Victorian Electoral Commission





Democracy at work

Annual Report 2006-2007

Elections for the Victorian Parliament began when Victoria achieved independence from New South Wales in 1851. In 1910, Victoria's first Chief Electoral Inspector was appointed to head the new State Electoral Office.

The State Electoral Office existed as part of a public service department, until it became increasingly clear that it was inappropriate for the conduct of elections to be subject to ministerial direction.

On 1 January 1989, legislation established the independent statutory office of Electoral Commissioner who was to report to Parliament instead of a Minister.

In 1995, the State Electoral Office was renamed the Victorian Electoral Commission (VEC).

Democracy and the VEC

The VEC's mission is to conduct fair and impartial elections, efficiently and according to law, and to maintain the integrity of the Victorian electoral system.

The VEC's vision is for all eligible Victorians to be fully informed so that they can actively participate in an impartial electoral system.

The VEC values:

Independence Acting without fear or favour, and without direction from government or ministers.

Impartiality Treating all election participants equally and acting in accordance with legal requirements.

Professionalism Providing the best and most efficient service to all Victorians.

Integrity Understanding and protecting the VEC's position as one of importance in the democratic system.

Respect for each other Appreciating that all staff are different, promoting a work environment that respects safety and well being, and understanding that staff have a life outside of work.

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Electoral Commissioner

Steve Tully

Deputy Electoral Commissioner

Liz Williams

Auditor

Victorian Auditor-General's Office

This Annual Report is a report of work undertaken in the 2006-07 period, including the State election held on 25 November 2006. A more detailed report on the 2006 State election is available in a separate publication entitled Report to Parliament on the 2006 Victorian State Election. This can be accessed online at www.vec.vic.gov.au or can be purchased from Information Victoria's Bookshop at www.bookshop.vic.gov.au

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31 October 2007

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

Dear Attorney

I am pleased to submit to you for presentation to Parliament the 2006-07 Annual Report of the Victorian Electoral Commission.

The report has been prepared in accordance with the requirements of the *Financial Management Act 1994*.

The report also includes the Report of the Electoral Boundaries Commission for 2006-07.

Steve Tully

Electoral Commissioner

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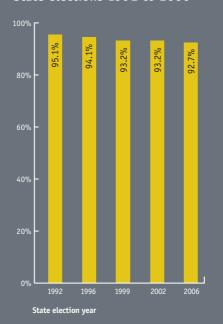
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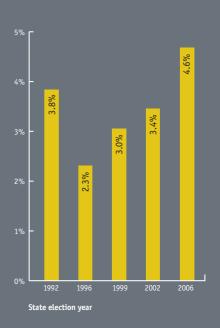




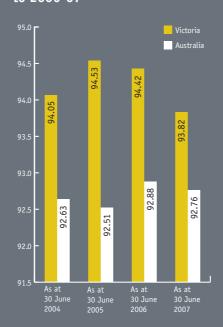
Voter participation rate at State elections 1992 to 2006



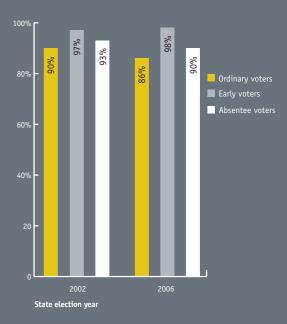
Informal voting rate at State elections 1992 to 2006



Eligible electors enrolled 2003-04 to 2006-07



Voter satisfaction of key election services at 2002 and 2006 State elections



Saturday 25 November 2006 was busy, not only because it was election day for State Parliament. Great Victorian Bike Ride participants and others who couldn't make it to a voting centre on election day were able to vote at an early voting centre - just one of the ways in which the Victorian Electoral Commission helped Victorians have their say.

Pictured are Great Victorian Bike Ride participants at the Murray Valley District early voting centre in Wangaratta. Published with the permission of *Wangaratta Chronicle*.



This time last year, we at the Victorian Electoral Commission were consumed with planning, preparation and early implementation activities around the 2006 Victorian State election. Our report this year focuses on the conduct of this election, an event that saw some of the largest reforms to Parliament in its history.

2006 State election

Much of the advance work we completed with our Electoral Access Advisory Group resulted in improved product and service design and delivery.

Electronic voting was deployed for blind or visionimpaired voters who would not otherwise have had a secret vote. The technology proved to be reliable, accurate and secure. We believe that the value of this new technology would be substantially increased if electronic voting was offered to people whose first language is a language other than English, and those with poor motor skills.

We assessed some 1,600 voting centres, concerned about the lack of centres that cater fully for voters in wheelchairs, or those with any type of physical infirmity. Disappointingly, only 11% of voting centres available for lease were rated as fully wheelchair accessible. This is a sad indictment on a society with a fast ageing population and led to several justified complaints.

An 'easy English' publication was produced for those with low-literacy to explain voting in Victoria and was enormously popular with libraries, community centres, migrant centres and schools. Another leaflet was specifically produced to explain the changes to the structure of the Upper House and its voting system.

This election posed the greatest communication challenge we have ever faced, with the need to inform eligible voters of the change to the structure of the Upper House and different vote counting method. That said, the overall level of voter satisfaction with the 2006 State election was a reassuring 88%.

Reporting

Our Report to Parliament on the 2006 Victorian State Election provides further detail on every aspect of the election and its results. The Report also includes 165 key election indicators we used to measure the success of the election and details our electronic voting initiative.

Electoral Commissioner's report

On the local government front, a report is to be provided to the Minister for Local Government on the conduct of by-elections, countbacks and other electoral activities during 2006-07, along with a progress report on the conduct of electoral representation reviews.

Representation reviews

Work has commenced to ensure that 38 councils have electoral representation reviews completed prior to the 2008 local government elections. This work will ensure adequate and fair electoral representation, taking into account the number of voters and communities of interest in those municipalities.

The community consultation process allows for public submissions on preliminary options, complete with a public hearing, before a final model is recommended to the Minister for Local Government.

We have increased the number of preliminary options put forward, provided more guidance with regard to how submissions should be structured for best impact, and are placing more effort on communicating the reasoning behind each final recommendation.

Looking ahead

Our conduct of elections, reporting and representation reviews were considered along with our other key responsibilities when we commenced our corporate planning process during the year. The new plan will provide us with a starting point for the planning of future activities, one I am sure will result in the delivery of enhanced products and services.

Although almost 18 months away, we are well into planning and consultation for the 2008 local government elections. Changes to legislation mean that elections will be conducted concurrently for all 79 Victorian councils in November next year. While not certain of the exact number of elections to be contracted to the VEC, planning must proceed on the possibility that it could be all 79.

In order to maintain a high quality service, all election processes, products and resourcing levels are being reviewed with the aim of maximising efficiencies and identifying issues that could potentially impact on the successful delivery of the elections.

An obvious consideration moving forward is the welfare of our people. Electoral events by their very nature place high demands on staff and my aim is to better address this particular issue, as we are fortunate to have such a professional team.

Steve Tully

Electoral Commissioner

Snapshot

	2002-03	2003-04	2004-05	2005-06	2006-07
Enrolled electors (as at 30 June)	3,265,948	3,281,336	3,337,946	3,323,719	3,403,962
Enrolment updates - total	597,902	457,608	542,033	430,413	1,096,896
Enrolment updates - resulting from VEC initiatives	223,706	117,611	112,566	128,833	218,342
State elections	1	0	0	0	1
State by-elections	2	0	0	0	0
Local government elections	54	0	25	54	0
Local government by-elections and countbacks	5	9	6	4	6
Statutory and fee-for-service elections	38	97	18	6	42
Local government representation reviews	-	9*	30	0	7
Total expenditure	\$44.7m	\$13.8m	\$18.9m	\$25.0m	\$36.8m
Revenue paid to the Consolidated Fund	\$6.6m	\$1.5m	\$5.6m	\$8.8m	\$0.9m

^{*} In 2003-04 it was reported that a review was conducted of Surf Coast Shire. This review was conducted under terms of reference established by the Minister for Local Government, but has not been conducted under the provisions of the *Local Government Act 1989*.

Overview of business result areas

Election services

Objectives:

Continue to improve the quality of parliamentary, local government, statutory and fee-for-service elections to ensure the integrity of democracy in Victoria

Performance:

- 88% of voters surveyed satisfied with their experience of State election voting centres
- 89% of voters surveyed from culturally and linguistically diverse (CALD) backgrounds assess State election services as effective
- 13% reduction in State election absent votes

Outlook 2007-08:

- All contracts for the conduct of the 2008 local government elections in place by 30 June 2008
- Successful conduct of all State by-elections, local government by- elections, countbacks and fee-for-service elections

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Enrolment and roll services

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Objectives:

Ensure the accuracy, completeness, validity and security of the register of electors Deliver high quality enrolment information products, mapping products and services to stakeholders

Performance:

- 93.82% of eligible Victorians enrolled
- 24.8% VEC contribution to the joint electoral roll
- Stakeholders surveyed confident of the accuracy of the State election roll

Outlook 2007-08:

- Recoding of electors to new boundaries via a geocoding process
- Extensive development of the municipal voters' roll module of the enrolment register prior to the 2008 local government elections

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Community understanding and participation

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Objectives:

Maximise public understanding and participation at the 2006 State election Encourage a culture of democratic participation and community engagement, particularly among those whose participation is identified as lower than average Maximise public understanding and participation at local government by-elections Demonstrate integrity, impartiality and accountability by reporting transparently to Parliament and communicating effectively with stakeholders

Performance:

- 77% of ordinary voters surveyed saw or heard State election communications
- 69% of ordinary voters surveyed assess State election communications as effective
- 84% of voters surveyed aware of new Upper House voting options
- 72.92% average voter participation rate in local government by-elections

Outlook 2007-08:

- Undertake formal and informal research to develop and deliver public education and awareness programs
- Continue to expand networks and communication products targeted at low voter participation groups

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Representation

Objectives:

Provision of high quality electoral representation review services to local government

Performance:

- All reviews accepted by the Minister for Local Government
- 98% of participants surveyed found public information sessions useful
- 91% of participants surveyed found public hearings helpful

Outlook 2007-08:

- Planning for 19 local government electoral representation reviews
- Undertake subdivision reviews for up to eight councils

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Organisational effectiveness

Objectives:

Ensure the availability of a skilled workforce needed by the organisation to deliver its corporate and legislative objectives

Provide for effective communication between staff at all levels across the VEC Ensure the VEC has an ongoing, effective and cost-efficient IT environment to conduct its business

Performance:

- 85.4% of employees surveyed satisfied with internal communications
- 81% of candidates surveyed regard the performance of State election officials as effective
- \$36.758 million expenditure of an approved appropriation of \$39.012 million
- No security flaws in IT environment

Outlook 2007-08:

- Develop technical solutions to conduct a maximum of 79 concurrent local government elections
- Implement improved information management systems

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2006-07 Achievements

- Successful conduct of the 2006 State election
- Implementation of new Upper House voting and counting systems
- Electronic voting for blind or vision-impaired voters piloted for the first time in an Australian State election

Delivering fair and impartial election services is the core business of the VEC. In 2006, more than three million people voted at the Victorian State election held on Saturday 25 November, an event that was the culmination of more than 18 months of planning, preparation and activity. In addition, the VEC re-registered ten political parties and registered a further two, and conducted three local council by-elections and three countbacks, two fee-for-service elections, 13 contested statutory elections, and two liquor licensing polls. This section reports on the VEC's performance in conducting these electoral activities.

Objective: Continue to improve the quality of parliamentary, local government and fee-for-service elections to ensure the integrity of democracy in Victoria.

Strategies to achieve this objective included the implementation of new initiatives resulting from changes to the *Electoral Act 2002*, the identification of service improvements for voters, and the identification, deployment and maintenance of infrastructure required to effectively and efficiently conduct elections.

Parliamentary elections 2006 Victorian State election

1,652	Voting centres established
226,170	Postal votes
255,161	Early votes
10,805	Overseas and interstate votes
248	Legislative Council (Upper House) candidates
459	Legislative Assembly (Lower House) candidates

Services for voters before election day

What did the VEC do?

Postal vote applications were available from any post office in Victoria, the VEC's website, the VEC itself, or supplied by several of the political parties. Applications were scanned and processed electronically to increase the efficient delivery of ballot packs. Using the VEC's election management system, election officials could also advise an elector of the status of their application at any given point in time after receipt.

Seventy-seven **early voting centres** were established throughout the State, including Melbourne Airport, to operate in the two weeks prior to election day. In addition, 11 interstate and 28 overseas locations were provided for early voting. Improved functionality of computer systems at early voting centres in Victoria, including the use of PDAs (personal digital assistants), meant that election officials could more effectively identify electors' correct enrolment details.

PDAs were also deployed for the first time to almost half of the appointed mobile voting centres. The Electoral Commissioner appointed 892 institutions to host a visiting **mobile voting** team in the lead-up to the election. Up from 878 in the 2002 State election, this included a range of institutions, such as nursing homes, hostels and hospitals.

An amendment to the *Electoral Act 2002* enabled a pilot of **electronic voting** for blind or vision-impaired voters who could not otherwise have voted without assistance. Kiosks equipped with a touch-screen PC, keypad and headphones that 'read' the options for the blind or vision-impaired voter

were set up at fully-accessible 'E-Centres', with specially trained staff to assist voters. E-Centres operated in Heidelberg, Kooyong, Warragul, Shepparton, Ballarat and Melbourne in the two weeks before election day, as well as on election day. E-Centres catered for all voters, not only those with a vision-impairment.

Additional early voting facilities were established at the Australian Embassy in Dili, East Timor and Avalon Airport. Within 24 hours of a request, voting facilities were also provided in Casterton to cater for fire-fighters. On request to the VEC, mobile voting was extended to the Melbourne Remand Centre and the Melbourne Assessment Prison.

How did the VEC perform?

A total of 255,161 early votes were cast at early voting centres, representing an increase of 56% on early votes in the 2002 State election.

Ninety-eight percent of early voters surveyed indicated that their early voting centre experience was either satisfactory or extremely satisfactory (compared with 97% at the 2002 State election). Only 2% of respondents felt dissatisfied, with some disappointed with operating hours of early voting centre at airports.

During the 23 days of postal voting, the VEC processed a record 226,170 applications for postal votes, up from 201,243 in 2002. Of those voters surveyed, 83% were either satisfied or extremely satisfied with VEC's provision of ballot papers. This represents a slight decline from 92% satisfaction in 2002, with the level of dissatisfaction remaining the same at 4%.

There were 41,722 registered general postal voters (GPVs) at the 2006 State election, up from 17,452 in 1999 and 31,243 in 2002. This was due to the inclusion of additional criteria allowing electors over 70 years of age to register.



Services for voters on election day

What did the VEC do?

Voters were able to cast an ordinary vote at a **voting centre** within their electorate, or an absent vote at any voting centre outside their electorate. A total of 1,652 voting centres were established within Victoria. Voting centres operated between 8.00am and 6.00pm on election day.

In order to reduce the number of absent votes at voting centres close to electoral boundaries, 148 'joint' voting centres were established, up from 23 at the 2002 State election. Joint voting centres enabled electors voting in their neighbouring electorate to cast an ordinary vote. First-time use of PDAs at 123 voting centres also allowed election officials to correctly identify an elector's enrolment details. The objective was to reduce the number of absent vote rejections that arise when electors provide incorrect enrolment details.

As in past State elections, voting centres were established primarily in schools and community halls, and disability advocacy and community groups were invited to recommend venues not previously considered. All underwent an accessibility audit based on relevant Australian Standards with the resulting access ratings for every voting centre being advertised. Table-top voting screens were provided at all voting centres for electors unable to stand while voting, and magnifying glasses and user-friendly pencils for voters with arthritis were available on request. Improved signage was rolled out across all voting centres, and election officials available to assist with requests for information wore vests so as to be clearly identified.

Additional voting facilities were also established to cater for an influx of voters around public events staged on election day. These included the Spring Car Nationals in Shepparton, the Queenscliff Music Festival, the Great Victorian Bike Ride in Wangaratta, and the Corporate Games in Melbourne. Voting facilities were also established for the fire-fighters temporarily stationed in Casterton.

A new **training VCD** was developed for all election officials that focussed on providing an excellent level of customer service to all voters (*see page 38*).

How did the VEC perform?

A total of 2,440,009 ordinary votes were cast on election day. The VEC considers the increase in joint voting centres and the use of PDAs to be a success, as there was a sizeable reduction in the number of absent votes and the number of declaration votes that required further checking against the enrolment register (see Figure 1).

Ordinary, early and absent voters and voters from culturally and linguistically diverse (CALD) backgrounds were surveyed. The VEC's target satisfaction rate across these categories of voters was 90%.

Eighty-six percent of ordinary voters surveyed indicated that their experience of the voting centre was either satisfactory or extremely satisfactory, while only 5% felt dissatisfied (compared with 90% satisfaction and 4% dissatisfaction in 2002. *See Figure 2*). Outdoor signage to indicate the centre's status as a voting centre received the lowest levels of satisfaction (71%).

Ninety percent of absent voters surveyed were satisfied with their experience at the voting centre (compared with 93% in 2002). CALD voters in particular noted improved effectiveness (89% in 2006 compared with 79% in 2002).

While the VEC sought to increase the number of fully wheelchair accessible venues, it was not successful. A commitment of the VEC's *Disability Action Plan* was to survey members of the Electoral Access Advisory Group after the election to assess how well the VEC had met suggestions made by the Group. An insufficient sample size was returned.

Electronic voting was well received, particularly as it was the first opportunity for many to cast an independent and secret vote (see page 17). Although the sample size was small, none were dissatisfied with their experience of electronic voting. Reasons for their satisfaction included electronic voting being easy and private, the well-trained and helpful staff, excellent facilities, and the option of practising on a kiosk before casting a vote.

With 199 electronic votes cast, utilisation was less than anticipated. However, the technology is now proven in terms of its application for future elections.

Services for registered political parties and candidates

What did the VEC do?

The VEC conducted **briefing sessions** for registered political parties (RPPs) on the State election process and provided an information kit. An information session was also held for independent candidates on Sunday 5 November, and covered relevant timelines and procedures.

Handbooks produced for candidates and scrutineers incorporated suggested improvements following the 2002 State election, and reflected changes to legislation and electoral boundaries.

During the election period, the VEC published regular circulars for all candidates and RPPs. Election managers appointed by the VEC kept Legislative Assembly candidates informed of election activities and timelines.

The VEC established 43 **election offices** to support candidates and other election participants.

How did the VEC perform?

The number of candidates nominated by registered political parties increased at this election. The Australian Labor Party (128), the Liberal Party (125), the Australian Greens (124) and Family First (123) stood candidates in all 96 electorates; The Nationals nominated 32 candidates, People Power nominated 44 and the Democratic Labor Party nominated 23 candidates. Sixty-three candidates stood as independents, compared with 65 at the 2002 election.

Of the seven independent candidates surveyed post-election, the three who attended the information session considered it to be effective, with one rating it extremely effective and two rating it effective.

Results services

What did the VEC do?

The VEC introduced a **new results service** for the State election, incorporating an electronic tally board, the VEC's website, and TV and print media requirements.

Results data files were downloadable on the VEC's 'virtual tally room' website, published at regular intervals and supplied in a standardised format for TV and print media.

The data files included indicators for the Legislative Assembly and the Legislative Council, candidate information (no personal information was provided), voting location names and, most importantly, the number of votes received by each candidate.

The new format was tested extensively prior to election night to ensure the data provided the correct results information in the correct form (see page 42).

How did the VEC perform?

