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The year in review

COMMISSIONER'S REVIEW

The principle of integrity is fundamental to a successful democracy and is achieved when a number of important elements come together: impartial, legal, accurate and transparent electoral outcomes, and a community that is educated in electoral matters and confident in the electoral process. That is why integrity is at the heart of all electoral services.

In these terms, 2013–14 has been a year of mixed outcomes for the AEC. We have delivered education and communication campaigns to help Australians fulfil their electoral obligations. We have delivered multiple elections, successfully trialling new technology such as electronic certified lists and online postal vote applications. We have also provided a broad range of electoral support services to candidates and parties, state and territory governments and international partners across the Asia-Pacific. All of these activities help support the health of democracy at home and abroad.

Without doubt, however, the pivotal event for the AEC in 2013–14 was the loss of 1 370 ballot papers during the recount of Senate votes in Western Australia following the 2013 federal election.

The loss of ballot papers, in the context of close margins at key stages of the count, led the AEC to petition the Court of Disputed Returns. The court subsequently declared void the 2013 Senate election result for Western Australia and ordered a fresh election, which was held in April 2014. These were unprecedented events in Australian electoral history and marked a difficult period for the AEC – the most difficult in our history.

The AEC has unreservedly apologised to the voters in Western Australia, to the candidates, the parties and all those affected by the loss of ballot papers. In early 2014, Electoral Commissioner Ed Killesteyn and the Australian Electoral Officer for Western Australia, Peter Kramer, both resigned in acknowledgement of the seriousness of these matters.

On 5 November 2013, the three-person Australian Electoral Commission appointed Mr Mick Keelty AO to conduct an inquiry into the circumstances of the missing ballot papers. Mr Keelty's report, *Inquiry into the 2013 WA Senate Election* (the Keelty Report), was publicly released on 6 December 2013 and is available on the AEC website.

Mr Keelty found significant failures in a number of procedures for the secure handling, movement and storage of Senate ballot papers in Western Australia. He made 32 recommendations for reform of the AEC's logistics management, contract management, processes, ballot paper security and culture. The three-person Australian Electoral Commission considered the Keelty Report before its public release and accepted all 32 recommendations.[1]

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1 These events are further documented in this report in The Year in Review – Timeline of key events 2013–14, Report on Performance – Programme 1.2 Election Management, and Governance and Accountability – Judicial scrutiny.

AEC reform

In December 2013, the AEC embarked on a fundamental and far-reaching overhaul of our policies and processes. Our earliest initiatives focused on ballot paper security. We began by mapping the life cycle of the ballot paper to identify and assess all points of risk. We also developed and communicated 'ballot paper principles', which are now displayed in all AEC offices. These principles remind staff of the immutable values that must guide any action relating to ballot papers, and by broader implication all our election services, to ensure they reflect the value we place on the integrity of each vote.

Led by a group of experienced operational staff – known as the Keelty Implementation Taskforce (KIT) – the AEC then considered all of the practical operational reforms needed to ensure these principles are enacted and permanently embedded into AEC operations. KIT has overseen changes such as new training materials, new ballot paper packaging and labelling requirements, enhanced security in all premises where ballot papers are stored, and introduction of the new role of Divisional Materials Manager to provide end-to-end oversight of materials management during an election. These changes and other reforms were implemented at two federal parliamentary elections held in 2014: a by-election in the Queensland Division of Griffith and the fresh Western Australian Senate election.

Following a close and extensive evaluation, the AEC is now implementing these reforms nationally to ensure that, no matter when the next federal election occurs, we will be ready to deliver professional, impartial and transparent electoral services that deliver election outcomes in which all Australians can have confidence.

A renewed focus on integrity

Implementing the recommendations of the Keelty Report is just the beginning of AEC reform. The AEC has also embarked on much broader reform that encompasses all aspects of our programme and services. Roll administration, election delivery, governance and risk management – all are being reviewed with the goal of embedding reform into our ongoing operations. KIT has now transitioned into a Reform Team, in the AEC's Elections branch, to oversee and drive the reform of our standard operating policies and procedures.

A critical focus of AEC reform is the broad issue of integrity. The integrity of all electoral processes is a vital part of ensuring that voters can be confident in election outcomes and confident that the person voting alongside them in a polling place is entitled to vote and only exercises that entitlement once.

To achieve this, this year the AEC reviewed its approach to the way that irregularities such as instances of apparent non-voting and multiple voting are investigated after each election. For example, after the 2013 federal election, the AEC sent enquiry letters to 18 770 voters who had multiple marks against their name on the certified list. The majority of these cases proved to be the result of official error or genuine voter error,[2] but the AEC subsequently referred 7 743 cases to the Australian Federal Police (AFP) for further investigation. This is the largest number of referrals the AEC has ever made to the AFP for multiple voting but such investigations are vital to ensuring the quality and integrity of all election services and ultimately of election outcomes.

