



2015-16

**Council  
Representation  
Reviews**

# **Final Report**

## **2015 Indigo Shire Council Electoral Representation Review**

*Wednesday 10 June 2015*

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# 1 Executive summary

The *Local Government Act 1989* (the Act) requires the Victorian Electoral Commission (VEC) to conduct an electoral representation review of each municipality in Victoria before every third council general election.

The purpose of an electoral representation review is to recommend an electoral structure that provides fair and equitable representation for the persons who are entitled to vote at a general election of the council. The matters considered by a review are:

- the number of councillors
- the electoral structure of the council (whether the council should be unsubdivided or divided into wards and, if subdivided, the details of the wards).

The VEC conducts all reviews on the basis of three main principles:

1. ensuring the number of voters represented by each councillor is within 10 per cent of the average number of voters per councillor for that municipality
2. taking a consistent, State-wide approach to the total number of councillors and
3. ensuring communities of interest are as fairly represented as possible.

## Current electoral structure

The last electoral representation review for Indigo Shire Council took place in 2004. The review recommended that Indigo Shire Council continue to consist of seven councillors elected from an unsubdivided municipality.

## Preliminary submissions

Preliminary submissions opened at the commencement of the review on Wednesday 18 February. The VEC received 18 submissions by the deadline for submissions at 5.00 pm on Wednesday 18 March.

## Preliminary report

A preliminary report was released on Wednesday 15 April with the following options for consideration:

- Option A (preferred option)  
**Indigo Shire Council consist of seven councillors elected from an unsubdivided municipality.**

- Option B (alternative option)

**Indigo Shire Council consist of seven councillors elected from one three-councillor ward and two two-councillor wards.**

### **Response submissions**

The VEC received eight submissions responding to the preliminary report by the deadline for submissions at 5.00 pm on Wednesday 13 May.

### **Public hearing**

The VEC conducted a public hearing for those wishing to speak about their response submission at 7.00 pm on Wednesday 20 May. Four people spoke at the hearing.

### **Recommendation**

**The Victorian Electoral Commission (VEC) recommends Indigo Shire Council continue to consist of seven councillors elected from an unsubdivided municipality.**

This electoral structure was designated as Option A in the preliminary report. Please see Appendix 2 for a detailed map of this recommended structure.

## 2 Background

### 2.1 Legislative basis

The Act requires the VEC to conduct an electoral representation review of each municipality in Victoria before every third general council election, or earlier if gazetted by the Minister for Local Government.

The Act specifies that the purpose of a representation review is to recommend the number of councillors and the electoral structure that provides ‘fair and equitable representation for the persons who are entitled to vote at a general election of the Council.’<sup>1</sup>

The Act requires the VEC to consider:

- the number of councillors in a municipality and
- whether a municipality should be unsubdivided or subdivided.

If a municipality should be subdivided, the VEC must ensure that the number of voters represented by each councillor is within 10 per cent of the average number of voters per councillor for that municipality.<sup>2</sup> On this basis, the review must consider the:

- number of wards
- ward boundaries (and ward names)
- number of councillors that should be elected for each ward.

### 2.2 The VEC’s approach

#### Deciding on the number of councillors

The Act allows for a municipality to have between 5 and 12 councillors, but does not specify how to decide the appropriate number.<sup>3</sup> In considering the number of councillors for a municipality, the VEC is guided by the Victorian Parliament’s intention for fairness and equity in the local representation of voters under the Act.

The VEC considers that there are three major factors that should be taken into account:

- diversity of the population
- councillors’ workloads and
- profiles of similar municipalities.

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<sup>1</sup> Section 219D of the *Local Government Act 1989*.

<sup>2</sup> *ibid.*

<sup>3</sup> Section 5B(1) of the *Local Government Act 1989*.

Generally, those municipalities that have a larger number of voters will have a higher number of councillors. Often large populations are more likely to be diverse, both in the nature and number of their communities of interest and the issues of representation.

However, the VEC considers the particular situation of each municipality in regards to: the nature and complexity of services provided by the Council; geographic size and topography; population growth or decline; and the social diversity of the municipality, including social disadvantage and cultural and age mix.

### **Deciding the electoral structure**

The Act allows for a municipality ward structure to be:

- unsubdivided—with all councillors elected 'at-large' by all voters or
- subdivided into a number of wards.

If the municipality is subdivided into wards, there are a further three options available:

1. single-councillor wards
2. multi-councillor wards or
3. a combination of single-councillor and multi-councillor wards.

A subdivided municipality must have internal ward boundaries that provide for a fair and equitable division of the municipality, and ensure that the number of voters represented by each councillor remains within 10 per cent of the average number of voters per councillor for the municipality.

In considering which electoral structure is most appropriate, the VEC considers the following matters:

- communities of interest, encompassing people who share a range of common concerns, such as geographic, economic or cultural associations
- the longevity of the structure, with the aim of keeping voter numbers per councillor within the 10 per cent tolerance as long as possible
- geographic factors, such as size and topography
- the number of voters in potential wards, as wards with many voters can have a large number of candidates, which can lead to an increase in the number of informal (invalid) votes and
- clear ward boundaries.