Qualitative research of six RPP representatives indicated a generally high level of satisfaction with results services provided on the VEC's website. This information was considered to be extremely quick and accurate, and superior to that provided at previous elections.

"The speed of publishing results on the website was very good. Usually we find out [results] through scrutineers much faster than any other way. Not this time, the VEC were faster [than our scrutineers]."

Extract from evaluation undertaken by Colmar Brunton Social Research.

Figure 1: Number of absent votes at past three State elections

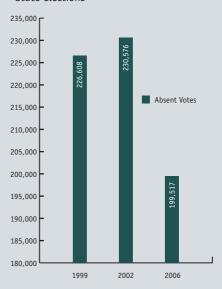


Figure 2: Experience at the voting centre -Ordinary voters*

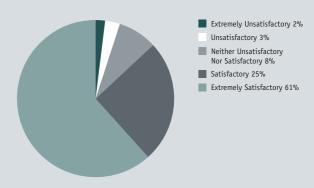
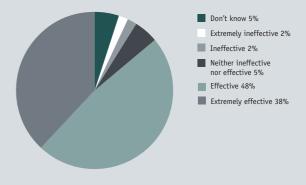


Figure 3: Effectiveness of the Candidate's Information Kit*



^{*}Based on evaluation undertaken by Colmar Brunton Social Research.

Attitudes regarding the need for the tally room were mixed. While all RPPs agreed that the primary purpose of the tally room is to provide a focus for media, some would prefer the tally room be discontinued.

Complaints and appeals

During the course of the 2006 State election, the VEC received a total of 225 written complaints. Of these, 60 were about the conduct of the election and 62 were made in relation to the VEC. All complaints are summarised in the *Report to Parliament on the 2006 Victorian State election* (pages 45, 56 and 60).

Public funding of election expenditure

The *Electoral Act 2002* provides for the public funding of election expenses incurred by RPPs and candidates contesting Victorian State elections.

For the Legislative Assembly, RPPs and independent candidates receiving four per cent or more of first-preference votes were entitled to \$1.31607 for each first-preference vote. For the Legislative Council, in each region, any candidate in a group or as an independent who received four per cent or more of first-preference votes was also entitled to public funding. To calculate the entitlement, the number of first-preference votes obtained by the first-named candidate in a group is determined by adding the above-the-line votes for that group to the number of first-preferences recorded belowthe-line for the first-named candidate.

In the case of a candidate endorsed by an RPP, payment was made to the registered officer of the relevant political party. In the case of an independent candidate, payment was made to the candidates themselves.

Payment was dependent upon the VEC receiving an audited statement of expenditure (SOE), and an audit certificate that stated that the auditor received full access to information and had no reason to believe that any matter in the SOE was incorrect.

Where the audited SOE revealed that not less than the entitlement had been spent, payment was calculated at \$1.31607 for each first-preference vote received. Where the SOE revealed that an amount less than the entitlement was spent, payment was for the amount specified in the SOE.

The deadline for applications for the funding of election expenses was 13 April 2007. The VEC made payments of the entitlement within three working days of receipt of an audited SOE (see page 52 of *Report to Parliament on the 2006 Victorian State election* for a summary of payments).

Local government by-elections and countbacks

What did the VEC do?

There were no general elections conducted in 2006-07. However, a number of applications to the Municipal Electoral Tribunal resulting from the 2005 local government elections were still in progress during this period (see Appendix 1). Throughout this period the VEC conducted three by-elections and three countbacks (see Figures 4 and 5).

By-elections occur if a councillor in a single-councillor ward resigns, or can no longer hold office, more than six months before a general election.

As in the case of a general election, the VEC supplied each candidate with an information kit including handbooks for candidates and scrutineers, nomination and election campaign donation return forms, and returning officer contact details.

Countbacks occur in multi-councillor wards or unsubdivided municipalities if a councillor resigns, or can no longer hold office, more than six months before a general election. No voting is required in a countback.

Figure 4: Local government by-elections in 2006-07

Close of election	Council	Vacancies	Candidates	Voting method	Counting method
13 March	Moonee Valley City Council - Debney Ward	1	12	Postal	Preferential
17 March	Baw Baw Shire Council - Tarago Ward	1	7	Postal	Preferential
19 May	Latrobe City Council - Galbraith Ward	1	6	Postal	Preferential

How did the VEC perform?

All by-elections and countbacks were conducted successfully and according to legislative requirements. The voter participation rate averaged 72.92% for by-elections conducted in 2006-07, compared with 73.79% for byelections conducted since 2000. This rate is slightly less favourable than the 75.2% average participation rate for a municipal-wide local government election.

Statutory and fee-for-service elections

What did the VEC do?

Different pieces of legislation require the VEC to conduct certain statutory elections and polls. This includes elections for community health centres' boards of management under the Health Services (Amendments) Act 2000 and liquor licensing polls under the Liquor Control Reform Act 1998.

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

How did the VEC perform?

All statutory and fee-for-service elections timelines and requirements were met, resulting in their successful conduct. Voter participation varied (see Figures 6 and 7).

The VEC will continue to work with the Department of Human Services prior to the 2010 community health centre elections and has recommended an earlier timeline to reduce potential overlap with the State and Federal elections.

Figure 5: Local government countbacks conducted in 2006-07

Date conducted	Council	Vacancies	Candidates
18 January	East Gippsland Shire Council -		
	Banksia Ward	1	6
21 March	Wangaratta Rura City Council	al 1	10
29 March	Mount Alexande Shire Council -	r	
	Castlemaine Wa	rd 1	3

Figure 6: Voter participation in statutory and fee-for-service elections conducted in 2006-07



Figure 7: Statutory and fee-for-service elections in 2006-07

Close of election	Client	Туре	Voters	Candidates	Vacancies	Voting method
11 January	Bass Community Health Centre (countback)	Statutory	n/a	n/a	1	n/a
8 February	Legal Services Board	Fee-for-service	1,074	n/a	1	Postal
19 February	Colombo's Pizza House - liquor licensing poll	Statutory	1,872	n/a	n/a	Postal
16 March	Victorian Canine Association	Fee-for-service	9,362	4	3	Postal
2 June	Community health centre general elections (13 of 38 elections contested)	Statutory	5,478	90		Postal
18 June	Dozo Japanese Restaurant - liquor licensing poll	Statutory	720	n/a	n/a	Postal

Compulsory voting enforcement

2006 State election

The enforcement of compulsory voting at Victorian State elections is governed by the *Electoral Act 2002*. Due to the introduction of the *Infringements Act 2006*, a number of changes were made to the 'non-voter follow-up' process, affecting stages 2 and 3 of enforcement (see Figure 8).

The *Infringements Act 2006* allows for the provision of payment plans and for non-voters to seek a review of their infringement. To make the payment of penalties easier for non-voters, the VEC extended its range of electronic payment options to include PostBillPay facilities at Australia Post. As at 30 June 2007, the VEC had posted 74,005 infringement notices to non-voters from the State election (*see Figure 9*).

Those who failed to pay the penalty of \$54 were issued with a 'penalty reminder notice' from mid-July 2007. This process is due to be completed by late September 2007. Further follow-up of all remaining non-voters may be instigated in the Infringements Court. The VEC did not proceed beyond issuing first notices in 2002 due to an overlap with the March 2003 local government elections.

Other compulsory voting enforcement

The VEC was contracted to conduct compulsory voting enforcement for each local government by-election held in 2006-07. The VEC also commenced compulsory voting enforcement for the Balwyn liquor licensing poll (see Figure 10).

Services to interstate and overseas commissions

The VEC provided early voting and pre-poll services for the following interstate electoral commissions:

Date	Agency	Election	Votes issued
9 September 2006	Electoral Commission Queensland	Qld general election	635
3 February 2007	Western Australia Electoral Commission	Peel by-election	0
24 March 2007	NSW Electoral Commission	NSW general election	1067
5 May 2007	Tasmanian Electoral Commission	Tasmanian Legislative Counci elections (Divisions of Nelson and Pembroke)	3 l

Register of political parties

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

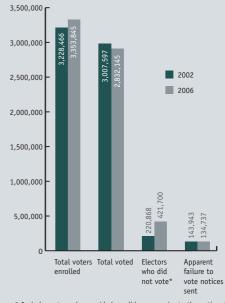
In order to qualify for registration, a political party must have a written constitution and at least 500 members who are Victorian electors and party members in accordance with the party's rules, and not members of another registered political party, or of a party applying for registration.

Figure 8: Stages of 'non-voter follow-up' process

Stage	Notice	Recipient	Response period*
1	Apparent failure to vote	Electors who appear not to have voted. No penalties are collected against this notice.	Unchanged - 28 days
2	Infringement	Electors who do not respond to Stage 1, or who provide an invalid excuse for failing to vote. Includes request for the payment of penalty amount of \$54.	Extended - 42 days
3	Penalty reminder	Electors who do not reply to Stage 2. Includes \$19.80 in costs, increasing total penalty to \$73.80.	Extended - 42 days

 $^{^{\}star}$ Number of days by which an elector must respond, calculated from the date on the notice.

Figure 9: 2002 and 2006 State election compulsory voting enforcement



^{*} Includes voters who provided a valid excuse prior to the notices being sent out.

Part 1 Election services



Figure 10: Local government by-election and liquor licensing poll compulsory voting enforcement as at 30 June 2007

Local government by-election	Stage and notice	Number sent
Moonee Valley City Council Debney Ward	 Apparent failure to vote Infringement 	2,489 1,849
Baw Baw Shire Council Tarago Ward	 Apparent failure to vote Infringement 	303 203
Latrobe City Council Galbraith Ward	1. Apparent failure to vote	1,059
Liquor licensing poll		
Balwyn liquor licensing poll Columbo's Pizza House	 Apparent failure to vote Infringement 	332 136



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;
- central nomination of candidates and registration of how-to-vote cards with the VEC;
- access to enrolment and voter information on a periodic basis; and
- public funding for parties obtaining enough votes.

The VEC's activities in 2006-07 fell into two main areas: reviewing the eligibility of already registered parties, and processing applications for registration by new parties.

New legislation requires all registered political parties to apply for re-registration once in each term of Parliament. The deadline for applications for re-registration was 30 June 2006, by which date all registered parties had lodged applications. The VEC re-registered all ten parties, all of whom gave evidence of a member base of 500 eligible persons.

Following the State election, the VEC was obliged under section 52 of the Act to review the registration of those parties that had failed to obtain an average of four percent of firstpreference votes across the electorates contested by the party. As at 30 June 2007, the results of the review were as follows:

- The registration of the Christian Democratic Party, Country Alliance and Democratic Labor Party was confirmed;
- People Power was de-registered on 1 June 2007 as it no longer had enough members to be eligible for registration; and
- The Citizens Electoral Council, Socialist Alliance and Australian Democrats were still under review.

See Appendix 2 for Victorian registered political parties and their registered officers as at 30 June 2007.

Figure 11: Applications for registration in the lead-up to the 2006 State election

Party	Application date	Registration date	Rejection date
Family First	26 May 2006	17 July 2006	n/a
People Power	25 August 2006	12 October 2006*	n/a
Reclaim Residents Rights	8 September 2006	n/a	24 October 2006**

^{*} Two objections to registration received. One objector lodged an application with the Victorian Civil and Administrative Tribunal to review the VEC's decision to register People Power. The objector withdrew the application on 15 June 2007.

Outlook 2007-08

Preparing for the 2008 local government elections is the main focus for the 2007-08 reporting period. One challenge for the VEC is the uncertainty surrounding the number of elections it may be required to conduct. Preparations are underway to ensure that the VEC is in a position to respond if all 79 councils choose to contract the VEC - something that would maximise the promotion of these elections, conducted for the first time concurrently, on a statewide basis.

The VEC is investigating a number of initiatives to support nomination and counting processes, including an application to assist candidates to complete nomination forms and personal statements. The organisation is also looking to implement an intelligent character recognition (ICR) scanning solution to replace the data entry of ballot paper preferences during a number of computerised counts. The solution will also ensure transparency for scrutineers.

Planning for the 2010 State election will begin in 2007-08, alongside the conduct of statutory and fee-for-service elections, and State and local government by-elections and countbacks as required.

Liz Williams

Manager, Elections

Glenda Frazer

Manager, Election Services

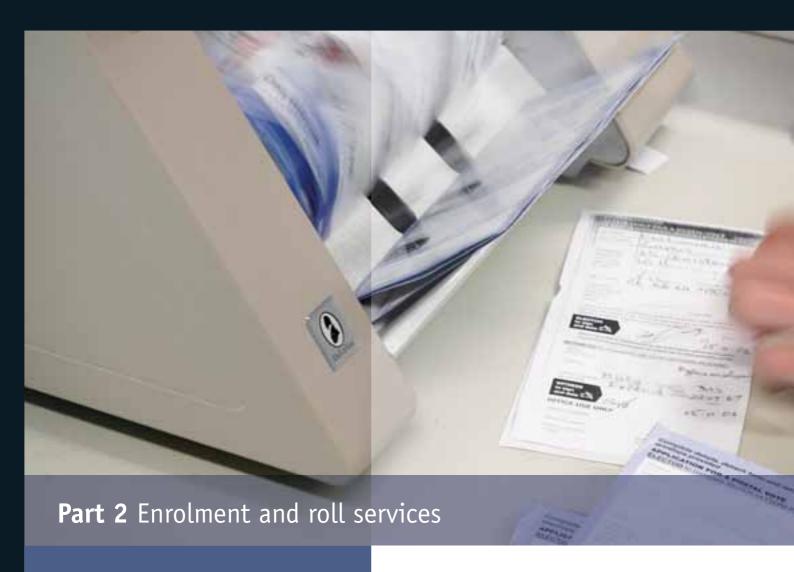
Electronic voting - a Victorian first

"Yesterday was a milestone in my life because it was the first time I was able to vote independently." Susie Rich, November 2006.

"I never had an interest in politics before, but now I can vote on my own I have a reason to." Rachel Keyte, September 2006.

"Electronic voting has the potential to transform voting into a satisfying and relaxed experience." Stephen Jolley, October 2006.

^{**} The VEC was not satisfied that Reclaim Residents Rights had a sufficient member base.



2006-07 Achievements

- Close of roll and checking entitlements for unenrolled voters during the State election
- Production of roll products for the 2006 State election
- Set-up of infrastructure to assist local government electoral representation reviews

An up-to-date and accurate enrolment register is pivotal to the VEC carrying out its legislative and electoral responsibilities. Not every eligible Victorian enrols or updates their enrolment as required. The VEC must therefore develop and implement strategies to encourage and assist them to do so. This section covers the enrolment programs, initiatives, products and services that contributed to this aim throughout 2006-07.

Objective: Ensure the accuracy, completeness, validity and security of the register of electors.

Strategies to achieve this objective included the continued delivery of programs to encourage and assist Victorians to enrol and update their enrolment.

Since 1953, the Commonwealth and Victoria have co-operatively managed electoral information through two related instruments known as the Joint Electoral Enrolment Procedure and the Service Level Agreement (Agreement).

Information exchanged for the purposes of maintaining and updating electoral rolls, as well as ensuring consistency between Federal and State electoral rolls, comprises enrolments received as a result of electors enrolling

independently, and enrolments specifically in response to Australian Electoral Commission (AEC) and VEC initiatives.

A major benefit of this arrangement is that it enables an elector to enrol to vote in Federal, State and local government elections using the one form.

Continuous roll update (CRU) programs

What did the VEC do?

A range of **strategic programs** assist the VEC to maintain an accurate enrolment register. Electors targeted through datamatching initiatives with the Residential Tenancies Bond Authority and VicRoads are sent enrolment forms as they register their change of address.

Data supplied by the Victorian Curriculum and Assessment Authority allows the VEC to send a birthday card with an enrolment form to 17 year old Victorians in the education system so they may provisionally enrol.

Enrolment forms are also available on the VEC's website, at local council offices, Coles supermarkets, Australia Post Offices, Centrelink and Medicare offices, and Australian Taxation Office customer outlets.

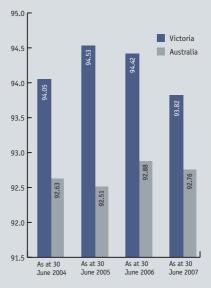
How did the VEC perform?

Using a model approved by the Electoral Council of Australia (ECA) to measure enrolment participation levels, the VEC slightly underperformed against its target to enrol 95% of estimated eligible electors (93.82%) but achieved over the national average (see Figure 12). See Appendix 3 for district and region enrolments and percentage deviation for each as at 30 June 2007.

The VEC slightly underperformed against its target of exceeding a 25% contribution to the joint roll (24.8% - see Figure 14).



Figure 12: Percentage of estimated eligible population enrolled 2004-2007



Data supplied by the Roll Integrity Unit of the Australian Electoral Commission, July 2007.

Figure 13: Summary of contributions to the Victorian enrolment register 2004-2007

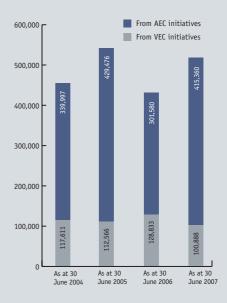


Figure 14: Enrolments through CRU programs 2006-07

CRU mailout	;	As at 30 June 2007	% of VEC enrolments	% of 06-07 enrolments
Residential Tenancies Bond Authority	Tenants who have recently lodged tenancy bonds	8,702	6.3%	1.6%
TRU Energy	New connections	441	0.3%	0.1%
Victorian Curriculum & Assessment Authority	All Year 11 and 12 students turning 17 who are enrolled in VCE	14,867	10.8%	2.7%
VicRoads	New licence holders and changes of address on licence and registration	n 11,790	8.6%	2.1%
Victorian Tertiary Admissions Centre	Students applying to a tertiary education institution	401	0.3%	0.1%
Total		36,201	26.4%	6.6%
CRU non-mailout		As at 30 June 2007	% of VEC enrolments	% of 06-07 enrolments
VEC general enrolment form (G)	Applications received from forms available from the VEC	54,497	39.8%	9.9%
VEC municipal enrolment form (M)	Applications received from forms available from municipal offices	1,955	1.4%	0.4%
AEC/VEC joint enrolment form	Applications received from forms available at Australia Post Office	s 5,206	3.8%	0.9%
Supermarkets	Applications received from forms available at Coles supermarkets	7,436	5.4%	1.3%
Liquor Licensing Victoria	Applications received on the joint identity card and electoral enrolment form	1,035	0.8%	0.2%
2006 State election redivision mailout	Applications received from mailout advising electors of their enrolled electorates at the 2006 State election	110	0.1%	0.0%
VEC website	Applications received from forms available at www.vec.vic.gov.au	30,649	22.4%	5.5%
Total		100,888	73.6%	18.3%
Total VEC VEC target for contribution	to the roll	137,089		24.8% 25.0%
AEC enrolments		415,360		75.2%
TOTAL ENROLMENT		552,449		

Deletions and changes to the roll

What did the VEC do?

Section 27 of the *Electoral Act 2002* requires the VEC to regularly review the register of electors and to ensure that the details of electors are accurate. This includes amendments that are not instigated by the electors themselves.

The VEC receives information from the AEC, the Office of Births Death and Marriages, Corrections Victoria and other sources (see Figure 15). The VEC also removes electors from the register in certain circumstances.

An enrolment objection is a notice that requires a person to confirm that the address where they are enrolled is their principal place of residence, or to confirm that they are entitled to be enrolled. In Victoria, notices of objection are issued regularly by the AEC on behalf of the VEC, in accordance with the provisions of the Electoral Act 2002 and the Commonwealth Electoral Act 1918.

