidates. This information must only be used for election-related purposes. Members of Parliament may also use this information to exercise their functions on behalf of their constituents. Severe penalties apply if this information is misused.
- Under section 19 of the *Juries Act 2000*, enrolment information must be provided to the Juries Commission to enable people to be called up for jury duty.
- Under section 21 of the *Local Government Act 1989*, enrolment information must be provided to municipal councils for elections, and to candidates for campaigning purposes.

Discretionary provision of enrolment information

Under section 34 of the *Electoral Act 2002*, the VEC has the discretion to release enrolment information to other individuals or organisations under exceptional circumstances. Before any information can be released, the VEC must consult with the Victorian Privacy Commissioner and determine that the public interest in providing the requested information outweighs the public interest in protecting the privacy of that information.

During 2007-08, the VEC received nine requests for access to enrolment information from individuals or organisations, and enrolment information was accessed 1,995 times by Victoria Police through a secure online look-up facility established in 2005-06.

The VEC provides enrolment information, under section 34 of the *Electoral Act 2002*, on an ad-hoc or regular basis to the following organisations:

- BreastScreen Victoria;
- The Cancer Council Victoria;
- State Revenue Office;

- Victorian Department of Human Services, Adoptions Information Services approved under the *Adoptions Act 1984* (Centacare, Uniting Care Connections and Anglicare Western);
- VANISH;
- Victoria Police; and
- Victorian Registry of Births, Deaths and Marriages.

Strict conditions apply to the provision of information and severe penalties are enforced in cases of non-compliance or misuse of enrolment information. As a result of consultation with the Victorian Privacy Commissioner, the VEC modified the agreement template it uses when granting access to enrolment information under section 34 of the *Electoral Act 2002* to strengthen data security and destruction conditions, and privacy training requirements imposed on organisations that are granted access to enrolment information. The VEC also modified the conditions and requirements relating to the granting of access to enrolment information to ensure data security provisions and reporting requirements are clearly identified in agreements.

Figure 14: Enrolment information applications received, 2007-08

Applicant	Request	Status
Victorian Community Wound Study (Monash University)	Information of people aged 65 years and over was requested so that a random population sample could be contacted for medical research.	The VEC is satisfied that the grant of access would act to lessen or prevent a serious threat to public health or welfare in Victoria.
Cancer Epidemiology Centre - The Cancer Council Victoria	Information of people whose date of birth is within the range of the current participants in the Melbourne Collaborative Cohort Study for cross-matching so that participants can be provided with information of research findings that may be relevant to their health.	The VEC is satisfied that grant of access would act to lessen or prevent a serious threat to public health or welfare in Victoria.
Acxiom	Complete electoral information details for commercial purposes.	Refused. Electoral information cannot be provided for any commercial purpose.
Papscreen Victoria - The Cancer Council Victoria and the Victorian Cytology Service Incorporated	Name, address and date of birth information of women aged 30 to 39 for cross matching to determine the appropriate recipients of a mailed invitation to have a pap test in the immediate future.	The decision is pending at the time of this report.
Prostate Program Cancer Council Victoria	Name, address, date of birth and gender data for follow-up of participants in prostate cancer program.	Did not proceed.
Cardinia Shire Council Youth Services	Details of a randomised sample of voters' aged 18-25 years for the purposes of sending a survey of young people in order for council to plan for current and future needs.	Did not proceed.
Office of State Revenue, NSW Treasury	Complete electoral information details for purposes of land tax liability checks and first home buyer grant eligibility checks.	Did not proceed.
Individual requests	The VEC received requests from two individuals for name and address details of voters enrolled in a local government area.	These requests were both refused because they did not meet the legislated criteria.

Participation

The VEC uses three measures to determine participation in the electoral system:

- enrolment: the degree to which those who are eligible enrol to vote;
- turn-out: the degree to which those who are enrolled vote in elections; and
- informal voting: the degree to which those who vote cast an informal vote.

When combined, these measures indicate participation in the electoral system. However, the factors affecting each of these measures vary, as do the ways to improve participation rates.

As seen in Figure 35, voter turnout has declined at each of the last four State elections. At the same time, the informal voting rate has increased at each of the last three elections, with a spike in 2006 to almost twice its 1996 level. (Significant changes to voting for the Legislative Council were introduced at that election.) This is generally reflective of national (and worldwide) trends, and figures from the last 10 elections indicate a clear pattern of declining turnout in Victoria. The VEC maintains its stance that an increase in effective participation is an ongoing objective that directs research and education strategies.

The VEC is committed to providing electoral education, and assistance with voting information, to low participation groups, and to community groups who contact the VEC requesting assistance. The VEC's range of communication products and Easy English publications are continually reviewed to ensure they contain relevant and clear information.

Figure 15: Voter turnout and informal voting rates for comparative elections

Year	Voter turnout (%)	% Change	Informality rate (%)	% Change
1992	95.13	-	3.81	-
1996	94.08	-1.05	2.3	-1.51
1999	93.23	-0.85	3.02	0.72
2002	93.16	-0.07	3.42	0.40
2006	92.73	-0.43	4.56	1.14

Enrolment

The number of Victorians enrolled to vote increased by 1.8% to 3,466,557 in 2007-08.

The VEC considers it very important to facilitate participation in the democratic process by all Victorians. The identification of low participation groups must be followed by engagement through representatives, community activities, clubs and the relevant media. Whilst a great deal of planning and community relationship building was carried out, the long-term nature of the work meant that the VEC made little ground on the practical aspect of research and education strategies in relation to low participation groups in 2007-08. Although preliminary steps have been taken, there is still a good deal to be done.

In 2007-08, the departure from the organisation of the education officer, and the communications officer responsible for community engagement reduced the VEC's capacity to work effectively with target communities. This has been addressed by the recruitment of a new education officer who commenced in early 2008, and a community engagement officer who will commence early in 2008-09.

During 2007-08, the VEC made connections with various groups who assisted with research, and developed a research plan which will assist the VEC to identify barriers faced by low participation groups with the aim of increasing their participation rate (see *Our core business*, page 7). A number of other related activities are summarised below.

Indigenous Victorians

The composition of the Indigenous population in Victoria is a collection of many and various clans. The cultures are such that each clan could be considered as having a unique identity and what works for one should not be considered to be automatically appropriate for another. In 2006, the VEC employed a communication officer with Indigenous heritage. A key aspect of the officer's role was the establishment and development of networks with Indigenous communities in Victoria.

In the first half of 2007-08, this officer spent considerable time making contact with groups around Victoria with the aim of establishing networks that can be utilised to provide two-way communication relating to the electoral education needs of Indigenous Victorians.

People with specific needs

During 2007-08, the VEC continued to build and strengthen relationships with culturally and linguistically diverse communities, developing a partnership with the Ethnic Communities Council of Victoria. The VEC also extended its relationship with SCOPE (a not-for-profit organisation committed to overcoming the personal, structural and attitudinal barriers that prevent those with disability from participating in community life) who provided advice about providing access to information to people who have difficulties with English due to a disability.

The publication of key electoral information in accessible formats and Easy English is a major commitment in the VEC's *Disability Action Plan 2008-2011* (itself in Easy English). The Easy English version of the VEC's *Guide to the 2006 State Election* is so highly regarded by SCOPE, that it has been successfully entered for inclusion at the International Society for Augmentation and Alternative Communication's biennial conference in Canada in August 2008.

Two Easy English Guides, *Local Council Elections (postal voting)* and *Local Council Elections (attendance voting)* have been produced and tested by focus groups of people who have a disability and those who are experiencing homelessness. An Easy English publication, *Running Your Own First Past-the-Post Election*, primarily aimed at community clubs and Indigenous groups, has also been developed. SCOPE considers the VEC to be a model government organisation when it comes to the provision of Easy English material. The VEC also commenced development on a DVD in Auslan (sign language) containing information about the forthcoming local government elections.



The VEC worked with indigenous communities to identify barriers to participation

Our voters

Electoral information in 19 languages is available through the VEC's website. This service provides pre-recorded information and an option for the caller to request the services of an interpreter. The VEC's website conforms to the Web Content Accessibility Guidelines 2.0 conventions for accessibility.

People experiencing homelessness

During 2006-07 and 2007-08, the VEC built relationships with several organisations that worked with people experiencing homelessness. These relationships assisted the VEC to conduct several enrolment drives prior to the 2007 Federal election. Assistance in this area was particularly important in light of the new proof of identification requirements introduced by Federal Parliament in April 2007.

Voter turn-out

The VEC puts considerable effort into advertising and communication campaigns to ensure that Victorians are provided with voting information in accessible formats. Advertisements are placed prominently at regular intervals prior to election events, in a variety of mainstream, community and ethnic media, and leaflets and posters are distributed where appropriate. Information is made available in languages other than English, and telephone interpreter services are provided all year round. VEC electoral education programs also aim to provide Victorians with motivation to vote.

Access to voting services

The VEC strives to ensure that voting is made as easy as possible for all voters. This means ensuring that equipment and aids that are provided at voting centres are useful and fulfil voters' needs, as well as making efforts to lease buildings and facilities that are accessible to people with disabilities. The lack of "fully accessible" voting centres is of ongoing concern to the VEC. Because the VEC does not own property reserved specifically for voting centres, it is reliant on leasing properties that meet most of its criteria, e.g. space requirements, proximity to public transport and availability for a very short-term lease. Most voting centres are located in public buildings such as schools, town halls and community centres which were built prior to accessibility standards being incorporated into building guidelines.

The VEC conducted ongoing dialogue with government departments and clients in an effort to increase the level of accessibility provided at voting centres. The VEC's voting centre audit tool was reviewed and updated to meet current standards. This tool forms part of an accessibility audit package for election offices and voting centres.



The VEC conducted enrolment drives at various locations in the lead up to the 2007 Federal election

The VEC's Disability Action Plan was updated during 2007-08. Many of the findings were incorporated into recent election events such as the Kororoit by-election (see page 9) and into plans for the forthcoming local government elections.

The current website has been checked for compliance with the Web Content Accessibility Guidelines 2.0 (WCAG) requirements and no changes are required.

Informality

The VEC considers it important to provide information to assist people to cast a formal vote. Informal votes may be influenced by a number of factors, including:

- a wish to record a political protest;
- the number of candidates to choose from on the ballot paper;
- the number of voters not fluent in English;
- the number of voters aged 80 and above; and
- the number of voters with a low level of education.

The content of a ballot pack must meet legislative requirements, but the VEC endeavours to improve readability and ease of understanding. Focus group testing of ballot packs for postal voting was conducted with various cultural and age groups. Ballot pack contents were reviewed and changes were made to the format and content including pictorial information on voting and return of ballot material. Other activities included:

- conducting focus group testing of Easy English publications, with assistance from St Mary's House of Welcome;
- developing an information poster about voting, in 24 languages other than English, for display at the Kororoit by-election, which will also be used at the local government elections; and
- the recruitment of staff with foreign language skills to work at elections and by-elections wherever possible.

Enforcement of compulsory voting

After the conduct of elections and by-elections in which voting is compulsory, the VEC carries out enforcement of compulsory voting. Three stages of enforcement (or non-voter follow-up) are managed by the VEC:

1. Dispatch of Apparent Failure to Vote Notices to those electors who appeared not to have voted in an election. Apparent non-voters have 28 days from the date of the notice to provide a valid excuse for failing to vote.
2. Follow-up, by Infringement Notice, of electors who did not respond or who provided an invalid response to the Apparent Failure to Vote Notice. A penalty amount is applied (currently set at \$57.00). Non-voters have 42 days to respond to the Infringement Notice by either submitting a valid response or by making the penalty payment.
3. A Penalty Reminder Notice is sent to those who do not respond to the Infringement Notice. An amount for prescribed costs is added to the original penalty amount.

Where the VEC conducts non-voter follow-up for State elections, by-elections or Liquor Licensing Polls, a final non-voter file is lodged with the Infringement Court for further action. Where non-voter follow-up has been conducted on behalf of a local council, the VEC provides the council with a final non-voter list and Infringements Court file. The council makes a decision on further follow-up.

The VEC has undertaken compulsory voting enforcement for a number of elections during 2007-08. Each is at a different stage of the process.

Our voters

- In May 2007, Infringement Notices were mailed to over 74,000 people who had apparently failed to vote at the 2006 State election, with the due date for responding falling in July 2007. Over 19,000 responses by the due date were either acceptable excuses or payment of the penalty amount. A subsequent mail out of over 54,000 Penalty Reminder Notices in late July 2007 resulted in almost 7,300 responses.
- In November 2007, all outstanding infringements from the 2006 State election were lodged with the Infringements Court. To date, only a small number have been heard in the Magistrates Court. A number of infringements have been withdrawn either by the Infringements Court or by the VEC. Action on over 35,000 infringements is still in progress.
- The VEC also conducted non-voter follow up for two State by-elections, eight municipal by-elections and five Liquor Licensing Polls during 2007-08.
- Non-voter follow-up was carried out as required, in accordance with legislation, applying a fair and equitable approach to responses.

Figure 16: Enforcement of compulsory voting enforcement, 2007-08

Area	Event	Stage 1	Stage 2	Stage 3	Status
Victoria	2006 State election	146,474	74,005	54,707	File lodged with Infringements Court
Balwyn (Colombos)	Liquor licensing poll	332	136	59	File lodged with Infringements Court
Moonee Valley Debney	Municipal by-election	2,489	1,849	1,193	Court file provided to council
Baw Baw Tarago Ward	Municipal by-election	303	203	89	Court file provided to council
Latrobe Galbraith Ward	Municipal by-election	1,059	576	340	Court file provided to council
Camberwell (Dozo)	Liquor licensing poll	123	70	40	File lodged with Infringements Court
Boroondara Cotham Ward	Municipal by-election	1,730	930	419	Court file provided to council
Albert Park State District by-election	State by-election	9,685	5,829	3,594	File lodged with Infringements Court
Williamstown State District by-election	State by-election	3,587	2,115	1,374	File lodged with Infringements Court
Balwyn (Concierge)	Liquor licensing poll	375	147	76	File lodged with Infringements Court
Balwyn (Palace)	Liquor licensing poll	308	119	62	File lodged with Infringements Court
Maribyrnong Stony Creek	Municipal by-election	1,105	714	524	Court file provided to council
Mornington Peninsula Truemans Ward	Municipal by-election	-	-	-	Non-voters list sent to council
Balwyn (Indian Chimes)	Liquor licensing poll	392	129	54	File lodged with Infringements Court
Colac-Otway Otway Ward	Municipal by-election	-	-	-	Non-voters list sent to council
Pyrenees Warrenmang Ward	Municipal by-election	-	-	-	Non-voters list sent to council
Ballarat Learmonth Ward	Municipal by-election	-	-	-	Non-voters list sent to council
Ballarat Alfredton Ward	Municipal by-election	-	-	-	Non-voters list sent to council
Central Goldfields Maryborough Ward	Municipal by-election	593	367	-	In progress
Greater Geelong Deakin Ward	Municipal by-election	1,698	-	-	Non-voters list sent to council

Outlook, 2008-09

- Following a meeting of the Electoral Council of Australia (ECA) in late 2007, it was reported that the New South Wales Electoral Commission (NSWEC) was pursuing opportunities for automatic roll update. The VEC will monitor the results of the NSWEC project and will continue to address this matter in various ways, including with the Victorian Electoral Matters Committee.
- It is apparent that specialised community engagement skills are required to make community connections that result in meaningful and long-term gains. This is so for many of the low participation groups identified by the VEC, such as people with CALD backgrounds and people with a disability. The VEC will recruit a community engagement officer early in 2008-09, who will continue building existing relationships and will develop new ones with other groups.
- The VEC will continue to seek out and consider opportunities to provide electoral education to Victoria's diverse communities. In line with the VEC's aim to attract and retain a work force that reflects the diversity in the community, the employment of applicants with CALD backgrounds (including Indigenous Australians) and people with a disability to suitable positions within the VEC remains a priority.
- As part of the VEC's Indigenous enrolment initiatives, the VEC considers that information on Indigenous enrolment and voting would be useful to measure how well these initiatives are working. The VEC will consider liaising with the Australian Bureau of Statistics to investigate improving data collection on Indigenous enrolment. The VEC will pursue a partnership opportunity with an organisation that is aiming to have up to 300 Indigenous youth completing non-school programs each year.
- The VEC will analyse turnout and informality rates after the November 2008 local government elections and findings will inform further activities. Further review of VEC publications will be carried out to assess their suitability for redevelopment into Easy English format.
- Liaison with the VEC's Electoral Access Advisory Group will continue. Voting centres and election offices will be provided with a range of tools and equipment to assist voters with special needs. The VEC will also continue to make every effort to lease premises that have full accessibility.
- The VEC will continue to enforce compulsory voting requirements as required. Issues relating to the number of infringements that proceed to Court have been identified and the VEC will investigate whether there is anything it can do or recommend to address the matter.



Our clients

The VEC is committed to identifying, assessing and implementing opportunities to enhance its election services, and increase voter participation in all election events.

A constant tension is the balance between commercial cost and the democratic integrity of the services and products provided, to ensure that a sustainable service is offered. Increased use of technology in the provision of election services has been identified as one way of achieving this objective. The VEC will implement two innovative services at the forthcoming local government elections.

Objectives

- Create new service opportunities for clients
- Deliver enhanced electoral products and services

In this section

Electronic ballot paper scanning

Candidate nominations – online application process

Roll products and services

Notification and Editing Service

Outlook, 2008-09

Electronic ballot paper scanning

As part of a review of the VEC's proposed use of electronic voting and scanning technology, the Electoral Commissioner joined a delegation from the Australian Electoral Commission in March 2007 to investigate electronic voting and intelligent character recognition scanning solutions used in the 2007 United Kingdom elections.

As part of that delegation, and research undertaken by VEC personnel in previous years in Germany, the VEC carried out detailed information gathering, including the observation of electronic ballot scanning trials in other Australian jurisdictions, to determine their suitability for Victoria.

In 2006-07 after a stringent tendering process, the Department of Justice Accredited Purchasing Unit approved the VEC's recommendation to appoint SEMA Group Pty Ltd as the preferred supplier for the development and implementation of the ballot paper scanning solution. The project plan and business requirements for the electronic scanning technology were finalised in April 2008. Development of the VEC model was finalised in June 2008. An initial trial of the VEC model has taken place and results met the VEC's strict requirements.