## 2.3 The VEC's principles

Three main principles underlie all the VEC's work on representation reviews:

- 1. Ensuring the number of voters represented by each councillor is within 10 per cent of the average number of voters per councillor for that municipality.**

Over time, population changes can lead to some wards in subdivided municipalities having larger or smaller numbers of voters. As part of the review, the VEC corrects any imbalances and also takes into account likely population changes to ensure ward boundaries provide equitable representation for as long as possible.

- 2. Taking a consistent, State-wide approach to the total number of councillors.**

The VEC is guided by its comparisons of municipalities of a similar size and category to the council under review. The VEC also considers any special circumstances that may warrant the municipality having more or fewer councillors than similar municipalities.

- 3. Ensuring communities of interest are as fairly represented as possible.**

Each municipality contains a number of communities of interest. Where practicable, the electoral structure should be designed to ensure they are fairly represented, and that geographic communities of interest are not split by ward boundaries. This allows elected councillors to be more effective representatives of the people and interests in their particular municipality or ward.

## 2.4 The electoral representation review process

### Developing recommendations

The VEC bases its recommendations for particular electoral structures on the following information:

- internal research specifically relating to the municipality under review, including Australian Bureau of Statistics and .id (Informed Decisions) Pty Ltd data<sup>4</sup>; voter statistics from the Victorian electoral roll; and other State and local government data sets
- small area forecasts provided by .id (Informed Decisions) Pty Ltd
- the VEC's experience conducting previous electoral representation reviews of local councils and similar reviews for State elections
- the VEC's expertise in mapping, demography and local government

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<sup>4</sup> .id is a company specialising in population and demographic analysis that builds suburb-level demographic information products in most jurisdictions in Australia and New Zealand.

- careful consideration of all input from the public in written and verbal submissions received during the review and
- advice from consultants with extensive experience in local government.

### **Public involvement**

Public input is accepted by the VEC:

- in preliminary submissions at the start of the review
- in response submissions to the preliminary report and
- in a public hearing that provides an opportunity for people who have made a response submission to expand on this submission.

Public submissions are an important part of the process, but are not the only consideration during a review. The VEC ensures its recommendations are in compliance with the Act and are formed through careful consideration of public submissions, independent research, and analysis of all relevant factors, such as the need to give representation to communities of interest.

## 3 Indigo Shire Council representation review

### 3.1 Profile of Indigo Shire Council

Indigo Shire is located in the north-east of Victoria, bordered by the Murray River (and the New South Wales border) in the north, Alpine Shire in the south, the Rural City of Wangaratta to the west, and the City of Wodonga and Towong Shire to the east. It covers an area of 2,040 square kilometres of which approximately 57 per cent is agricultural land and plantations, and 29 per cent natural environs.

Indigo Shire has a population of 15,431 and a population density of 7.6 people per square kilometre, slightly higher than regional and rural Victoria generally.<sup>5</sup> However, Indigo Shire's forecast annual population growth rate is estimated at only 0.7 per cent over the next 12 years, half the growth rate of regional and rural Victoria as a whole.<sup>6</sup>

Indigo Shire contains the historic towns of Beechworth (with 23 per cent of the population), Rutherglen (16 per cent), Yackandandah (12 per cent), Chiltern (11 per cent) and Wahgunyah (6 per cent). Other centres and localities include Allans Flat, Barnawartha, Kergunyah, Staghorn Flat, Stanley and Tangambalanga.

The median age in Indigo Shire is 45, compared with 42 for rural and regional Victoria generally. Although the age structure is similar to rural and regional Victoria on average, Indigo Shire has a higher proportion of 50 to 69 year olds, and a much lower proportion of 18 to 34 year olds.

Approximately 13 per cent of Indigo Shire's population were born overseas, with only 3.6 per cent speaking a language other than English at home (compared with 5.3 per cent in rural and regional Victoria as a whole). People identifying as Aboriginal or Torres Strait Islander comprise 1 per cent of the population. There is a low mobility rate with only 28 per cent of people reporting a change of address between 2006 and 2011, compared with the Victorian rural and regional average of 38 per cent.

The economy of the Shire is primarily based on farming, food processing, tourism and service provision. Manufacturing and construction provide more than 20 per cent of the employment in the Shire. As in regional and rural Victoria generally, the health care and social services sector is a major employer in Indigo Shire, comprising 14 per cent of the workforce.<sup>7</sup> Other important occupations include retail trade; education and training; agriculture, forestry and fishing; public administration and safety; and accommodation and food services. Two large food processing

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<sup>5</sup> ABS Estimated Resident Population, 2012.

<sup>6</sup> *ibid*; Department of Transport, Planning and Local Infrastructure, *Victoria in Future 2014 – Population and Household Projections to 2051*.

<sup>7</sup> Australian Bureau of Statistics *Regional Profile*, 2012.

plants are located within the Shire: Uncle Toby's at Wahgunyah and Murray Goulburn at Tangambalanga.<sup>8</sup>

Forty per cent of Indigo Shire's workforce earns less than \$400 per week, the same as rural and regional Victoria as a whole; with a slightly higher percentage of the workforce earning \$1,500 per week or more. Indigo Shire also has a lower unemployment rate, and a higher rate of workforce participation, compared with rural and regional Victoria generally.

### **3.2 Current electoral structure**

The previous electoral representation review for Indigo Shire Council took place in 2004.