How did the VEC perform?

How did the VEC perform?	
Figure 15: Summary of changes to the Victorian electoral register 2006-07	
VEC enrolment transaction summary Collected by the VEC through CRU programs and processed by the AEC	
Mailouts	
Residential Tenancies Bond Authority	8,702
TRU Energy	441
Victorian Curriculum & Assessment Authority	14,865
VicRoads	11,789
Victorian Tertiary Admissions Centre	401
Subtotal	36,198
Non-mailouts	
VEC general enrolment form (G)	54,497
Joint AEC/VEC enrolment form	5,206
Liquor Licensing Victoria	1,035
2006 State election re-division mailout	110
VEC website	30,649
VEC municipal enrolment form (M)	1,955
Supermarkets	7,436
Subtotal	100,888
Combined subtotal	137,086
VEC enrolment transaction summary	
Other	
Enrolment advice	
Election elector information reports	5,276
Elector detail changes	6,184
Advice from failure to vote notices	9,411
Subtotal	20,871
	20,071
Return to sender mail	
BreastScreen Victoria Inc	93
Members of Parliament	1,257
Youth booklet "Your Voice Your Future"	0
2006 State election mail-out	33,770
PapScreen Victoria	2
Non-voter follow-up	17,036
Subtotal	52,158
Canadal antonomi ambientiona	
Special category applications	/ 1//
GPV applications	4,144
Overseas elector applications	3,702
Itinerant elector applications	71
Silent elector applications	310
Subtotal	8,227
Combined subtotal	81,256
TOTAL VEC enrolment transactions	218,342
AEC enrolment transaction summary	
Imported from the AEC	
Additions	201,616
Changes	354,823
Deletions	121,568
Non-elector changes	122,465
Subtotal	800,472
Exceptions generated	77,403
Duplicates	679
TOTAL AEC enrolment transactions	878,554
COMBINED VEC AND AEC TOTAL	
COMIDINED VEC AND ACCIDIAL	1,096,896



2006 State election enrolment and roll services

3,353,845	Victorians on the electoral roll as at 7 November 2006
62,165	New enrolments from 2 October to 1 December 2006
117,917	Enrolment updates from 2 October to 1 December 2006
3,325,016	EasyVote cards sent to enrolled electors

What did the VEC do?

A fixed election date allowed the VEC to advertise enrolment from late August. At the issue of the writs on 31 October 2006, eligible electors had seven days to ensure they were correctly enrolled.

Electors were able to **update enrolment details** on the spot at VEC or AEC election offices throughout the State, collect an enrolment form at any Coles supermarket or Australia Post office, or download a form from the VEC's website. For the first time, electors were able to email enrolment forms to the VEC, as well as fax, post or hand-deliver them.

In addition, every Victorian elector on the enrolment register was mailed an *EasyVote* card that included important information on the new Legislative Council system and reminded electors to make sure their details were accurate and up-to-date. A second distribution of *EasyVote* cards was mailed to electors who updated their enrolment in the period before the roll closed.

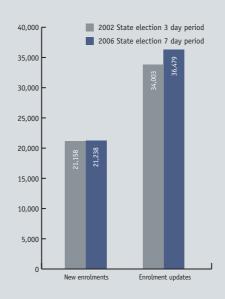
The VEC worked collaboratively with the AEC at the close of roll to enable timely **roll production**. Unprocessed enrolment forms were cleared by the AEC over the weekend of Saturday 4 November, and two special enrolment transactions were conducted in the week prior to the close of roll. All AEC offices were open until 8.00pm on Melbourne Cup Day (close of roll day) to receive and process enrolment forms.

An extract of this roll data was provided by the AEC at the close of roll to the VEC. This responsive turnaround was critical to **roll production and nomination checking**, as well as the distribution of postal votes.

How did the VEC perform?

The period between the issue of the writs and the close of roll was extended from three days in 2002 to seven days in 2006. As no other changes were made to the election timeframe, this reduced the window of opportunity for producing roll products. Despite the change, the number of new enrolments and enrolment updates remained similar to those achieved for the 2002 State election (see Figure 16).

Figure 16: Enrolments processed from the issue of the writs to the close of roll



Achieving its target of stakeholder satisfaction, qualitative research of six registered political party representatives indicated that all felt the 2006 State election electoral roll was sufficiently accurate.



Objective: Deliver high quality enrolment information products, mapping products and services to stakeholders.

Strategies to achieve this objective included the identification and implementation of improvements to production processes, and implementation of any enhancements as a result of changes to legislation affecting the compilation of electoral rolls and enrolment information.

Provision of electoral rolls

What did the VEC do?

The VEC gave every candidate in the 2006 State election the opportunity to obtain an electronic copy of the electoral roll for his or her electorate. For the first time, these were supplied with software enabling mail-merge functions for the purpose of campaigning.

Registered political parties were sent complete extracts of the State roll on a monthly basis, except during the election

Members of Parliament were also provided with their electorate's roll on a monthly basis (except during the election campaign) that contained details of changes to electors since receipt of their previous roll.

Council data and a State roll extract were merged to produce the voter rolls for Moonee Valley City Council Debney Ward, Baw Baw Shire Council Tarago Ward and Latrobe City Council Galbraith Ward by-elections. Mailout files and other products needed to conduct the by-elections were produced. Printed rolls and electronic files were supplied to councils for their reference and to candidates for campaign purposes.

On request, the VEC also provided rolls to the Juries Commissioner containing randomly selected names and addresses of electors appropriate for each courthouse. This enabled the Juries Commission to recruit jurors as required from the pool of electors provided.

Exemption information was then returned to the VEC from the Juries Commission and recorded against each elector's record. This prevents an exempted elector from being randomly selected again, for the period of the exemption.

A report was provided to the Juries Commission with each jury roll extract, containing the numbers of electors in each Jury District, the numbers exempted and the remaining available electors at that point in time.

The **State Revenue Office** was also provided with complete monthly extracts from the State roll, while BreastScreen Victoria received quarterly data with details of women aged 50 to 70 years old. Extracts were also provided twice a year to the Registrar of Births, Deaths & Marriages and also to the Adoption Information Service.

How did the VEC perform?

An extended close of roll date and the large number of enrolments to be processed meant that the VEC was only able to provide rolls for candidates and political parties on Friday 10 November. The rolls were printed at the earliest possible time, over the weekend after the close of roll. The printing took 48 hours of non-stop production, after which they were distributed around the State.

At the beginning of each month, roll products for registered political parties and Members for Parliament were extracted, compressed with password protection, burned to CD and mailed within three days. All were dispatched promptly and as scheduled.

The VEC achieved its target to reduce errors in roll data supplied for two of the three local government by-elections conducted. Baw Baw Shire Council and Moonee Valley City Council both improved the accuracy of data supplied by over four percent, compared with that supplied for their most recent general election. All products were completed by the planned delivery times.

Jury rolls were extracted, burnt to CD and were ready for collection by Juries Commission staff within four days of a request being received.

Mapping products and services

What did the VEC do?

Producing a clear and easily understood map is a complex process, incorporating a range of spatial data about roads, parks, property and electoral boundaries. The end products are used both for internal and external purposes, such as advertisements, brochures, candidate statements, election offices, voter cards, candidate kits and the VEC's website.

440	Voting centre maps produced for 2006 State election
350	Region, district and results maps provided to new Members of Parliament
206,534	Search requests using the voting centre search on the VEC's website
20	Organisations supplied with maps and GIS versions of electoral boundaries prior to the 2006 State election
1700	Voting centre addresses geocoded for mapping location precision

For the first time, the VEC was able to directly supply electoral boundaries and 2006 State election voting centre data in a format **compatible with GIS** (geographical information systems). After the 2006 State election, detailed AO size maps of electoral districts and regions were supplied to all newly elected Members of Parliament.

Another first was the VEC's development of a **voting centre search** function on its website. This enabled electors to locate the five nearest election day centres, or two nearest early voting centres to the address entered. Search results were returned with downloadable maps, with Melway or VicRoads street directories overlayed to pinpoint venue locations.

A new process was developed for loading elector data into the VEC's electoral boundaries management system to **support electoral representation reviews** (see pages 32-35). The VEC created new electoral maps for those councils that underwent a review. These maps became the official description of new ward boundaries, replacing written technical descriptions. New ward boundaries were also made available in GIS format.

How did the VEC perform?

A measure of the VEC's success in making GIS spatial data available is the range and calibre of bodies that were supplied with data. These included Australia Post, Victoria Police, KPMG, Metropolitan Fire and Emergency Services Board, WA Plantation Resources (WAPRES), VicHealth, Parks Victoria, Channel 9, GHD and Telstra. Data was also supplied to a number of Federal and State government departments, registered political parties and councils.

Performance of the website's voting centre search facility was generally good, with an overall satisfaction rating for the website of 81.8% among survey participants. Maps with Melway or VicRoads street directories overlayed were easy to read and cost effective to produce. Identified improvements include extending the search function to supply overseas and interstate voting centre locations, refining the search result information, and more detailed analysis of performance during peak periods.

The new process developed to assist the conduct of electoral representation reviews improved the efficiency and accuracy of determining elector numbers and deviations within each proposed electoral structure.

Objective: Maximise public confidence in the security of public information held by the VEC.

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.

Mandatory provision of enrolment information

The *Electoral Act 2002* stipulates that specified enrolment information must be made available to the 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. 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.
- Enrolment information must be provided to registered political parties, Members of Parliament and election candidates under section 33 of the *Electoral Act 2002*. 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.
- Enrolment information must be provided to the Juries Commission to enable people to be called up for jury duty under section 19 of the *Juries Act 2000*.
- Enrolment information must be provided to municipal councils for elections under section 21 of the *Local* Government Act 1989.
- Enrolment information is provided to Victoria Police under section 34 of the *Electoral Act 2002*. Subject to a formal protocol that commenced in March 2006, the online application was utilised by authorised Victoria Police personnel 5,970 times during the reporting period.

Discretionary provision of enrolment information

In exceptional circumstances, the VEC has the discretion under section 34 of the *Electoral Act 2002* to release enrolment information to other individuals or organisations. 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.

The VEC has provided, or now provides, enrolment information under section 34 of the Electoral Act 2002 to the following organisations:

- Barwon Health;
- BreastScreen Victoria;
- Cancer Council Victoria;
- The State Revenue Office:
- The Victorian Department of Human Services, Adoptions Information Service and Adoption Information Services approved under the Adoptions Act 1984 (Centacare, Uniting Care Connections and Anglicare Western);
- State-funded organisation VANISH, an adoption information support service;
- Victoria Police;
- Victorian Registry of Births Deaths & Marriages; and
- Women's Health, Department of Medicine, Monash University, Alfred Hospital.

Strict conditions apply to the provision of information and severe penalties are enforced in cases of non-compliance or misuse of enrolment information.

Section 35 of the Electoral Act 2002 requires the VEC to report annually to Parliament on the provision of any information under section 34 and on any finding made under that section during the reporting period (see Figure 17).

Outlook 2007-08

On completion of local government representation reviews (see page 32-35) and subdivision reviews, electors on the enrolment register will be coded to new boundaries where structures and boundaries were changed as part of that process.

The long-term goal for recoding electors to new boundaries in the future is for the VEC to spatial code addresses on the enrolment register to 'spot on earth' locations using geocoding processes. As part of the local government representation review process, the VEC has been geocoding electors to address points to facilitate the modelling of boundary options. This data is to be refined and uploaded to the enrolment register.

Extensive development of the municipal voters roll module of the enrolment register will be completed in 2007-08. The process will require thorough testing prior to the production of voters rolls for the 2008 local government elections.

Paul Strickland

Manager, Electoral Enrolment

Figure 17: Requests for access to roll information under section 34 of the Act during 2006-07

Applicant	Status	Purpose	
Women's Health, Department of Medicine, Monash University Alfred Hospital	Approved 19 September 2006	Granted access to name, address, date of birth and gender information to assist in conducting a study into the health effects of testosterone therapy.	
Victorian Registry of Births Deaths & Marriages	Approved 17 November 2006	Granted access to enrolment information for the purposes of fraud prevention and reduction.	
PapScreen Victoria	Approved 8 February 2007 Deferred 29 March 2007	Granted access to enrolment information in order to write to women in its target age group to inform them of the PapScreen program and encourage them to have a Pap test.	
Cancer Epidemiology Centre	Decision pending at time of publication	PapScreen program and encourage them to have a Pap test. Access to enrolment information has been requested in order to locate and contact participants for the following purposes: 1. Updating participants' health details and other related information; 2. Informing participants of research findings that may be relevant to their health; 3. Inviting participants to participate in associated research projects; and 4. Inviting participants to attend the Health 2000 Study Centre for the purposes of collecting information relating to health and lifestyle.	



2006-07 Achievements

- High level of public awareness of changes to the Upper House
- The creation of valuable networks for Indigenous people, culturally and linguistically diverse communities and people experiencing homelessness
- Several new education initiatives developed

The VEC has a responsibility to demonstrate the relevance of the democratic system to people's lives and their communities. The VEC must communicate a range of messages about enrolment and voting, using different formats and channels such as press, radio and the internet. This section reviews the VEC's programs and activities aimed at enabling all members of Victoria's diverse community to enrol and vote.

Objective: Maximise public understanding and participation at the 2006 State election.

Strategies to achieve this objective included the development and implementation of a coordinated communications campaign – with particular emphasis on communicating changes to the Upper House, providing specialised communication products for low voter participation groups, and effectively communicating the location of voting centres.

Part 3 Community understanding and participation

54	Media releases issued to statewide media
253	Print advertisements published
4,222	Radio advertisements aired
982	Television spots aired
127	Radio news broadcast items aired incorporating VEC audio
421	Responses to queries from journalists

What did the VEC do?

An extensive **communications campaign** for the 2006 State election was launched on Tuesday 3 October, at Federation Square in Melbourne. The VEC took advantage of the fixed election date by commencing its enrolment campaign more than a month prior to the issue of the writs.

The campaign involved a statewide mailout, press, radio, television and outdoor advertising, a telephone enquiry service, media relations, community presentations, publications, education services, competitions, events and the VEC's website.

Advertising expenditure for the 'Every vote will shape Victoria' advertising campaign totalled \$2,527,554. This saw the Victorian public exposed to VEC election advertising via metropolitan, regional and ethnic print and broadcast media, outdoor locations such as tram stops and freeways, street and seniors' press, and Indigenous radio.

A total of 54 **media releases** were distributed to statewide media. Media representatives were invited to one of two briefings and arrangements were made to provide timely responses to requests for information.

Particular emphasis was given to communicating the new structure and method of voting for the **new Upper House**. These changes were communicated on the *EasyVote* card, on the VEC's website and in a leaflet distributed to Members of Parliament, libraries, community information centres and local government.

An **interactive CD** was produced and made available on the VEC's website in 18 languages plus English. It provided a simulation of how to fill out Upper House and Lower House ballot papers. The website also provided downloadable **audio and large print files** for the benefit of blind or vision-impaired voters, and sent an *EasyVote* card equivalent in alternative formats, including Braille, to people on Vision Australia's database.

How did the VEC perform?

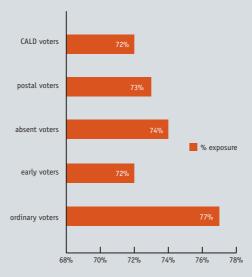
The VEC achieved an increase in participation in three of the six districts with the lowest participation rates (see Figure 18). Its target was to achieve an increase in all six. Important to note, however, is that participation may be affected by factors beyond the control of an electoral authority, including voter apathy, the geography and demographic of an electorate, election issues, and even the weather on election day.

The majority of voters surveyed saw or heard communications from the VEC about enrolling to vote, the importance of voting, the election date, where to vote and what to do if away from home on election day (see Figure 19).

Figure 18: Participation rates in the six districts with the lowest participation

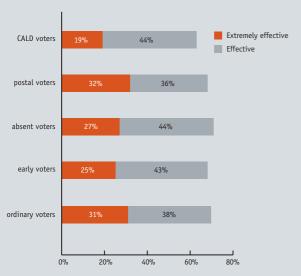


Figure 19: Voter exposure to VEC communications



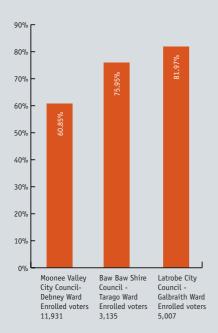
Based on evaluation undertaken by Colmar Brunton Social Research.

Figure 20: Effectiveness of VEC communications



Based on evaluation undertaken by Colmar Brunton Social Research.

Figure 21: Voter participation at local government by-elections



The main information sources for voters regarding messages about the election were television, the *EasyVote* card mailout, newspapers and radio. The VEC underperformed against its target of 75% of voters rating its communications as effective (68%).

Exceeding the VEC's target of 75%, a total of 84% of voters surveyed were aware they could choose to vote above or below-the-line on the Upper House ballot paper, while 5% were unaware.

Approximately half of ordinary voters were aware of the VEC's website. More early voters (69%) used the website than any other group (14% usage rate by ordinary voters). Among users, a majority indicated they were satisfied or extremely satisfied with the website, particularly postal voters (91%).

Approximately one-third of voters were aware of the election hotline 13VOTE (13 86 83). However, of those who were aware of it, very few used it, with early voters the highest percentage of use at 25%.

The VEC slightly underperformed against its target of 80% of candidates assessing VEC communications as effective or extremely effective (48% rated it effective, 23% extremely effective).

Objective: Maximise public understanding and participation at local government by-elections.

Strategies to achieve this objective included working with local governments requiring by-elections or countbacks to develop and implement co-ordinated communications campaigns.

What did the VEC do?

Press advertising formed the basis of the communication campaigns for the three local government by-elections conducted in 2006-07. In consultation with each council, advertisements were placed in the most widely circulating newspapers in each municipality. **Media releases** for each election phase were supplied to key media in each municipality.

The VEC also provided a customised homepage for each local government by-election that provided details on key election dates, enrolling, voting, nominations and results.

How did the VEC perform?

Voter participation averaged 72.92% for by-elections conducted in 2006-07, compared with 73.79% for by-elections conducted since 2000 (*see Figure 21*). This rate is slightly less favourable than the 75.2% average participation rate for a municipal-wide local government election. Lower participation may be attributed to reduced media attention and candidate campaigning activity for by-elections.

Part 3 Community understanding and participation

Objective: Encourage a culture of democratic participation and community engagement, particularly among those whose participation is identified as lower than average.

Strategies to achieve this objective included working collaboratively with other organisations and networks to increase awareness and engagement.

Audience-specific strategies were developed for the 2006 State election to target people from culturally and linguistically diverse (CALD) backgrounds, people experiencing homelessness, Indigenous Victorians, students and first-time voters.

Culturally and linguistically diverse groups

What did the VEC do?

The VEC **presented information** on the 2006 State election to culturally and linguistically diverse (CALD) representatives and support workers in September at Mildura, Wangaratta, Shepparton, Bendigo, Ballarat, Morwell, Springvale, Box Hill and Broadmeadows with the Victorian Multicultural Commission (VMC).

Two media releases in 18 languages were distributed to 66 ethnic publications and six radio stations throughout October and November, while paid advertising in 10 languages ran in 13 ethnic publications and on six radio stations. Advertising in both ethnic and English print media included the VEC's 19 multi-lingual telephone enquiry service numbers that operate all year round.

Key information in 18 languages other than English was provided on the VEC's website, as was an interactive "virtual voting" experience. The latter was also made available in CD format and distributed with a multi-language voting instruction leaflet, a summary of language services available and quick guide to election information to over 300 major CALD associations and groups, local councils and community information centres.