This system will be implemented at three councils during the November 2008 local government elections. Voter preferences will be determined from an image of each ballot paper. Work has been undertaken to ensure that the ballot paper scanning operations will fully integrate with the VEC's computer count application.

Candidate nominations - online application process

The VEC has developed an application to support candidates with the nomination process. Candidates will have the option of supplying their information electronically for nomination processing at any computer with internet access. This information will be stored centrally and will be accessible at the election office. The candidate can carry out editing and data checks online, then print and sign the nomination form prior to submitting the form and fee to the Returning Officer. Candidates will also be able to supply a candidate statement and indication of preferences online. The online candidate helper will significantly reduce nomination times and help minimise errors.

Roll products and services

The Electoral Enrolment Branch compiled rolls and roll products for elections and by-elections conducted by the VEC. This includes State and local government, Liquor Licensing Polls, and elections conducted for commercial authorities and organisations as required. Boundaries and lists of properties within poll areas for the conduct of Liquor Licensing Polls were identified and prepared as required.

Voting entitlement for a local government election differs from that for a State election. Preparation of voters rolls and associated roll products for the November 2008 local government elections has been a major project involving the update and

maintenance of the VEC's Enrolment Register which must then be merged, filtered and matched with Chief Executive Officers' roll data provided by the councils.

The VEC worked with councils to ensure that the quality and completeness of municipal voters rolls would be of a standard that would merge more accurately with the VEC's register. The work undertaken with councils has resulted in consistently higher quality roll data being received from councils than at previous local government elections. Enhancements to the VEC enrolment register in preparation for roll production for the local government elections is on schedule.

Searches and data extraction were performed in accordance with the agreed arrangements when access to non-public electoral roll information was granted under relevant legislation during 2007-08. All data extractions and provision of electoral information were completed securely and on schedule.

Notification and Editing Service

During 2007-08, the VEC participated in the Department of Sustainability and Environment's (DSE) Notification and Editing Service pilot, which involves a group of organisations which assist with online editing of map data. The VEC participated as a "knowledgeable notifier", providing information and corrections to DSE data, and will continue to do so in 2008-09.

Outlook, 2008-09

- The VEC will pilot a system of electronic scanning of ballot papers to capture voters' preferences for three councils at two locations during the November 2008 local government elections. This will remove the need for large teams of data entry staff. Electronic ballot paper scanning will be considered for more extensive implementation in future election events.
- The VEC will enhance the VEC's enterprise software, the Election Management System to allow for ballot paper preferences from the electronic ballot paper scanning program to be imported into the computer count application. The VEC will implement a trouble shooting routine. System and user testing of the application will be finalised by late September 2008, and no further changes will be made.
- The online candidate helper will be evaluated for ease of use and effectiveness. If successful, the application will be further developed for use at future election events, including the 2010 State election.
- A merge of the Electoral Commissioner's roll with the Chief Executive Officers' lists from all councils will be performed in August 2008, and voters rolls will be exhibited in all 79 municipalities prior to certification. Updated voters rolls will be prepared for use during the election period. (Rolls must be prepared for exhibition from late September until mid-October as well as for use on election day.)
- The VEC has established partnerships with interstate electoral colleagues to optimise resource sharing and opportunities for innovation. As a result of these partnerships, the VEC will benefit from the research and development projects carried out by other State electoral agencies.



Managing our Commission

Good governance and sound management are key objectives of the Victorian Electoral Commission. The Victorian people's confidence in the Commission is of paramount importance and the VEC works hard to ensure all its processes are open and transparent, and that public resources are managed responsibly, according to legislation.

Attracting and retaining staff that are reflective of Victoria's diverse community, are highly motivated and are engaged in their careers is vital to the VEC's ongoing viability. The VEC has made a considerable effort to ensure people are not only attracted to work at the VEC, but are able to build skills and continue their careers with the organisation.

Objectives

- Ensure the receipt of funds, payment of expenses and maintenance of the VEC's operations is within budget and according to legislation
- Ensure risk management procedures are carried out according to Government standards
- Position the VEC as a highly preferred employer
- Provide highly valued learning and development and career opportunities

Managing our Commission

In this section

Organisational structure

Governance

Role of the Electoral Commissioner

Management Group and consultation groups

Governing legislation

Audit Committee

Corporate planning and reporting

Environmental Management System

Freedom of information

Identifying and managing risk

Information and records management

Information Privacy

Information Technology

Municipal Electoral Tribunal

Pecuniary interest declaration

Victorian Civil and Administrative Tribunal

Whistleblowers protection

Additional information available on request

Our people - human resource management

Performance management

Knowledge capital

Occupational health and safety

Outlook, 2008-09

Financial year in review

Audited financial statements

Organisational structure

Electoral Commissioner				
Executive Services Human Resources Manager: Gill Kelly				
Elections Branch	Electoral Enrolment Branch	Communications, Education and Research Branch	Finance and Budget Branch	Information Technology Branch
Election Administration Manager: Liz Williams Election Services Manager: Glenda Frazer	Manager: Paul Strickland	Manager: Sue Lang	Manager: David Clarke	Manager: Simon Hancock
Role				
<ul style="list-style-type: none"> • Plan and conduct parliamentary, local government and commercial and community elections. • Promote the VEC's local government election services. • Tender to conduct local government elections. • Recruit, train and support Election Managers and election officials. • Develop election manuals and handbooks. • Resource election offices and voting centres. • Develop and implement election management systems. 	<ul style="list-style-type: none"> • Maintain an up-to-date and accurate electoral enrolment register. • Implement electoral enrolment programs. • Coordinate electoral representation reviews for local government councils. • Support electoral boundary work by the Electoral Boundaries Commission. • Produce electoral rolls and other roll products. • Provide advice on electoral enrolment matters. 	<ul style="list-style-type: none"> • Develop and implement communication strategies for elections and electoral representation reviews. • Deliver information services to stakeholders. • Develop strategies to promote and encourage electoral enrolment. • Provide electoral education services. • Provide advice on electoral legislation, FOI, privacy and strategic matters. • Corporate planning and reporting. • Research 	<ul style="list-style-type: none"> • Maintain the financial management systems of the VEC. • Manage the VEC's budget and expenditure. • Provide payroll services for the VEC. 	<ul style="list-style-type: none"> • Provide a stable and reliable technology environment for the VEC. • Plan, setup and support the technology used during the conduct of all elections. • Maintain and enhance the VEC's enterprise software. • Maintain and administer the VEC's corporate databases.

Managing our Commission



Management Group left to right from back Gill Kelly, Glenda Frazer, Steve Tully, Sue Lang, Liz Williams, Simon Hancock, David Clarke, Paul Strickland

Management Group

Electoral Commissioner

Steve Tully

As the Victorian Electoral Commissioner since 2005, Steve has led the VEC through the 2006 State parliamentary election, 54 local government elections and 45 electoral representation reviews. Prior to this appointment, Steve was South Australia's Electoral Commissioner from 1997 and Deputy Commissioner from 1996. Steve has experience in a variety of public sector departments including the Department of Agriculture, the Public Service Board, the Department of Local Government and the Arts and as the Chief Operating Officer of the Mental Health Service of South Australia.

Steve's belief – that all Victorians should be given the best opportunity to shape the future of their State, no matter what their background or circumstances – underpins the VEC's vision.

Deputy Electoral Commissioner

Manager - Elections, Election Administration

Liz Williams

Liz works closely with the Electoral Commissioner in the management and administration of the VEC. Commencing as a Returning Officer in 1992, Liz moved to an ongoing full-time appointment in 1996 and was appointed Deputy Electoral Commissioner in 2005. She has significant electoral experience gained in various roles held during the numerous State, local and non-government elections that have been conducted since her commencement with the VEC.

Liz believes that efficient and inclusive election administration and processes are integral to full democratic participation. Liz and her team undertake large-scale recruitment and training projects, providing information and support for Returning Officers and their staff. Liz's team also manages substantial election contracts with local government, statutory and fee-for-service clients.

Election Services

Glenda Frazer

Glenda commenced with the VEC in 1988, working as a Returning Officer for three State elections and one local government election. She moved to a full-time position in 1995. Glenda has extensive knowledge of the conduct of elections with significant experience in the application of information technology to elections.

Glenda believes thorough planning and preparation enables voters to experience trouble-free elections. She and her team endeavour to provide accessible and well-equipped voting centres and election offices, and to ensure that voting materials are accurate, easily understood and available on time. Glenda and her team are focused on the efficient and effective delivery of election services.

Electoral Enrolment

Paul Strickland

Paul has comprehensive experience and expertise in election operations gained during more than 25 years with the VEC. He joined the management team in 2005, and is responsible for the preparation and provision of accurate electoral rolls and mapping data.

Paul views the integrity of the Enrolment Register as paramount. He and his team make sure that electors' personal details are accurate, up-to-date and securely stored. Employing a variety of administrative, technological and mapping skills, the Electoral Enrolment Branch works to ensure that Victorian electors have fair and equitable representation.

Finance and Budget

David Clarke CPA

David joined the VEC in 2004, coming from local government after 20 years service with various councils and in the private sector.

David views sound budgeting and accounting as crucial to good business and to maintaining Victorians' confidence in the VEC. David and his team ensure that the organisation complies with all financial and auditing requirements. The Finance and Budget Branch also manages payroll services for core VEC staff and up to 14,000 casual employees over election periods.

Information Technology

Simon Hancock

Simon commenced at the VEC in 2000 and has managed the Information Technology (IT) Branch since 2003. Prior to working at the VEC, Simon worked for a number of information technology companies providing project management and technical consultancy over a range of industry settings.

Simon considers the provision of excellent IT services is vital for the success of all VEC operations. Simon's team provides hardware and software support for everyday VEC activities, providing high volume support during election periods.

Communication, Education and Research

Sue Lang

Sue joined the VEC in 2006 after spending much of her career in senior communication roles within the metropolitan water industry, local government, statutory authorities and State Government. She has particular experience in major public awareness programs.

Sue believes that communication is becoming increasingly important as the cultural conscience of the organisation, affecting both internal and external stakeholders. Sue and her team aim to effectively communicate electoral information and education to the many diverse groups throughout Victoria.

Human Resources

Gill Kelly

Gill commenced with the VEC in 2000 in the position of human resources manager. Gill has significant experience in people management initiatives.

Gill believes that people must be supported and motivated, as well as being provided with a safe and enjoyable working environment. Gill consults with various VEC representative groups to develop and implement performance management, learning and development, occupational health and safety and employee relations programs.

Governance

Role of the Electoral Commissioner

The Electoral Commissioner is appointed by the Governor-in-Council for a ten-year term. The Electoral Commissioner's chief responsibility is to conduct elections impartially and in accordance with legislation. Under the *Electoral Act 2002*, the Electoral Commissioner is independent of the Government and reports directly to Parliament. By virtue of section 16(1)(f) of the *Public Administration Act 2004*, the Electoral Commissioner has all the functions of a department head in relation to officers and employees of the VEC.

The VEC is organised into five branches:

- Elections;
 - Elections Services;
 - Election Administration;
- Electoral Enrolment;
- Finance and Budget;
- Information Technology; and
- Communication, Education and Research.

The VEC's human resource management section provides support for recruitment, performance planning and management and occupational health and safety across the VEC.

Management and consultation groups

The VEC Management Group (MG), which includes the Electoral Commissioner, Deputy Electoral Commissioner, branch managers and the human resources manager, directs the strategic activities of the VEC. The MG meets fortnightly at a minimum to ensure collaboration across all branches. Minutes of MG meetings and those of other committees and teams are made available to all staff to aid transparency of decision-making and good communication.

A number of consultation groups, committees and teams assist the MG with developing and implementing strategies and policies, providing expertise and promoting staff consultation.

These include:

- Elections Planning Group: tracks and monitors the implementation of elections across the VEC;
- Consultative Committee: provides a mechanism for communication flow between management and employees on major people management issues and incorporates the Occupational Health and Safety Committee;
- Information Management Steering Committee: develops strategies to enhance communication, collaboration and knowledge management within the VEC;
- Information Technology Steering Committee: sets directions and strategies to address the VEC's information technology needs; and
- ResourceSmart Team: oversees the implementation of the VEC's Environmental Management System.

The VEC is committed to ensuring that its policies and practices reflect good governance as well as complying with all relevant legislation. Adherence to the VEC's governance framework demonstrates accountability to stakeholders and ensures the vitality and impartiality of the electoral system, now and into the future. Staffing and work practices are determined by the *Public Administration Act 2004* and guided by the State Services Authority.

Governing legislation

The two pieces of legislation that set out the VEC's primary responsibilities are the *Constitution Act 1975* and the *Electoral Act 2002*.

Other legislation and regulations imposing certain duties on the Electoral Commissioner are listed below.

Legislation

Agricultural Industry Development Act 1990
Charter of Human Rights and Responsibilities Act 2006
City of Melbourne Act 2001
Education and Training Reform Act 2006
Electoral Boundaries Commission Act 1982
Essential Services Act 1958
Freedom of Information Act 1982
Health Services Act 1988
Information Privacy Act 2002
Infringements Act 2006
Juries Act 2000
Legal Profession Act 2004
Liquor Control Reform Act 1998
Local Government Act 1989
Senate Elections Act 1958
Shop Trading Reform Act 1996
Vital State Projects Act 1976

Regulations

Agricultural Industry Development (Polls) Regulations 2001
City of Melbourne (Elections) Regulations 2001
Electoral Regulations 2002
Health Services (Community Health Centre Elections) Regulations 2001
Infringements (Reporting and Prescribed Details) Regulations 2006
Legal Profession (Board Election) Regulations 2006
Liquor Control Reform Regulations 1999
Local Government (Electoral) Regulations 2005
Shop Trading Reform (Polls) Regulations 1996
Victorian Institute of Teaching (Elections) Regulations 2002

Audit Committee

The Audit Committee is an external body whose primary objective is to assist the Electoral Commissioner with ensuring that the VEC's responsibilities are fulfilled, and to add value to the organisation's accounting and operational practices, risk controls and risk management strategies.

This involves overseeing the VEC's financial performance and reporting, the scope of work, the performance and independence of the internal and external auditors, and the operation and implementation of the risk management framework. The committee must also monitor the VEC's compliance with the Financial Management Compliance Framework and other matters of accountability and internal control.

In 2007-08 the Audit Committee comprised:

- Mr Robert Yeo (Chairman), consultant, McLean Delmo;
- Ms Elizabeth Reeves, accountant and senior election official; and
- Ms Lynda Rogers, Department of Treasury and Finance.

Managing our Commission

The committee held four formal meetings during the year, with other informal meetings and discussions with the Electoral Commissioner and the Manager, Finance and Budget Branch. The internal auditors, WHK Horwarth, and the external auditors, HLB Mann Judd, also attended formal meetings as required. Matters considered and discussed at these meetings included:

1. Annual Financial Report:
 - Review the financial statements and audit management letter, and follow-up action taken in relation to points raised.
 - Receive and review the Auditor-General's audit program.
 - Review and approve the change to the asset capitalisation threshold, and the write-off of assets previously capitalised below the threshold.
2. Oversee the internal audit function and initiate and review audits conducted for:
 - confidentiality of VicRoads' data;
 - fringe benefits tax compliance;
 - purchasing card rules compliance;
 - implementation of international financial reporting standards;
 - status and compliance with the Victorian Public Sector Financial Management Compliance Framework;
 - management of trust accounts, candidates' deposits and non-voter fines;
 - compliance with the taxation rules;
 - State election and State by-election entitlements for political parties and independent candidates procedures documents;
 - accounts payable and accounts receivable management;
 - travel policy and procedures;
 - human resource records and payroll functions review, including PAYG and payroll tax;
 - VEC corporate governance process; and
 - IT security policy.
3. Review of enhancements to the Financial Management Compliance Framework, including financial policies and procedures.
4. Monitor and review of application of the Victorian Government Risk Management Framework, including the attestation by the Electoral Commissioner in the *Annual Report 2007-08*.
5. Review of risk analysis for the computer room fire services.
6. Review of retention of financial information as advised by the Public Records Office.
7. Review and monitoring of VEC compliance with international accounting standards.
8. Review of governing legislation and regulations, including any increases in fees and penalties.
9. Review of insurance coverage for 2008-09.

Corporate planning and reporting

The VEC *Corporate Plan 2007-2012* provides the basis for operations, and a comprehensive program of reporting to stakeholders. The VEC reports against the plan by way of the annual report, and the plan is central to staff performance planning and review.

Implementation of the corporate plan commenced in July 2007, with all branches planning and reporting against agreed objectives and strategies throughout 2007-08. Corporate objectives, strategies and actions were incorporated into staff performance plans. Staff developed personal action plans that clearly articulated organisational and personal goals and performance indicators. This annual report has been structured to reflect the corporate plan.

All branch and project managers have reported as required. Quarterly reporting of progress, achievements and obstacles at branch and project level has enabled more targeted approaches to task and resource allocation across the VEC. Regular reporting against corporate objectives has streamlined procedures and performance planning is more easily and directly linked to the corporate plan.

Staff have a clear picture of how their work contributes to the achievement of corporate objectives, and can develop actions and personal goals in response to the corporate plan. This will assist with goal congruence and contribute to staff satisfaction.

Environmental Management System

The Victorian Government, through departments and agencies such as the VEC, has taken the lead on sustainability. As a government agency, and in response to concerns expressed by the community and VEC personnel, the VEC made a commitment to reduce the negative impact of its operations on the environment. The major focus for the objective has been the head office, with the warehouse and off-site facilities to be incorporated into the strategy within three to five years.

The VEC participated in the ResourceSmart pilot program for government agencies. As a result, the VEC ResourceSmart team was established with responsibility for supporting the achievement of its sustainability objective.