Following that review, the VEC recommended that the unsubdivided electoral structure of Indigo Shire Council remain the same, with seven councillors to be elected from the municipality at-large. The recommendation to retain the structure was based on the following considerations:

- Indigo Shire had a substantially larger population than the smallest Victorian shires, with an elongated geographic shape and some mountainous areas, justifying seven rather than five councillors.
- Concerns about unfair councillor distribution would be addressed by the introduction of proportional representation in unsubdivided councils.
- An unsubdivided structure was more able to accommodate population growth areas within the Shire.
- While Indigo Shire contained several distinct communities of interest, these communities were interdependent, and would benefit from a whole-of-municipality approach to governance.

### **3.3 Public information program**

Public involvement is an important part of the representation review process. The Indigo Shire Council representation review commenced on Wednesday 18 February and the VEC conducted a public information program to inform the community.

#### **Advertising**

In accordance with the Act, public notices of the review and the release of the preliminary report were placed in the newspapers listed in Table 1.

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<sup>8</sup> See the Indigo Planning Scheme at [planningschemes.dpced.vic.gov.au/schemes/indigo](http://planningschemes.dpced.vic.gov.au/schemes/indigo)

**Table 1: Public notices**

<b>Newspaper</b>	<b>Notice of review</b>	<b>Notice of preliminary report</b>
<i>Herald Sun</i>	Wednesday 4 February	Wednesday 1 April
<i>Albury Border Mail</i>	Wednesday 18 February	Wednesday 15 April
<i>Beechworth Ovens and Murray Advertiser</i>	Wednesday 18 February	Wednesday 15 April
<i>Corowa Free Press</i>	Wednesday 18 February	Wednesday 15 April

### **Media releases**

A media release was prepared and distributed to local media at the commencement of the review on Wednesday 18 February. A further release was distributed at the publication of the preliminary report on Wednesday 15 April. Local media covered the review through newspaper and radio stories and radio interviews with spokespeople for the VEC.

### **Public information sessions**

Public information sessions for people interested in the review process were held on Wednesday 25 February at 5.30 pm at the Beechworth Town Hall, 101 Ford Street, Beechworth and 7.30 pm at the Rutherglen Senior Citizens Hall, Douglas Street, Rutherglen.

### **Helpline and email address**

A telephone helpline and dedicated email address were established to assist members of the public with enquiries about the review process.

### **VEC website**

The VEC website delivered up-to-date information to provide transparency and facilitate public participation during the review process. An online submission tool was made available and all public submissions were posted on the website.

### **Guide for Submissions**

A *Guide for Submissions* was developed and distributed to those interested in making submissions. Copies of the *Guide* were available on the VEC website, in hardcopy on request and also provided to Council.

### **Council website and newsletter**

Information about the review was provided to Council for publication in council media, e.g. website and newsletter.

## 4 Preliminary report

### 4.1 Preliminary submissions

The VEC received 18 preliminary submissions (counting two petitions as two submissions) by the deadline for submissions at 5.00 pm on Wednesday 18 March. A list of people who made a preliminary submission can be found in Appendix 1.

The number of councillors proposed in submissions ranged from five to 12, though half the submissions supported the current number of seven. The Council's submission stated that having seven councillors enabled effective sharing of the workload, a broad debate on issues, and a capacity to cater for the absence of a councillor. In the Council's opinion, a reduction in the number would place a much a heavier workload on councillors and would be inappropriate for the geography and population of the Shire, while an increase would be unnecessary and costly. Most of the submissions favouring an increase in the number of councillors did so as a consequence of their proposed electoral structure, rather than seeing an increase as desirable in itself. However, one submission argued for 11 councillors on the basis that there is safety in numbers, and that there should be an odd number to prevent tied votes.

In relation to the electoral structure, five submissions, including the Council's, wanted to maintain the current unsubdivided structure on the grounds that it was working well. However, a clear majority of 13 submissions wanted to introduce wards, regarding local representation as paramount.

### 4.2 Preliminary report

#### Number of councillors

The VEC considers that similar types of municipality of a similar size should have the same number of councillors, unless special circumstances justify a variation. Table 2 shows where Indigo Shire fits among comparable rural municipalities. Municipalities are sorted by number of voters.

**Table 2: Selected rural municipalities**

Municipality	Current estimate of voters#	Number of councillors	Voters per councillor	Area (sq km)
Moorabool	25,005	7	3,572	2,111
Moira	23,910	9	2,657	4,047
Colac Otway	19,919	7	2,846	3,438
Golden Plains	17,231	7	2,462	2,703
Glenelg	16,899	7	2,414	6,218
Mount Alexander	16,044	7	2,292	1,530
Hepburn	15,131	7	2,162	1,473
Swan Hill	14,518	7	2,074	6,115
Moyne	14,299	7	2,043	5,482
Murrindindi	14,091	7	2,013	3,879
Corangamite*	13,267	7	1,895	4,408
Southern Grampians	13,213	7	1,888	6,655
<b>Indigo*</b>	<b>12,920</b>	<b>7</b>	<b>1,846</b>	<b>2,040</b>
Alpine*	11,569	7	1,653	4,788
Central Goldfields	11,114	7	1,588	1,533
Northern Grampians	10,925	7	1,561	5,726
Mansfield	10,363	5	2,073	3,844
Strathbogie	9,628	7	1,375	3,303
Gannawarra*	8,996	7	1,285	3,735
Loddon	7,567	5	1,513	6,696
Pyrenees	7,264	5	1,453	3,435
Yarriambiack*	6,116	7	874	7,326
Buloke	5,887	7	841	8,000

\* The municipality is currently undergoing an electoral representation review by the VEC during 2015–16.