On election day, multi-language leaflets were available at each voting centre, with election officials who spoke another language identified by a sticker indicating the language spoken. Availability of these services was also promoted through VMC and the Ethnic Communities' Council of Victoria (ECCV).

The VEC was invited in March 2007 to present at the Australia Africa Democracy Project, run in partnership by the ECCV, the Africa Think Tank and Swinburne University. This invitation was accepted and the responsibility to present shared with the AEC in the lead-up to the Federal election.

How did the VEC perform?

VEC research shows that traditionally, rates of informal voting are noticeably higher in areas with large numbers of people from non-English speaking backgrounds. Disappointingly, this remained consistent with data from the 2006 State election showing an increase in the level of informality in nearly all electoral districts identified as high need (the average informal voting rate across all districts at the 2006 State election was 4.6% - see Figure 22).

The level of participation in electoral districts with historically high levels of informal voting and low levels of proficiency in English remained relatively stable.

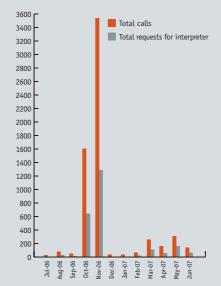
Of the 87 voters from CALD backgrounds surveyed, 72% saw or heard communications from the VEC, only 1% lower than in 2002. With the figure of 84%, the VEC exceeded its target of 75% of CALD voters assessing its communications in languages other than English as effective or extremely effective.

Near to half (45%) of voters from CALD backgrounds surveyed for the 2006 State election were aware of the availability of interpreter assistance over the telephone.

Figure 22: Comparison of 2002 and 2006 State election informal voting rates



Figure 23: Calls and requests for an interpreter



Indigenous communities

What did the VEC do?

The VEC **commissioned research** and met with a number of organisations representing Indigenous people to identify ways to engage the Indigenous people of Victoria on enrolment and voting. Advice was provided on the community, culture and effective communication messages.

To promote participation in the 2006 State election, **posters** featuring local Indigenous role models and their personal views on the importance of voting were produced and distributed with brochures and enrolment forms to Indigenous organisations throughout Victoria. Respected Wongai man, Syd Jackson, also recorded a series of **radio advertisements** broadcast on Indigenous radio stations servicing the Echuca region.

In October and November, an **information stand** at the Victorian Aboriginal Health Service allowed Indigenous people to discuss enrolment and voting with a VEC employee.

In April 2007, the VEC joined the Department of Justice's Koories Know Your Rights (KKYR) program to provide information on enrolling and voting. As a community outreach program, it invites government agencies to work collaboratively in providing information to the Indigenous community through a 'one-stop-shop' forum. The objective is to increase participation by reducing Indigenous communities' feeling of being "over-consulted" by government.

On 27 May 2007, the VEC sponsored a table at the 'Coming Together Referendum Anniversary Dinner,' with five of the VEC's ten seats donated to community members who would not have otherwise attended.

How did the VEC perform?

The VEC engaged an Indigenous communications officer to establish networks with the Indigenous community, and enrolled a total of 24 Indigenous people through its statewide mailout and the enrolment stand at the VAHS.

Six Indigenous people were employed by the VEC at voting centres across the State (see page 40).

People experiencing homelessness

What did the VEC do?

A partnership with the Council to Homeless Persons (CHP) and the Homeless Persons' Legal Clinic (PILCH) was formed to provide information about the 2006 State election to people experiencing homelessness.

Together with PILCH and CHP, two **brochures** were developed and distributed to approximately 330 homelessness organisations throughout Victoria, accompanied by 'no fixed address' and ordinary elector enrolment forms.

For the first time, a **mobile voting team** attended a venue servicing people experiencing homelessness - St Mary's House of Welcome in Fitzroy. Due to its success, the VEC organised enrolment days across the State, including 'Where the Heart is,' a festival for people without a home, and at the Salvation Army in Camberwell.

The VEC also presented enrolment information at six homelessness **network forums** from April to June 2007. The aim of these presentations was to educate service providers on ways of assisting their clients to participate in the democratic process.

How did the VEC perform?

The St Mary's House of Welcome initiative saw 68 votes cast during the visit. Many electors commented that they would not have voted without this opportunity. A number of voters experiencing homelessness presented their *EasyVote* cards to election staff. The VEC considers this a measure of its success in informing service providers of their clients' eligibility to use their service provider's address for direction of enrolment and postal voting material.

A total of 17 people enrolled as a result of the VEC's presence at 'Where the Heart is day', while many more were provided with information around the electoral process.

An independent survey conducted by Hanover Welfare Services indicates that the VEC could do more to engage the 60% of people experiencing homelessness who didn't vote.

Students and first-time voters

What did the VEC do?

Democracy Week (18 - 24 October 2006) allowed the VEC to provide students, teachers and the general public with a behind-the-scenes view of how the VEC operates, information on changes to the Legislative Council, and an overview of Victoria's democratic history. This took the form of a supplement on democracy in *The Age*, published on 16 October.

Reggie and Desi's Excellent Voting Adventure, an interactive CD with teacher notes on each of its three animations, explored the motivational context of voting and provided a simulation of voting and a demonstration of the proportional representation vote counting system. Each animation is available on the VEC's website, and was distributed to all Victorian schools prior to the 2006 State election.

Part 3 Community understanding and participation

For Year 12 students, a pocket-sized **z-card (TM)** entitled *Fast Facts - Voting in Victoria* was developed and distributed to all Victorian secondary schools, accompanied by enrolment forms and reply-paid envelopes to encourage enrolment.

At tertiary and TAFE level, the VEC invited students to **design a poster** promoting enrolment and voting for the election to the 17-to-25 year-old market.

How did the VEC perform?

The VEC contributed to one of the highest youth participation rates across Australia (84.78% or 3.3% higher than the national average. *See Figure 24*). This was despite a low return rate (4.98%) of some 45,000 enrolment forms distributed to schools and at youth events.

More than 250 entries were received for the poster competition, with some institutions incorporating it into their curriculum. The first prize-winning poster was printed and posted around participating TAFE and university campuses.

Objective: Demonstrate integrity, impartiality and accountability by reporting transparently to Parliament and communicating effectively with stakeholders.

What did the VEC do?

The VEC entered its Annual Report 2005-06 in the 56th Australasian Reporting Awards. This provided the VEC with an excellent opportunity to benchmark reporting achievements alongside other organisations. The report was distributed to over 400 electoral stakeholders and information service providers.

A report on freedom of information was released to the Department of Justice and privacy reporting requirements were met. Non-obligatory reports produced in 2006-07 included reporting to stakeholders who had assisted with the development of the CALD communications strategy for the 2006 State election, and to clients at the completion of local government by-elections and countbacks, and fee-for-service and statutory elections and polls.

In March 2007, the VEC also produced its newsletter for electoral stakeholders, *Selections*. This was distributed to Members of Parliament, local governments and a number of individuals and organisations the VEC worked with in planning and conducting the 2006 State election.

How did the VEC perform?

The VEC received a Bronze Award at the 56th Australasian Reporting Awards and generally exceeded reporting requirements.

Outlook 2007-08

Further emphasis will be directed to formal and informal research, and public education and awareness programs. The purpose of these activities is to continue to ensure that voters are aware of their obligations, understand what they are required to do, and are motivated to participate in electoral events. In particular, activities will focus on the November 2008 local government elections.

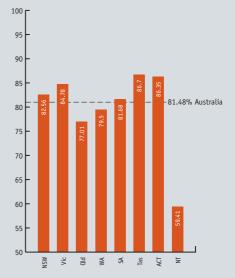
Networks and communication products will be expanded to assist Indigenous people, those without a home, and non-English speaking voters to enrol and vote throughout 2007-08.

Sue Lang

Manager, Communication, Education and Research



Figure 24: Youth participation rate (as a percentage of ABS population estimate) as at 30 June 2006.



Based on data supplied by the Roll Integrity Unit of the Australian Electoral Commission, July 2007.



2006-07 Achievements

- Planned 38 electoral representation reviews across Victoria
- Completed seven electoral representation reviews
- Expanded the guides for submissions and provided quality, comprehensive reports

In an environment of continual demographic change, local council electoral structures need to be reviewed to ensure that they reflect their community and represent voters fairly and equitably at election time. The *Local Government Act 1989* specifies that each council's electoral structure and boundaries should be reviewed every eight years. Following the VEC's appointment by each council to conduct the review, recommendations are made to the Minister. The VEC is also required to provide representation review services to the Electoral Boundaries Commission. This section covers the reviews undertaken by the VEC during the 2006-07 reporting period.

Objective: Provision of high quality electoral representation review services to local government.

Strategies to achieve this objective included development and maintenance of infrastructure required to effectively conduct electoral representation reviews.

7	Electoral representation reviews completed
11	Reviews underway
20	Reviews being planned
476	Submissions received
24	Preliminary options published
16	Preliminary and final reports published

What did the VEC do?

On 4 January 2007, the Minister for Local Government gave notice of electoral representation reviews to be conducted for seven local councils.

The VEC conducted all seven reviews in the first half of 2007, with the last of the final reports delivered to the Minister for Local Government on 29 June 2007.

In conducting a review, the VEC considers the number of voters compared with similar-sized municipalities where reviews have been conducted, the geographic size of the municipality, and demographic data relating to growth potential and characteristics such as communities of interest, age and language groups. Reviews are conducted in accordance with the Local Government Act 1989.

The VEC recommended a variety of structures to enhance voter representation (see Figure 25).

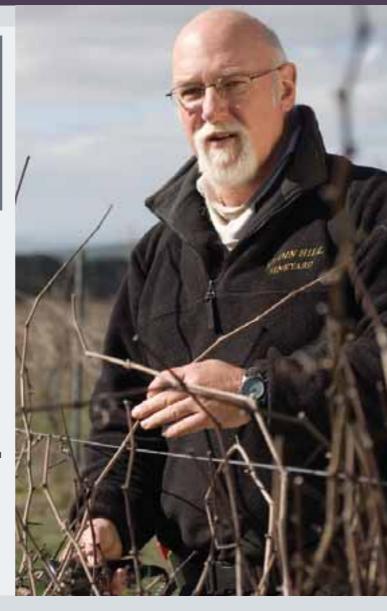


Figure 25: Recommended structures in 2006-07

Council:	Before review:	Recommendation:
Banyule City Council	7 single-councillor wards	7 single-councillor wards
Bayside City Council	9 single-councillor wards	2 two-councillor wards and 1 three-councillor ward
Darebin City Council	9 single-councillor wards	3 three-councillor wards
Kingston City Council	7 single-councillor wards	3 three-councillor wards
Knox City Council	9 single-councillor wards	9 single-councillor wards
Manningham City Council	4 two-councillor wards	3 three-councillor wards
Whitehorse City Council	5 two-councillor wards	5 two-councillor wards



On 19 March 2007, the Minister for Local Government gave timelines for a review of the remaining 32 councils (39 electoral representation reviews were conducted in 2004-05).

The VEC commenced the following 11 reviews in May 2007:

Ararat Rural City Council
Ballarat City Council
Buloke Shire Council
Colac Otway Shire Council
Glenelg Shire Council
Golden Plains Shire Council
Hepburn Shire Council
Moyne Shire Council
Northern Grampians Shire Council
Southern Grampians Shire Council

As at 30 June 2007, these reviews were all in progress. All will be completed in 2007-08.

How did the VEC perform?

The Minister for Local Government accepted three of the VEC's seven recommendations by 30 June 2007: those for Banyule, Whitehorse and Manningham City Councils.

In the case of Bayside City Council, an additional step was added in the review process to improve the preliminary options put forward. To ensure an appropriate level of public scrutiny of the VEC's final recommendation, an addendum to the preliminary report was published with an additional option and an invitation for public comment.

The VEC surveyed people who had attended a meeting or had sent a submission in order to field suggestions for improvement in the conduct of representation reviews.

The great majority of respondents found the information sessions helpful for learning about the scope of a representation review and how to make a submission (98%). There were some suggestions that improved advertising and canvassing of community leaders would improve attendance at information sessions.

On the VEC's preliminary reports, respondents were very positive about the clarity and layout of the reports and their length and amount of detail (92%). Opinions were more mixed on the use of data and evidence in reports, with 31% of respondents considering reports good or excellent in this regard, 25% considering the reports adequate, and 44% considering them poor or very poor. On analysis of submissions in the preliminary reports, 29% of respondents thought the reports were good or excellent, 45% thought the reports were adequate, and 25% thought they were poor or very poor.

On public hearings, nearly all respondents thought that the amount of time allotted to speakers was fair and that the hearings were helpful (91%). Respondents made a number of suggestions to improve the hearings, including the use of visual aids, a microphone and a list of submissions. Some respondents perceived the VEC to be pushing an agenda at public hearings.

Objective: Provision of high quality representation review services to Electoral Boundaries Commission.

What did the VEC do?

The VEC provided enrolment statistics and administrative support services for a meeting of the Electoral Boundaries Commission on 2 March 2007.

How did the VEC perform?

Based on the enrolment projections provided by the VEC, the Electoral Boundaries Commission concluded that a redivision of State electoral boundaries was unlikely to be required before the 2010 State election.

See page 51 for the report of the Electoral Boundaries Commission.

Outlook 2007-08

A report detailing electoral representation reviews conducted in 2006-07 and 2007-08 will be produced by mid-2009.

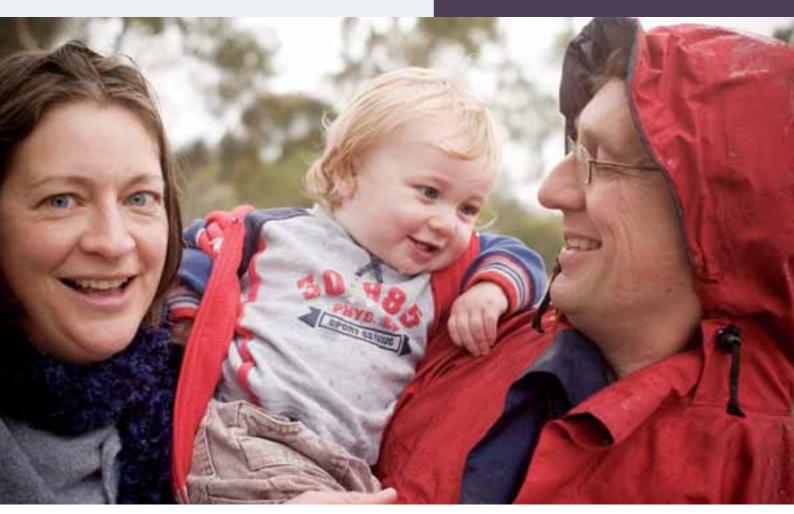
In addition to planning for a further 19 reviews to be completed by 29 May 2008, the VEC will also be undertaking subdivision reviews for up to eight councils by the same date. These will be the first subdivision reviews conducted under section 219H-O of the Local Government Act 1989, so the VEC is currently developing a new set of products and communication campaigns for these reviews.

Sue Lang

Manager, Communication, Education and Research

Paul Strickland

Manager, Electoral Enrolment





2006-07 Achievements

- Expenditure below the approved appropriation
- Above average employee satisfaction
- 2006 State election IT environment operated successfully, with no security breaches

This section reports on the VEC's contribution to its people and systems operating productively and efficiently, and its finances managed responsibly. The VEC aims to engage and develop people who represent the diversity of the Victorian community, demonstrate impartiality and integrity, and who are committed to delivering the highest standard of professional and effective electoral services. Those working within the VEC are supported by an efficient information technology environment, one that saw a number of new and improved technical initiatives introduced during the 2006 State election.

Objective: Ensure the receipt of funds, payment of expenses and maintenance of the VEC's operations within budget and according to legislation.

Strategies to achieve this objective included the effective management of the VEC's financial systems and infrastructure and the development of a business plan to conduct fee-for-service elections on a full recovery basis.

Part 5 Organisational effectiveness

What did the VEC do?

The VEC has established comprehensive budgeting, costing and reporting systems to manage and monitor operational and capital expenditure, in line with approved Department of Treasury and Finance appropriations.

Branch budgets are set annually with individual branch manager involvement, taking into account forthcoming election cycles and the priorities of the VEC's corporate and business plans. Annual budgets are prepared for the coming year and the following four years in advance, to advise Government of the VEC's likely future budget requirements. Budgets are detailed and incorporate the costs of the VEC's casual and fixed-term human resources across election cycles. The introduction of fixed-date State elections has assisted in enabling more accurate budget forward estimates.

The management of branch budgets is supported by customised electronic reporting tools that enable managers to monitor and direct resources efficiently and effectively to achieve the VEC's priority outcomes.

How did the VEC perform?

The VEC actual draw down of \$36.758 million of appropriation to fund expenditure compares favourably with the approved appropriation of \$39.012 million.

The major focus of expenditure during the year was for the State election. However, planning for staff and equipment has also commenced for the November 2008 local government elections.

Following a review of the VEC's budget and operations in 2003, a recommendation from the review related to the VEC's level of charging for local government elections, which include a number of services where costs were not recovered or fully recovered. The VEC has not received any direction from the Government on this issue, and at this point no decision has been made on varying the pricing policy used during the 2005 local government elections.

Objective: Ensure the availability of a skilled workforce needed by the organisation to deliver its corporate and legislative objectives.

Strategies to achieve this objective included the identification and retention of people with appropriate skills and knowledge, implementation of an effective performance management system and the creation of a safe and supportive environment free of discrimination.

The VEC has a core full-time equivalent (FTE) staff of 51.90, with additional staff employed on a fixed-term or casual basis in order to meet the requirements of preparing for and conducting State and local government elections.

In addition to staff at the VEC head office, there are approximately 270 senior election officials (SEOs) trained and available for appointment as election managers during State elections, and as returning officers or deputy returning officers during local government elections.

Figure 26: Profile of VEC employees employed under Part 3 of the Public Administration Act 2004

	Ongoing emp		ed-term & casual		
	Number (headcount)	Full-time (headcount)	Part time (headcount)	FTE	FTE
June 2007	55	48	7	51.90	14.10
June 2006	44	37	7	40.8	35.7

<i>June</i> On	<i>2007</i> going		d-term casual	June 2006 Ongoing	Fi:	xed-term & casual
Nu (headco	mber ount)	FTE	FTE	Number (headcount)	FTE	FTE
Gender						
Male	23	22.50	4.80	16.00	15.50	17.00
Female	32	29.40	9.30	28.00	25.30	18.70
Age						
Under 25	0	0.00	2.80	0.00	0.00	3.80
25-34	12	12.00	5.00	2.00	2.00	11.20
35-44	7	7.00	2.60	9.00	9.00	3.60
45-54	20	18.40	3.20	13.00	11.40	9.20
55-64	16	14.50	0.50	16.00	14.50	9.30
0ver 64	0	0.00	0.00	2.00	1.50	1.00
Classification						
STS	1	1.00	0.00	1.00	1.00	0.00
VPS Grade 1	0	0.00	0.80	0.00	0.00	1.80
VPS Grade 2	12	9.30	5.80	10.00	6.80	13.60
VPS Grade 3	13	13.00	3.50	11.00	11.00	8.50
VPS Grade 4	9	8.60	2.00	7.00	7.00	4.80
VPS Grade 5	15	15.00	2.00	11.00	11.00	4.00
VPS Grade 6	5	5.00	0.00	5.00	5.00	0.00

- 1. All figures reflect employment levels during the last full pay period of June of each
- 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.