2   As at 2 September 2014, 10 972 multiple marks had been confirmed as the result of official error, for example the wrong name being marked off the roll when voters with similar names cast their vote. Of the remaining cases, 2 012 voters admitted to voting more than once, with the vast majority being elderly, having poor literacy and/or a low comprehension of the electoral process.

The AEC has also established an Electoral Integrity Unit to ensure all current AEC processes, not just those implemented during elections, reflect the highest standards of modern electoral administration. Our approach to roll management provides a useful example. The AEC works to maintain roll integrity and we have a number of strategies already in place to ensure enrolments are verified and correct. In the year ahead, we will be reviewing these measures and our enrolment programme overall to provide even greater assurance that our management of the electoral roll meets the highest standards of quality and accuracy.

The broader programme of electoral administration

While implementing these reforms, the AEC has also continued to deliver the broader programme for which it is funded. The AEC's primary outcomes, grounded in the *Commonwealth Electoral Act 1918*, are ensuring a high-integrity electoral roll, delivering fair and credible elections based on the principle of 'one person, one vote', and educating the community on electoral matters so that all Australian citizens can effectively exercise their democratic rights and responsibilities.

In 2013–14, the AEC delivered a full range of activities across all three outcomes. A few highlights include:

- successful delivery of the largest ever close of rolls[1] at the 2013 federal election and electoral roll services to support state, territory and local government elections
- partnerships with other government departments and agencies to provide a wide range of voter and information services to the public during the 2013 federal election
- delivery of Department of Foreign Affairs and Trade funded electoral support programmes in Indonesia, Nepal, Timor-Leste, Papua New Guinea, Bhutan and a number of Pacific Island nations to support election delivery, governance and the health of democracy across the region
- comprehensive communication and public relations programmes to remind eligible Australians of their responsibility to enrol and vote
- support and education services to help voters cast a formal vote, including the introduction of voter information officers to assist voters with low levels of English proficiency
- creating a dedicated Funding and Disclosure branch to deliver high-quality funding and financial disclosure services and continue implementing recommendations in the 2012 McLeod Report[2]
- submissions and assistance to the Joint Standing Committee on Electoral Matters for its *Enquiry into the conduct of the 2013 federal election and matters related thereto*
- the largest review of staff learning and development in recent AEC history to drive high performance and improved service delivery
- early commencement of the next phase of election preparation.

The AEC's reform work will not detract from delivery of this broad programme in the year ahead; rather, it will complement and strengthen our efforts.

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1 The close of rolls is the deadline for eligible people to enrol or update their enrolment details before a federal election. More information is provided in Report on performance – Programme 1.1 Electoral Roll Management.
2 R McLeod 2012, *Review of the Australian Electoral Commission's disclosure compliance function under Part XX of the Commonwealth Electoral Act 1918*, PricewaterhouseCoopers. Available on the AEC website.

The next phase of modernisation

The AEC's commitment to integrity and reform is also being reflected in enhancements to strategic planning and modernisation of our services.

Modernisation has been a core strategic theme for several years and has already delivered a range of benefits: improved services to voters, business and environmental efficiencies such as faster transaction processing, improved accuracy and a reduction in paper usage and other costs. Significantly, these initiatives allow AEC staff to focus more intently on quality assurance and integrity measures – exactly the focus we need them to have as we reform and renew our commitment to quality outcomes in all aspects of our operations.

A successful innovation trialled at the 2013 federal election was a pilot of electronic certified lists (ECLs) in various voting locations across Australia. ECL laptop devices used a mobile broadband network to search for and mark a voter's name off the roll. They provided real-time updates to a central copy of the certified list, printed House of Representative ballot papers on demand, and recorded that a declaration vote had been issued. Overall, the ECL pilot was extremely successful in terms of the efficiencies delivered and positive feedback from voters. The AEC will now consider how ECLs may be used at future elections as part of ongoing modernisation.

Financial performance and resource management

Delivery of reform, as well as our broader programme and ongoing election preparations, will require the AEC to continue to identify efficiencies and productivity savings.

in 2013–14 the AEC recorded an operating surplus of $11.0 million including depreciation. This includes $24.3 million of appropriation revenue for the conduct of the proposed 2013 referendum on local government which did not proceed and which will be returned to Government in 2014–15. Excluding this revenue, overspend in other areas amounted to $13.3 million due mainly to an increase in depreciation and amortisation costs from investment and greater than expected costs for the 2013 federal election. We have already implemented measures to reduce expenses and these will continue in 2014–15 in order to consolidate cash reserves. The successful delivery of future federal elections and referendums to the highest standards will be reliant on the AEC having the appropriate funding and resources.