# Voter estimate calculated after the January 2015 merge of the State electoral roll and Council-only electors as at the 2012 council elections.

Indigo Shire is clearly in the middle of the seven-councillor band. There are no compelling reasons to change the number of councillors. The Shire has a stable and fairly homogeneous population that is growing slowly. The Council is managing infill development in the main towns, rural living subdivisions in the rural areas, and the growth of the Logic Centre logistics hub just outside the Shire at Barnawartha North, but there are no major residential developments.<sup>9</sup> Although the municipality is smaller in area than many rural shires, this is offset by its elongated shape and hilly terrain, which increase the travel demands on councillors.

Two submissions proposed to reduce the number of councillors, but the VEC is concerned that a reduction in councillors could place heavier workloads on councillors and reduce diversity of representation. There also appears to be no real justification for increasing the number of councillors to nine, 11 or 12, as proposed by some submissions. Such a number would be disproportionate to the size of the municipality and there are no special factors that would merit an increase.

The VEC considers that seven is the appropriate number of councillors for Indigo Shire Council.

### **Electoral structure**

Attitudes in submissions to the electoral structure were founded on their views about the nature of the municipality and how it is functioning. For the Council, an unsubdivided system encouraged candidates and councillors to take a Shire-wide view of issues. The Council pointed to a number of areas that were common to the five main population centres, including history, agriculture, the manufacture of agricultural products, and tourism. The Council submitted that a ward structure would facilitate isolationism and encourage a parochial outlook. The Council pointed to community forums and the results of community satisfaction surveys as evidence that the status quo was working. Michael Byrne believed the unsubdivided structure meant that his small town of Stanley was equally represented by all seven councillors.

In contrast, advocates of a ward structure focussed on the differences between the different parts of the Shire. John Clapton of Wahgunyah stated:

Indigo Shire contains two district and entirely different geographical halves separated by the Hume Freeway.

One half identifies with tourism and high country pursuits and the other is led by agricultural and manufacturing activities bordered between the freeway and the Murray River.

People in either area have scant interest in the other and little is shared in common...

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<sup>9</sup> *ibid.*

I believe that voting must change to a ward/riding system to mitigate current and past inequities...

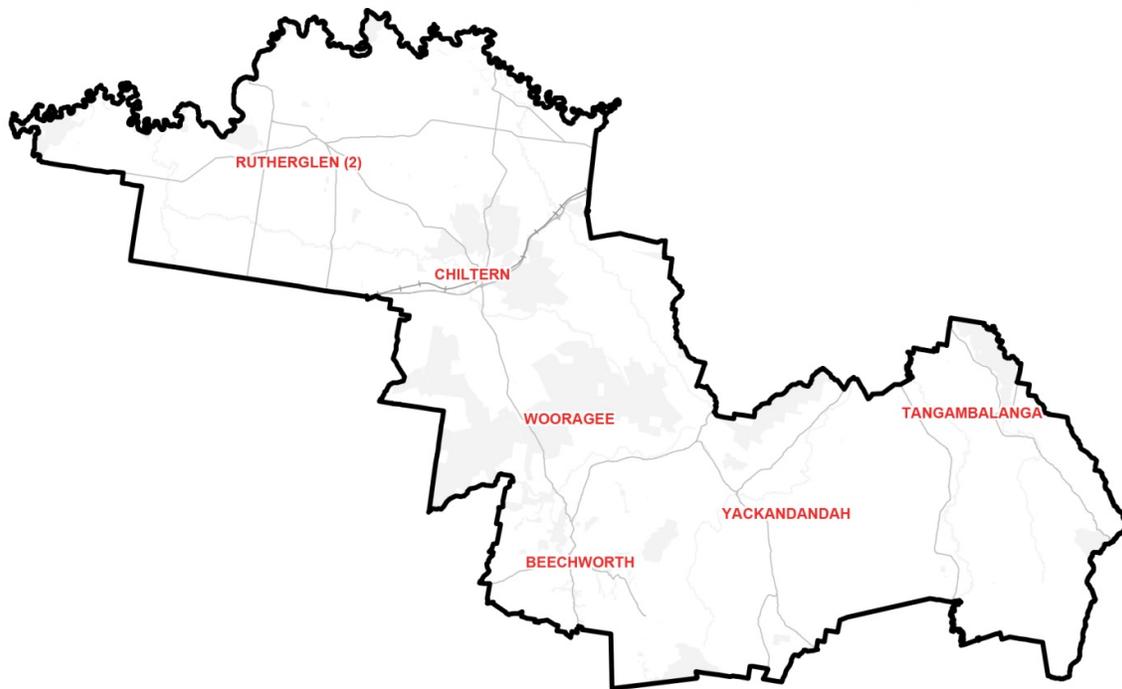
Mr Clapton's submission explained his experience was that the majority of council staff had poor knowledge or interest in communities west of the Hume Freeway. He provided three examples—relating to the location of council offices, tourism, and a major project on the Murray River—where he believed the interests of the west of the Shire had been harmed by Beechworth-based councillors. Similarly, Marc Egan of Chiltern wrote that there was a strong feeling of division within the Indigo community, and included a cartoon illustrating bad feeling between two towns.