Figure 27: Recruitment, departures and turnover 2006-07

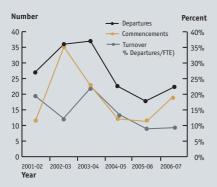
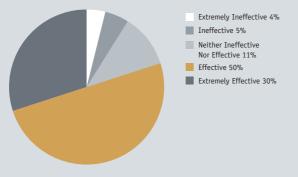


Figure 28: Training days undertaken 2004-05 to 2006-07



Figure 29: Effectiveness of training sessions for election officials*



^{*}Based on evaluation undertaken by Colmar Brunton Social Research.

Learning and development

What did the VEC do?

Learning and development programs attended by staff included performance, records and project management, leadership development, team management, negotiation skills, time management, occupational health and safety management, research and analysis, communication skills, business writing skills, website design and attendance at professional conventions. These opportunities were identified through the performance management process.

An average of 1.5 learning and development days per employee was undertaken in 2006-07 (see Figure 28).

The VEC developed an **extensive training program** for 43 election managers appointed for the 2006 State election. Training comprised home study in conjunction with a series of seminars at the VEC (one two-day seminar, one three-day seminar, and a one day briefing in late October 2006). Assistant election managers also completed the VEC's training program.

Training packages for election officials were accompanied by two 30-minute training VCDs that consisted of an overview of voting centre procedures and instilled an ethic of good customer service.

How did the VEC perform?

The VEC rated highly in the State Services Authority's People Matter Survey* on items relating to learning and development. Eighty-seven percent of survey participants agreed that the VEC is committed to developing its employees. The average agreement rate across the Victorian public service was 62.2%.

Of the 210 election officials surveyed by an independent market research company, 87% were satisfied with the training manual and 76% considered the training VCD effective in preparing them for their role (see Figure 29). Overall, three quarters of respondents felt that they were adequately prepared for their role.

* The People Matter Survey is conducted every two years, with the most recent survey conducted in April/May 2006. The VEC did not report back on survey results in the 2005-06 period as they were not released until August 2006.

Working environment

What did the VEC do?

The VEC regards **flexibility in the workplace** as important in contributing to a supportive environment for the VEC's highly skilled workforce. Staff utilise a variety of options available under the VEC's *Flexible Work Arrangements Policy* as an effective strategy to manage fluctuating work requirements.

Part 5 Organisational effectiveness

Issue resolution processes ensure that healthy and productive working relationships amongst staff are maintained. For example, employees may lodge a grievance application if they believe an alleged deficiency in the recruitment process prevented selection on merit.

All VEC staff continue to have access to a counselling service through the Department of Justice's employee assistance program. The Staff Consultative Committee also contributes to enhancing the VEC's culture and working environment, and actively supports the wellbeing of all employees.

How did the VEC perform?

The VEC rated highly in the State Services Authority's People Matter Survey on items relating to overall job satisfaction (75.5%) and the way the organisation operates (82%). The correlating figures across the Victorian public service were 63.5% and 66.6% respectively.

During election time, staff working outside their normal hours were able to accrue flexi-time. A regularly reviewed and updated policy framework places limits on the level of hours that may be accrued. This is to ensure that the health and wellbeing of staff remains a priority (see Figure 30).

Achieving its target, the VEC did not receive any grievance applications during the reporting period, nor were there any major industrial relations issues or disputes raised within the VEC.

Occupational health and safety

What did the VEC do?

In 2006-07, a systematic **OH&S management system** was implemented to meet legal obligations, prevent injuries, illnesses and hazards, and create a safer work environment for all. Its policies and procedures are subject to ongoing review by the Staff Consultative Committee and management. Monthly workplace inspections are conducted to identify, prevent and reduce hazards and injuries.

Training continued to be a key focus. Information sessions were conducted for all staff, including contractors and senior election officials. Existing OH&S representatives completed a one-day refresher course, and two new representatives completed a five-day training course. Twenty-two staff received CPR and automated external defibrillation training.

How did the VEC perform?

The VEC did not achieve its target of nil WorkCover claims lodged. The loss of 142 working days accrued as a result of four claims (see Figure 31).

The VEC did, however, rate highly in the State Services Authority's People Matter Survey on items relating to occupational health and safety (85.7%). The average rate across the Victorian public service was 67.3%.

Figure 30: Average flexi-time accrued by VPS Grades 1-4 hours per head

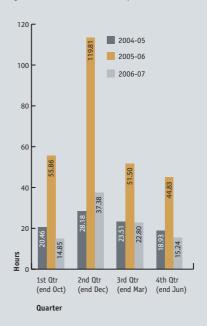
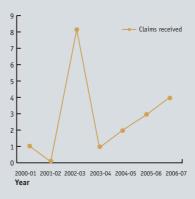


Figure 31: Claims for WorkCover received over past six years



Throughout 2006-07, the VEC received 15 incident notifications, 3 hazards notifications and 4 claims for compensation.

Diversity

What did the VEC do?

The VEC aims to engage and develop a mix of people reflective of Victoria's diverse community. Diversity is understood to encompass a wide range of personal characteristics such as age, gender, disability, sexual preference, race and cultural background, as well as characteristics such as thinking and working styles, education, profession, life experience and skill levels.

Individual differences are recognised and valued within the workplace, and **principles of merit and equity** ensure that organisational functions are delivered free of discrimination or harassment.

The principle of merit applies when employment decisions such as appointment, promotion and career development are based on the competency and skill of the person selected. The principle of equity is about giving people a 'fair go.'

In 2006-07, the VEC actively pursued employment of State election voting centre staff from non-English speaking backgrounds and Indigenous people.

A disability support agency was also contacted in relation to recruiting staff for the State election call centre.

How did the VEC perform?

The VEC rated highly in the State Services Authority's People Matter Survey on items relating to diversity (86.6%), above the average rate achieved across the Victorian public service (71.4%. See Figure 32).

In total, 1141 election officials who spoke a language other than English were employed, representing 7.7% of the total election officials employed (*see Figure 33*). Forty-five languages were represented in some 575 voting centres across 86 electoral districts.

Indigenous people were encouraged to apply for casual election work in order to increase Indigenous communities' involvement in the democratic system and create a welcoming environment at voting centres. Six applicants were appointed to selected voting centres around the State including Preston, Bundoora and Shepparton.

A full-time fixed-term Indigenous person was appointed in August 2006 as a communications officer to develop strategies and deliver programs aimed at increasing participation in the democratic process by Indigenous people and people experiencing homelessness.

Scope (Vic), a major provider of services to people with physical and multiple disabilities in Victoria, continued to support three staff members at the VEC's head office. These staff were employed through Employment Futures, the employment division of Scope (Vic).

Figure 32: Average agreement rate on items relating to diversity within the VEC

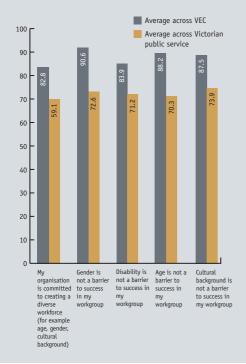
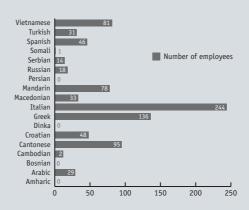


Figure 33: 2006 State election employees proficient in high need languages



2006 State election staffing

What did the VEC do?

Prior to the 2006 State election, nine vacancies (seven ongoing and two fixed-term positions) were filled. A further ten positions were exempt from advertisement, all cases in which there was no infringement of merit and equity principles.

Forty-three SEOs were appointed as **election managers** and 107 SEOs were appointed in the supporting role of assistant election managers.

The VEC appointed and trained approximately 14,811 casual administrative staff, voting centre election officials and vote-counters during the conduct of the election.

Election managers appointed election liaison officers to monitor resources, deliver extra resources, and ensure procedures were applied consistently at voting centres on election day. The VEC developed job specifications to assess potential applicants and to ensure that equal employment opportunity principles were considered. A recruitment company was also engaged to assist with the recruitment of suitable casual staff.

How did the VEC perform?

Voting centre managers and election liaison officers evaluated the performance of all election officials in order to rate their suitability for future employment.

In addition, 66 State election candidates were surveyed to determine the performance of election managers. The VEC met its target of 80% of candidates assessing the performance of election officials across a range of criteria as effective (81%. See Figure 34).

Objective: Provide for effective communication between staff at all levels across the VEC.

Strategies to achieve this objective included the development and ongoing input of Staff Consultative Committee members into strategic and operational issues, encouraging communication through regular staff meetings and newsletters and providing access to meeting minutes.

What did the VEC do?

The needs of both employees and management are communicated at Staff Consultative Committee meetings held on the first Thursday of every month. The Committee comprises representatives from each branch, a Management Group representative and the human resources manager.

All policies that will impact on staff go through the Committee for discussion before being endorsed by Management Group.

Figure 34: Satisfaction with election manager's performance - all candidates

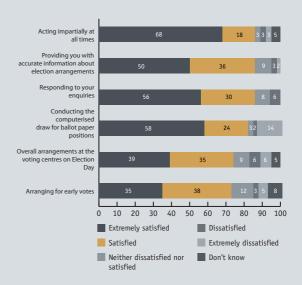
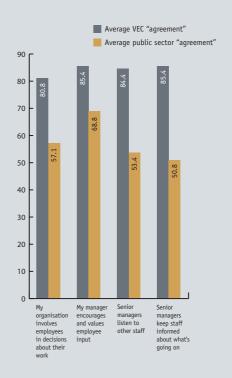


Figure 35: Average agreement rate on items relating to communication within the VEC



The Committee's charter commits to providing effective **mechanisms for communication** between management and employees on major people management issues, and enabling consultation and communication that reflects the perspectives of both employees and management.

To help ensure this joint perspective, the Committee played an active role in contributing to the development of the VEC's corporate plan for 2007-12.

In addition, the VEC's monthly staff meetings continue to be an excellent forum for managers and staff to explain and showcase different areas of the organisation, and to encourage communication and collaboration between branches. Minutes from regular Management Group meetings, Election Planning Group meetings and Staff Consultative Committee meetings are circulated to all staff.

Electronic newsletters are also emailed to all staff on the first Monday of each month. This includes distribution to those not located at head office, such as senior election officials and warehouse staff.

How did the VEC perform?

The VEC rated highly in the State Services Authority's People Matter Survey on items relating to communication within the organisation (see Figure 35 on previous page).

Objective: Ensure the VEC has an ongoing, effective and cost-efficient IT environment to conduct its business.

Strategies to achieve this objective included the alignment of current and emerging IT technologies with the VEC's operational objectives, the planning, deployment and support of IT infrastructure for the 2006 State election, and coverage of the IT environment with risk and security management plans.

2006 State election

60	Servers
450	PCs
100	Early voting centre terminals
500	PDAs deployed
85	Network connections into the VEC's head office
27,992,472	Website hits 2 October to 25 November
1,789,316	Hits to the 'virtual tally room' 24 to 30 November
97	Results files uploaded at 3-minute intervals on election night

What did the VEC do?

There were a number of important technical initiatives implemented for the 2006 State election. Major projects involved the enhancement of the VEC's **election management system** (EMS) to support the changes in the *Electoral Act 2002* and the new Upper House structures. These enhancements included changes to functions within EMS to support the administration of nominations for both Lower and Upper Houses; enhancement of the functionality of the computerised ballot draw for the Upper House; changes to the entry of results for the Upper House on election night; changes to the computer count for the Upper House; and changes to the compulsory voting modules to support the new *Infringements Act 2006*.

Infrastructure was established over a varied range of environments, including **temporary networks** at the VEC to support the central processing of postal votes, declaration vote checking and compulsory voting following the election. Networks were established to 43 election offices, 34 early voting centres, the VEC's call centre and the tally room and count centre at the Melbourne Exhibition and Convention Centre.

The VEC established 34 **additional connections** to its network to enable access to its centralised database from early voting centres, for the purpose of checking early voting entitlements. This was a considerable improvement on access to early voting information, and helped improve the processing of early votes.

The VEC also worked closely with the NSW Electoral Commission in one of the first examples of electoral authorities within Australia working cooperatively on an innovative project to improve electoral services to voters. Using software developed by the NSW Electoral Commission, the VEC **deployed 500 PDAs** to help process absent votes on election day. The PDAs held the entire Victorian state roll, which enabled voting centre staff to verify absent voters' entitlements (*see page 9*).

A facility to enable voters to search for their nearest voting centre was developed and deployed on the VEC's website.

With the introduction of the proportional representation vote counting method to the Upper House regions, the VEC's development and test team had to undertake an extensive range of test cases to ensure that its **computer count software** adhered to the formality and counting rules used for these elections. The software had to be enhanced to meet the formality rules, and capacity tests indicated a number of required software changes to handle the expected data volumes.

The changes to the Upper House prompted the VEC to review the technology used to publish election night results, coupled with the replacement of the old manual tally board with an electronic version. As a result, there was a major redevelopment of the software that generates the results data and how this data was published, as well as its integration with a completely **electronic tally board.**

Part 5 Organisational effectiveness

Linked to this project was the development of a 'virtual tally room'. This was a website dedicated to the publication of results for the period of the 2006 State election count. The website also provided download files of results data for TV media to use in the production of live election night coverage.

How did the VEC perform?

More than 100 test cases were successfully conducted across all aspects of the 2006 State election computer count supporting the Upper House count. Extensive testing helped ensure that the technology provided a stable and reliable environment for all VEC operations during the 2006 State election.

Systems were under maximum pressure on election night and the need to achieve the highest possible degree of reliability and access was paramount. Under maximum stress, there were no failures at any point in the VEC's network throughout the election night count. Results data was generated and distributed within the timeframes required by the media, at both the tally room and on the 'virtual tally room' website (see page 11).

Similarly, the VEC's computer count software handled the volumes of data input for all eight regions and calculated the results accurately and without error.

The website experienced only four hours downtime of a required total of 620 hours of online presence between 31 October and 25 November 2006.

Risk and security

What did the VEC do?

Prior to the 2006 State election, the VEC undertook an extensive review of all aspects of technical risks. Each risk was ranked and appropriate mitigation strategies were established. An external consultant was engaged to undertake a security audit of the VEC's networks. In addition, the VEC engaged a building consultant to review the fire risk to the VEC's central computer facility.

How did the VEC perform?

The VEC achieved its target of no security breaches that resulted in loss or corruption of data, including during the period of the 2006 State election.

Outlook 2007-08

to deploy this technology.

The VEC will continue to provide opportunities for staff

Gill Bray

David Clarke



Corporate structure

Organisational chart

Electoral Commis	ssioner				Human Resources Branch
Elections Branch	Electoral Enrolment Branch	Communication, Education and Research Branch	Finance and Budget Branch	Information Technology Branch	
BUSINESS RESULT ARE	EA:				
• Election services	Enrolment and roll servicesRepresentation	• Community understanding and participation • Representation	Organisational effectiveness	Organisational effectiveness	Organisational effectiveness
ROLE:					
Plan and conduct parliamentary, local government and commercial and community elections Promote the VEC's local government election services and tendering to conduct local government elections Recruit, train and assess election managers and election officials Develop election manuals and handbooks Resource election managers' offices and voting centres Develop and implement election management systems	Maintain an up-to-date and accurate electoral enrolment register Implement electoral enrolment programs Coordinate electoral representation reviews for municipal councils and support electoral boundary work by the Electoral Boundaries Commission Produce electoral rolls and other roll products Provide advice on electoral enrolment matters	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, privacy and strategic matters Provide performance evaluation and corporate reporting Conduct research	Maintain the financial management systems of the VEC Manage the VEC's budget and expenditure Provide payroll services for the VEC	Provide a stable and reliable technology environment for the VEC Plan, set up 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 Manage the technology environment for the VEC	Provide human resources and corporate services to the VEC



Management Group at the VEC

Electoral Commissioner

(1) Steve Tully

Steve Tully was appointed as Victoria's Electoral Commissioner on 24 January 2005. Since that time he has overseen a Victorian Parliamentary State election and 54 local government elections, and worked on improving access for low participation groups. Previously Mr Tully was South Australia's Electoral Commissioner, a position he held since 1997, after holding the position of Deputy Electoral Commissioner from 1996. Mr Tully 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, as well as the Mental Health Service of South Australia as the Chief Operating Officer.

Deputy Electoral Commissioner Manager, Elections

(2) Liz Williams

Liz Williams was appointed Deputy Electoral Commissioner in September 2005 and has been Manager of Elections since February 2005. She commenced with the Victorian Electoral Commission in 1992, and is responsible for the appointment, training and support of returning officers and their staff, and the management of election contracts with local government and fee-for-service clients. She has significant electoral experience, due to her various roles during the conduct of State, local and non-government elections.

Manager, Election Services

(3) Glenda Frazer

Glenda Frazer commenced work with the VEC in 1988 as a returning officer for the State election, and maintained that appointment at the 1992 and 1996 State elections. Since moving to a full-time position in 1995, Ms Frazer has developed an extensive knowledge of State and local government elections, with significant experience in information technology. She was also the program manager responsible for the coordination of the 2006 State election. Ms Frazer's current role includes the management of the VEC's warehouse, compulsory voting and the support of the election management system.

Manager, Electoral Enrolment (4) Paul Strickland

Paul Strickland has comprehensive experience and expertise in election operations over a 20 year period of employment at the VEC. He has applied modern mapping technologies to the VEC's business environment, enhancing the conduct of local government electoral representation reviews and State redivision processes. Mr Strickland was appointed Manager of the Electoral Enrolment Branch in October 2005.

Manager, Communication, **Education and Research**

(5) Sue Lang

Sue Lang commenced with the VEC in January 2006 and is responsible for coordinating the VEC's communication, education and research strategies. Ms Lang has spent almost half of her working career in senior communication roles within the metropolitan water industry, but has also gained valuable experience within local government, statutory authorities and state government roles. She has particular experience in major public awareness programs.

Manager, Information **Technology**

(6) Simon Hancock

Simon Hancock commenced at the VEC in April 2000 and was appointed Manager of the newly formed Information Technology Branch in October 2003. Prior to working at the VEC, Mr Hancock worked for a number of information technology companies providing project management and technical consultancy over a range of industry settings.

Manager, Finance and Budget

(7) David Clarke CPA

David Clarke was appointed to the role of Manager, Finance and Budget in January 2004. Previously Mr Clarke worked in private industry in audit, spent ten years at the former City of Prahran and six years at the Mildura Rural City Council. His roles in local government have included Finance Manager and Director of Finance. Other roles have included Secretary of Mildura Cemetery Trust, and Executive Officer of Mildura Regional Waste Management Group.

Manager, Human Resources (8) Gill Bray

Gill Bray commenced with the VEC in December 2000 in the position of Human Resource Coordinator. Ms Bray is an experienced HR practitioner with close to ten years experience in both the private and public sector. She has significant experience in people management initiatives across the HR spectrum, including performance management, recruitment, learning and development, OH&S, and employee relations.

Corporate governance

The VEC is committed to ensuring that policies and practices reflect good governance and compliance with all relevant legislation. Corporate governance at the VEC is underpinned by a set of values that allows its people to excel.

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.

Governing legislation

The VEC's business is underpinned by legislation, with its primary responsibilities set out by the *Electoral Act 2002*.

Governed by this Act, the VEC is committed to conducting parliamentary and local government elections and by-elections, and certain statutory elections. It ensures the enrolment of electors, prepares electoral rolls, contributes to public understanding and participation in the electoral system, and conducts and promotes research into electoral matters. The VEC also provides advice to the Attorney-General and Parliament on electoral matters.

The *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.

The *Electoral Boundaries Commission Act 1982* governs the determination of State electoral boundaries.