ResourceSmart team members, Gill Kelly and Aileen Duke discuss the Environmental Management System with members of the Communication, Education and Research Branch

Managing our Commission

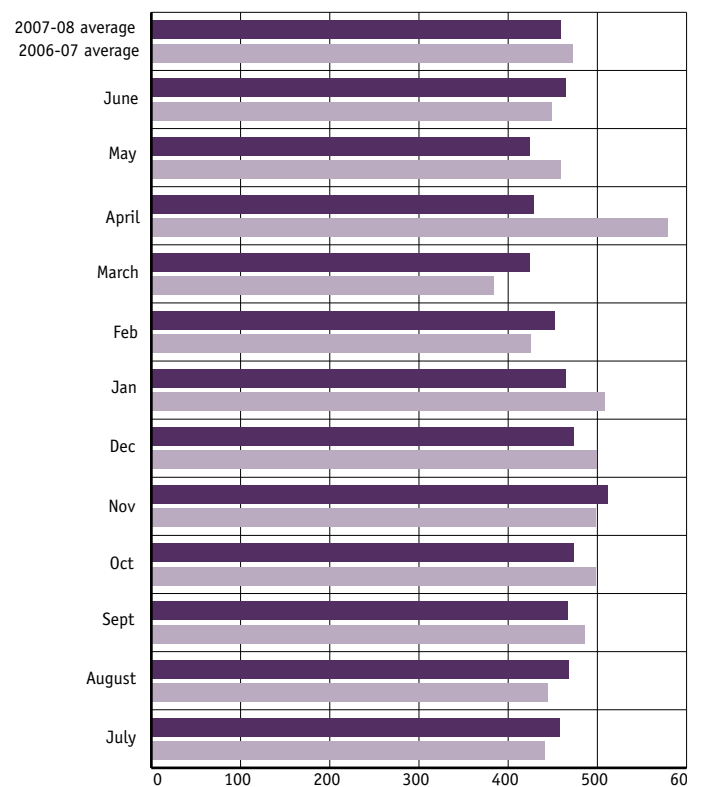
The ResourceSmart team developed an Environmental Management System (EnvMS) setting out procedures designed to meet the environmental performance requirements that are most relevant to the organisation. The EnvMS includes terms of reference for the team, an environmental policy, and action plans for compliance, communication and energy reduction to be implemented from 2008-09. The directions of the Victorian Environmental Sustainability Framework have been included in the EnvMS, and the objective has been incorporated into 2008-09 performance plans, with all staff required to plan and report on their performance in relation to the achievement of this objective.

A survey of current practices was carried out. Analysis of 2006-07 and 2007-08 data has commenced, so that benchmarks and targets can be set. Energy consumption for 2007-08 was reported via the Australian Government's Online System for Comprehensive Activity Reporting (OSCAR), a web-based data collection tool for recording energy, waste and greenhouse data for Government program reporting.

ResourceSmart agencies must commence reporting on office-based consumption after the second full financial year following the completion of the ResourceSmart Government Workshop program. For the VEC, a pilot agency, this means the 2009-10 financial year. In recognition of the efforts made by VEC personnel to support the sustainability objective by attending training, presenting information and adopting more sustainable practices, the VEC has elected to report on energy consumption for 2007-08 in this annual report.

The VEC will continue working with Sustainability Victoria, with the long-term objective of achieving ResourceSmart Level 5 accreditation by mid-2012.

Figure 17: Energy consumption, 2006-07 to 2007-08



Freedom of information

The *Freedom of Information Act 1982* gives Victorians the right to access certain classes of documents held by government agencies. During 2007-08, the VEC received one Freedom of Information (FOI) request, which was granted in full. Staff were reminded of their obligations under the *Freedom of Information Act 1982* and a memo was issued relating to retention and storage of documents.

No complaints relating to FOI compliance were received by the VEC during 2007-08. See Appendix 7 for VEC FOI procedures.

Identifying and managing risk

As well as undertaking financial risk management, the VEC conducts assessments to identify other organisational risks, evaluates risk controls in place and develops new controls where required.

Risks are rated according to their hazard potential across operational and non-operational activities. Risk ratings are presented to the Audit Committee according to its charter. This committee then determines whether the identified risks have adequate controls in place, and whether a periodic review of those controls is required.

At an operational level, the VEC also develops comprehensive risk management plans for all electoral events. These are discussed and analysed at branch level during the planning phase for an electoral event and cover election management, infrastructure, communication, recruitment and information technology. Risk management is also addressed at senior management level and in staff meetings.

Legal and compliance issues associated with occupational health and safety are managed through the VEC's Consultative Committee, which meets every month. The Audit Committee recommends new (or amendments to existing) policies and procedures, and considers the method by which information is provided to employees.

Information and records management

The VEC has responsibility for election materials and other documents that must be stored and kept for the future. The VEC has directed considerable effort to updating and maintaining its document control, filing and archiving, and the review of its destruction schedule to ensure that all documents within its care and control are correctly managed.

In 2006-07, after identifying a number of issues in the way information was stored, recorded, shared and retrieved, the VEC investigated communication systems and processes that will enhance

communication, provide opportunities for staff input, and enable easy and appropriate access to shared data.

During 2007-08, a review and systematic upgrade of document filing, archiving, retention and destruction was carried out. As a result, a detailed destruction schedule was developed and documents have been stored appropriately to allow for ease of access and length of storage. This will also assist the VEC with full compliance with FOI obligations.

The VEC engaged consultants to review information management across the VEC. The resulting report identified some areas for attention and presented options for consideration. Further investigation is currently taking place with the view to implementing a solution in the coming year.

As an interim measure, the VEC Information Technology Branch developed a portal system (an electronic information management system for storing and sharing data), which is being trialled and evaluated on an ongoing basis. These portals have significantly enhanced communication, collaboration and knowledge management. A portal specifically related to elections has been developed and implemented, enabling all branches to access and input election project data at one shared location, minimising the risk of inaccurate information being used, published or communicated to stakeholders.

The elections portal has enabled the development of election materials using consistent data, minimising the need for complicated and time consuming cross-matching and proofreading. A portal has been providing access to Human Resources, Occupational Health and Safety and Consultative Committee information from a central location for 12 months. Staff feedback has been generally positive.

Managing our Commission

Information privacy

The VEC is subject to the *Information Privacy Act 2000* (IPA). The VEC must act in accordance with the Information Privacy Principles set out in the IPA to protect the personal information that it collects from electors and other individuals.

The VEC collects personal information only in order to fulfil its functions under the *Electoral Act 2002*.

Figure 18: Personal information collected, used and disclosed by the VEC

Category	What is collected	Use	Disclosure
Enrolment and voting	Name, address, date of birth and proof of identity details.	Maintenance of the register of electors, preparation of voters rolls, voting procedures.	Limited by <i>Electoral Act 2002</i> (see also page 29).
Political party registration	Name and address of party members.	Registration of political parties.	Not disclosed by the VEC apart from registered officers' details (see Appendix 6).
Candidate	Name, address and election contact details.	Nomination of candidates for election and subsequent administration of elections.	Name and election contact details are disclosed as part of the election process.
Human resources	Name, address, date of birth and other details related to employment.	Employment of full-time and temporary staff.	Not disclosed, except for human resource management purposes.
Business	Contact details.	Business.	Not disclosed, except for business purposes.
Other	Various.	Various, e.g. submissions, complaints, applications for access to enrolment information and enquiries.	Not disclosed, except under relevant legislation.

The VEC's policies regarding management of personal information are set out in its Privacy Policy, available at www.vec.vic.gov.au or at the VEC.

Under the IPA, individuals are entitled to access and request correction to any personal information about them held by the VEC. Upon receiving such a request, the VEC follows the FOI processes laid down in the *Freedom of Information Act 1982*.

During 2007-08, the VEC reviewed its procedures in relation to privacy and the handling of complaints, held a staff update session and issued a memo outlining complaint-handling procedures.

During 2007-08, the Privacy Commissioner of Victoria received two complaints about the VEC in relation to information privacy. Both complaints were from people who had made a public submission to the VEC during the representation review process.

(The VEC gave notice in its Guide for Submissions that submitters' names and suburbs would be published as part of the review process.)

One matter related to the availability of hidden data that was embedded in the properties of a document. An apology and explanation was provided to the submitter. The second matter was based on the submitter's misunderstanding of the VEC's processes and it was decided that there had been no erroneous publication of personal details.

In response to a query relating to the method by which changes to the enrolment details of silent electors are processed, the VEC will consider the process, and investigate any possible improvements.

Information technology

The provision of secure, stable and accessible information technology (IT) infrastructure is critical to the success of the VEC's core business. VEC operations, including election services and the security of the personal data of electors, rely on well-managed and well-supported enterprise software and hardware that is capable of performing the tasks required. Also critical to the organisation's success is a reliable, up-to-date website.

All computers at head office were upgraded during January 2008. At this time, all VEC applications were migrated to the Vista platform and Microsoft Office 2007 suite. A new Storage Area Network (SAN) was deployed and files were migrated to the new infrastructure according to schedule. The old hardware was retired and new data management software was established. VEC head office operations are now handled by new server hardware and the retirement of old hardware is almost complete. Minor adjustments to server hardware have been undertaken on an ongoing basis. Along with a much improved service, a consequence of this extensive work was a peak in energy consumption during the main migration period (April 2008) when the two systems were working in parallel. This can be seen in Figure 17 on page 50.

IT infrastructure has been stable and secure and there have been no security breaches. Servers and services have been available during normal business hours and no major service outages have occurred.

The VEC databases have been maintained in line with VEC business requirements. There were no data integrity issues during 2007-08. Enrolment Register (ER) and Election Management System (EMS) database support has been provided, with all ER and EMS production problems resolved in accordance with business priorities. The Information Technology Branch operates an IT Help Desk for day-to-day support for around 80 users at VEC head office.

Because the successful conduct of an election depends so heavily on reliable IT services, risks associated with the November 2008 local government elections have been identified and risk controls included in the Election Planning Group (EPG) Risk Register. In preparation for the forthcoming local government elections, enhancements have been made to the enrolment register and roll creation software to improve the municipal voters roll processing.

The development of an IT disaster recovery plan and IT risk management plan to meet the VEC's overall business requirements will be completed in 2008-09. A company has been engaged to provide a report outlining advice and to provide support for the development of the VEC's five-year IT Strategy Plan. A complete redevelopment of the EMS will commence in 2008-09. This is a major project for the IT Branch in collaboration with other branches across the VEC.

Municipal Electoral Tribunal

Municipal Electoral Tribunals (MET) are constituted under the *Local Government Act 1989* to consider disputes arising from local government elections. A candidate or any 10 voters at the election may apply for a hearing. The application must be made within 14 days of the declaration of the result of the election.

There were no MET applications during 2007-08.

Managing our Commission

Pecuniary interest declaration

The Electoral Commissioner, Mr Steve Tully, and the Deputy Electoral Commissioner, Ms Liz Williams, have completed declarations of pecuniary interests. No other declarations are required.

Victorian Civil and Administrative Tribunal

Section 48 of the *Local Government Act 1989* provides that a person whose interests are affected by a decision of a Municipal Electoral Tribunal (MET) may apply to the Victorian Civil and Administrative Tribunal (VCAT) for a review of the decision. The following activity occurred during 2007-08.

As a result of an application for review of a MET decision in relation to the Brimbank-Grasslands decision lodged with VCAT in 2006, a hearing was held in July 2007 and the decision was confirmed. At a cost application hearing in December 2007, the VEC was awarded costs totalling \$16,000. No payment has been received to date and the Victorian Government Solicitor's Office is pursuing this matter on behalf of the VEC.

Whistleblowers protection

The VEC provides information to staff on the provisions of the *Whistleblowers Protection Act 2001* and has established structures for receiving and considering disclosures in accordance with the legislation. There were no complaints during 2007-08.

The VEC's procedures under the *Whistleblowers Protection Act 2001* are detailed on the VEC's website.

Additional information available on request

Information relating to the 2007-08 reporting period to be made available to Ministers, Members of Parliament and the public on request (subject to the provisions of the *Freedom of Information Act 1982*, if applicable) includes:

- details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary;
- details of publications produced by the VEC about itself, and where these can be obtained;
- the VEC's *Environmental Management System*;
- details of changes in prices, fees, charges, rates and levies charged by the VEC;
- details of any major external reviews carried out in respect of the operation of the VEC;
- details of major research and development activities undertaken by the VEC that are not otherwise covered in this report;
- details of overseas visits undertaken, including a summary of the objectives and outcomes of each visit;
- details of assessments and measures undertaken to improve the occupational health and safety of employees not otherwise detailed in this report;
- a general statement on industrial relations within the VEC and details of time lost through industrial accidents and disputes.

The information is available on request from:

Corporate Planning and Reporting Officer
Victorian Electoral Commission
Level 8, 505 Little Collins Street
Melbourne Vic. 3000
Phone: (03) 9299 0520
Email: info@vec.vic.gov.au

Our people - human resource management

The VEC strives to foster workplace diversity, and demonstrates its commitment to an inclusive work environment through policy and procedures that reflect the values of the organisation. During 2007-08, VEC human resource management focused on policy development and raising awareness of legislation, policies and guidelines that VEC staff are subject to.

Training on legislation such as the *Charter of Human Rights and Responsibilities Act 2006* and the provision of ergonomic workplace assessments provided structures for a safe working environment, and personal and professional development.

Some of the policies relevant to human resource management at the VEC are summarised on the following pages.

Figure 19: Staff profile at 30 June 2008

	Ongoing Employees			Fixed term & Casual	
	Number (Headcount)	Full time (Headcount)	Part time (Headcount)	FTE	FTE
2008	61	52	9	56.7	17.3
2007	55	48	7	51.9	14.1
2006	44	37	7	40.8	35.7

	Jun-08		
	Ongoing Number (Headcount)	FTE	Fixed term & Casual FTE
Gender			
Male	25	24.5	5
Female	36	32.2	12.3
Age			
Under 25	0	0	0
25-34	11	10.4	8.4
35-44	12	12	1.6
45-54	18	15.8	3.8
55-64	20	18.5	3.5
Over 64	0	0	0
	61	56.7	17.3
Classification			
STS	1	1	0
VPS Grade1	0	0	0.8
VPS Grade2	13	9.7	9
VPS Grade3	17	17	3.5
VPS Grade4	9	8.6	2
VPS Grade5	16	15.4	2
VPS Grade6	5	5	0

Notes

1. All figures reflect employment levels during the last full pay period of June of each year.
2. Ongoing employees means people engaged on an open-ended contract of employment and executives engaged on a standard executive contract who were active in the last full pay period of June.
3. FTE means full-time staff equivalent.
4. STS means Senior Technical Specialist.
5. Excluded are those on leave without pay or absent on secondment, external contractors/consultants, temporary staff employed by employment agencies, and a small number of people who are not employees but appointees to a statutory office, as defined in the Public Administration Act 2004.

Managing our Commission

Code of Conduct

Employees of the VEC are bound by the guidelines outlined in the *Code of Conduct for Victorian Public Sector Employees of Special Bodies*, which draws its values from the *Public Administration Act 2004*. The code provides guidance to staff in their conduct and is a measure by which the VEC expects to be perceived and, ultimately, judged.

Staff are provided with a copy of the code and these values are included in the performance review documents and must be addressed as part of the review process.

Diversity

The VEC recognises cultural and religious diversity in an informal manner with staff-initiated celebrations arranged and supported usually in conjunction with staff meetings or special morning teas.

People with a disability

The VEC has an inclusive employment policy. It faces limitations relating to the low accessibility rating of head office premises, which limits the VEC's capacity to employ people with certain disabilities or needs. Where practicable, the VEC makes adjustments for staff with specific needs, and when considering upgrading existing premises or relocating to new premises will ensure that a full accessibility rating is a requirement.

Employment exemption

In 1995, the VEC obtained an exemption under the *Equal Opportunity Act 1984* to allow it to employ only people who were not engaged in political activities. This enables the VEC to advertise and appoint suitable, politically-impartial staff. The exemption applies to the appointment of people working during State and local government elections, including Election Managers and election officials.

Flexible work arrangements

The VEC believes that flexibility in the workplace contributes to a supportive environment. VEC staff are able to access a variety of options available under the VEC's *Flexible Work Arrangements Policy*. This policy provides strategies to manage fluctuating work requirements, while providing a supportive environment especially during the busiest times.

During election time and at other busy times staff at Victorian Public Service Grades 1-4, working outside normal hours, accrue flexi-time. A regularly reviewed and updated policy framework places limits on the number of hours that may be accrued. This helps ensure that the health of staff remains a priority even during the VEC's most demanding periods.

Grievances

Issues resolution processes ensure that healthy and productive working relationships amongst staff are maintained.

Issue resolution processes relate to the maintenance of healthy and productive working relationships. The VEC is committed to ensuring that principles of merit and equity are applied throughout the VEC, and work-related complaints are resolved quickly, confidentially and without prejudice.

No grievances were lodged during 2007-08.

Recruitment

Individual differences are recognised and valued within the workplace, and the principles of merit and equity ensure that organisational functions are delivered fairly, without discrimination or harassment. Employment decisions relating to appointment, promotion and career development are based on the competency and skill of the person selected.

The recruitment process is carried out with the highest regard to merit and equity, and with regard to the skills required or desirable for successful applicants. In some cases, this meant the ability to speak a second language, in others, knowledge of, or experience with people with cultural and linguistically diverse backgrounds.

The VEC received 147 applications for eight advertised positions during 2007-08, which it considers to be a very good response rate.

Staff services

All VEC staff have access to a counselling service through the Department of Justice's Employee Assistance Program. The Consultative Committee contributes to the VEC's culture and working environment by acting as a conduit for policy review, communication and decision-making. The committee also actively supports the well-being of all employees by promoting staff initiatives such as staff social events, fund-raising and sustainability.

Women's affairs

The VEC provides funds to support staff attendance at International Women's Day events. In 2007-08, the VEC hosted two tables at the Institute of Public Administration Australia International Women's Day dinner. A VEC staff member spoke briefly about the centenary of enfranchisement for Victorian women, including the enfranchisement of Indigenous Victorian women.

Workplace diversity

The VEC's aim is to recruit and support personnel who represent the diversity of the Victorian community. Practices recognise and value individual differences within the workplace. Adherence to the principles of merit and equity ensure that organisational functions are delivered in a fair and equitable manner, and that employees and stakeholders are not subject to discrimination or harassment.