The VEC cannot comment on the merits of these claims about the Council. It is clear, though, that there was a strong appetite for the introduction of wards. This feeling was strongest in the west of the Shire, but was not confined to that area, as two submissions from Yackandandah supported wards. Two petitions signed by a total of 183 residents of Wahgunyah (out of 860 voters) requested the reintroduction of wards/ridings 'for better council representation of our remote area'. Supporters of a ward structure wanted to ensure representation of each of the towns in the Shire, and believed that the unsubdivided structure had failed to achieve equitable distribution of councillors.

The VEC considers that there were strong arguments for both an unsubdivided and a ward structure, and put forward both structures as options in the preliminary report.

In favour of the status quo, the VEC noted that the reasons that impelled the VEC to recommend an unsubdivided structure in 2004 still apply: this structure encourages a whole-of-shire approach to governance and facilitates interdependence through the representation of non-geographic communities of interest such as the farming sector. A shire-wide electorate offers voters a maximum choice of candidates. While the 2005 Council election was uncontested, voters had a choice of 16 candidates at the 2008 election and 17 candidates in 2012.

Importantly, in terms of geographic representation, the unsubdivided structure seems to be working just as it should. As Diagram 1 shows, councillors elected in 2012 are from all parts of the Shire, roughly in accordance with the population distribution.



**Diagram 1: Distribution of councillors elected in 2012.**

The strengths of the current structure prompted the VEC to make an unsubdivided structure its preferred option in the preliminary report.

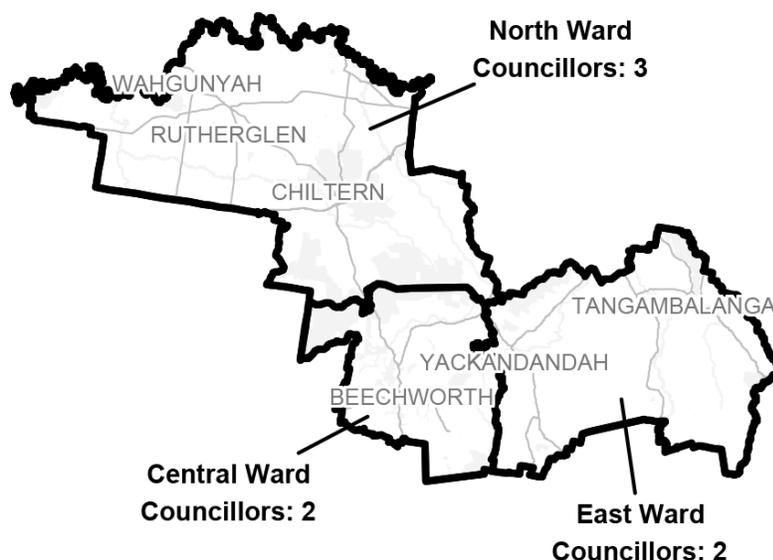
The alternative option was for a ward structure (Option B). In support of the alternative, it should be noted that Indigo Shire is not a typical candidate for an unsubdivided structure. While most unsubdivided municipalities are focussed on one dominant town servicing its hinterland, with the whole municipality forming a united community of interest, Indigo Shire comprises a string of moderate sized towns stretching around the west and south of Wodonga. Residents look outside the Shire, to Albury-Wodonga and, to a lesser extent, to Wangaratta, for services. Each town and part of the Shire has a distinct identity.

There are demographic differences: Beechworth, for example, has a higher median age than the Shire average, a higher proportion of residents in professional occupations, and a lower median income. Yackandandah, only 20 kilometres away, is similar to Beechworth in some ways, but has a higher median income and a lower proportion of residents renting accommodation. Wahgunyah has a lower than average proportion of tertiary educated residents and higher percentages of labourers and renters. Landscape variations are very apparent, ranging from the Murray Plains in the north-west, to the hilly country around Beechworth and Yackandandah, to the lush pastures of the Kiewa Valley. Dominant industries in each part are also clear, with the Uncle Toby's breakfast cereal factory at Wahgunyah, the long established wine industry at

Rutherglen, tourism and fruit growing around Beechworth and Stanley, and dairy farming in the Kiewa Valley.

All these factors combine to produce a number of communities of interest. One of the VEC's main principles in conducting representation reviews is to ensure that communities of interest are as fairly represented as possible. The submissions proposing a ward structure varied widely, but they shared the common aim of achieving fair representation of communities across the Shire in wards. Although in some cases the models proposed did not comply with the approximate equality requirements of the Act (under which the number of voters represented by each councillor cannot vary by more than 10 per cent from the average for the Council), the suggested ward boundaries helped to inform the VEC.