The *Local Government Act 1989* provides for local government elections and electoral representation reviews, and requires the VEC to supply voter lists to councils.

The *Infringements Act 2006* provides for stages 2 and 3 of compulsory voting enforcement.

A number of other Acts impose duties on the VEC. For example, the *Liquor Control Reform Act 1998* relates to the conduct of polls and the *Juries Act 2000* refers to the provision of information.

See Appendix 5 for a full list of governing acts and relevant regulations.

Role of the Electoral Commissioner

The Electoral Commissioner's chief responsibility is to conduct elections according to law and with complete impartiality.

The Electoral Commissioner is appointed by the Governor-in-Council for a ten-year term. 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.

Audit Committee

The primary objective of the Audit Committee is to assist the Electoral Commissioner in fulfilling the VEC's responsibilities and to add value to its accounting, operational practices, controls and risk strategies.

This involves the oversight of financial performance and reporting, the scope of work, performance and independence of the internal and external auditors, the operation and implementation of the risk management framework, monitoring VEC compliance with the Financial Management Compliance Framework, and matters of accountability and internal control.

In 2006-07 the Committee comprised:

- Mr Robert Yeo (Chairman), Partner, Hall Chadwick Chartered Accountants
- Ms Elizabeth Reeves, accountant and senior election official
- Ms Lynda Rogers, Department of Treasury and Finance

The Committee held four formal meetings during the year, with other informal meetings and discussions between members and the Electoral Commissioner and Manager of Finance and Budget on various issues and outcomes. The Internal Auditors, WHK Day Neilson, also attended.

Matters that were considered and discussed at these meetings included:

- 1. Year ending 30 June 2006 Annual Accounts
- Review the draft and final statements
- Receive and review the Auditor-General's audit program and management letter, and follow-up action taken in relation to points raised
- 2. Oversee the Internal Audit function and initiate and review audits conducted for:
- Confidentiality of VicRoads data
- Fringe Benefits Tax compliance
- Review of compliance with the purchasing card rules
- Implementation of International Financial Reporting Standards
- Review of status and compliance with the Victorian Public Sector Financial Management Compliance Framework
- Management of trust accounts, candidates' deposits and non-voter fines
- Review of compliance with the taxation rules
- GST on overseas transactions
- IT security access policies
- Inventory management review

- State election entitlements for political parties and independent candidates
- Computer-room fire services
- Asset management
- 3. Review enhancements to the Financial Management Compliance Framework including the establishment of key performance indicators
- 4. Review and monitor VEC compliance with International **Accounting Standards**
- 5. Review updates to VEC financial policies and procedures
- 6. A review of the legislation and regulations the VEC has involvement with and may need to observe
- 7. Monitor and review the risk framework including the recording and evaluation of risks, a risk management plan, and a disaster preparedness plan, and monitor implementing the recommendations from the Victorian Managed Insurance Authority Risk Framework **Quality Review**
- 8. Seek a response from the Auditor-General on the basis of valuation of inventory
- 9. Review insurance premiums for the 2007-08 financial year and insurance reports and claims during the 2006 State election

Identifying and managing risk

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

These are risk-rated according to their hazard potential across operational and non-operational activities. Risk ratings are presented to the Audit Committee as part of its charter. This external committee then determines whether the risks identified have extensive controls in place, and that a periodic review of those controls is required. Such a process was applied to the VEC's Disaster Preparedness Plan, developed and implemented prior to the 2006 State election.

At an operational level, the VEC also develops comprehensive risk management plans for all electoral events. These are discussed and analysed at each branch level during the planning phase for an electoral event, and cover election management, infrastructure, communication, recruitment and information technology. Risks that may affect more than one branch are addressed at senior management level and staff-wide meetings.

Legal and compliance issues associated with occupational health and safety are managed through the VEC's OH&S Committee that meets every three months. The Committee recommends relevant policies and procedures, and considers the type and method of information supplied to employees.

Electoral Council of Australia

The Electoral Council of Australia (ECA) is a consultative forum with membership comprising Commonwealth, State and Territory Electoral Commissioners. The Council meets approximately every three months and at the time of elections to consider such matters as the maintenance of the electoral rolls, the operation of new electoral legislation, and 'best practice' in the management of elections. During 2006-07, the ECA undertook projects and consulted on a range of issues including the following:

- changes to the Commonwealth Electoral Act 1918 to provide for proof of identity requirements at time of enrolment and raise the threshold for the disclosure of donations to political parties
- the use of new technology at voting centres to assist voting
- the development by the AEC of a new computer system for the maintenance of the joint rolls
- participation trends in enrolment and voting
- training requirements for casual electoral officials

A subcommittee of the ECA, the Enrolment Steering Committee (ESC) met regularly to jointly manage the Continuous Roll Update (CRU) program for the review of the joint rolls. In 2006-07, the ESC oversaw a comprehensive review conducted by the AEC of the effectiveness of the CRU program.

Electoral stakeholders

The needs and interests of the VEC's stakeholders vary according to their roles in the electoral process.

All Victorians

The VEC assists all Victorians by providing information about Victoria's democratic electoral systems and electors' rights and responsibilities to enrol and vote. Victorians must be confident that the VEC provides excellent services, as well as value for money.

Election clients

The VEC conducts elections on behalf of local councils and other organisations. Councils seek competitive tenders for the conduct of their elections. The VEC provides the highest quality election services at a cost-effective price.

The VEC has a statutory responsibility to conduct certain statutory elections and provides specialised election services to a range of organisations.

Election participants

The VEC provides candidates and registered political parties with information and services to enable them to participate in the electoral system, and it ensures that all processes are fair and impartial.

Corporate governance

Election researchers and commentators

The VEC encourages electoral research as a basis for robust community debate and understanding about the broader electoral system. The media also provides vital opportunities for the VEC to motivate and inform voters.

Elected representatives

The VEC provides Members of Parliament with accurate and timely elector information to help them undertake their duties.

Freedom of Information

The Freedom of Information Act 1982 gives Victorians the right to access certain classes of documents held by government agencies. See Appendix 4 for Freedom of Information (FOI) procedures.

Throughout 2006-07, the VEC finalised one FOI request from the previous year, and received and finalised one other request.

Security of personal information

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 37: Personal information collected, used and disclosed by the VEC

Purpose
Maintenance of the register of electors (see pages 18-25)
Registration of political parties
Nomination of candidates for election a subsequent administration of elections
Voting in elections
Employment of full-time and temporary staff
Personal information about business contacts in other organisations, the media and complainants etc.

The VEC's policies regarding management of this 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*.

One complaint regarding privacy was forwarded to the Privacy Commissioner of Victoria during 2006-07. The Privacy Commissioner found that there was no case to answer and that appropriate protocols had been followed.

Whistleblowers

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 Act. There were no complaints during 2006-07.

The VEC's procedures under the Act are detailed online at www.vec.vic.gov.au.

Environmental reporting

The VEC achieved its 'government sustainable energy targets' set out by Sustainability Victoria over a three-year period. Reporting back on these targets to Sustainability Victoria concluded in the 2005-06 period.

Energy saving targets continue to apply to the VEC as it aims to achieve a 20% increase in energy efficiency by 2010 and purchases up to 25% GreenPower annually, as was the case in the 2006-07 reporting period.

The VEC anticipates working further with Sustainability Victoria to implement an environment management system, which from 2008 will see the organisation audited annually by an environmental auditor appointed under the *Environment Protection Act 1970*.

Corporate planning

The VEC's corporate planning project team worked with an external consultancy to design a corporate planning process that would involve as many staff as possible. Their objective was two-fold - the first being to ensure the VEC's people had input into and ownership of the plan, the second being to benefit participants' personal and professional development.

The process that was adopted included discussion of a number of identified 'hotspots' at sessions attended on a voluntary basis, a guest speaker, a number of printed 'thought-provoker' handouts and two half-day workshops involving all staff.

Resulting from this process was the identification of a number of key themes and the development of a new corporate plan. The new plan will provide the basis for annual reporting from 2007-08.

Human resources

The Electoral Commissioner and Deputy Electoral Commissioner's high regard for the VEC's employees is reflected in the organisation's human resource practices. 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.

Employees of the VEC are bound by the Code of Conduct for Victorian Public Sector Employees of Special Bodies, which draws its values from the Public Administration Act 2004. As a code, it provides guidance to staff in their conduct and is a measure by which the VEC expects to be perceived and, ultimately, judged. The Electoral Commissioner has all of the functions of a department head in relation to officers and employees of the VEC (pursuant to the *Public Sector* Management and Employment Act 1998).

Staffing and work practices are also determined and guided by the Public Administration Act 2004, as well as by the State Services Authority. In 1995, the VEC obtained an exemption under the Equal Opportunity Act 1984 so as to be able to employ only those personnel who were not engaged in political activities.

Special matters - Purchasing

The VEC must comply with Victorian Government Purchasing Board (VGPB) policies for procurement of non-construction goods and services established for Victorian government departments and some agencies.

The following matters are disclosed, as they received special attention by the Accredited Purchasing Unit (APU) within the Department of Justice.

Space rental

The APU approved the VEC's engagement of the Melbourne Exhibition and Convention Centre (MECC) for the 2006 State election tally room and Upper House computer count. However, it was noted by the APU that while the VEC submitted a request for exemption from the public tender for this venue, due process had not been followed. The VEC's request was therefore marked as non-compliant in the APU's annual supply report.

Due to the very specific technical, geographic and space requirements, the VEC considers that the temporary procurement of the MECC was justified and made on sound business rationale. The VEC explored other venues based on capability, risk assessment, proximity, timing and location but none met the VEC's requirements.

Provision of temporary staff

The VEC engaged the services of the State Purchasing Contract (SPC) master vendor Dixon Appointments for the provision of temporary staff for the 2006 State election central processing centre and the Upper House count. These were approved by the APU.

During the initial stages of sourcing recruiting firms, it was unclear if the VEC was bound to engage the services of an SPC master vendor. Given the nature of these two largescale projects conducted in a high profile environment where risk minimisation is paramount, the VEC requested a quotation from five service providers, three of which were SPC master vendors. The quotation was to include the service provider's rates based on an SPC approved pricing structure.

The APU subsequently confirmed that the VEC was bound through VGPB procurement policies to engage the services of an SPC master vendor. The APU recognised that the VEC had acted in good faith, to provide a common pricing structure that would ensure consistency across staff rates where more than one supplier was engaged.

However, as the VEC had revealed in part the SPC pricing structure to two non-SPC panel members, there had been a breach of the Whole of Government State Purchase Contract Policy for the procurement of goods and services. The Department of Justice was obliged to report this to the VGPB.

See Appendix 8 for details of Accredited Purchasing Unit (APU) approved contracts.

Special matters - Overseas travel disclosure

In March 2007, the Electoral Commissioner joined a delegation from the Australian Electoral Commission (AEC) to investigate electronic voting and intelligent character recognition (ICR) scanning solutions used in the UK elections. The VEC will assist the AEC in the preparation of a formal report on these.

In March 2007, the Manager Information Technology visited a number of German scanning software and hardware companies as part of a review of the VEC's proposed use of scanning technology. Attending the CeBIT technology fair in Germany allowed the VEC to investigate ICR solutions and witness a demonstration of a conceptual solution by a Swiss company. Information gathered from the visit will be used to improve existing scanning technology and enable the VEC to make well-informed judgements on its implementation.

In July 2006, a VEC officer visited Madrid City Council (Madrid, Spain) around its delivery of a series of online citizen consultations, and Scytl Secure Electronic Voting (Barcelona, Spain) around its development of the VEC's electronic voting solution for the 2006 State election.

Corporate governance

Madrid City Council's work in polling people in a secure and user-friendly way emphasised the importance of the availability of voting centre staff to assist voters with computer use. This approach was adopted at the 2006 State election. It was mentioned by a number of blind or vision-impaired voters who voted electronically as essential in contributing to a positive voting experience. Work with Scytl Secure Electronic Voting ensured that the final electronic voting product met the VEC's requirements, while also reducing potentially inefficient international communications.

Special matters - Financial authorisations

Following a review of financial authorisations for 2006 State election expenditure, it was established that the authorisations were insufficient and that no authority existed to pay electoral entitlements to political parties and independents.

The request lodged with the Department of Justice in 2004 to increase the amounts had not been approved by the Attorney-General prior to the 2006 State election. The Electoral Commissioner raised this issue with the Attorney General and the Secretary of the Department of Justice, and advised that expenditure would be approved and paid by the Commissioner, and a retrospective approval sought from the Attorney-General.

The authorisation for expenditure on the 2006 State election above the financial conferrals was approved on 21 June 2007. The Victorian Government Solicitor also advised that no financial conferral was required for the payment of electoral entitlements on the basis of the *Electoral Act 2002*, providing relevant authority to the Electoral Commissioner.

Report of the Electoral Boundaries Commission

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 2006-07 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 2 March 2007 to consider whether a redivision of electoral boundaries would be required before the 2010 State election. Legislation now provides clear triggers for a redivision. Broadly, the EBC must conduct a redivision if there have been two general elections since the previous redivision, or if the enrolments for a certain number of electorates have fallen outside a 10% tolerance in the period 18 to 24 months before the next scheduled State election.

The last redivision of both Houses of Parliament was in 2000-01, and there have been two State elections since then (in 2002 and 2006). However, the 2006 State election was the only general election (defined in the Act as an election at which all the members of both Houses are elected). Therefore, the EBC determined that the "two general election" triggers for a redivision did not apply.

The EBC also considered enrolment trends. 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 indicate that in the first half of 2009, 16 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 issued a public notice and media release to this effect.

The EBC will continue to monitor enrolment and demographic changes.

Financial year in review

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, council elections, by-elections, electoral representation reviews and fee-for-service elections.

This can be seen in the amount of Special Appropriation provided by the State Government to fund the activities of the VEC.

2001-02	\$17.841 million	Includes local government activity
2002-03	\$47.934 million	Includes State and local government activity
2003-04	\$15.136 million	Includes local government activity
2004-05	\$16.995 million	Includes local government activity
2005-06	\$23.812 million	Includes local government activity
2006-07	\$36.019 million	Includes State election

The VEC's appropriation increased in 2006-07 so that the VEC could conduct the State election. This will reduce in 2007-08 with no major election activity occurring, and then increase substantially in 2008-09 with the VEC conducting local government elections.

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

Revenue from charges for local government and local government by-elections, fee-for-service elections and all other fees and charges, and expenditure, assets and liabilities relating to candidates' deposits and local government election fines, is not included in the VEC Operating Statement and Balance Sheet. It is included as a note to the accounts.

Revenue, such as fees collected for conducting local government and fee-for-service elections, by-elections, electoral representative reviews, and State election fines are collected and controlled by the VEC, but are forwarded to the Department of Treasury and Finance as consolidated revenue. Revenue from local government election fines and forfeited candidate deposits are collected and controlled by the VEC, and 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 Commission's outputs performed during the year ended 30 June 2007, 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 election

Preparation and conduct of the State election

Local government elections

Preparation and conduct of local government periodic elections

Local government by-elections

Preparation and conduct of local government by-elections and countbacks

Fee-for-service elections

Preparation and conduct of fee-for-service elections

Representation reviews

Preparation and conduct of electoral representation reviews for local government

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

In preparation for the State election, inventory purchases and prepayments for rent and advertising placement occurred in the year ended 30 June 2006, with the expenditure being recognised in the year ended 30 June 2007. This results in the income from State government for the State election being lower than the expenditure for the year ended 30 June 2007.

Core expenditure is also lower than 2006, due to some fixed-term staff and other core services expenditure being dedicated solely to the State election.

Figure 36: Controlled revenue and expenses for the year ended 30 June 2007

	Core services	State 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 Expenses	10,047	25,461	73	91	108	239
Employee benefits	4,131	13,044	6	30	3	135
Depreciation and amortisation	695	1,142				
Finance costs	6					
Supplies and services	5,910	13,112	67	61	105	104
Equipment lease		417				
Total expenses	10,742	27,715	73	91	108	239

Figure 37: For the above expenditure, a comparison to the amount recouped from fees and charges remitted (incl. accruals) to consolidated revenue is as follows

	Core services	State 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	267	412	0	113	146	351
Total marginal expenses*	10,742	27,715	73	91	108	239

^{*} Recouped from fees and charges for local government by-elections, fee-for-service elections and electoral representation reviews.

Marginal costs are recouped from fees and charges for local government by-elections, fee-for-service elections and electoral representation reviews. Core staff and associated costs are not included in this expense.

Core services and the State election are funded from State government appropriations.

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 balance substantially increasing during a major election.

The non-current assets of the VEC include plant and equipment. and computer software development 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 mainly in employee provisions due to the increase in accrued annual leave for employees, which was deferred due to the State election, and increase in vehicle finance leases.

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.

Financial Statements



Operating statement for the financial year ended 30 June 2007

	Note	2007 \$'000	2006 \$'000
CONTINUING OPERATIONS			
Revenue			
Special appropriations	1d,2	36,019	23,812
Total Revenue		36,019	23,812
Expenses			
Employee benefits	1h,3	17,175	9,179
Supplies and services	1h,3	19,533	13,330
Depreciation and amortisation	1h,3	1,837	1,910
Other expenses	3	417	578
Finance costs	1h,3	6	3
Total Expenses		38,968	25,000
Net result from continuing operations		(2,949)	(1,188)
Net result from discontinued operations		-	-
Net result for the period	17b	(2,949)	(1,188)

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

Balance sheet

as at 30 June 2007

	Note	2007 \$'000	2006 \$′000
Current assets			
Cash and cash equivalents	1i,17	1	1
Receivables	1i,4	198	409
Inventories	1i,5	800	1,239
Other	6	212	831
Total current assets		1,211	2,480
Non-current assets			
Property, plant and equipment	1i,7	1,595	1,584
Intangible assets	1i,8	7,626	8,768
Total non-current assets		9,221	10,352
Total assets		10,432	12,832
Current liabilities			
Bank overdraft	17	4	51
Payables	1j,9	311	552
Provisions	1j,11	1,091	993
Interest bearing liabilities	1j,10	77	39
Total current liabilities		1,483	1,635
Non-current liabilities			
Provisions	11	126	118
Interest bearing liabilities	1j,10	-	46
Total non-current liabilities		126	164
Total liabilities		1,609	1,799
Net assets		8,823	11,033
Equity			
Contributed Capital	18	19,980	19,241
Accumulated Surplus/(Deficit)	18	(11,157)	(8,208)
Total equity		8,823	11,033

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 2007

	Note	2007 \$'000	2006 \$'000
Total equity at beginning of financial year	18	11,033	11,791
Effects of changes in accounting policy		-	106
Restated total equity at the beginning of the financial year		11,033	11,897
Net income recognised directly in equity		-	-
Net result for the period	17(b)	(2,949)	(1,188)
Total recognised income and expense for the period		(2,949)	(1,188)
Transactions with the State in its capacity as owner	18	739	324
Total equity at end of financial year		8,823	11,033

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

Cash flow statement

for the financial year ended 30 June 2007

Not	e	2007 \$'000	2006 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Receipts from Government		36,019	23,812
Goods and Services tax recovered from the ATO		1,926	1,494
Total receipts		37,945	25,306
Payments			
Capital asset charge		(130)	(130)
Payments to suppliers and employees		(37,762)	(25,166)
Interest and other costs of finance paid		(6)	(3)
		(37,898)	(25,299)
Net cash flows from (used in) operating activities	7	47	7
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment	8	(739)	(324)
Proceeds received from sale of property, plant and equipment		_	-
Net cash flows from/(used in) investing activities		(739)	(324)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from capital contribution by State Government		716	324
Repayment of finance leases		23	(7)
Net cash flows from/(used in) financing activities		739	317
Net increase/(decrease) in cash and cash equivalents		47	_
Cash and cash equivalents at the beginning of the financial year		(50)	(50)
Cash and cash equivalents at the end of the financial year	7	(3)	(50)

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

30 June 2007

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for the financial year ended 30 June 2007

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, in particular AAS29 *Financial Reporting by Government Departments*, Interpretations and other mandatory professional requirements. Accounting Standards include Australian equivalents to International Financial Reporting Standards ('A-IFRS').