Youth employment

During 2007-08, the VEC provided a work experience placement for one secondary student. In 2008-09, the VEC will actively endeavour to provide employment opportunities and foster career pathways for young people.

Figure 20: Recruitment (FTE), 2003-08

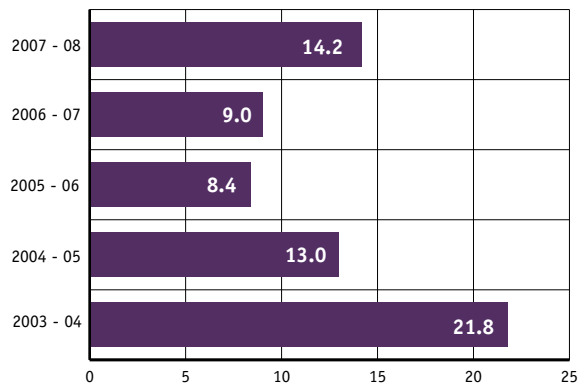


Figure 21: Staff turnover, 2004-08

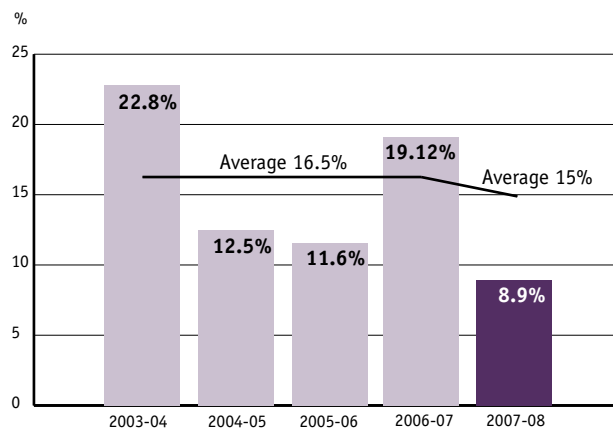
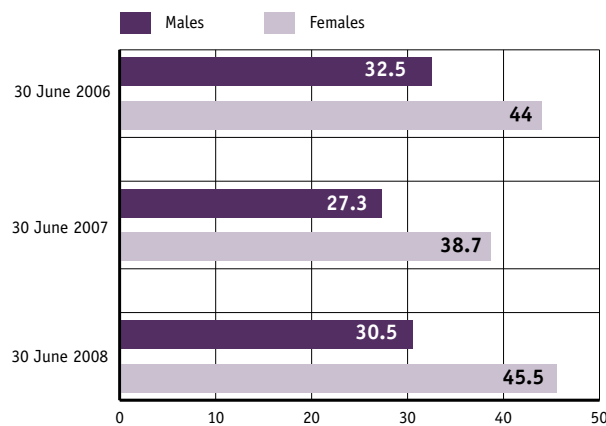


Figure 22: Number of staff by gender, at 30 June



Performance management

The VEC’s capacity to achieve its corporate objectives is reliant on its people having the knowledge, skills and ability to implement the supporting strategies and actions. The VEC has focused on identifying existing skills and knowledge as well as identifying opportunities for staff training and professional development. The VEC adheres to the *Victorian Public Service Agreement 2006* and maintains a performance management and progression system that aligns individual performance objectives to the VEC’s strategic direction. Each employee’s performance is assessed annually and reviewed mid-cycle against objectives and outcomes.

The VEC believes that it has a responsibility to foster and maintain a culture that provides the right balance of challenge, satisfaction and achievement. The VEC endeavours to provide a good mix of motivators, goals, encouragement and rewards.

During 2007-08, the VEC implemented an online performance management application, LYNX, designed to:

- streamline existing performance management process;
- clearly link the achievements of individual performance management and progression plans to the achievement of objectives in the corporate plan;
- provide tangible guidance to assist staff with addressing the conduct and values standards that are important to exhibit when undertaking their duties; and
- facilitate a comprehensive learning and development strategy which supports current and future job and career needs.

Through group training sessions and using volunteer “LYNX champions” in each branch, LYNX was fully implemented, and staff were supported through the first year of the new process.

Knowledge capital

The corporate planning process undertaken in the previous year identified that staff possess a wide range of skills, knowledge and capacity for ideas that could be utilised to improve operations and processes. Recognising this knowledge capital, the VEC developed and trialled a system that will provide staff with a mechanism for presenting ideas and suggestions to management that will improve business processes throughout the VEC. This online suggestion system will be implemented by October 2008.

As an integral part of the performance management process, LYNX provides data relating to the VEC's knowledge capital. Working with managers, staff audit their skills and knowledge, identify corporate objectives to which they can contribute, and identify learning and development goals for the future.

LYNX provides the VEC with an overall picture of current knowledge capital and enables the human resources manager to present a professional development plan that responds to identified needs and development opportunities. In this way, staff are supported to achieve their performance goals, the VEC ensures growth in its corporate knowledge capital and succession planning is addressed.

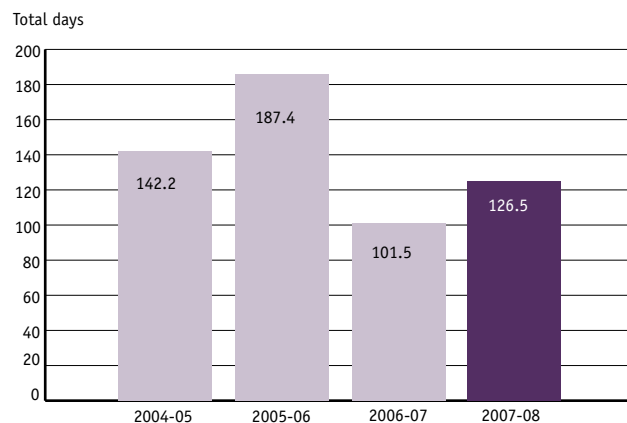
Learning and development opportunities provided to staff during 2007-08 included:

- information privacy refresher course;
- introduction to the *Charter of Human Rights and Responsibilities Act 2006*;
- overview of issues relating to climate change and environmental sustainability;
- preventing workplace bullying and harassment;
- professional conferences and conventions;
- business writing skills;
- communication skills;
- leadership development;
- negotiation skills;

- OH&S management;
- performance management;
- project management;
- records management;
- research and analysis;
- team management;
- time management; and
- website design.

The VEC provided an average of 15.2 hours of formal training per head over 2007-08. VEC staff attended numerous informal learning opportunities, including workshops and network meetings which were not officially recorded. The VEC will develop strategies to ensure that all training is accurately recorded, and that staff who are reluctant to take up training opportunities are encouraged and motivated to do so.

Figure 23: Training days, 2004-05 to 2007-08



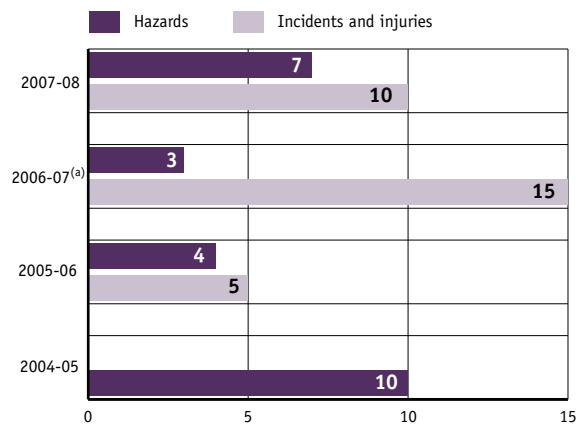
Occupational health and safety

The VEC continued its commitment to occupational health and safety (OH&S) compliance as well as general staff health and well being during 2007-08. A systematic OH&S management program was implemented to create a safer work environment for all, meet legal obligations, prevent injuries and illnesses, and reduce hazards. This included monthly workplace inspections by VEC health and safety representatives to identify and eliminate hazards, thereby preventing and reducing injuries. Regular clearing and tidying of work areas was organised and available staff were encouraged to participate.

OH&S policies, procedures and action plans are subject to ongoing review by the Consultative Committee and Management Group. OH&S training was a key focus. Information sessions were conducted for all staff, including contractors and senior election officials. An online OH&S refresher course was developed and trialled in 2008 and completing the course will be made an annual requirement for staff from 2008-09.

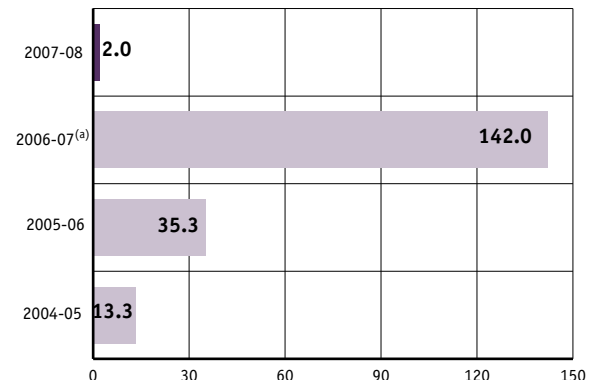
The loss of two working days was accrued during 2007-08 as a result of one WorkCover claim.

Figure 24: Hazards, incidents and injuries reported, 2004-05 to 2007-08



(a) 2006-07 peak due to increased temporary staff numbers at 2006 State election

Figure 25: Days lost as a result of workplace-related injury, 2004-05 to 2007-08

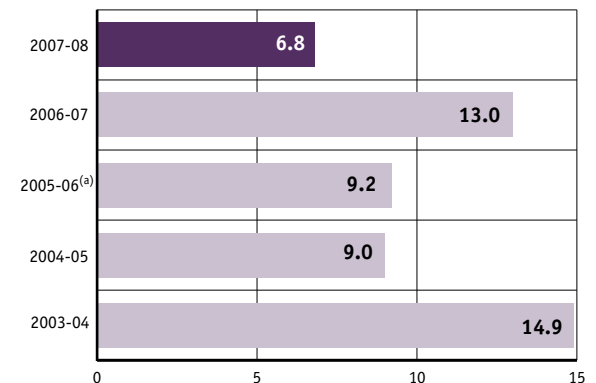


(a) 2006-07 peak due to one of the injuries that occurred resulting in high number of days lost.

Figure 26: Claims for WorkCover or workers compensation, 2004-05 to 2007-08



Figure 27: Accrued hours of flexi-time VPS grades 1-4, 2004-5 to 2007-08



(a) Peak due to increased staff required to undertake preparations for 2006 State election

During 2007-08, the VEC received 10 incident notifications, seven hazard notifications, and one claim for compensation. In response to these notifications the VEC offered a number of training opportunities to staff.

- Ambulance Victoria's "4 Steps to Life" CPR training (completed by 10 staff);
- Ambulance Victoria's defibrillator training course (completed by 8 staff); and
- an occupational therapist conducted ergonomic training; 41 staff took up the opportunity for individual ergonomic assessments resulting in the purchase of 30 items of equipment, including document holders, footrests and chairs.

During 2008-09, managers will fine-tune quarterly reporting to provide more detailed records of progress and achievements as the basis for forward planning. As a result of this clearly documented corporate progress, objectives that have been achieved at development level, such as the environmental objective, will be incorporated into the performance plans of staff at operational levels.

Outlook, 2008-09

- The VEC will continue to conduct all activities according to governing legislation, regulations and guidelines.
- The VEC will continue to work diligently to ensure sound financial and risk management, directing effort to providing value for money electoral services to Victorians.
- The VEC will conduct analysis of data collected during the State Services Authority's People Matter Survey 2008, and develop strategies to address any areas of concern with the aim of increasing satisfaction in line with corporate objectives. The VEC believes its new online suggestion system may assist with further identifying ways in which processes may be improved and issues addressed.
- The VEC will provide a corporate training program designed to provide staff with useful techniques to help deal with some of the challenges they may face during the conduct of 79 local government elections.
- In 2008-09, the VEC will continue to implement policies designed to actively pursue employment of Indigenous Australians, people with non-English speaking backgrounds and people with a disability to staff voting centres.
- An online OH&S refresher course was developed and trialled. All staff will be required to complete the course on an annual basis from 2008-09, and the content and relevance of the course will be assessed and updated, as necessary.
- The LYNX program will be reviewed and modified in response to staff feedback and evaluation. The modifications will be aimed at providing increased ease of use, with more manageable reference to past performance objectives and targets. As staff become more familiar with LYNX, it is anticipated they will take a more strategic approach to training requests and opportunities.
- The method of recording both formal and informal training will continue to be reviewed.
- Strategies will be developed to increase take-up of training opportunities.
- A corporate training program relating to workplace stress will be provided to staff prior to commencement of local government election period.
- An intensive training program will be presented for Senior Election Officials and Returning Officers who have been appointed for the November 2008 local government elections.



Financial year in review – Report of operations

Financial year in review – Report of operations

This section is not part of the audited financial statements

The annual expenditure of the VEC fluctuates due to the cyclical nature of conducting State elections, local government elections, State and local government by-elections, electoral representation reviews and fee-for-service elections. This is demonstrated by the amount of Special Appropriation provided by the State Government to fund the activities of the VEC over the past seven years.

Figure 28: Special appropriation 2001-02 to 2007-08

Year	Appropriation	Election activity
2001-02	\$17.841 million	By-elections, fee-for-service
2002-03	\$47.934 million	State election, by-elections, fee-for-service
2003-04	\$15.136 million	Local government, by-elections, fee-for-service
2004-05	\$16.995 million	Local government, by-elections, fee-for-service
2005-06	\$23.812 million	By-elections, fee-for-service
2006-07	\$36.019 million	State election, by-elections, fee-for-service
2007-08	\$15.604 million	By-elections fee-for-service

The VEC's appropriation was less in 2007-08 than in the previous year due to the absence of any major election activity. A substantial increase is expected in 2008-09 with the VEC set to conduct local government elections in 79 municipalities in November 2008.

The VEC's financial statements are prepared in accordance with the State Government reporting requirements, which report all expenditure on the outputs described below and revenue from special appropriation from the State Government.

Revenue from charges for local government elections and by-elections, fee-for-service elections, representation reviews, State election fines, and all other fees and charges, as well as expenditure, assets and liabilities relating to candidates deposits and Council election fines, are not included in the VEC Operating Statement and Balance Sheet. It is included as a note to the accounts, Note 2. All revenue is collected and controlled by the VEC, but is forwarded to the Department of Treasury and Finance as consolidated revenue. However, receipts from local government election fines and forfeited candidate deposits are collected and controlled by the VEC, and is regularly remitted to the appropriate Council.

Revenue and expenses

Internally the VEC monitors its expenditure and fees and charges, based on election outputs.

A description of the VEC's outputs performed during the year ended 30 June 2008, and the objectives of these outputs, are summarised below.

Core services

The ongoing services provided by the VEC including roll maintenance, education, research, administration, training and development of election officials.

State by-elections

Preparation and conduct of the state by-elections.

Local government election

Preparation for Council elections.

Financial year in review – Report of operations

Local government by-elections

Preparation and conduct of Council by-elections and countbacks.

Fee-for-service elections

Preparation and conduct of fee for-service elections.

Representation reviews

Preparation and conduct of elector representation reviews of councils.

In the following schedules, the expenditure for 2007-08 has been allocated according to the election outputs described above. Except for core business, only marginal expenses are costed to each output. Marginal expenses are described as the additional expenses incurred by the VEC to conduct the activity.

Figure 29: Controlled revenue and expenses for 2007-08

	Core services	State and State by-elections	Local government elections	Local government by-elections	Fee-for-service elections	Electoral representation reviews
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income						
Income from State Government	12,432	1,150	1,003	237	109	673
Expenses						
Employee benefits	5,401	475	243	86	2	402
Depreciation and amortisation	1,675					
Finance costs	5					
Supplies and services	7,059	673	760	151	107	271
Equipment lease	30	2				
Total expenses	14,170	1,150	1,003	237	109	673

Figure 30: Comparison of the above expenditure, to the amount recouped from fees, fines and charges (including accruals)

	Core services	State and State by-elections	Local government elections	Local government by-elections	Fee-for-service elections	Electoral representation reviews
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income						
Fees, fines and charges	214	785	0	368	152	873
Total expenses	14,170	1,150	1,003	237	109	673
Net amount recouped from fees fines and charges	(13,956)	(365)	(1,003)	131	43	200

The above analysis shows that marginal costs are recouped from fees and charges for local government by-elections, fee-for-service elections and electoral representation reviews. In preparation for the November 2008 local government elections, inventory purchases and prepayments for rent and advertising placement occurred in the year ended 30 June 2008. However, the income will be recognised in the year ended 30 June 2009. Core services and the State election are majority funded from State Government appropriation.

Assets

The current assets of the VEC include minor receivables, prepayments of expenditure, and inventory. Sufficient inventory is kept to enable minor elections to occur, with the purchases substantially increasing during a major election. The non-current assets of the VEC include plant and equipment, and computer software developed for the electoral rolls and conduct of elections.

Liabilities

Except for the provisions for employee annual leave and long service leave, the current and non-current liabilities of the VEC are small. They include payables for goods and services, motor vehicle finance leases, and bank balance. The increase in liabilities is in payables and employee provisions for annual leave and long service leave.

Equity

The equity of the VEC is split into contributed capital and accumulated loss. The contributed capital represents the amount of funding contributed by the Government of Victoria for the purchase and development of VEC non-current assets. The accumulated loss represents the accumulated result from ordinary activities of the VEC.

Operating statement

for the financial year ended 30 June 2008

Audited financial statements 2007-08

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	Note	2008 \$'000	2007 \$'000
Continuing operations			
Revenue			
Special appropriation (via grant funding - Department of Justice)	1D,3,21	15,604	36,019
Total Revenue		15,604	36,019
Expenses			
Employee benefits	1H,4	6,605	17,175
Supplies and services	1H,4	9,025	19,533
Depreciation and amortisation	1H,4	1,675	1,837
Other expenses	4	32	417
Finance costs	1H,4	5	6
Total Expenses		17,342	38,968
Net result from continuing operations		(1,738)	(2,949)
Net result from discontinued operations		-	-
Net result for the period	20b	(1,738)	(2,949)

The above operating statement should be read in conjunction with the accompanying notes.