The VEC drew from these submissions and included a three-ward option comprising one three-councillor ward and two two-councillor wards in its preliminary report. The distribution of voters prevented each centre having its own ward. Under the VEC's subdivided option, centres with commonalities were grouped in one ward. The Indigo Planning Scheme and submissions suggest that the area north of the Hume Freeway has much in common, and so Rutherglen, Chiltern and Wahgunyah were included in the 'North Ward'. Beechworth, together with Stanley and Wooragee, is a strong community of interest, and had its own ward. There are possibly fewer links between Yackandandah and the Kiewa Valley, but they were combined in the 'East Ward' because the distribution of voters prevented the creation of separate wards that fitted communities of interest.



**Diagram 2: Option B – three ward model.**

An advantage of this option was that the wards were as equal as possible in a seven-councillor council. As well, proportional representation would apply in each ward, allowing some scope for diversity of representation. Under the current structure, the informal voting rate has been higher than for most rural councils at 6.56 per cent in 2012 and 6.22 per cent in 2008<sup>10</sup>, and this rate would probably decline under a ward structure. Finally, under the proposed structure, no one ward had a majority, reducing the possibility of geographical bloc voting on council.

The VEC made this subdivided model the alternative option because it had some disadvantages. Firstly, it would reduce choice for voters and might lead to uncontested elections. Moreover, if the aim of wards was to guarantee representation for each part of the Shire, this already seems to have been achieved under the current unsubdivided structure.

### Options

A preliminary report was released on Wednesday 15 April. The VEC considered public submissions and research findings when formulating the options presented in the preliminary report. After careful consideration, the VEC put forward the following options:

- Option A (preferred option)  
**Indigo Shire Council consist of seven councillors elected from an unsubdivided municipality.**
- Option B (alternative option)  
**Indigo Shire Council consist of seven councillors elected from one three-councillor ward and two two-councillor wards.**

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<sup>10</sup> The median informal vote in the 2012 council elections was 2.59 per cent for all rural councils and 4.14 per cent for unsubdivided rural councils.

## 5 Public response

### 5.1 Response submissions

The VEC accepted submissions responding to the preliminary report from Wednesday 15 April until 5.00 pm on Wednesday 13 May. The VEC received eight response submissions. A list of people who made a response submission can be found in Appendix 1. Table 3 indicates the level of support for each option.

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**Table 3: Preferences expressed in response submissions**

Option A	Option B
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Indigo Shire Council supported the maintenance of the unsubdivided structure because it allowed a Shire-wide focus on the part of councillors, residents and ratepayers had a broader choice of councillors to approach, and the interdependence of the Shire's communities was best served by a whole-of-Council approach to decision making. The Council was concerned that a change to a ward-based structure would facilitate a greater sense of parochialism and a focus on delivering outcomes for particular wards at the expense of the Shire as a whole. The Proportional Representation Society of Australia preferred the unsubdivided structure because, in its view, proportional representation worked best under that structure.

The other six submissions, all from the west of the Shire, argued that under a ward structure, councillors would be more locally known, accessible and accountable to local voters. Submitters believed that, in practice, the Council was already parochial, and that the west of the Shire suffered from inequitable decision making and lack of attention. The Wahgunyah Progress Association asserted that a ward structure would allow councillors 'to be aware of matters of local importance in order that those matters can be accommodated in a whole-of-Shire consideration of issues and resources'.

### 5.2 Public hearing

The VEC conducted a public hearing for those wishing to speak about their response submission at 7.00 pm on Wednesday 20 May at the Chiltern Memorial Hall, Conness Street, Chiltern. A list of people who spoke at the hearing can be found in Appendix 1.

Alan Pleitner spoke on behalf of the Wahgunyah Progress Association, which has some 55 members. Mr Pleitner stated that Wahgunyah was neglected by the Council, as the town was more than an hour's drive from the Council offices and rarely saw councillors. He thought that the introduction of wards would lead to better balance and more attention to local problems.

Questioned on the number of election candidates from Wahgunyah, Mr Pleitner said that there was one candidate in 2008, and two were interested currently. He thought that many young people were too busy to stand for Council.

Speaking on behalf of Indigo Shire Council were the Mayor, Councillor Bernard Gaffney, and Chief Executive Officer, Gerry Smith. Mr Smith pointed to the spread of councillors as evidence that the unsubdivided structure is working, stating that councillors combined local knowledge with a Shire-wide focus. He stressed the interdependence of the different parts of the Shire, with many communities sharing agriculture, heritage and tourism. Mr Smith also noted that the Council has an infrastructure program for the whole Shire. Mr Smith was concerned that a ward system might lead to trade-offs for particular wards. Cr Gaffney stated that he took calls from across the Shire, and that councillors cared about their own area, but also took a holistic view. Cr Gaffney thought that a ward structure would pit town against town.

Mr Egan said that he didn't know which councillors were responsible to him in Indigo Shire. In his view, the various communities were at odds with each other, and needed separate representation. He contended that Beechworth had a larger population than other areas, and was close to the Council offices, and so received more attention than other areas. Mr Egan suggested that the best way to decide on the electoral structure was to have a poll of voters every third election.

## 6 Findings and recommendation

### 6.1 The VEC's findings

#### Number of councillors

There appears no compelling reason to change the number of councillors for Indigo Shire Council. Indigo Shire is in the middle of the seven-councillor band and its population is stable and fairly homogeneous. Some preliminary submissions suggested either an increase or decrease in the number of councillors, but all response submissions accepted seven councillors.