Looking ahead

There is still significant work ahead for the AEC. We have made some good progress this year and I take heart from the knowledge that across the organisation AEC staff are dedicated to delivering reform and ensuring that our name and reputation becomes once more synonymous with the highest standards of electoral integrity and quality. This is the goal we have set for ourselves on behalf of the Australian community, for whom we deliver election services.

Tom Rogers
Acting Electoral Commissioner

TIMELINE OF KEY EVENTS 2013–14

This timeline outlines the chronology of key election dates, critical events and AEC reform initiatives in 2013–14.

2013	
4 August	Federal election is announced for 7 September 2013.
5 August	Writs for the federal election are issued.
12 August	The electoral roll closes at 8pm – this is the deadline for all eligible voters to enrol or update their enrolment.
15 August	Candidate nominations close at 12pm.
16 August	Declaration of nominations takes place at 12pm.
17 August	Deadline for lodgement of Group Voting Tickets is 12pm.
7 September	Election day.
2 October	Preferences are distributed for the Western Australian Senate election.
	The AEC receives two separate requests for a recount of Western Australian Senate votes. The requests are based on a close margin of 14 votes at one critical exclusion point in the count where, had the position of the two lowest candidates been reversed, the results for the fifth and sixth seats would have been different.
3 October	The Australian Electoral Officer for Western Australia declines the recount requests.
	The Electoral Commissioner receives two appeals for a recount.
4 October	The formal declaration of successful Western Australian Senate candidates is deferred.
10 October	The Electoral Commissioner directs the Australian Electoral Officer for Western Australia to conduct a recount of above-the-line and informal Senate ballots on the basis that:
	…the criticality of the particular Senate candidate exclusion together with the small margin leads me to conclude that it is prudent to confirm the result in the interests of the electorate's confidence in the outcome.[a]
17 October	The Western Australian Senate recount commences – the first since above-the-line voting was introduced in 1984.
	Approximately 1.3 million ballot papers are to be recounted.
	During the recount, it becomes apparent that 1 370 ballot papers are missing.
	The ballots consist of 120 informal votes and 1 250 formal above-the-line votes cast in the Divisions of Forrest and Pearce.
31 October	The Electoral Commissioner announces that the votes are missing and that former Australian Federal Police Commissioner Mr Mick Keelty AO has been engaged to conduct an independent investigation.
2 November	Having exhausted all options for otherwise resolving the result of the election, the distribution of Western Australian Senate preferences is conducted without the missing ballot papers.
4 November	The Western Australian Senate election result, based on the 2 November distribution of preferences, is declared.
5 November	Mr Mick Keelty AO commences his inquiry into the circumstances surrounding the loss of ballot papers.
8 November	The AEC publishes the voting preference information recorded for the missing votes on its website.
15 November	The full three-person Australian Electoral Commission authorises the Electoral Commissioner to lodge a petition with the Court of Disputed Returns in respect of the 2013 WA Senate election.
	The petition seeks an order from the Court of Disputed Returns that the 2013 WA Senate election be declared void.

2 December	Mr Keelty concludes his investigation and provides his report, *Inquiry into the 2013 WA Senate Election*, to the three-person Australian Electoral Commission.
	The report finds there were significant failures in some of the processes and procedures for the secure handling, movement and storage of WA Senate ballot papers. These failures not only increased the risk of ballot papers being mislaid but also made it difficult to detect or accurately determine the fate of the missing ballots.
	Mr Keelty makes 32 recommendations for reform of the AEC's logistics management, contract management, processes and procedures, ballot paper security, and culture.
6 December	The three-person Australian Electoral Commission publicly releases Mr Keelty's report and accepts all recommendations.
11 December	The Keelty Implementation Taskforce (KIT) is convened. The taskforce is made up of experienced operational staff and managers from across the AEC.
16 December	KIT begins planning and implementing the recommendations of Mr Keelty's report.
2014	
6 January	A by-election for the Division of Griffith in Queensland is announced and the writ is issued for an election on 8 February.
8 January	KIT develops a 'folio of interim measures' designed to ensure the integrity of the Griffith by-election and maintain the security of ballot papers at all times. Measures include: ▪ new ballot paper principles ▪ ballot paper secure zones ▪ introduction of a new role of Divisional Materials Manager ▪ improved chain of custody documentation for ballot papers ▪ improved rubbish and waste management policies ▪ detailed guidance on the packaging and parcelling of returned ballot papers.
8 February	Griffith by-election polling day.
17 February	Declaration of results for Griffith by-election.
20 February	After considering a number of petitions disputing the result of the 2013 WA Senate recount, including a petition from the AEC, the Court of Disputed Returns issues an order to void the 2013 WA Senate election.
27 February	Following an evaluation of measures implemented for the Griffith by-election a revised 'folio of interim measures' for the fresh WA Senate election is released. Measures include: ▪ updated forms to assist with recording ballot paper chain of custody ▪ four new policy and guidance documents on ballot handling and security ▪ an adjusted job profile for the new role of Divisional Materials Manager ▪ new packaging materials to improve ballot paper security.
28 February	The Governor of Western Australia issues the writ for a fresh WA Senate election to be held on Saturday 5 April.
15 March	AEC staff in Tasmania, supported by KIT, assist with the Tasmanian state election following new ballot paper security procedures.
4 April	An extended team of AEC staff from across Australia arrive in Western Australia and travel to all divisions to assess compliance with new measures and support and assist staff with implementation on polling day and during counting.
5 April	WA Senate election polling day.
1 May	Return of the writ for the 2014 WA Senate election.
1 August	KIT is reconvened as the Reform Team located within the AEC's Elections Branch.