Balance sheet

as at 30 June 2008

	Note	2008 \$'000	2007 \$'000
Current assets			
Cash and cash equivalents	1I,19	1	1
Receivables	1I,5	212	198
Inventories	1I,6	1,012	800
Other	7	186	212
		1,411	1,211
Non-current assets classified as held for sale	9	20	-
Total current assets		1,431	1,211
Non-current assets			
Property, plant and equipment	1I,8	1,338	1,353
Intangible assets	1I,10	6,484	7,626
Total non-current assets		7,822	8,979
Total assets		9,253	10,190
Current liabilities			
Bank overdraft	18	2	4
Payables	1J,11	511	311
Provisions	1J,13	1,134	1,091
Interest bearing liabilities	1J,12	29	77
		1,676	1,483
Liabilities directly associated with non-current assets classified as held for sale	9	20	-
Total current liabilities		1,696	1,483
Non-current liabilities			
Provisions	13	148	126
Interest bearing liabilities	1J,12	54	-
Total non-current liabilities		202	126
Total liabilities		1,898	1,609
Net assets		7,355	8,581
Equity			
Contributed Capital	1M,20	20,492	19,980
Accumulated Surplus/(Deficit)	20	(13,137)	(11,399)
Total equity		7,355	8,581
Commitments for expenditure	16		
Contingent liabilities and contingent assets	17		

The above balance sheet should be read in conjunction with the accompanying notes.

Statement of changes in equity

for the financial year ended 30 June 2008

	Note	2008 \$'000	2007 \$'000
Total equity at beginning of financial year	20	8,581	11,033
Adjustments on adoption of new accounting policy			
Accumulated loss	8,20(b)	-	(242)
		8,581	10,791
Net income recognised directly in equity		-	-
Net result for the period	19(b)	(1,738)	(2,949)
Total recognised income and expense for the period		(1,738)	(2,949)
Transactions with the State in its capacity as owner	20	512	739
Total equity at end of financial year		7,355	8,581

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

Cash flow statement

for the financial year ended 30 June 2008

	Note	2008 \$'000	2007 \$'000
Cash flows from operating activities			
Receipts			
Receipts from Government		15,603	36,019
Goods and Services tax recovered from the ATO		944	1,926
Total receipts		16,547	37,945
Payments			
Capital asset charge		(129)	(130)
Payments to suppliers and employees		(15,467)	(35,836)
Goods and Services tax paid to the ATO		(944)	(1,926)
Interest and other costs of finance paid		(5)	(6)
Total payments		(16,545)	(37,898)
Net cash flows from / (used in) operating activities	19	2	47
Cash flows from investing activities			
Payments for property, plant and equipment	20	(512)	(739)
Proceeds received from sale of property, plant and equipment		-	-
Net cash flows from / (used in) investing activities		(512)	(739)
Cash flows from financing activities			
Proceeds from capital contributions by State Government		491	716
Repayment of finance leases		21	23
Net cash flows from / (used in) financing activities		512	739
Net increase / (decrease) in cash and cash equivalents		2	47
Cash and cash equivalents at the beginning of the financial year		(3)	(50)
Cash and cash equivalents at the end of the financial year	19	(1)	(3)

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

Notes to the financial statements

for the financial year ended 30 June 2008

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Notes to the financial statements

for the financial year ended 30 June 2008

Note 1. Summary of accounting policies

(A) Statement of compliance

The financial report is a general purpose financial report which has been prepared on an accrual basis in accordance with the *Financial Management Act 1994*, applicable Australian Accounting Standards (AAS), which includes the Australian accounting standards issued by the *Australian Accounting Standards Board (AASB)*, *AAS 29 Financial Reporting by Government Departments*, Interpretations and other mandatory professional requirements.

The financial report also complies with relevant Financial Reporting Directions (FRDs) issued by the Department of Treasury and Finance, and relevant Standing Directions (SD) authorised by the Minister for Finance.

(B) Basis of preparation

The financial report has been prepared on the historical cost basis, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets.

In the application of AASs, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision, and future periods if the revision affects both current and future periods.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2008 and the comparative information presented for the year ended 30 June 2007.

(C) Reporting entity

The financial report covers the Victorian Electoral Commission as an individual reporting entity.

The Commission is a government department of the State of Victoria, established pursuant to an order made by the Premier under the *Electoral Act 1989*. Its principal address is:

Level 8, 505 Little Collins street
Melbourne VIC 3000

The Commission is an administrative agency acting on behalf of the Crown.

The financial report includes all the controlled activities of the Victorian Electoral Commission.

A description of the nature of the Commission's operations and its principal activities is included in the Report of Operations which does not form part of this financial report.

Administered items

The Commission administers but does not control certain resources on behalf of the Crown.

It is accountable for the transactions involving those administered resources, but does not have the discretion to deploy the resources for achievement of the Commission's objectives. For these resources, the Commission acts only on behalf of the Crown. Administered resources are accounted for using the accrual basis of accounting.

Transactions and balances relating to these administered resources are not recognised as Commission revenues, expenses, assets or liabilities within the body of the financial statements, but are disclosed in note 2.

Except as otherwise disclosed, administered items are accounted for on the same basis and using the same accounting policies as for Commission items.

Specific financial disclosures related to administered items can be found in Note 2.

Notes to the financial statements

for the financial year ended 30 June 2008

Note 1. Summary of accounting policies (continued)

Other trust activities on behalf of parties external to the Victorian Government

The Commission has responsibility for transactions and balances relating to trust funds on behalf of third parties external to the Victorian Government. Revenues, other income, expenses, assets and liabilities managed on behalf of third parties are not recognised in these financial statements as they are managed on a fiduciary and custodial basis, and therefore are not controlled by the Commission or the Victorian Government. These transactions and balances are reported in the note 2.

(D) Objectives and funding

The Commission's objective is to provide election services to State and Local Governments, as well as conducting various commercial elections.

The Commission is funded by cash-based special appropriations for the provision of outputs. It provides on a fee for service basis election services for Local Government and Commercial elections. The fees charged for these services are determined by prevailing market forces.

(E) Events after reporting date

Assets, liabilities, income or expenses arise from past transactions or other past events. Where the transactions result from an agreement between the Commission and other parties, the transactions are only recognised when the agreement is irrevocable at or before balance date. Adjustments are made to amounts recognised in the financial statements for events which occur after the reporting date and before the date the statements are authorised for issue, where those events provide information about conditions which existed at the reporting date. Note disclosure is made about events between the balance date and the date the statements are authorised for issue where the events relate to condition which arose after the reporting date and which may have a material impact on the results of subsequent years.

(F) Goods and services tax (GST)

Income, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

Notes to the financial statements

for the financial year ended 30 June 2008

Note 1. Summary of accounting policies (continued)

(G) Income recognition

All income received by the Commission is generally required to be paid into the Consolidated Fund.

Income becomes controlled and is recognised by the Commission when it is appropriated from the Consolidated Fund by the Victorian Parliament and applied to the purposes defined under relevant *Appropriations Act*.

Other revenue

Amounts disclosed as revenue are, where applicable, net of returns, allowances and duties and taxes.

All amounts of revenue over which the Commission does not have control are disclosed as administered income in the schedule of administered income and expenses (see note 2).

Administered income

Fines and regulatory fees

The Commission does not gain control over assets arising from, fines and regulatory fees, no income is recognised in the Commission's financial statements.

The Commission collects these amounts on behalf of the Crown. Accordingly, the amounts are disclosed as income in the schedule of Administered Items (see Note 2).

(H) Expenses

Employee benefits

Employee benefits expenses include all costs related to employment including wages and salaries, leave entitlements, redundancy payments and superannuation contributions. These are recognised when incurred, except for contributions in respect of defined benefit plans.

Superannuation

Defined benefit plans

The amount charged to the operating statement in respect of defined benefit superannuation plans represents the contributions made by the Commission to the superannuation plan in respect to the current services of current Commission staff. Superannuation contributions are made to the plans based on the relevant rules of each plan.

The Department of Treasury and Finance centrally recognises the defined benefit liability or surplus of most Victorian government employees in such funds.

Depreciation

Depreciation is provided on property, plant and equipment. Depreciation is generally calculated on a straight line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period. Note 8 provides details on the estimated useful lives that are used in the calculation of depreciation on property, plant and equipment.

Amortisation

Intangible assets with finite useful lives are amortised on a systematic (typically straight-line) basis over the asset's useful life. Amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each annual reporting period. In addition, an assessment is made at each reporting date to determine whether there are indicators that the intangible asset concerned is impaired. If so, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually or whenever there is an indication that the asset may be impaired. The useful lives of intangible assets that are not being amortised are reviewed each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset.

Notes to the financial statements

for the financial year ended 30 June 2008

Note 1. Summary of accounting policies (continued)

Capital asset charge

The capital asset charge represents the opportunity cost of capital invested in the non-current physical assets used in the provision of outputs. The charge is calculated on the budgeted carrying amount of applicable non-current physical assets.

Finance costs

Finance costs are recognised as expenses in the period in which they are incurred and relate to finance lease charges.

Impairment of assets

Intangible assets with indefinite useful lives are tested annually for impairment (i.e. as to whether their carrying value exceeds their recoverable amount, and so require write-downs) and whenever there is an indication that the asset may be impaired. All other assets are assessed annually for indications of impairment, except for inventories.

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their possible recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off by a charge to the operating statement except to the extent that the write-down can be debited to an asset revaluation reserve amount applicable to that class of asset.

It is deemed that, in the event of the loss of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made. The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

Supplies and services

Supplies and services generally represent cost of goods sold and the day-to-day running costs, including maintenance costs, incurred in the normal operations of the Commission. These items are recognised as an expense in the reporting period in which they are incurred. The carrying amount of any inventories held for distribution is expensed when distributed.

(I) Assets

All non current assets controlled by the Commission are reported in the balance sheet.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank.

For the cash flow statement presentation purposes, cash and cash equivalents includes bank overdrafts, which are included as current interest bearing liabilities on the balance sheet.

Receivables

Receivables consist predominantly of debtors in relation to goods and services, and GST input tax credits recoverable.

A provision for doubtful receivables is made when there is objective evidence that the debts will not be collected. Bad debts are written off when identified.

Inventories

Inventories held for distribution are measured at cost, adjusted for any loss of service potential.

All other inventories, are measured at the lower of cost and net realisable value.

Bases used in assessing loss of service potential for inventories held for distribution include current replacement cost and technical or functional obsolescence. Technical obsolescence occurs when an item still functions for some or all of the tasks it was originally acquired to do, but no longer matches existing technologies. Functional obsolescence occurs when an item no longer functions the way it did when it was first acquired.

Receivables

Trade receivables are recorded at amortised cost, using the effective interest method, less impairment.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Notes to the financial statements

for the financial year ended 30 June 2008

Note 1. Summary of accounting policies (continued)

Intangible assets

Intangible assets represent identifiable non-monetary assets without physical substance.

Intangible assets are initially recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses.

Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to the Commission.

Costs associated with the development of computer software relating to the Election Management and Roll Management system totalling \$0.5 million or more are capitalised and amortised on a straight line basis over a twelve year (three State election periods) being the period in which the related benefits are expected to be realised. Costs associated with the acquisition or development of computer software which are less than \$0.5 million are charged as expenses in the period in which they are incurred.

Plant and equipment

Plant, equipment and vehicles are measured at cost less accumulated depreciation and impairment.

Revaluations of non-current assets

The Commission controls plant and equipment, furniture and fittings, motor vehicles, computer development and leasehold improvements which are measured at cost, and are not subject to revaluation.

Leases

Leases of plant and equipment are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Commission as lessee

Finance leases are recognised as assets and liabilities at amounts equal to the fair value of the lease property or, if lower, the present value of the minimum lease payment, each determined at the inception of the lease. The lease asset is depreciated over the shorter of the estimated useful life of the asset or the term of the lease. Minimum lease payments are allocated between the principal component of the lease liability, and the interest expense calculated using the interest rate implicit in the lease, and charged directly to the operating statement. Contingent rentals associated with finance leases are recognised as an expense in the period in which they are incurred.

Operating lease payments, including any contingent rentals, are recognised as an expense in the operating statement on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset.

Lease incentives

All incentives for the agreement of a new or renewed operating lease shall be recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefits of incentives are recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The cost of leasehold improvements is capitalised as an asset and depreciated over the remaining term of the lease or the estimated useful life of the improvements, whichever is the shorter.

(J) Liabilities

Payables

Payables consist predominantly of creditors and other sundry liabilities.

Payables are initially recognised at fair value, then subsequently carried at amortised cost and represent liabilities for goods and services provided to the Commission prior to the end of financial year that are unpaid, and arise when the Commission becomes obliged to make future payments in respect of the purchase of these goods and services. Fair value is determined in the manner described in Note 18.

Notes to the financial statements

for the financial year ended 30 June 2008

Note 1. Summary of accounting policies (continued)

Interest bearing liabilities

Interest bearing liabilities are recorded initially at fair value, net of transaction costs.

Subsequent to initial recognition, interest bearing liabilities are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest bearing liability using the effective interest rate method.

Fair value is determined in the manner described in Note 18.

Provisions

Provisions are recognised when the Commission has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Employee benefits

(i) *Wages and salaries, annual leave and sick leave*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulated sick leave expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Those liabilities that are not expected to be settled within 12 months are recognised in the provision for employee benefits as current liabilities, measured at present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

(ii) *Long service leave*

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Current liability - unconditional LSL is disclosed as a current liability even where the Commission does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months:

The components of this current LSL are measured at:

present value - component that the Commission does not expect to settle within 12 months; and

nominal value - component that the Commission expects to settle within 12 months

Non-current liability - conditional LSL is disclosed as a non - current liability.

There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service

The non-current LSL liability is measured at present value.

(iii) *Termination benefits*

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Commission recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

Benefits falling due more than 12 months after balance sheet date are discounted to present value.

Employee benefits on-costs

Employee benefits on-costs (payroll tax, workers compensation, superannuation, annual leave and LSL accrued while on LSL taken in service) are recognised separately from provision for employee benefits.

Notes to the financial statements

for the financial year ended 30 June 2008

Note 1. Summary of accounting policies (continued)

(K) Commitments

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources and are disclosed at their nominal value.

(L) Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

(M) Equity

Contributions by owners

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions or distributions have also been designated as contributions by owners.

(N) Functional and presentation currency

The functional currency of the Commission is the Australian dollar, which has also been identified as the presentation currency of the Commission.

(O) Rounding of amounts

Amounts in the financial report have been rounded to the nearest thousand dollars, unless otherwise stated.

(P) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2008 reporting period. The Department of Treasury and Finance assesses the impact of these new standards and advises departments and other entities of their applicability and early adoption where applicable.

As at 30 June 2008, the following standards and interpretations (applicable to departments) had been issued but were not mandatory for financial years ending 30 June 2008. The Commission has not, and does not intend to, adopt these standards early.

Notes to the financial statements

for the financial year ended 30 June 2008

Note 1. Summary of accounting policies (continued)

Standard / Interpretation	Summary	Applicable for annual reporting periods beginning or ending on	Impact on VEC financial statements
<i>AASB 2007-2 Amendments to Australian Accounting Standards arising from AASB Interpretation 12</i>	Amendments arise from the release in February 2007 of Interpretation 12 <i>Service Concession Arrangements</i> .	Beginning 1 July 2008	As above
<i>Revised AASB 1004 Contributions</i>	AASB decided to relocate requirements on contributions from AAS 27, 29 and 31, substantively unamended, into AASB 1004 as part of its short-term review of AAS 27, AAS 29, and AAS 31.	Beginning 1 July 2008	Impact expected to be insignificant
<i>AASB 1050 Administered Items</i>	As part of the short-term review of AAS 27, AAS 29, and AAS 31, AASB decided to relocate the requirements for the disclosure of administered items from AAS 29, substantively unamended (with some exception as noted in Appendix A) into a new topic-based standard AASB 1050.	Beginning 1 July 2008	Impact expected to be insignificant
<i>AASB 2007-09 Amendments to Australian Accounting Standards arising from the review of AAS27, AAS 29 and AAS 31</i>	An accompanying amendment standard to amend existing accounting standards as part of the short term review of AAS 27, AAS 29 and AAS 31 in December 2007.	Beginning 1 July 2008	Impact expected to be insignificant
<i>AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8 (AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 and AASB 1038)</i>	An accompanying amending standard, also introduced consequential amendments into other Standards.	Beginning 1 Jan 2009	Impact expected to be insignificant
<i>AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 123 (AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretation 1 & 12</i>	Option to expense borrowing cost related to a quantifying asset had been removed. Entities are now required to capitalise borrowing costs relevant to qualifying assets.	Beginning 1 Jan 2009	All Australian government jurisdictions are currently still actively pursuing an exemption for government from capitalising borrowing costs
<i>AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101</i>	Editorial amendments to Australian Accounting Standards to align with IFRS terminology.	Beginning 1 Jan 2009	Impact expected to be insignificant

Notes to the financial statements

for the financial year ended 30 June 2008

Note 2. Administered (non-controlled) items

In addition to the specific Commission operations which are included in the balance sheet, operating statement and cash flow statement, the Commission administers or manages activities on behalf of the State and Local Government. The transactions relating to these activities are reported as administered items in this note. Administered transactions give rise to incomes, expenses, assets and liabilities and are determined on an accrual basis.

Administered income include taxes, fees and fines and candidate deposits.

Administered assets include incomes earned but yet to be collected.

Administered liabilities include expenses incurred but yet to be paid.