#### Electoral structure

There is a reasonable case for changing to a ward-based structure. Unlike most unsubdivided municipalities, Indigo Shire is not based on a single dominant centre but on a string of moderate-sized towns, each with its own identity. The ward boundaries proposed in the VEC's preliminary report comply well with geographical communities of interest, and enrolments for the wards are forecast to stay well within the allowable 10 per cent deviation from the average. No single ward would constitute a majority of the councillors. As multi-councillor wards, they would be elected through proportional representation, allowing scope for diversity. Submissions reveal a strong desire for a change to the electoral structure among some residents of the Shire.

The Council's preliminary submission stated that the Shire's 'communities of interest are inter-dependent: they are stronger together than they would be standing alone'. The Council's response submission pointed to strong areas of interest common to the main population centres, including history, tourism, agriculture and the manufacture of agricultural products. However, these commonalities are not necessarily evidence of interdependence. The Council believed that 'given the diversity and differences in geography and township character from east to west of Indigo Shire, ... the ward-based structure proposed in Option B would highlight those differences and foster in ward councillors a propensity to remain in their ward and to focus only on the needs of the community in the ward'. In a sense, this seems to be admitting that the communities in Indigo Shire are so diverse that an unsubdivided structure needs to be imposed to prevent the potential adverse consequences of parochialism that could flow from the introduction of wards. The Act requires all councillors in Victoria to undertake to act in the best interests of the people of the whole municipal district, whether the council is subdivided or not.

Nevertheless, the VEC considers that, on balance, there is insufficient reason to make such a fundamental change to Indigo Shire's electoral structure. There are three main reasons for maintaining the status quo.

The Council submissions pointed to the results of community satisfaction surveys in 2014 as evidence of widespread satisfaction with the Council. Indigo Shire received a score of 61, one point better than the rating of 60 for small rural shires statewide.<sup>11</sup> Some submissions expressed scepticism about the survey results, since Beechworth respondents were over-represented in proportion to population. However, as shown in Table 4, the respondents are broken down by area.<sup>12</sup>

**Table 4: 2014 community satisfaction survey results**

Area	Respondents	Good/excellent	Needs improvement
Beechworth	212	48%	27%
Chiltern	54	46%	29%
Wahgunyah	23	43%	14%
Allan's Flat/Kiewa	44	41%	17%
Yackandandah	60	41%	29%
Barnawartha	21	39%	44%
Rutherglen	109	38%	35%
<b>TOTAL</b>	<b>544</b>	<b>42%</b>	<b>27%</b>

Of the communities in the west of the Shire, Rutherglen and Barnawartha appear to be the least satisfied. Chiltern's response is more positive than that of the Shire as a whole. The results for Wahgunyah should be interpreted with caution given the small number of respondents, but suggest that not all Wahgunyah residents are dissatisfied with the Council. Overall, the survey results do not portray a discontented community that is keen to make changes to the Council.

Clearly, though, submissions show that some residents of the west of the Shire feel that the Council does not provide them with the same level of services as other parts of the Shire. The principal perceived problem is that Council staff, whose main office is in Beechworth, are accused of having a Beechworth-centric view of the Shire. Any change to the electoral structure as a result of this review would have no effect on this perception.

<sup>11</sup> The VEC's preliminary report (p.17) mistakenly regarded the statewide score as a percentage. In fact, it was an index figure, derived by multiplying the percentages at various levels of satisfaction. For example, a rating of good/excellent would be given a score of 100 per cent, and if 12 per cent of respondents rated the Council as good/excellent, this would yield 12 points for the Council.

<sup>12</sup> Indigo Shire Council website, [indigoshire.vic.gov.au/Your\\_Council/Annual\\_Community\\_Surveys](http://indigoshire.vic.gov.au/Your_Council/Annual_Community_Surveys)

For the VEC, the key factor is the nature of representation. Under Option B, the west of the Shire, in 'North Ward', would have three councillors. Under the current unsubdivided structure, there are three councillors elected from the west of the Shire (two from Rutherglen and one from Chiltern)—that is, exactly the same number as would be provided under Option B. The other councillors are spread across the Shire with each major centre represented. The numbers can vary from election to election. After the 2008 election, there were three councillors from the Beechworth area (including Wooragee) and one each from Rutherglen, Chiltern, Yackandandah and Tangambalanga. But these are marginal changes. Perhaps residents of Wahgunyah feel particularly aggrieved because they have no local councillor. The VEC notes, however, that there has been no candidate from Wahgunyah since the 2008 council election.

Supporters of the subdivided structure argue that, with wards, councillors would pay more attention to local issues. This could be so. However, information presented at the public hearing suggested that the current councillors pay close attention to their own areas as well as to the Shire as a whole.

The VEC would consider changing Indigo Shire's electoral structure if there was evidence of areas being systematically under- or over-represented. There is no such evidence.

Consequently, the VEC has concluded that Indigo Shire's electoral structure should remain unchanged, as it appears to be providing fair and equitable representation to the voters of the Shire.

## **6.2 The VEC's recommendation**

**The Victorian Electoral Commission (VEC) recommends Indigo Shire Council continue to consist of seven councillors elected from an unsubdivided municipality.**

This electoral structure was designated as Option A in the preliminary report. Please see Appendix 2 for a detailed map of this recommended structure.