a. AEC 2013, Australian Electoral Commission statement: *Senate recount in Western Australia* available on the AEC website.

A taskforce for change

On 16 December 2013, a cross-section of experienced AEC divisional, state and national office staff gathered at the AEC's Victorian state office. It was the first meeting of the newly appointed Keelty Implementation Taskforce (KIT), and their task was to implement the recommendations made by Mr Mick Keelty AO in his report *Inquiry into the 2013 WA Senate election*.

Ten days earlier, on 6 December, the three-person Australian Electoral Commission had accepted all 32 of Mr Keelty's recommendations. Now, in the context of a looming by-election in the Queensland Division of Griffith and a possible fresh Senate election in Western Australia, a practical step-by-step plan was required to prioritise reforms and ensure the quality and effectiveness of any new measures introduced.

The team first developed a process map illustrating the life cycle of the ballot paper and identified points in the cycle that posed risks to ballot security. They then made a list of possible solutions in the form of products, policy ideas and tracking forms. In this way, the 'folio of interim measures' was born.

At their second meeting in the new year, KIT worked quickly to finalise a number of new measures. These included:

- dissemination of ballot paper principles for display in all AEC offices to visually reinforce the importance of ballot paper security
- updated ballot paper security and related information in revised election procedures manuals and training materials for polling officials
- preparation of secure ballot paper storage areas in the Brisbane office in time for the arrival of by-election ballot papers
- development of tamper-evident labels
- a 'folio of interim measures' for the Griffith by-election, comprising new forms, new packaging labels, new policy and guidance documents and a job profile for the new role of Divisional Materials Manager.

Griffith by-election

The Griffith by-election was announced in January 2014. Once the proposed new measures were approved, KIT members travelled to Brisbane and met with the Queensland state management team and Griffith divisional staff. This was an opportunity to discuss the new measures, gather views and feedback and make further changes and improvements.

Queensland staff fully embraced the proposals, suggested improvements and in some cases went above and beyond KIT requirements. The result was a more rigorous risk management approach to the handling and custody of ballot papers and a more transparent outcome for voters and stakeholders.

2014 Western Australian Senate election

On 20 February 2014, three days after the declaration of results in Griffith, the Court of Disputed Returns declared the 2013 Western Australian Senate election void. KIT members had already travelled to Western Australia a number of times to brief state colleagues and these discussions led to an updated 'folio of interim measures' for the WA Senate election.

This election posed a number of fresh challenges – not least being the logistical challenges of vast distances across Western Australia. To support local staff, KIT members and AEC officers from across Australia maintained an active presence – both in Perth and outlying divisions – throughout the election. Once again, local staff worked with KIT to implement the new measures, identify issues and suggest improvements.

The return of the Western Australian Senate writ on 1 May 2014 and the safe arrival of all ballot papers at the AEC's Perth warehouse, marked the conclusion of an election which had seen vast improvements in ballot paper security and tracking, material segregation and control, and a greater level of accountability and transparency across all AEC procedures.

Reform Team

Following the Griffith and WA Senate elections, KIT embarked on a detailed evaluation of all new measures to ensure their scalability, practicality and affordability across all AEC offices in a federal election.

On 1 August 2014, KIT became the Reform Team and was given a new long-term home in the Elections Branch. The new team's role is to work closely with key stakeholders and AEC staff throughout Australia to implement all 32 Keelty Report recommendations, as well as recommendations from other internal and external reviews. This ongoing reform programme seeks to ensure that the principles of quality, integrity and consistency are embedded and evident in all AEC operations.