	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
	State		Local Government	
Administered income				
Fees	1,606	877	-	-
Fines	782	375	95	110
Candidates deposits	9	249	10	10
Electoral entitlements	79	7,390	-	-
Total administered income	2,476	8,891	105	120
Administered expenses				
Fees	1,793	1,103	-	-
Fines	782	-	102	339
Candidates deposits	6	171	14	8
Electoral entitlements	73	7,395	-	-
Total administered expenses	2,654	8,669	116	347
Administered assets				
Bank	3	40	-	11
Receivables	490	674	-	-
Total administered assets	493	714	0	11
Administered liabilities				
Candidates deposits	3	-	-	4
Compulsory voting fines	-	40	-	7
Payables	78	73	-	-
Total administered liabilities	81	113	0	11

Notes to the financial statements

for the financial year ended 30 June 2008

Note 3. Income

	2008 \$'000	2007 \$'000
(a) Revenue from Government		
Special appropriations for continuing operations (via grant funding - Department of Justice)	15,604	36,019
(b) Other revenue		
Other	-	-
	15,604	36,019

Note 4. Expenses

(a) Employee benefits		
Past employment benefits - defined contribution plans	530	997
Termination benefits	-	-
Salaries and wages	6,075	16,178
Total employee benefit	6,605	17,175
(b) Depreciation and amortisation		
Depreciation of non-current assets	533	695
Amortisation of non-current assets	1,142	1,142
Total depreciation and amortisation	1,675	1,837
(c) Supplies and Services		
Purchase of supplies and consumables	2,325	13,608
Purchase of services	6,264	5,352
Maintenance	144	369
Other	292	204
Total supplies and services	9,025	19,533
(d) Finance costs		
Finance lease costs	5	6
Total finance costs	5	6
(e) Other expenses		
Inventory:		
Write down of inventory to net realisable value:	-	-
Operating lease rental expenses:		
Minimum lease payments	32	417
Total other expenses	32	417

Notes to the financial statements

for the financial year ended 30 June 2008

Note 5. Receivables

	2008 \$'000	2007 \$'000
Current receivables		
Amounts owing from Victorian Government		
GST input tax credit recoverable	78	131
Other receivables	73	67
	151	198
Other receivables	61	-
	61	-
Total current receivables	212	198

Note 6. Inventories

Supplies and consumables		
At cost	1,012	800
Total inventories	1,012	800

Note 7. Other assets

Current other assets		
Prepayments	186	212
Total current other assets	186	212

Note 8. Property, plant and equipment

Classification - Purpose Group "Public Administration"		
Plant, equipment and vehicles	1,066	1,020
Plant and equipment under finance lease (at cost)	84	76
Furniture & fittings	14	20
Leasehold Improvements	174	237
Work in Progress	-	-
Net carrying amount of PPE	1,338	1,353

Notes to the financial statements

for the financial year ended 30 June 2008

Note 8. Property, plant and equipment (continued)

Classification – Movements in carrying amounts

	Public Administration	
	\$'000 2008	\$'000 2007
Opening balance	1,353	1,584
Additions	563	758
Disposals	(44)	(294)
Depreciation/amortisation expense (note 4)	(534)	(695)
Closing balance	1,338	1,353

Change in accounting policy

On 1 July 2007 the VEC changed its accounting policy in relation to its asset capitalisation threshold increasing it from \$500 to \$5,000. Implementing this policy will provide operational efficiencies and increased budget flexibility to the VEC. The change in policy has been applied retrospectively and comparative information in relation to the 2007 financial year has been restated accordingly. Due to the immaterial impact on the Operating Statement no retrospective changes have been applied to the affected Operating Statement line items but the total balance has been adjusted to accumulated surplus.

The following table shows how the changes in the asset capitalisation threshold impacted comparative balances:

	30 June 2007	Increase/ (Decrease)	2007 Restated
Balance Sheet (Extract)	\$'000	\$'000	\$'000
Property, plant and equipment	1,595	(242)	1,353
Total assets	1,595	(242)	1,353
Accumulated surplus / (deficit)	(11,157)	(242)	(11,399)
Total equity	(11,157)	(242)	(11,399)

Notes to the financial statements

for the financial year ended 30 June 2008

Note 8. Property, plant and equipment (continued)

Aggregate depreciation allocated recognised as an expense during the year

	2008	2007
Plant, equipment and vehicles	441	597
Plant and equipment under finance lease (at cost)	23	25
Furniture & fittings	7	17
Leasehold Improvements	63	56
	534	695

The following useful lives of assets are used in the calculation of depreciation:

	2008	2007
Leased motor vehicles	3 years	3 years
Plant & equipment	2 to 10 years	2 to 10 years
Furniture & fittings	5 to 14 years	5 to 14 years
Computer equipment	2 to 3 years	2 to 3 years

Note 9. Non-current assets classified as held for sale and directly associated liabilities

(a) Non-current assets classified as held for sale

	\$'000 2008	\$'000 2007
Non-current assets		
Leased motor vehicles	20	-
Total non-current assets classified as held for sale	20	-

(b) Liabilities directly associated with assets classified as held for sale

Liabilities of leased motor vehicles	20	-
Total liabilities directly associated with assets classified as held for sale	20	-

Notes to the financial statements

for the financial year ended 30 June 2008

Note 10. Intangible assets

	Capitalised software development	
	2008	2007
	\$'000	\$'000
Gross carrying amount		
Opening balance	13,684	13,684
Additions from internal developments	-	-
Impairment losses charged to net result	-	-
Closing balance	13,684	13,684
Accumulated amortisation and impairment		
Opening balance	(6,058)	(4,916)
Amortisation expense	(1,142)	(1,142)
Impairment losses charged to net result	-	-
Closing balance	(7,200)	(6,058)
Net book value at the end of the financial year	6,484	7,626

Amortisation expense is included in the line item 'depreciation and amortisation expense' in the operating statement.

Significant intangible assets

The commission has capitalised software development expenditure for the development of its election management and electoral rolls development. The carrying amount of the capitalised software development expenditure of \$6.5 million (2007: \$7.6 million) will be fully amortised in 2010.

Note 11. Payables

	2008	2007
	\$'000	\$'000
Current payables		
Employee benefits	262	195
Supplies and services	249	116
Other	-	-
	511	311

The average credit period is 30 days. No interest is charged on payables.

Notes to the financial statements

for the financial year ended 30 June 2008

Note 12. Interest bearing liabilities

	2008 \$'000	2007 \$'000
Current		
Secured		
Finance lease liabilities (refer note 15)	29	77
Total current interest bearing liabilities	29	77
Non-current		
Secured		
Finance lease liabilities (refer note 15)	54	-
Total non-current interest bearing liabilities	54	-
Total interest bearing liabilities	83	77

Note 13. Provisions

Current (a) (refer note 1 (J))

Employee benefits		
Unconditional and expected to be settled within 12 months (b)	477	541
Unconditional and expected to be settled after 12 months (c)	505	403
	982	944
Provisions related to employee benefit on-cost		
Unconditional and expected to be settled within 12 months (b)	74	84
Unconditional and expected to be settled after 12 months (c)	78	63
Total current provisions	1,134	1,091
Non-current (a) (refer note 1(J))		
Employee benefits	128	109
Provisions related to employee benefit on-costs	20	17
Total non-current provisions	148	126
Total provisions	1,282	1,217

(a) Employee benefits and related on-costs (a)

Current employee benefits		
Annual leave entitlements	441	506
Unconditional long service leave entitlements	541	438
Non-current employee benefits		
Conditional long service leave entitlements	128	109
Total employee benefits	1,110	1,053

Notes to the financial statements

for the financial year ended 30 June 2008

13. Provisions (continued)

	2008 \$'000	2007 \$'000
Current on-costs	152	147
Non-current on-costs	20	17
Total on-costs	172	164
Total employee benefits and related on-costs	1,282	1,217

Note

- (a) Provisions for employee benefits consist of amounts for annual leave and long service leave accrued by employees, not including on-costs
- (b) The amounts disclosed are nominal amounts
- (c) The amounts disclosed are discounted to present values

(b) Movement in provisions

	On-costs
Opening balance	1,217
Additional provisions recognised	65
Closing balance	1,282
Current	1,134
Non-current	148
	1,282

Notes to the financial statements

for the financial year ended 30 June 2008

Note 14. Defined benefit superannuation plans

Employees of the Commission are entitled to receive superannuation benefits and the Commission contributes to both defined benefit and defined contribution plans. The defined benefit plan provides benefits based on years of service and final average salary.

The Commission does not recognise any defined benefit liability in respect of the plans because the entity has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance recognises and discloses the State's defined benefit liabilities in its financial report.

However, superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the Operating Statement of the Commission.

The name and details of the major employee superannuation funds and contributions made by the Commission are as follows:

	2008 \$'000	2007 \$'000
Defined benefit plans:		
Government Superannuation Office	93	81
Defined contribution plans:		
AGEST	2	32
Colonial First State	32	20
Health Super	4	10
HESTA	15	21
Hostplus	7	12
MLC	19	17
Unisuper	2	10
Vicsuper	352	684
Vision Super	1	13
Other	3	97
Total	530	997

Notes:

- The bases for contributions are determined by the various schemes.
- The above amounts were measured as at 30 June of each year, or in the case of employer contributions they relate to the year ended 30 June.

Notes to the financial statements

for the financial year ended 30 June 2008

Note 15. Leases

Disclosures for lessees-finance leases

Leasing arrangements

Finance leases relate to motor vehicles leased through the Department of Justice. The Commission has options to purchase the vehicles for a nominal amount at the conclusion of the lease agreements.

	Minimum future lease payments		Present value of minimum future lease payments	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Finance lease liabilities payable				
Not longer than 1 year	54	77	52	75
Longer than 1 year and not longer than 5 years	59	–	57	–
Longer than 5 years	–	–	–	–
Minimum future lease payments	113	77	109	75
Less future finance charges	10	2	9	–
Present value of minimum lease payments	103	75	100	75
Included in the financial statements as:				
Current interest bearing liabilities			29	75
Liabilities directly associated with non-current assets classified as held for sale			20	–
Non-current interest bearing liabilities			54	–
			103	75

Minimum future lease payments include the aggregate of all lease payments and any guaranteed residual.

Disclosure for lessees-operating leases

Leasing arrangements

Operating leases relate to office and warehouse accommodation.

All operating lease contracts contain market review clauses in the event that the Commission exercises its option to renew. The Commission does not have an option to purchase the leased asset at the expiry of the lease period.

	2008 \$'000	2007 \$'000
Non-cancellable operating leases		
Not longer than 1 year	1,110	1,101
Longer than 1 year and not longer than 5 years	2,992	2,911
Longer than 5 years	–	–
	4,102	4,012

Notes to the financial statements

for the financial year ended 30 June 2008

Note 16. Commitments for expenditure

The following commitments have not been recognised as liabilities in the financial statements:

	2008 \$'000	2007 \$'000
Expenditure commitments		
Joint Electoral Enrolment Procedure		
Not longer than one year	2,119	2,009
Longer than one year and not longer than 5 years	-	-
Longer than 5 years	-	-
Total commitments for expenditure (inclusive of GST)	2,119	2,009
Less GST recoverable from the Australian Taxation Office	193	183
Total commitments for expenditure (exclusive of GST)	1,926	1,826

All amounts shown in the commitments note are nominal amounts inclusive of GST.

Note 17. Contingent liabilities and contingent assets

Contingent liabilities

Court proceedings	-	-
	-	-

A contingent liability exists for legal action in relation to Electoral Act decisions and offences. However, as at 30 June 2008, there is no reliable estimate of the liability. There were no contingent assets as at 30 June 2008.

Notes to the financial statements

for the financial year ended 30 June 2008

Note 18. Financial instruments

(a) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 1 to the financial statements.

(b) Categorisation of financial instruments

Financial assets	Note	Category	Carrying Amount 2008	Carrying Amount 2007
Cash and cash equivalents		N/A	1	1
Receivables (a)		Receivables	61	-
Financial liabilities	Note	Category	Carrying Amount 2008	Carrying Amount 2007
Payables		Financial liabilities measured at amortised cost	511	311
Interest bearing liabilities		Financial liabilities measured at amortised cost	103	77

Note

(a) The amount of receivables disclosed here exclude statutory receivables
(i.e. Amounts owing from Victorian Government and GST input tax credit recoverable)

(c) Credit risk

Credit risk arises from the financial assets of the Commission, which comprise cash and cash equivalents and trade and other receivables. The Commission's exposure to credit risk arises from the potential default of counter party on their contractual obligations resulting in financial loss to the Commission. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the Commission's financial assets is minimal because the main debtor is the Victorian Government. For debtors other than the government, it is the Commission's policy to only deal with entities with high credit ratings and to obtain sufficient collateral or credit enhancements where appropriate.

The carrying amount of financial assets recorded in the Financial report, net of any allowances for losses, represents the Commission's maximum exposure to credit risk without taking account of any collateral obtained.

Financial assets that are either past due or impaired

Currently the Commission does not hold any collateral as security nor credit enhancements relating to any of its financial assets.

As at the reporting date, there is no event to indicate that any of the financial assets were impaired.

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amount as indicated. The following table discloses the ageing only of financial assets that are past due but not impaired.

Notes to the financial statements

for the financial year ended 30 June 2008

Note 18. Financial instruments (continued)

Interest rate exposure and ageing analysis of financial assets

	Weighted average effective interest rate %	Carrying amount	Interest rate exposure			Not past due and not impaired	Past due but not impaired				Impaired financial asset
			Fixed interest rate	Variable interest rate	Non-interest bearing		less than 1 month	1-3 months	3 months -1 year	1-5 years	
2008											
Receivables											
Other receivables	n/a	61	-	-	61	61	-	-	-	-	-
		61	-	-	61	61	-	-	-	-	-
2007											
Receivables											
Other receivables	n/a	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-

(d) Liquidity risk

Liquidity risk arises when the Commission is unable to meet its financial obligations as they fall due.

The Commission operates under the Government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, make payments within 30 days from the date of resolution.

The Commission's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. Cash for unexpected events is generally sourced from the Department of Treasury and Finance.

Interest rate exposure and maturity analysis of financial liabilities

	Weighted average effective interest rate %	Carrying amount	Interest rate exposure			Nominal amount	Maturity dates (a)			
			Fixed interest rate	Variable interest rate	Non-interest bearing		less than 1 month	1-3 months	3 months -1 year	1-5 years
2008										
Payables										
Other payables	-	511	-	-	511	511	511	-	-	-
Interest bearing liabilities										
Finance lease liabilities	6.94	103	103	-	-	113	35	4	16	58
		614	103	-	511	624	546	4	16	58
2007										
Payables										
Other payables	-	311	-	-	311	311	311	-	-	-
Interest bearing liabilities										
Finance lease liabilities	6.33	77	77	-	-	80	3	5	72	-
		388	77	-	311	391	314	5	72	-

Note:

(a) The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities.

Notes to the financial statements

for the financial year ended 30 June 2008

Note 18. Financial instruments (continued)

(e) Market risk

The Commission's exposure to market risk is primarily through interest rate risk with only insignificant exposure to foreign currency and other price risks. Objectives, policies and processes used to manage each of these risks are disclosed in the paragraphs below.

Foreign currency risk

The Commission is exposed to insignificant foreign currency risk through its payables relating to purchases of supplies and consumables from overseas. This is because of a limited amount of purchases denominated in foreign currencies and a short timeframe between commitment and settlement. Based on past and current assessment of economic outlook, it is deemed unnecessary for the Commission to enter into any hedging arrangements to manage the risk.

Interest rate risk

Exposure to interest rate risk is insignificant and might arise primarily through the Commission's interest bearing liabilities. Minimisation of risk is achieved by mainly undertaking fixed rate or non-interest bearing financial instruments. For financial liabilities, the Commission mainly undertake financial liabilities with relatively even maturity profiles.

Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the Commission believes the following movements are reasonably possible over the next 12 months:

* A parallel shift of +2 per cent and -2 per cent in market interest rates (AUD) from year-end rates of 7 per cent; and

* Proportional exchange rate movement of -5 per cent (depreciation of AUD) and +15 per cent (appreciation of AUD) against the USD, from an example of year-end rate of 0.90

The following table discloses the impact on net operating result and equity for each category of financial instrument held by the Commission at year-end as presented to key management personnel, if the above movements were to occur.

(e) Market risk exposure

	Carrying amount	Foreign exchange risk				Interest rate risk			
		-5%		15%		-2% (200 basis points)		2% (200 basis points)	
		Net result	Equity	Net result	Equity	Net result	Equity	Net result	Equity
2008									
Financial assets									
Cash and cash equivalents	1	-	-	-	-	-	-	-	-
Receivables	61	-	-	-	-	-	-	-	-
Financial liabilities									
Payables	511	-	-	-	-	-	-	-	-
Interest bearing liabilities	103	-	-	-	-	-	-	-	-
Total increase/(decrease)		-	-	-	-	-	-	-	-
2007									
Financial assets									
Cash and cash equivalents	1	-	-	-	-	-	-	-	-
Receivables	-	-	-	-	-	-	-	-	-
Financial liabilities									
Payables	311	-	-	-	-	-	-	-	-
Interest bearing liabilities	77	-	-	-	-	-	-	-	-
Total increase/(decrease)		-	-	-	-	-	-	-	-

Notes to the financial statements

for the financial year ended 30 June 2008

Note 18. Financial instruments (continued)

(f) Fair value

The fair values and net fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices; and
- the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The Commission considers that the carrying amount of financial assets and financial liabilities recorded in the financial report to be a fair approximation their fair values, because of the short-term nature of the financial instruments and the expectation that they will be paid in full.

Note 19. Cash flow information

(a) Reconciliation of cash and cash equivalents

	2008 \$'000	2007 \$'000
Total cash and cash equivalents disclosed in the balance sheet	1	1
Bank overdraft	(2)	(4)
Balance as per cash flow statement	(1)	(3)

Due to the State of Victoria's investment policy and government funding arrangements, government departments generally do not hold a large cash reserve in their bank accounts. Cash received by the Commission from the generation of revenue is generally paid into the State's bank account, known as the Public Account. Similarly, any Commission expenditure, including those in the form of cheques drawn by the Commission for the payment of goods and services to its suppliers and creditors are made via the Public Account. The process is such that, the Public Account would remit to the Commission the cash required for the amount drawn on the cheques.

This remittance by the Public Account occurs upon the presentation of the cheques by the Commission's suppliers or creditors.

The above funding arrangements often result in the Commission having a notional shortfall in cash at bank required for payment of unrepresented cheques at the reporting date.