The financial report was authorised for issue by the Electoral Commissioner and the Chief Finance and Accounting Officer on 16th August 2007.

(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 A-IFRS 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.

Judgements made by management in the application of A-IFRS that have significant effects on the financial statements and estimates with a risk of material adjustments in the next year are disclosed throughout the notes in the financial statements.

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 2007 and the comparative information presented for the year ended 30 June 2006.

(C) REPORTING ENTITY

The financial statements include all the controlled activities of the Victorian Electoral Commission

The Commission has no controlled entities.

Transactions on behalf of the Government

The Commission administers but does not control certain resources on behalf of the Victorian Government. 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 Victorian Government. 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 19. Except as otherwise disclosed, administered items are accounted for on the same basis and using the same accounting policies as for Commission items.

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 not controlled by the Commission or the Victorian Government. These transactions and balances are reported in the note 19.

(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.

for the financial year ended 30 June 2007

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 19).

(H) EXPENSES

Employee benefits

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

Superannuation

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.

Amortisation

Intangible assets with finite useful lives are amortised on a systematic (typically straightline) 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.

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 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 writedowns) 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 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.

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 the lower of cost and and current replacement cost.

for the financial year ended 30 June 2007

Note 1. Summary of accounting policies continued

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.

Intangible assets

Intangible assets represent identifiable nonmonetary 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 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.

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.

(J) LIABILITIES

Payables

Payables consist predominantly of creditors and othe sundry liabilities.

Payables are 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.

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.

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 cashflows estimated to settle the present obligation, its carrying amount is the present value of those cashflows.

When some or all of the economic benefits required to settle a provision are expected to be recognised from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

Employee benefits

(i) Wages and salaries, annual leave and sick

Liabilities for wages and salaries, including nonmonetary 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 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

Current liability - unconditional LSL (representing 7 or more years of continuous service for VPS staff and 10 or more years of continuous service for executives) 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:

for the financial year ended 30 June 2007

Note 1. Summary of accounting policies continued

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 (representing less than 7 years of continuous service for VPS staff and less than 10 years of continuous service for executives) 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) 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 and included with LSL employee benefits

(iv) 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.

(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 quantifyable, are measured at nominal value.

(M) CASH FLOW STATEMENT

For the purposes of the cash flow statement, cash comprises cash on hand and cash at bank.

(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.

(0) ROUNDING OF AMOUNTS

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

for the financial year ended 30 June 2007

Note 1. Summary of accounting policies continued

(P) NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2007 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 2007, the following standards and interpretations (applicable to departments) had been issued but were not mandatory for financial years ending 30 June 2007. The Commission has not, and does not intend to, adopt these standards early.

Standard/Interpretation	Summary	Applicable for annual reporting periods beginning or ending on	Impact on VEC financial statements
AASB7 Financial Instruments: Disclosures	New standard replacing disclosure requirements of AASB132.	Beginning 1 Jan 2007	No impact on the VEC financial statements.
AASB2005-10 Amendments to Australian Accounting Standards	Amendments arise from the release in August 2005 of AASB7 <i>Financial Instruments: Disclosures</i>	Beginning 1 Jan 2007	No impact on VEC financial statements.
AASB101 Presentation of Financial Statements (revises)	Removes Australian specific requirements from AASB101, including the Australian illustrative formats of the income statement, balance sheet and statement of changes in equity which entities were previously encouraged to adopt in preparing their financial statements.	Beginning 1 Jan 2007	Impact on presentation not expected to be significant.
Interpretation 10 Interim Financial Reporting and Impairment	Equivalent to IFRIC10 of the same name. Concludes that where entity has recognised an impairment loss in an interim period in respect of goodwill or an investment in either an equity instrument or a financial asset carried at cost, that impairment should not be reversed in subsequent interim financial statements nor in annual financial statements.	Beginning 1 Nov 2006	The VEC does not publish interim financial results, so there is no impact.
Interpretation 12 Service Concession Arrangements	AASB approved an Australian Interpretation 12, equivalent to IFRIC12, applying to private sector operators, but is silent on accounting by public sector grantors. The AASB intends to consider how public sector grantors should account for service concession arrangements, and will appoint an advisory panel to make recommendations.	Beginning 1 Jul 2008	No impact on VEC financial statements
AASB 2007-2 Amendments to Australian Accounting Standards arising from AASB Interpretation 12	Amendments arise from the release in February 2007 of Interpretation 12 Service Concession Arrangements	Beginning 1 Jul 2008	No impact on VEC financial statements
AASB 8 Operating Segments	Supersedes AASB 114 Segment Reporting	Beginning 1 Jan 2009	Not applicable
AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8	An accompanying standard, also introduced consequential amendments into other Standards.	Beginning 1 Jan 2009	Impact expected not to be significant
Interpretation 4 Determining whether an Arrangement contains a Lease (revised)	Where arrangements might fall both within this Interpretation and Interpretation 12, Interpretation 12 will take precedence. As advised above, Interpretation 12 only applies to the private sector operation and the AASB is still considering public sector accounting for these	Beginning 1 Jan 2008	No impact on VEC financial statements.
Interpretation 129 Service Concession Arrangements Disclosures (revised)	arrangements. Operator to disclose revenue and profit.	Beginning 1 Jan 2008	The VEC is not an operator of service concession, so there will be no impact on disclosures.

for the financial year ended 30 June 2007

2. Income

Seperial appropriations for continuing operations 36,019	2. 11133.116	2007 \$′000	2006 \$'000
BOTHER REVENUE	(A) REVENUE FROM GOVERNMENT		
Description	Special appropriations for continuing operations	36,019	23,812
S. Expenses 2007 2006	(B) OTHER REVENUE		
Company Comp	Other	-	-
Main		36,019	23,812
Main	3. Expenses		
Post employment benefits - defined contribution plans 997 627 Fermination benefits - - Salaries and wages 16,178 8,552 fotal employee benefits 17,175 9,179 (B) DEPRECIATION AND AMORTISATION Depreciation of non-current assets 695 768 Amortisation of non-current assets 1,142 1,142 fotal depreciation and amortisation 1,837 1,910 (C) SUPPLIES AND SERVICES 352 4,992 Purchase of supplies and consumables 13,608 7,699 Purchase of supplies and consumables 369 424 Other 204 215 fotal supplies and services 19,533 13,330 (D) FINANCE COSTS 6 3 Finance lease costs 6 3 fotal finance costs 6 3 (E) OTHER EXPENSES - - foreigness - - Operating lease rental expenses: 417 578	•		
fermination benefits -	(A) EMPLOYEE BENEFITS		
Salaries and wages 16,178 8,552 Intal employee benefits 17,175 9,179 (B) DEPRECIATION AND AMORTISATION Coperation of non-current assets 695 768 Amortisation of non-current assets 1,142 1,142 Intal depreciation and amortisation 1,837 1,910 (C) SUPPLIES AND SERVICES 13,608 7,699 Purchase of supplies and consumables 13,608 7,699 Maintenance 5,352 4,992 Maintenance 369 424 Other 204 215 Intal supplies and services 19,533 13,330 (D) FINANCE COSTS 6 3 Finance lease costs 6 3 Intel finance costs 6 3 (E) OTHER EXPENSES 6 3 Inventory: - - Write down of inventory to net realisable value: - - Operating lease rental expenses: 7 - Write down of inventory to net realisable value: - - <td>Post employment benefits - defined contribution plans</td> <td>997</td> <td>627</td>	Post employment benefits - defined contribution plans	997	627
State Stat	Termination benefits	-	-
Manual Separation Manual Amortisation	Salaries and wages	16,178	8,552
Depreciation of non-current assets 695 768 Amortisation of non-current assets 1,142 1,142 Intel depreciation and amortisation 1,837 1,910 (C) SUPPLIES AND SERVICES Purchase of supplies and consumables 13,608 7,699 Purchase of services 5,352 4,992 Maintenance 369 424 Other 204 215 Total supplies and services 19,533 13,330 (D) FINANCE COSTS Finance lease costs 6 3 Total finance costs 6 3 (E) OTHER EXPENSES - - Inventory: - - Write down of inventory to net realisable value: - - Operating lease rental expenses: 417 578	Total employee benefits	17,175	9,179
Amortisation of non-current assets 1,142 1,142 Intal depreciation and amortisation 1,837 1,910 (C) SUPPLIES AND SERVICES Purchase of supplies and consumables 13,608 7,699 Purchase of services 5,352 4,992 Maintenance 369 424 Other 204 215 Intel supplies and services 19,533 13,330 (D) FINANCE COSTS 6 3 Finance lease costs 6 3 Intel finance costs 6 3 (E) OTHER EXPENSES Inventory: Write down of inventory to net realisable value: - - Operating lease rental expenses: 417 578	(B) DEPRECIATION AND AMORTISATION		
Total depreciation and amortisation 1,837 1,910 (C) SUPPLIES AND SERVICES Purchase of supplies and consumables 13,608 7,699 Purchase of services 5,352 4,992 Maintenance 369 424 Other 204 215 Total supplies and services 19,533 13,330 (D) FINANCE COSTS Finance lease costs 6 3 Total finance costs 6 3 (E) OTHER EXPENSES Inventory: Write down of inventory to net realisable value: Operating lease rental expenses: Winimum lease payments 417 578	Depreciation of non-current assets	695	768
C(C) SUPPLIES AND SERVICES Purchase of supplies and consumables Purchase of services Purchase	Amortisation of non-current assets	1,142	1,142
Purchase of supplies and consumables Purchase of services Purchase of supplies and services Purchase of services P	Total depreciation and amortisation	1,837	1,910
Purchase of services Maintenance Maintenan	(C) SUPPLIES AND SERVICES		
Maintenance 369 424 Other 204 215 Total supplies and services 19,533 13,330 (D) FINANCE COSTS Finance lease costs 6 3 Total finance costs 6 3 (E) OTHER EXPENSES (Inventory: Write down of inventory to net realisable value: Operating lease rental expenses: Winimum lease payments 417 578	Purchase of supplies and consumables	13,608	7,699
Other 204 215 Fotal supplies and services 19,533 13,330 (D) FINANCE COSTS Finance lease costs 6 3 Fotal finance costs 6 3 (E) OTHER EXPENSES Inventory: Write down of inventory to net realisable value: Operating lease rental expenses: Minimum lease payments 417 578	Purchase of services	5,352	4,992
Total supplies and services (D) FINANCE COSTS Finance lease costs For total finance costs (E) OTHER EXPENSES Inventory: Write down of inventory to net realisable value: Deparating lease rental expenses: Minimum lease payments 19,533 13,330 13,330 13,330 13,330 141,533 15,533 15,533 16,533 16,533 17,533 18,533	Maintenance	369	424
(D) FINANCE COSTS Finance lease costs 6 3 Fotal finance costs 6 3 (E) OTHER EXPENSES Inventory: Write down of inventory to net realisable value: Deparating lease rental expenses: Minimum lease payments 417 578	Other	204	215
Finance lease costs Finance l	Total supplies and services	19,533	13,330
Total finance costs 6 3 (E) OTHER EXPENSES (Inventory: Write down of inventory to net realisable value: Operating lease rental expenses: Minimum lease payments 417 578	(D) FINANCE COSTS		
(E) OTHER EXPENSES Inventory: Write down of inventory to net realisable value: Deparating lease rental expenses: Minimum lease payments 417 578	Finance lease costs	6	3
Mrite down of inventory to net realisable value: Departing lease rental expenses: Minimum lease payments 417 578	Total finance costs	6	3
Write down of inventory to net realisable value: Departing lease rental expenses: Minimum lease payments 417 578	(E) OTHER EXPENSES		
Operating lease rental expenses: Minimum lease payments 417 578	Inventory:		
Minimum lease payments 417 578	Write down of inventory to net realisable value:	-	-
	Operating lease rental expenses:		
Total other expenses 417 578	Minimum lease payments	417	578
	Total other expenses	417	578

for the financial year ended 30 June 2007

4. Receivables

	2007 \$'000	2006 \$'000
CURRENT RECEIVABLES		
Amounts owing from Victorian Government		
GST Receivable	67	238
Other receivables	-	2
	67	240
GST input tax credit recoverable	131	169
	131	169
Total current receivables	198	409

5. Inventories

	2007 \$'000	2006 \$'000
SUPPLIES AND CONSUMABLES HELD FOR DISTRIBUTION		
At cost	800	1,239
Total inventories	800	1,239

6. Other assets

	\$'000	\$'000
CURRENT OTHER ASSETS		
Prepayments	212	831
Total current other assets	212	831

for the financial year ended 30 June 2007

7. Property, plant and equipment

	2007	2006
	\$′000	\$'000
CLASSIFICATION - PURPOSE GROUP "PUBLIC ADMINISTRATION"		
Plant, equipment and vehicles		
At Cost	4,919	4,469
Less: Accumulated depreciation	(3,714)	(3,307)
Plant and equipment under finance lease (at cost)		
At cost	105	98
Less: Accumulated amortisation	(29)	(13)
Furniture & fittings		
At Cost	231	214
Less: Accumulated depreciation	(154)	(138)
Leasehold Improvements		
At cost	358	233
Accumulated depreciation	(121)	(65)
Work in Progress		
Leasehold Improvements	-	93
Net carrying amount of PPE	1,595	1,584

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

	2007	2006
 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

CLASSIFICATION - MOVEMENTS IN CARRYING AMOUNTS

		nt and pment		ure and tings		sehold vements		rk in gress		equipment ance lease	т	otal
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Opening balance	1,162	1,694	76	65	168	193	93	-	85	59	1,584	2,011
Additions	666	194	18	26	32	9	-	93	42	63	758	385
Transfers	-	-	_	-	93	-	(93)	-	-	-	-	-
Disposals	(26)	(21)	-	-	-	-	-	-	(26)	(23)	(52)	(44)
Depreciation/amortisation expense (note 2)	(597)	(705)	(17)	(15)	(56)	(34)	-	-	(25)	(14)	(695)	(768)
Closing balance	1,205	1,162	77	76	237	168	-	93	76	85	1,595	1,584

for the financial year ended 30 June 2007

8. Intangible assets

	Capitalised software development	
	2007 \$'000	2006 \$'000
GROSS CARRYING AMOUNT		
Opening balance	13,684	13,684
Additions from internal developments	_	-
Impairment losses charged to net result	_	-
Additions from internal developments	_	-
Impairment losses charged to net result	_	-
Closing balance	13,684	13,684
ACCUMULATED AMORTISATION AND IMPAIRMENT		
Opening balance	(4,916)	(3,774)
Amortisation expense	(1,142)	(1,142)
Impairment losses charged to net result	_	-
Closing balance	(6,058)	(4,916)
Net book value at the end of the financial year	7,626	8,768

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.

9. Payables

	2007 \$'000	2006 \$'000
CURRENT PAYABLES		
Employee benefits	195	282
Supplies and services	116	270
Other	-	-
	311	552

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

for the financial year ended 30 June 2007

10. Interest bearing liabilities

J	2007 \$'000	2006 \$'000
CURRENT		
Secured		
Finance lease liabilities (refer note 13)	77	39
Total current interest bearing liabilities	77	39
NON-CURRENT		
Secured		
Finance lease liabilities (refer note 13)	-	46
Total non-current interest bearing liabilities	-	46
Total interest bearing liabilities	77	85

11. Provisions

	2007 \$'000	2006 \$'000
Current (refer note 1 (j))		
Employee benefits	1,091	993
	1,091	993
Non-current (refer note 1(j))		
Employee benefits	126	118
	126	118
	1,217	1,111
(A) EMPLOYEE ENTITLEMENTS		
Current employee benefits		
Annual leave entitlements	585	515
Unconditional long service leave entitlements	506	478
	1,091	993
Current employee benefits that:		
Are expected to be utilised within 12 months after the end of the reporting period	620	550
Are expected to be utilised more than 12 months after the end of the reporting period	471	443
	1,091	993
Non-current		
Conditional long service leave entitlements	126	118
	126	118
	1,217	1,111

for the financial year ended 30 June 2007

12. Defined benefit superannuation plans

12. Defined benefit superannuation plans	2007 \$'000	2006 \$'000
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 Comission made contributions to the following major superannuation plans during the year:		
Defined benefit plans:		
Government Superannuation Office	81	85
Defined contribution plans:		
AGEST	32	11
Colonial First State	20	20
Health Super	10	3
HESTA	21	8
Hostplus	12	4
MLC	17	11
Unisuper	10	3
Vicsuper	684	425
Vision Super	13	12
Other	97	45
	916	542
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.		
(A) SUPERANNUATION EXPENSE RECOGNISED IN THE OPERATING STATEMENT		
Defined benefit plans		
Current service cost	81	85
Total expense recognised in respect of defined benefit plans	81	85
Defined contribution plans		
Employer contributions to defined contribution plans	916	542
Total expense recognised in respect of defined contribution plans	916	542
Total superannuation expense recognised in operating statement	997	627

for the financial year ended 30 June 2007

13. Leases

is. Leases	Minimum future lease payments		future leas	e of minimum e payments
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
DISCLOSURE 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.				
Finance lease liabilities payable				
Not longer than 1 year	77	43	75	39
Longer than 1 year and not longer than 5 years	-	48	_	46
Longer than 5 years	-	-	_	-
Minimum future lease payments	77	91	75	85
Less future finance charges	2	6	-	-
Present value of minimum lease payments	75	85	75	85
Included in the financial statements as:				
Current interest bearing liabilities	77	39	75	39
Non-current interest bearing liabilities	-	46	_	46
	77	85	75	85
the control of the co				
Minimum future lease payments includes the aggregate of all lease payments and a	iny guaranteed re	esidual.		
			2007 \$'000	2006 \$'000
DISCLOSURE FOR LESSEES-OPERATING LEASES				
Leasing arrangements		1		
Operating leases relate to office and warehouse accommodation, and certain plant equipment. Leases of office, warehouse, and plant and equipment generally provid right of renewal at which time all terms are renegotiated.				
Non-cancellable operating leases				
Not longer than 1 year			1,101	1,032
Longer than 1 year and not longer than 5 years			2,911	3,164
Longer than 5 years				
Longer than 5 years			_	-

for the financial year ended 30 June 2007

14. Commitments for expenditure

2 11 Committee to the experience of	2007 \$'000	2006 \$'000
The following commitments have not been recognised as liabilities in the financial statements:		
(A) LEASE COMMITMENTS		
Finance lease liabilities and non-cancellable operating lease commitments are disclosed in note 13 to the financial statements.		
(B) EXPENDITURE COMMITMENTS		
Joint Electoral Enrolment Procedure		
Not longer than one year	2,009	1,981
Longer than one year and not longer than 5 years	-	-
Longer than 5 years	-	-
	2,009	1,981
Less GST recoverable from the Australian Taxation Office	183	180
	1,826	1,801

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

15. Contingent liabilities and contingent assets

	2007 \$'000	2006 \$'000
Details and estimates of contingent liabilities are as follows:	-	-
	-	-

A contingent liability exists for legal action in relation to Electoral Act decisions and offences. However, as at 30 June 2007, there is no reliable estimate of the liability. There were no contingent assets as at 30 June 2007.