## Appendix 1: Public involvement

### Preliminary submissions

Preliminary submissions were received from:

K Baring, A Craighead, K Craighead and 66 others (petition)	Peter McClurg
John Boehm	William Meagher
Michael Byrne	David Moyle
John Clapton	Donald Nevin
Marc Egan	Lesley New
William Fenn and Sue Fenn	Proportional Representation Society of Australia (Victoria-Tasmania) Inc
Petrina Hare	Wahgunyah Progress Association Inc
T Hovard, J Hovard, S Llewelyn and 111 others (petition)	Michael Webster
Indigo Shire Council	Bill Wilson

### Response submissions

Response submissions were received from:

John Clapton	Proportional Representation Society of Australia (Victoria-Tasmania) Inc
Marc Egan	Lorraine Schirmer
William Fenn and Sue Fenn	Tonya Sey
Indigo Shire Council	Wahgunyah Progress Association Inc

### Public hearing

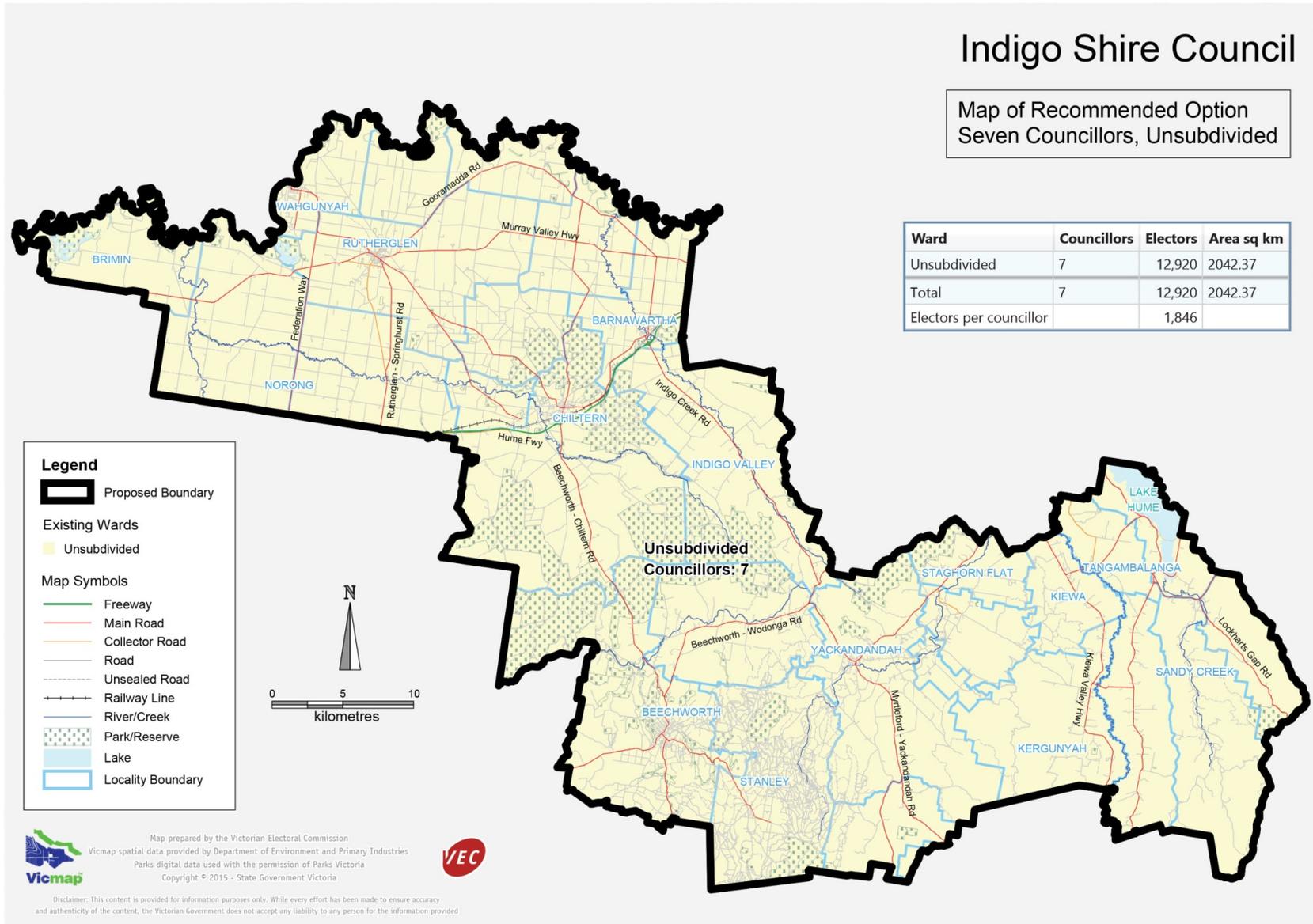
The following individuals spoke at the public hearing:

Alan Pleitner

Cr Bernard Gaffney and Gerry Smith (on behalf of Indigo Shire Council)

Marc Egan

## Appendix 2: Map



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Victorian Electoral Commission  
Level 11, 530 Collins Street  
Melbourne VIC 3000

131 832

[indigo.review@vec.vic.gov.au](mailto:indigo.review@vec.vic.gov.au)