At 30 June 2008, cash at bank include the amount of a notional shortfall for the payment of unrepresented cheques of \$2,000 (2007 - \$4,000)

(b) Reconciliation of net result for the period to net cash flows from operating activities

	2008 \$'000	2007 \$'000
Net result for the period	(1,738)	(2,949)
Non-cash movements:		
Depreciation and amortisation of non current assets	1,675	1,837
(Gain)/loss on sale or disposal of non-current assets	2	25
Correction of error	-	-
Adjustment to controlled receivables	-	-
Movements in assets and liabilities		
(Increase)/decrease in current receivables	(14)	211
(Increase)/decrease in current inventories	(212)	439
(Increase)/decrease in other current assets	26	619
(Decrease)/increase in current payables	198	(241)
(Decrease)/increase in current provisions	43	98
(Decrease)/increase in non-current provisions	22	8
	1,740	2,996
Net cash from/(used in) operating activities	2	47

Notes to the financial statements

for the financial year ended 30 June 2008

Note 20. Movements in equity

	2008 \$'000	2007 \$'000
(a) Contributions by owner		
Balance at beginning of financial year	19,980	19,241
Capital transactions with the State in its capacity as owner arising from: Appropriations	512	739
Balance at end of financial year	20,492	19,980
(b) Accumulated surplus/(deficit)		
Balance at beginning of financial year	(11,399)	(8,208)
Adjustment on adoption of new accounting policy	-	(242)
Net result	(1,738)	(2,949)
Balance at end of financial year	(13,137)	(11,399)
Total equity at the end of the financial year	7,355	8,581

Note 21. Summary of compliance with special appropriations

The following table discloses the details of the annual special appropriations received by the Commission for the year. In accordance with accrual output-based management procedures 'Provision of outputs' and 'Additions to net assets' are disclosed as 'controlled' activities of the Commission. Administered transactions are those that are undertaken on behalf of the State over which the Commission has no control or discretion.

	Annual Appropriation	
	2008	2007
Controlled		
Provision for outputs	15,604	36,019
Additions to net assets	512	739
Administered		
Payments made on behalf of the State	79	7,390
Total	16,195	44,148

Note 22 Ex-Gratia payment

The commission made no ex-gratia payment during the reporting period. (2007 - Nil)

Notes to the financial statements

for the financial year ended 30 June 2008

Note 23. Trust account balances

Trust Account Balances relating to Trust Accounts controlled and/or administered by the Commission

	2008 \$'000	2007 \$'000
Cash and cash equivalents		
Administered Trusts		
Candidates deposits State and Local Governments	3	4
Fines State and Local Governments	–	47
Total Administered Trusts	3	51

Note 24. Responsible persons

In accordance with the Ministerial Directions issued by the Minister for Finance under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the reporting period.

Names

The persons who held the positions of Accountable Officers in the Commission are as follows:

Electoral Commissioner	Mr Steven Tully	1 July 2007 to 30 June 2008
Deputy Electoral Commissioner	Ms Liz Williams	1 July 2007 to 30 June 2008

Remuneration

Remuneration received or receivable by the Accountable Officers in connection with the management of the Commission during the reporting period was in the range:

\$230,000 - \$239,999 (\$220,000 - \$229,999 in 2007)

\$140,000 - \$149,999 (\$140,000 - \$149,999 in 2007)

Note 25. Remuneration of auditors

	2008 \$'000	2007 \$'000
Victorian Auditor General's Office		
Audit or review of the financial report	15	14
	15	14

Note 26. Subsequent events

The Victorian Electoral Commission has no material or significant events occurring after the reporting date.

Electoral Commissioner and chief finance and accounting officer's declaration

We certify that the attached financial report for the Victorian Electoral Commission have been prepared in accordance with Standing Direction 4.2 of the Financial Management Act 1994, applicable Financial Reporting Directions, Australian accounting standards and other mandatory professional reporting requirements.

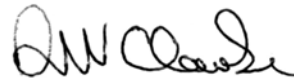
We further state that, in our opinion, the information set out on the Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, and notes to and forming part of the financial report presents fairly the financial transactions during the year ended 30 June 2008 and financial position of the Commission as at 30 June 2008.

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

We authorise the attached financial report for issue on 13 August 2008.



Steve Tully
Electoral Commissioner
Victorian Electoral Commission
Melbourne
13 August 2008



David Clarke CPA
Manager Finance and Budget
Victorian Electoral
Commission
Melbourne
13 August 2008



Victorian Auditor-General's Office

INDEPENDENT AUDITOR'S REPORT

To the Electoral Commissioner, Victorian Electoral Commission

The Financial Report

The accompanying financial report for the year ended 30 June 2008 of the Victorian Electoral Commission which comprises the operating statement, balance sheet, statement of changes in equity, cash flow statement, a summary of significant accounting policies and other explanatory notes to and forming part of the financial report, and the Electoral Commissioner and chief finance and accounting officer's declaration has been audited.

The Electoral Commissioner's Responsibility for the Financial Report

The Electoral Commissioner is responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the financial reporting requirements of the *Financial Management Act 1994*. This responsibility includes:

- establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error
- selecting and applying appropriate accounting policies
- making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. These Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used, and the reasonableness of accounting estimates made by the Electoral Commissioner, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

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Auditing in the Public Interest

VAGO

Victorian Auditor-General's Office

Independent Auditor's Report (continued)

Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial report published in both the annual report and on the website of the Victorian Electoral Commission for the year ended 30 June 2008. The Electoral Commissioner is responsible for the integrity of the web site. I have not been engaged to report on the integrity of the web site. The auditor's report refers only to the statements named above. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on the Victorian Electoral Commission web site.

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Auditor's Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Victorian Electoral Commission as at 30 June 2008 and its financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations), and the financial reporting requirements of the *Financial Management Act 1994*.

MELBOURNE
19 August 2008



D.D.R. Pearson
Auditor-General

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Auditing in the Public Interest

Appendixes

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Appendix 1

Disclosure Index

The annual report of the VEC is prepared in accordance with all relevant legislation. This index has been prepared to identify the VEC's compliance with statutory disclosure requirements.

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<i>Multicultural Victoria Act 2004</i>	

Appendixes

Appendix 2

Accredited Purchasing Unit approved contracts

There were three contracts approved by the Accredited Purchasing Unit during 2007-08.

APU reference number:	087/07/08
Title of contract::	Intelligent Character recognition (ICR) Scanning Solution
Period of contract::	1 February 2008 to 31 December 2008
Contractor details:	SEMA Group Pty/Ltd
Contractor ABN:	58 002 012 320
Contract value approved:	\$256,195.50 (GST included)

APU reference number:	023/07-08
Title of contract::	Agreement for Envelope Provision and Printing Services
Period of contract::	4 years commencing 15 January 2008 with a 2 year extension option
Contractor details:	PrinTMail Australia Pty Ltd
Contractor ABN:	31 087 942 069
Contract value approved:	\$1,320,579.00

APU reference number:	023/07-08
Title of contract::	Agreement for Envelope Provision and Printing Services
Period of contract::	4 years commencing 15 January 2008 with a 2 year extension option
Contractor details:	ES Wigg & Sons Pty Ltd
Contractor ABN:	12 007 869 865
Contract value approved:	\$521,772.00

Appendix 3

Consultants engaged, 2007-08

Consultancy engagements over \$100,000	Nil
Consultancy engagements under \$100,000	66

Purpose of Consultancy	Amount
Electoral representation reviews	\$73,885
Voting and enrolment barriers research	\$49,516
Office accommodation review	\$40,452
Corporate information	\$30,762
Total	\$194,615

Appendixes

Appendix 4

District and region enrolments as at 30 June 2008

Electorate	Enrolment at close of roll - 2002 State Election	Deviation from average enrolment	Enrolment at close of Roll - 2006 State Election	Deviation from average enrolment	Enrolment at 30 June 2008	Deviation from average enrolment
EASTERN METROPOLITAN REGION						
Bayswater District	36,316	-0.74%	36,321	-4.70%	36,987	-6.11%
Box Hill District	37,475	+2.39%	37,970	-0.37%	38,574	-2.08%
Bulleen District	34,839	-4.85%	34,692	-8.97%	35,120	-10.85%
Doncaster District	35,426	-3.29%	35,524	-6.79%	36,434	-7.51%
Eltham District	37,879	+3.22%	38,242	+0.34%	38,723	-1.70%
Ferntree Gully District	38,626	+5.14%	40,994	+7.56%	42,733	+8.48%
Forest Hill District	37,492	+2.38%	36,669	-3.79%	36,788	-6.61%
Kilsyth District	37,783	+3.21%	38,358	+0.65%	39,574	+0.46%
Mitcham District	36,672	+0.09%	36,374	-4.56%	37,033	-5.99%
Scoresby District	37,667	+2.89%	38,226	+0.30%	38,871	-1.33%
Warrandyte District	39,069	+6.70%	39,590	+3.88%	40,552	+2.94%
Total	409,244	+1.41%	412,960	-1.50%	421,389	-2.75%
EASTERN VICTORIAN REGION						
Bass District	35,258	-3.97%	39,847	+4.55%	42,977	+9.10%
Evelyn District	36,974	+0.86%	37,693	-1.10%	38,724	-1.70%
Gembrook District	34,586	-5.70%	38,722	+1.60%	40,707	+3.34%
Gippsland East District	37,475	+2.09%	39,024	+2.39%	40,072	+1.72%
Gippsland South District	36,510	-0.40%	37,314	-2.09%	38,312	-2.74%
Hastings District	37,635	+2.43%	39,913	+4.73%	42,001	+6.62%
Monbulk District	36,119	-1.45%	36,262	-4.85%	37,283	-5.36%
Mornington District	34,532	-5.99%	36,934	-3.09%	38,329	-2.70%
Morwell District	36,042	-1.65%	36,667	-3.79%	37,562	-4.65%
Narracan District	37,315	+1.82%	38,846	+1.93%	40,315	+2.34%
Nepean District	36,176	-1.15%	36,451	-4.36%	37,583	-4.59%
Total	398,622	-1.22%	417,673	-0.37%	433,865	+0.13%
NORTHERN METROPOLITAN REGION						
Broadmeadows District	37,422	+2.53%	36,713	-3.67%	37,690	-4.32%
Brunswick District	37,972	+3.25%	39,734	+4.26%	41,078	+4.28%
Bundoora District	35,029	-4.56%	35,354	-7.24%	36,270	-7.93%
Ivanhoe District	37,277	+1.46%	37,162	-2.49%	38,061	-3.38%
Melbourne District	33,859	-8.38%	38,853	+1.94%	41,663	+5.76%
Mill Park District	35,926	-2.19%	38,365	+0.66%	39,920	+1.34%
Northcote District	37,722	+2.90%	38,584	+1.24%	39,545	+0.39%
Preston District	38,208	+4.46%	37,858	-0.67%	38,673	-1.83%
Richmond District	37,052	+0.68%	38,941	+2.18%	40,735	+3.41%
Thomastown District	38,102	+4.45%	36,458	-4.34%	37,173	-5.64%
Yan Yean District	34,895	-5.13%	41,083	+7.80%	45,283	+14.95%
Total	403,464	-0.02%	419,105	-0.03%	436,091	+0.64%

Appendix 4 (continued)

District and region enrolments as at 30 June 2008

Electorate	Enrolment at close of roll - 2002 State Election	Deviation from average enrolment	Enrolment at close of Roll - 2006 State Election	Deviation from average enrolment	Enrolment at 30 June 2008	Deviation from average enrolment
NORTHERN VICTORIAN REGION						
Benalla District	34,690	-5.44%	35,788	-6.10%	36,131	-8.28%
Benambra District	34,122	-7.29%	35,224	-7.58%	36,001	-8.61%
Bendigo East District	35,520	-3.60%	38,000	-0.29%	38,924	-1.19%
Bendigo West District	38,420	+4.43%	39,557	+3.79%	40,307	+2.32%
Macedon District	39,152	+6.41%	42,700	+12.04%	44,917	+14.02%
Mildura District	36,098	-1.68%	36,320	-4.70%	37,050	-5.95%
Murray Valley District	35,081	-4.52%	36,739	-3.60%	37,555	-4.67%
Rodney District	35,177	-4.09%	35,652	-6.45%	36,088	-8.39%
Seymour District	35,561	-3.25%	38,112	+0.00%	39,595	+0.51%
Shepparton District	35,754	-2.47%	36,206	-5.00%	37,094	-5.84%
Swan Hill District	34,662	-5.50%	33,731	-11.50%	33,566	-14.79%
Total	394,237	-2.31%	408,029	-2.67%	417,228	-3.71%
SOUTHERN METROPOLITAN REGION						
Albert Park District	38,726	+5.61%	43,926	+15.26%	45,948	+16.64%
Bentleigh District	36,801	+0.25%	37,250	-2.26%	38,181	-3.08%
Brighton District	36,505	-0.42%	36,932	-3.10%	37,770	-4.12%
Burwood District	37,923	+3.41%	38,284	+0.45%	38,845	-1.39%
Caulfield District	36,314	-0.92%	36,491	-4.25%	37,366	-5.15%
Hawthorn District	36,951	+0.65%	38,017	-0.25%	38,226	-2.96%
Kew District	35,456	-3.23%	36,049	-5.41%	36,154	-8.22%
Malvern District	36,655	-0.18%	37,452	-1.73%	38,093	-3.30%
Oakleigh District	34,995	-4.16%	34,478	-9.54%	35,398	-10.14%
Prahran District	36,856	+0.48%	38,332	+0.58%	39,619	+0.57%
Sandringham District	36,083	-1.64%	36,376	-4.55%	37,265	-5.40%
Total	403,265	-0.07%	413,587	-1.35%	422,865	-2.41%
SOUTH EAST METROPOLITAN REGION						
Carrum District	38,869	+5.88%	39,516	+3.68%	41,139	+4.43%
Clayton District	34,674	-5.29%	33,398	-12.37%	34,116	-13.40%
Cranbourne District	34,009	-7.55%	40,541	+6.37%	43,831	+11.27%
Dandenong District	35,517	-3.06%	34,489	-9.51%	35,846	-9.00%
Frankston District	36,523	+0.07%	35,465	-6.95%	36,333	-7.77%
Lyndhurst District	34,760	-5.11%	36,605	-3.95%	39,003	-0.99%
Mordialloc District	37,617	+2.07%	39,249	+2.98%	40,530	+2.89%
Mount Waverley District	36,752	+0.38%	36,604	-3.96%	37,289	-5.34%
Mulgrave District	34,337	-6.14%	33,982	-10.84%	34,883	-11.45%
Narre Warren North District	35,036	-4.53%	37,223	-2.33%	38,975	-1.06%
Narre Warren South District	37,578	+1.59%	45,871	+20.36%	49,312	+25.18%
Total	395,672	-1.95%	412,943	-1.50%	431,257	-0.48%

Appendixes

Appendix 4 (continued)

District and region enrolments as at 30 June 2008

Electorate	Enrolment at close of roll - 2002 State Election	Deviation from average enrolment	Enrolment at close of Roll - 2006 State Election	Deviation from average enrolment	Enrolment at 30 June 2008	Deviation from average enrolment
WESTERN METROPOLITAN REGION						
Altona District	35,773	-2.95%	41,888	+9.91%	45,487	+15.47%
Derrimut District	34,611	-5.44%	35,906	-5.79%	38,062	-3.38%
Essendon District	37,369	+1.74%	37,601	-1.34%	38,759	-1.61%
Footscray District	37,412	+2.20%	37,293	-2.15%	39,367	-0.07%
Keilor District	37,980	+2.94%	46,060	+20.85%	49,555	+25.80%
Kororoit District	35,235	-3.98%	38,186	+0.19%	40,643	+3.17%
Niddrie District	36,896	+0.88%	36,148	-5.15%	36,578	-7.15%
Pascoe Vale District	37,634	+2.62%	38,591	+1.26%	39,731	+0.86%
Tarneit District	37,135	+1.23%	41,235	+8.19%	44,246	+12.32%
Williamstown District	37,526	+2.65%	37,437	-1.77%	38,203	-3.02%
Yuroke District	35,943	-2.07%	41,502	+8.89%	44,629	+13.29%
Total	403,514	-0.01%	431,847	+3.01%	455,260	+5.06%
WESTERN VICTORIAN REGION						
Ballarat East District	36,480	-0.94%	37,648	-1.22%	38,738	-1.66%
Ballarat West District	39,714	+8.20%	41,283	+8.32%	42,527	+7.96%
Bellarine District	38,583	+4.93%	40,888	+7.28%	42,078	+6.82%
Geelong District	38,480	+4.96%	39,307	+3.14%	39,506	+0.29%
Lara District	38,724	+5.46%	40,485	+6.23%	42,073	+6.80%
Lowan District	38,381	+4.67%	38,181	+0.18%	38,582	-2.06%
Melton District	35,458	-3.23%	38,693	+1.52%	40,484	+2.77%
Polwarth District	39,179	+6.58%	40,403	+6.01%	40,799	+3.57%
Ripon District	36,044	-1.64%	36,473	-4.30%	36,794	-6.60%
South Barwon District	39,290	+7.14%	43,002	+12.83%	44,913	+14.01%
South-West Coast District	40,115	+9.39%	41,338	+8.46%	42,108	+6.89%
Total	420,448	+4.19%	437,701	+4.41%	448,602	+3.53%
Totals	3,228,466		3,353,845		3,466,557	
District average	36,687		38,112		39,393	
Region average	403,558		419,231		433,320	

Appendix 5

Changes to council structures and deviation range after representation reviews

Municipality	Structure before review	Structure after review	estimated % deviation from average enrolment at November 2008 elections
Ararat	7 councillors, unsubdivided	7 councillors, unsubdivided	NA
Ballarat	9 single-councillor wards	3 three-councillor wards	-2.16 to +1.12
Bass Coast(a)(b)	7 single-councillor wards	7 single-councillor wards	-4.18 to +7.72
Baw Baw	9 single-councillor wards	1 three-councillor ward and 3 two-councillor wards	-8.77 to +7.06
Benalla	7 single-councillor wards	7 councillors, unsubdivided	NA
Boroondara(a)(b)	10 single-councillor wards	10 single-councillor wards	-2.76 to +4.13
Buloke	3 three-councillor wards	1 three-councillor ward and 2 two-councillor wards	-5.20 to +8.12
Campaspe	5 single-councillor wards and 1 two-councillor wards	2 three-councillor wards and 3 single-councillor wards	-5.85 to +7.25
Colac Otway	2 single-councillor wards, 1 two-councillor ward and 1 three-councillor ward	7 councillors, unsubdivided	NA
East Gippsland	2 four-councillor wards	9 councillors, unsubdivided	NA
Gannawarra	3 single councillor wards and 2 two-councillor wards	2 single-councillor wards, 1 two-councillor ward and 1 three-councillor ward	-6.95 to +7.25
Glenelg	9 single-councillor ridings	7 councillors, unsubdivided	NA
Golden Plains	9 single-councillor ridings	7 councillors, unsubdivided	NA
Greater Dandenong(a)	11 single-councillor wards	3 three-councillor wards and 1 two-councillor ward	-7.73 to +6.50
Greater Geelong(b)	12 single-councillor wards	12 single-councillor wards	-7.98 to + 9.72
Hepburn	5 single-councillor wards	2 two-councillor wards and 3 single-councillor wards	-6.11 to +1.92
Latrobe(b)	9 single-councillor wards	9 single-councillor wards	-6.03 to + 5.63
Mansfield	1 two-councillor wards and 3 single-councillor wards	1 two-councillor ward and 3 single-councillor wards	-4.94 to + 9.28
Maroondah	7 single-councillor wards	3 three-councillor wards	-2.01 to +1.68
Melton	7 single-councillor wards	1 three-councillor ward and 2 two-councillor wards	-3.76 to +4.98
Moira	3 three-councillor wards	9 councillors, unsubdivided	NA
Moonee Valley(a)	7 single-councillor wards	3 three-councillor wards	-5.81 to + 6.52
Moynes	5 two-councillor ridings	7 councillors, unsubdivided	NA
Murrindindi	6 single-councillor ridings	7 single-councillor wards	-6.18 to +6.34
Nillumbik(a)	9 single-councillor wards	7 single-councillor wards	-7.24 to +6.23
Northern Grampians	1 six-councillor ward and 1 three-councillor ward	1 three-councillor ward, 1 two-councillor ward and 2 single-councillor wards	-1.30 to +2.89
Port Phillip(b)	7 single-councillor wards	7 single-councillor wards	-7.22 to +9.01
Queenscliffe	7 councillors, unsubdivided	5 councillors, unsubdivided	NA
Southern Grampians	7 councillors, unsubdivided	7 councillors, unsubdivided	NA
Swan Hill	3 two-councillor wards and 1 single-councillor ward	1 four-councillor ward and 3 single-councillor wards	-0.65 to +1.72
Yarra Ranges(b)	9 single-councillor wards	9 single-councillor wards	-7.50 to +9.15

(a) Structure not approved by the Minister for local Government at 30 June 2008.