16. Financial instruments

(A) FINANCIAL RISK MANAGEMENT OBJECTIVES

The Commission does not enter into or trade financial instruments, including derivative financial instruments.

(B) 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.

(C) SIGNIFICANT TERMS AND CONDITIONS

- (i) Cash: the carrying amount approximates fair value because of their short-term to maturity.
- (ii) Receivables and payables: the carrying amount approximates fair value because of their short-term to maturity.

for the financial year ended 30 June 2007

16. Financial instruments continued

(D) INTEREST RATE RISK

The following table details the Commission's exposure to interest rate risk as at 30 June 2007:

av 2007	Weighted erage effective interest rate %	Variable interest rate \$'000	Less than 1 year \$'000	1-2 years \$'000	2-3 years \$'000	3-4 years \$'000	4+ years \$'000	Non- interest bearing \$'000	Total \$'000
Financial Assets									
Cash and cash equivalents	n/a	-	-	-	-	-	-	1	1
Trade and other receivables	n/a	-	-	-	-	-	-	-	-
Total	-	-			-	_	-	1	1
Financial Liabilities									
Bank overdraft	6.33	4	-	-	-	-	-	-	4
Payables	n/a	-	-	-	-	-	-	311	311
Finance lease liabilities	6.62	-	77	-	-	-	-	-	77
Total	-	4	77	-	-	-	-	311	392

The following table details the Commission's exposure to interest rate risk as at 30 June 2006:

a\ 2006	Weighted verage effective interest rate %	Variable interest rate \$'000	Less than 1 year \$'000	1-2 years \$'000	2-3 years \$'000	3-4 years \$'000	4+ years \$'000	Non- interest bearing \$'000	Total \$'000
Financial Assets									
Cash and cash equivalents	n/a	-	-	-	-	-	-	1	1
Trade and other receivables	n/a	-	-	-	-	-	-	409	409
Total	-	-	-	-	-	-	-	410	410
Financial Liabilities									
Bank overdraft	-	-	-	-	-	-	-	-	-
Payables	n/a	-	-	-	-	-	-	-	-
Finance lease liabilities	6.3	-	39	46	-	-	-	-	85
Total	-	-	39	46	-	-	-	-	85

(E) CREDIT RISK

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Commission. The Commission has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Commission measures credit risk on a fair value basis.

The Commission does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high creditratings assigned by international credit-rating agencies.

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

(F) FAIR VALUE

Management considers that the carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their fair

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 on 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 statements approximates their fair values.

for the financial year ended 30 June 2007

17. Cash flow information

	2007 \$'000	2006 \$'000
(A) RECONCILIATION OF CASH AND CASH EQUIVALENTS		
Total cash and cash equivalents disclosed in the balance sheet	1	1
Bank overdraft	(4)	(51)
Balance as per cash flow statement	(3)	(50)

Due to the State of Victoria's 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 unpresented cheques at the reporting date.

At 30 June 2007, cash at bank include the amount of a notional shortfall for the payment of unpresented cheques of \$4,000 (2006 \$51,000)

	2007 \$'000	2006 \$'000
	\$ 000	\$ 000
(B) RECONCILIATION OF NET RESULT FOR THE PERIOD TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Net result for the period	(2,949)	(1,188)
Non-cash movements:		
Depreciation and amortisation of non current assets	1,837	1,910
(Gain)/loss on sale or disposal of non-current assets	25	22
Correction of error	-	-
Adjustment to controlled receivables	-	-
Movements in assets and liabilities		
(Increase)/decrease in assets:		
Current receivables	211	(115)
Current inventories	439	(403)
Other current assets	619	(532)
Increase/(decrease) in liabilities:		
Current payables	(241)	164
Current provisions	98	101
Non-current provisions	8	48
	2,996	1,195
Net cash from/(used in) operating activities	47	7

for the financial year ended 30 June 2007

18. Movements in equity

	2007 \$'000	2006 \$'000
(A) CONTRIBUTIONS BY OWNERS		
Balance at beginning of financial year	19,241	18,917
Capital transactions with the State in its capacity as owner arising from:		
Appropriations	739	324
Balance at end of financial year	19,980	19,241
(B) ACCUMULATED SURPLUS/(DEFICIT)		
Balance at beginning of financial year	(8,208)	(7,020)
Net result	(2,949)	(1,188)
Balance at end of financial year	(11,157)	(8,208)
Total equity at the end of the financial year	8,823	11,033

19. Transactions on behalf of the State and local government

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.

	State		Local Government	
	2007	2006	2007	2006
	\$′000	\$′000	\$'000	\$'000
Administered income				
Fees	877	8,812	-	-
Fines	375	-	110	2,864
Candidates deposits	249	-	10	321
Electoral entitlements	7,390	-	-	-
Total administered income	8,891	8,812	120	3,185
Administered expenses				
Fees	1,103	9,193	_	_
Fines	-	-	339	2,879
Candidates deposits	171	-	8	321
Electoral entitlements	7,395	-	-	-
Total administered expenses	8,669	9,193	347	3,200
Administered assets				
Bank	40	25	11	268
Receivables	674	632	-	-
Total administered assets	714	657	11	268
Administered liabilities				
Candidates deposits	-	-	4	2
Compulsory voting fines	40	-	7	266
Payables	73	239	-	-
Total administered liabilities	113	239	11	268

for the financial year ended 30 June 2007

20. Ex-gratia payments

The Commission made no ex-gratia payments during the reporting period. (2006 - Nil)

21. 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 Officer in the Commission are as follows:

Electoral Commissioner Mr Steven Tully 1 July 2006 to 30 June 2007 Deputy Electoral Commissioner Ms Liz Williams 1 July 2006 to 30 June 2007

Remuneration

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

\$220,000 - \$229,999 (\$210,000 - \$219,999 in 2006) \$140,000 - \$149,999 (\$90,000 - \$99,999 in 2006)

22. Remuneration of auditors

	2007 \$'000	2006 \$'000
Victorian Auditor General's Office		
Audit or review of the financial report	14	14
	14	14

23. 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 statements 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 statements present fairly the financial transactions during the year ended 30 June 2007 and financial position of the Commission as at 30 June 2007.

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

Steve Tully

Electoral Commissioner Victorian Electoral Commission

Melbourne 16 August 2007

Manager Finance and Budget

Victorian Electoral Commission

David Clarke

Melbourne

16 August 2007

Auditor-General's Report



INDEPENDENT AUDIT REPORT

Victorian Electoral Commission

To the Members of the Parliament of Victoria and the Electoral Commissioner

Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report for the financial year ended 30 June 2007 relates to the financial report of the Victorian Electoral Commission included on its web site. 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 below. 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 this web site.

The Financial Report

The accompanying financial report for the year ended 30 June 2007 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 Responsibility of the Electoral Commissioner 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 Electoral Commissioner'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 Commission'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.

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Auditing in the Public Interest

Auditor-General's Report



Independent Audit Report (continued)

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

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. The Auditor-General, his staff and delegates comply 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 2007 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 11 September 2007 D.D.R. Pearson Auditor-General

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Auditing in the Public Interest

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Appendix 1 2006-07 outcomes of applications to the Municipal Electoral Tribunal

Council	Details	Status
Brimbank (2005) Grasslands Ward	Failure of Returning Officer to deal with breaches of s.55A, s.57 and s.59 of the Local Government Act 1989.	Hearing scheduled 31 May 2006 Adjourned until 17 July 2006
	Returning Officer allowed distribution of misleading and deceptive material within 400 metres of polling places.	Further adjourned until 30 August 2006 Application dismissed on 17 October 2006
Moonee Valley (2005) McCracken Ward	Failure of VEC to distribute voter notice in accordance with Regulation 43.	Hearing scheduled for 23 - 25 May 2006 Adjourned to 12-14 July 2006 Application dismissed on 23 August 2006

Appendix 2
Victorian registered political parties as at 30 June 2007

Political Party	Registered Officer		
Australian Democrats (Victorian Division)	Mr R Stone Registered Officer G1 Eastbourne House 62 Wellington Parade East Melbourne VIC 3002		
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 Registered Officer PO Box 99 Sandown Village VIC 3171		
Citizens Electoral Council (Victorian Division)	Ms Gabrielle Marie Peut Registered Officer 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 Registered Officer PO Box 8118 Monash University Clayton VIC 3168		
Family First Party Victoria Inc.	Mr Rodney Groves Registered Officer PO Box 4631 Knox City Wantirna South VIC 3152		
Liberal Party of Australia - Victorian Division	Mr Julian Sheezel 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 Registered Officer PO Box 12427 A'Beckett Street VIC 8006		
The Australian Greens - Victoria	Mr Gurmeet Sekhon Registered Officer GPO Box 4589 Melbourne VIC 3001		

Appendix 3
Enrolment as at 30 June 2007

Electorate	Members	Electors	Deviation	Electorate	Members	Electors	Deviation
Bayswater District	1	36,886	-4.64%	Albert Park District	1	44,282	+14.48%
Box Hill District	1	38,467	-0.55%	Bentleigh District	1	37,812	-2.25%
Bulleen District	1	35,116	-9.22%	Brighton District	1	37,160	-3.93%
Doncaster District	1	36,066	-6.76%	Burwood District	1	38,551	-0.34%
Eltham District	1	38,448	-0.60%	Caulfield District	1	36,734	-5.03%
Ferntree Gully District	1	41,969	+8.50%	Hawthorn District	1	38,162	-1.34%
Forest Hill District	1	36,862	-4.70%	Kew District	1	36,196	-6.42%
Kilsyth District	1	38,824	+0.37%	Malvern District	1	37,600	-2.79%
Mitcham District	1	36,646	-5.26%	Oakleigh District	1	35,067	-9.34%
Scoresby District	1	38,633	-0.12%	Prahran District	1	38,490	-0.49%
Warrandyte District	1	40,044	+3.52%	Sandringham District	1	36,754	-4.98%
Eastern Metropolitan	5	417,961	-1.77%	Southern Metropolitan	5	416,808	-2.04%
		(4.000	6.0004			(0.000	/ 040/
Bass District	1	41,033	+6.08%	Carrum District	1	40,308	+4.21%
Evelyn District	1	38,106	-1.49%	Clayton District	1	33,907	-12.34%
Gembrook District	1	39,449	+1.99%	Cranbourne District	1	41,864	+8.23%
Gippsland East District	1	39,602	+2.38%	Dandenong District	1	35,447	-8.36%
Gippsland South District		37,612	-2.76%	Frankston District	1	36,040	-6.83%
Hastings District	1	40,828	+5.55%	Lyndhurst District	1	37,732	-2.45%
Monbulk District	1	36,726	-5.05%	Mordialloc District	1	39,772	+2.82%
Mornington District	1	37,563	-2.89%	Mount Waverley District	1	37,043	-4.23%
Morwell District	1	37,233	-3.74%	Mulgrave District	1	34,565	-10.64%
Narracan District	1	39,488	+2.09%	Narre Warren North Distric		38,058	-1.61%
Nepean District	1	37,126	-4.02%	Narre Warren South Distric		47,367	+22.46%
Eastern Victoria	5	424,766	-0.17%	South Eastern Metropolita	n 5	422,103	-0.80%
Broadmeadows District	1	37,294	-3.59%	Altona District	1	43,202	+11.69%
Brunswick District	1	40,266	+4.10%	Derrimut District	1	36,908	-4.58%
Bundoora District	1	35,842	-7.34%	Essendon District	1	37,940	-1.92%
Ivanhoe District	1	37,583	-2.84%	Footscray District	1	38,288	-1.02%
Melbourne District	1	39,521	+2.17%	Keilor District	1	47,683	+23.27%
Mill Park District	1	39,306	+1.62%	Kororoit District	1	39,301	+1.60%
Northcote District	1	38,789	+0.28%	Niddrie District	1	36,258	-6.26%
Preston District	1	38,200	-1.24%	Pascoe Vale District	1	39,082	+1.04%
Richmond District	1	39,320	+1.65%	Tarneit District	1	42,753	+10.53%
Thomastown District	1	37,017	-4.30%	Williamstown District	1	37,690	-2.56%
Yan Yean District	1	42,628	+10.20%	Yuroke District	1	42,885	+10.87%
Northern Metropolitan	5	425,766	+0.06%	Western Metropolitan	5	441,990	+3.88%
Benalla District	1	35,861	-7.29%	Ballarat East District	1	37,995	-1.77%
Benambra District	1	35,748	-7 . 58%	Ballarat West District	1	41,906	+8.34%
Bendigo East District	1	38,191	-1.27%	Bellarine District	1	41,370	+6.95%
Bendigo West District	1	39,858	+3.04%	Geelong District	1	39,533	+2.20%
Macedon District	1	43,502	+12.46%	Lara District	1	41,304	+6.78%
Mildura District	1	36,810	-4.84%	Lowan District	1	38,417	-0.68%
Murray Valley District	1	37,209	-3.81%	Melton District	1	39,222	+1.40%
Rodney District	1	35,860	-7.29%	Polwarth District	1	40,439	+4.54%
Seymour District	1	38,794	+0.29%	Ripon District	1	36,583	-5.42%
Shepparton District	1	36,576	+0.29% -5.44%	South Barwon District	1	43,943	+13.60%
Swan Hill District	1	33,833		South-West Coast District	1	43,943	+13.60%
			-12.53%	_			
Northern Victoria	5	412,242	-3.11%	Western Victoria	5	442,326	+3.96%
				Totals-Districts Totals-Regions	88 40	3,403,962	
				District Average Region Average		38,681 425,495	

Freedom of information: 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, Victoria. 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, Victoria in a separate system from the VEC registry.

Other records

A 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.

A register of all organisations to whom the VEC has provided access to the electoral roll under the section 34 of the Act is available for inspection.

FOI arrangements

Requests for access to VEC records are dealt with by the Office's FOI Manager:

Ms Sue Lang FOI Manager Victorian Electoral Commission Level 8, 505 Little Collins Street Melbourne Victoria 3000 Tel: (03) 9299 0520

Applicants can request to inspect a document, to obtain a copy, or both to see it and obtain a copy. Other forms of access can also be granted depending on the nature of the request and the type of document. For example, producing a printed document containing information held on computer equipment.

Requests should be made in writing, accompanied by a 22.00 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.

Sometimes the VEC cannot grant full access to documents. The classes of documents that are exempt from release are detailed in Part IV of the Act. 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).

Charges under the Act

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

- * application fee: \$22.00;
- * 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
- * deposits: 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.

Legislation governing the work of the Electoral Commissioner and the Victorian Electoral Commission

Constitution Act 1975 Electoral Act 2002

Legislation imposing certain duties on the Electoral Commissioner:

Agricultural Industry Development Act 1990 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 Records Act 2001

Information Privacy Act 2000

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

Relevant regulations:

Agricultural Industry Development (Polls) Regulations 2001

City of Melbourne (Elections) Regulations 2001

Electoral Regulations 2002

Freedom of Information (Access Charges) Regulations 1993

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

Pecuniary interest declaration

The Electoral Commissioner, Mr Steve Tully, and the Deputy Electoral Commissioner, Ms Liz Williams, have completed declarations of pecuniary interests.

Appendix 7

Consultants engaged -1 July 2006 to 30 June 2007

Consultancy engagements over \$100,000 Nil
Consultancy engagements under \$100,000 Nine
Total cost \$68,072.96

Appendix 8

Disclosure of Accredited Purchasing Unit (APU) approved contracts

APU ref number: 025/06-07

Title of contract: Space Rental - Melbourne Exhibition and Convention Centre for the 2006 State Election

Tally Room and Upper House Computer Count

Period of contract: 20 November 2006 to 20 December 2006

Contractor details: Melbourne Exhibition and Convention Centre, PO Box 286, WTC Post Office, Melbourne VIC 8002

Contractor ABN: 17 434 289 169
Contract value approved: \$521,077

APU ref number: 037/06-07

Title of contract: The Provision of Temporary Data Entry Operators for the 2006 State Election Computer Count

Period of contract: 3 October 2006 to 12 December 2006

Contractor details: Dixon Appointments, Level 2, 303 Little Collins Street, Melbourne VIC 3000

Contractor ABN: 51 097 149 418
Contract value approved: \$523,745

APU ref number: 038/06-07

Title of contract: The Provision of Temporary Staff for the 2006 State Election Central Processing Centre

Period of contract: 3 October 2006 to 6 December 2006

Contractor details: Dixon Appointments, Level 2, 303 Little Collins Street, Melbourne VIC 3000

Contractor ABN: 51 097 149 418
Contract value approved: \$846,932

Additional information available on request

Relevant information relating to the 2006-07 reporting period to be made available to Ministers, Members of Parliament and the public on request and subject to the provisions of the Freedom of Information Act 1982 include:

- (a) a statement that declarations of pecuniary interests have been duly completed by all relevant officers;
- (b) details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary;
- (c) details of publications produced by the VEC about itself, and how these can be obtained;
- (d) details of changes in prices, fees, charges, rates and levies charged by the VEC;
- (e) details of any major external reviews carried out on the VEC;
- (f) details of major research and development activities undertaken by the VEC;
- (g) details of overseas visits undertaken including a summary of the objectives and outcomes of each visit;
- (h) details of major promotional, public relations and marketing activities undertaken by the VEC to develop community awareness of the entity and its services;
- (i) details of assessments and measures undertaken to improve the occupational health and safety of employees;
- (j) a general statement on industrial relations within the VEC and details of time lost through industrial accidents and disputes; and
- (k) a list of major committees sponsored by the VEC, the purposes of each committee and the extent to which the purposes have been achieved.

Glossary

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 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.

Compulsory enrolment

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

Compulsory voting

All enrolled electors must vote at State and local government elections. Exceptions exist at local government elections for people aged 70 or over, or people who are entitled to vote but do not live in the ward or municipality in which an election is being conducted. While it is compulsory for people aged 70 or over to vote at State elections, the VEC does not enforce a penalty in these cases.

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.

Councillor

An elected member of a municipal Council.

Countback

Method of filling extraordinary vacancies in multi-member wards, ridings 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. Each district elects one member and comprises approximately 38,500 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 and statutory elections.

Electoral enrolment register

The VEC's database of all Victorian electors.

Electoral roll

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

Enrolment

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

General postal voter (GPV)

A voter who has difficulty getting to a voting centre on election day can register as a GPV. GPVs include people with a disability, 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 declaration certificate envelopes.

Geocoding

Geocoding is the process of assigning geographic identifiers (eg. 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 by party or candidate 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 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 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".

Preferential voting

A vote for all candidates in order of preference. If no candidate has an absolute majority of 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 425,000 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 be also be appointed to act as returning officers or deputy returning officers for a local government election.

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 and by-elections are early voting centres, mobile voting centres and election day voting centres.



VEC Victorian Electoral Commission

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Fax +61 3 9629 8632

- For enquiries in languages other than English call our interpreting service:
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 粵語 9209 0101 Chinese (Cantonese) Hrvatski 9209 0102 Croatian پن 9209 0193 Dari Dinka 9209 0119
 Еλληνικά 9209 0103 Greek Italiano 9209 0104 Italian 한국어 9209 0194 Korean Македонски 9209 0105 Macedonian
 國語 9209 0106 Chinese (Mandarin) ياك 9209 0195 Parsian Русский 9209 0196 Russian Српски 9209 0107 Serbian
 Soomalii 9209 0108 Somali Español 9209 0109 Spanish Türkçe 9209 0110 Turkish Việt-ngữ 9209 0111 Vietnamese
 All other non-English languages 9209 0112

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