(b) Same structure, but with different boundaries.

Appendixes

Appendix 6

Victorian registered political parties as at 30 June 2008

Political Party	Registered Officer
Australian Democrats (Victorian Division)	Mr R Stone PO Box 135 East Melbourne Vic. 8002
Australian Labor Party – Victorian Branch	Mr Stephen Newnham State Secretary 360 King Street West Melbourne Vic. 3003
Christian Democratic Party (Fred Nile Group)	Mr Spero Katos PO Box 99 Sandown Village Vic. 3171
Citizens Electoral Council (Victorian Division)	Ms Gabrielle Marie Peut PO Box 376 Coburg Vic. 3058
Country Alliance	Mr Russell William Bate PO Box 107 Jamieson Vic. 3723
Democratic Labor Party (DLP) of Australia	Mr J V Mulholland PO Box 8118 Monash University Clayton Vic. 3168
Family First Party Victoria Inc.	Mr Joshua Reimer PO Box 4631 Knox City Wantirna South Vic. 3152
Liberal Party of Australia – Victorian Division	Mr Tony Nutt State Director 104 Exhibition Street Melbourne Vic. 3000
National Party of Australia – Victoria	Mr Luke O’Sullivan State Director Level 7 24 Collins Street Melbourne Vic. 3000
Socialist Alliance (Victoria)	Mr Jody Betzien PO Box 12427 A’Beckett Street Vic. 8006
The Australian Greens – Victoria	Mr Gurmeet Sekhon GPO Box 4589 Melbourne Vic. 3001

Appendix 7

Freedom of information (FOI): Part 2 Statement

Decision-making powers

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

Categories of documents

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

Other records

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

A register of political parties is available for public inspection.

FOI arrangements

Requests for access to VEC records are dealt with by the FOI Manager. Applicants can request to inspect a document, to obtain a copy, or to both see it and obtain a copy. Other forms of access may also be granted depending on the nature of the request and the type of document, e.g. producing a printed document containing information held on computer equipment.

Requests should be made in writing, accompanied by a \$22.70 application fee. Publications available for sale from Information Victoria or the VEC are not available under FOI.

Identification of documents

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

Response to requests

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

The classes of documents that are exempt from release are detailed in Part IV of the *Freedom of Information Act 1982*. It is the responsibility of the FOI Manager to identify any such documents and to set out in writing, the reasons for their exempt status. As required under the Act, applicants will be advised of the ability to seek an internal review of any decision to claim an exemption for any document(s), or part of any document(s).

Fees and charges

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

- application fee: \$22.70;
- search fees: where the VEC has to identify and locate the documents - maximum of \$20.00 per hour;
- supervision fees: where a document is inspected at the VEC by the applicant under the supervision of an officer - \$5.00 per 15 minutes;
- photocopy fees: 20 cents per A4 page, non-coloured photocopy;
- other fees: the actual costs incurred by the VEC in producing a copy can be charged, for example, a microfiche of a file, or the retrieval of information from a computer file; and
- where charges will be substantial, a deposit of \$25.00 may be requested before the VEC will grant access.

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

Appendixes

Appendix 8

Attestation of compliance with the Australian/New Zealand risk management standard

I certify that the Victorian Electoral Commission has risk management processes in place consistent with the Australian/New Zealand Risk Management Standard (or equivalent designated standard) and an internal control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures.

The Audit Committee verifies this assurance and that the risk profile of the Victorian Electoral Commission has been critically reviewed within the last 12 months.



Steve Tully
Electoral Commissioner
Victorian Electoral Commission
Melbourne
25 August 2008

Appendix 9

Collected by the VEC through CRU programs (applications processed by the AEC)	2005-06	2006-07	(a) 2007-08
MAILOUT PROGRAMS			
Current			
Residential Tenancies Bond Authority	11,176	8,702	3,017
Victorian Curriculum & Assessment Authority	19,261	14,865	11,898
VicRoads	51,939	11,789	7,750
Victorian Tertiary Admissions Centre	3,353	401	799
Non-current			
TRU Energy	5,374	441	4
Yarra Valley Water	NA	NA	1
2000-01 redivision mailout	NA	110	32
Sub-total	91,103	36,308	23,501
NON-MAILOUT PROGRAMS			
VEC general enrolment form (G)	5,982	54,497	6,055
Joint AEC/VEC enrolment form	4,560	5,206	1,851
Liquor Licencing Victoria	1,273	1,035	931
VEC website	5,070	30,649	5,048
VEC municipal enrolment form (M)	16,951	1,955	491
Supermarkets	1,679	7,436	1,860
Sub-total	35,515	100,778	16,236
Combined Sub-total	126,618	137,086	39,737

Appendixes

Appendix 9

Collected by the VEC through CRU programs (applications processed by the AEC)	2005-06	2006-07	(a) 2007-08
ENROLMENT ADVICE			
Election elector information reports	NA	5,276	1
Elector detail changes	NA	6,184	2,261
Advice from failure to vote notices	NA	9,411	61
Sub-total		20,871	2,323
RETURN TO SENDER MAIL			
BreastScreen Victoria Inc	355	93	259
Members of Parliament	812	1,257	408
Youth booklet "Your Voice Your Future"	14		1
2006 State election mailout	NA	33,770	253
PapScreen Victoria	NA	2	484
Non-voter follow-up		17,036	0
Sub-total	1,181	52,158	1,405
SPECIAL CATEGORY APPLICATIONS			
General Postal Voter applications	438	4,144	274
Overseas elector applications	199	3,702	478
Itinerant elector applications	28	71	102
Silent elector applications	243	310	75
Sub-total	908	8,227	929
Combined Sub-total	2,089	81,256	4,657
TOTAL VEC enrolment transactions	128,707	218,342	44,394
AEC enrolment transaction summary			
Transactions provided by the AEC and imported into the Victorian register of electors			
Additions			
New to roll	NA	NA	90,386
Reinstatements	NA	NA	62,885
Sub-total	131,663	201,616	153,271
Changes			
Change of address	NA	NA	304,252
Amendments	NA	NA	41,247
Sub-total	349,275	354,823	345,499
Deletions			
Duplicates	NA	NA	804
Interstate transfers	NA	NA	25,979
Deaths	NA	NA	27,764
Removal by objection	NA	NA	41,177
Sub-total	144,450	121,568	95,724
Non-elector changes	92,760	122,465	52,089
Sub-total	718,148	800,472	646,583
Exceptions Generated			
AEC Import	98,758	77,403	82,772
Acknowledgement cards coding	NA	NA	707
TOTAL AEC enrolment transactions	817,548	877,875	730,062
COMBINED VEC AND AEC TOTAL	1,016,080	1,096,217	774,456

(a) some figures are now collected under different categories

Appendixes

Glossary

Attendance election

In an attendance election most voting is conducted at voting centres on election day, although voters may vote at early voting centres or by pre-poll postal votes.

Accredited Purchasing Unit

Accredited Purchasing Units (APUs) approve procurement processes up to each department's level of accreditation under delegated authority from the Victorian Government Purchasing Board (VGPB).

Ballot

A method of secret voting.

By-election

A by-election is an election in a single electorate to fill a casual vacancy caused by the departure of a sitting Member of Parliament or local government councillor before the term expires.

Candidate

A candidate is an eligible elector who nominates for election.

Coding

Coding is the process of classifying information. In communications and computer systems, this involves implementing rules that are used to map the elements of one set onto the elements of another set, usually on a one-to-one basis.

Community of interest

The VEC defines a community of interest as a group of people who share a range of common concerns or aspirations. Communities of interest may occur where people are linked with each other geographically (e.g. a town or valley) or economically, such as where people work in similar industries (e.g. tourism) or where people work in mutually-dependant industries (e.g. fruit growers, transporters and canners). Communities of interest may also appear where people share a number of special needs because of similar circumstances (such as new immigrants, who may have little English, require assistance with housing and need help finding employment).

Compulsory enrolment

All Australian citizens 18 years and over are required by law to enrol.

Compulsory voting

All enrolled electors must vote at State elections. All enrolled voters must vote at local government elections (except for those who are 70 or over, and non-resident).

Contested election

A contested election is an election where more candidates than the number of vacancies for the election have nominated by the close of nominations.

Continuous roll update (CRU)

The CRU process consists of a range of strategies to ensure the electoral roll is continuously kept up-to-date by using internal and external data to direct roll review activities to targeted people and residences.

Councillor

An elected representative on a local government council.

Countback

Method of filling extraordinary vacancies in multi-member wards and unsubdivided municipalities in electorates where general election results were obtained using the proportional representation method. The votes of the vacating councillor are transferred to the previously unelected candidates to fill the vacancy.

District

One of the 88 Legislative Assembly electorates in Victoria. Each district elects one member and comprises approximately 39,000 electors.

Election

The choosing of representatives by the voters.

Election date

The date electors cast their votes.

Election manager

A person appointed by the Electoral Commissioner to conduct an election for an electoral district or region.

Elector

A person whose name appears on the register of electors and who is entitled to vote in elections.

Electoral Commissioner

The statutory officer appointed by the Governor-in-Council with responsibility for the proper conduct of parliamentary, local government and statutory elections.

Electoral enrolment register

The VEC's database of all Victorian electors.

Glossary

Electoral Matters Committee (EMC)

The EMC comprises seven Members of Parliament drawn from both Houses and is a Joint Investigatory Committee of the Parliament of Victoria. Its powers and responsibilities are determined by the Parliamentary Committees Act 2003. The EMC inquires into, considers and reports to the Parliament on any proposal, matter or thing concerned with the conduct of parliamentary elections and referendums in Victoria, the conduct of elections of councillors under the Local Government Act 1989 and the administration of, or practices associated with, the Electoral Act 2002 and any other law relating to electoral matters.

Electoral roll

A list of names of all the people who are entitled to vote in an election under relevant legislation.

Enrolment

The placement of a person's name and address on the electoral enrolment register. A person cannot vote at an election unless they are enrolled.

Enrolment information

The information about electors that is held by the VEC.

Entitlement date

To be eligible to vote at a council election, people must be on the state or local council voters roll 57 days before election day. This is called the "entitlement date".

Environmental Management System (EnvMS)

The VEC's EnvMS is a program that can be used to identify, manage and reduce an organisation's impact on the environment and generate reports on environmental performance progress. It provides a systematic and methodical approach to planning, implementing and reviewing an organisation's response to those impacts.

Extensible Markup Language (XML)

XML is a data format for structured document exchange.

General postal voter (GPV)

A voter who always has difficulty getting to a voting centre on election day can register as a GPV. GPVs include people who are infirm, prisoners, those in remote communities and people who are 70 or over. After the close of nominations for an election, GPVs are automatically sent postal ballot papers and certificate envelopes.

Geocoding

Geocoding is the process of assigning geographic identifiers (e.g. codes or geographic coordinates expressed as latitude-longitude) to map features and other data records, such as street addresses.

How-to-vote cards

Cards handed out to voters by party supporters at voting centres showing how a party or candidate would like voters to fill in their ballot papers. In Victoria, how-to-vote cards handed out within 400 metres of a voting centre on election day must be registered by the VEC.

Informal voting

A ballot paper that is either left blank or is incorrectly marked. These ballot papers are excluded from the count and, therefore, do not contribute to the election of a candidate.

Legislative Assembly (Lower House)

One of the two houses in the Victorian State Parliament. There are 88 Members of the Legislative Assembly (MLAs), one from each electoral district. The party or coalition of parties that wins majority support in this House forms the Government.

Legislative Council (Upper House)

One of the two houses in the Victorian State Parliament. There are 40 Members of the Legislative Council (MLCs), five from each region. The Legislative Council is often referred to as the "House of review".

Lost Time Injury (LTI)

An LTI is an occupational injury or illness that results in days away from work on any rostered shift subsequent to that on which the injury occurred. A fatality is also recorded as an LTI.

Marginal costs

Marginal costs include direct labour and associated on-costs, materials, equipment, mail processing, postage, advertising, printing, rent, utilities, insurance, IT equipment and software licences purchased especially for the specific activity.

Postal election

In an all-postal election, voting papers are posted to voters by the Returning Officer and a vote is made by completing a ballot paper and returning it to the Returning Officer in the reply-paid envelope provided.

Preferential voting

A vote for all candidates in order of preference. If no candidate has an absolute majority or first preference votes, preferences are distributed until one candidate has an absolute majority.

Proportional representation

A system of voting designed to elect representatives in proportion to the amount of support each has in the electorate.

Redivision

The redrawing of electoral boundaries to ensure that there are, as near as possible, equal numbers of voters in each electorate within Victoria.

Region

One of the eight Legislative Council electorates. Each region elects five members and comprises approximately 430,000 electors.

Registered political party (RPP)

A political party that is registered under the Electoral Act 2002. A registered party must have at least 500 members who are Victorian electors and not members of another registered political party.

Senior election official

A trained electoral official who may be appointed to act as an Election Manager for a parliamentary election. Senior election officials may also be appointed to act as Returning Officers or Deputy Returning Officers for a local government election.

Victorian Electoral Commission (VEC)

The VEC is the independent statutory body that conducts State elections and certain statutory elections. The VEC may also conduct local council elections, commercial and community elections. The VEC also conducts boundary reviews, maintains the Victorian electoral enrolment register, conducts electoral research and provides education services.

Voter

A person whose name appears on the register of electors and who is entitled to vote in elections.

Voter participation

The percentage of enrolled electors who voted.

Voting centre

A place at which electors can vote in an election. The three types of voting centres that operate in State elections are early voting centres, mobile voting centres and election day voting centres.

Electoral Boundaries Commission

This report is supplied as part of the VEC's provision of administrative services to the Electoral Boundaries Commission.

Report of the Electoral Boundaries Commission 2007-08

The Electoral Boundaries Commission (EBC) is constituted under the *Electoral Boundaries Commission Act 1982* (the Act) to divide Victoria into State parliamentary electorates. The EBC must establish and maintain electorates of approximately equal enrolment (that is, not varying by more than 10% from the average for each House of Parliament) for the conduct of parliamentary elections. The members of the Electoral Boundaries Commission during 2007-08 were:

- His Honour, Chief Judge Michael Rozenes QC, Chief Judge of the County Court (Chairman);
- Mr Steve Tully, Electoral Commissioner; and
- Mr John Tulloch, Surveyor-General.

Dr Paul Thornton-Smith is the secretary to the EBC. The VEC provides administrative and technical support to the EBC. The EBC met on 3 March 2008 to consider whether a redivision of electoral boundaries would be required before the 2010 State election.

The Act requires a redivision if, in the first half of 2009, the enrolments for at least 27 electoral districts or three electoral regions are more than 10% outside the average, or if the enrolments for at least 23 districts or three regions are more than 10% outside the average and the enrolments for at least five of those districts or one of those regions are more than 20% outside the average. Enrolment projections provided at the meeting indicate that in the first half of 2009, 17 districts will be more than 10% outside the average and two districts will be more than 20% outside. On these projections, the "numbers" triggers will not apply.

The EBC concluded that, on current information, a redivision would not be required before the 2010 State election, and wrote to the presiding officers of Parliament, the parliamentary party leaders and the independent Member of Parliament informing them of this fact.

The EBC will continue to monitor enrolment and demographic changes.

Electoral Boundaries Commission files are maintained at the VEC's head office at Level 8, 505 Little Collins Street, Melbourne, separate from the VEC registry.

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Feedback on this report is welcome

Please mark to the attention of:

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 Victorian Electoral Commission
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 Melbourne Vic. 3000
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 Email: info@vec.vic.gov.au

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Office hours: 8.30am – 5.00pm, Monday - Friday