813 APS employees

240 staff complete the Election Readiness Program
Section 5
Management and accountability

Information on the management and accountability of the AEC, including governance, scrutiny and managing staff and assets.

IN THIS SECTION

50 Corporate governance – principles and objectives
52 External scrutiny
54 Managing and developing staff
58 Assets management
59 Purchasing
Section 5
Management and accountability

Corporate governance – principles and objectives
The AEC has the following structures in place to implement the principles and objectives of corporate governance:

- an executive leadership team which monitors performance, ensures accountability and steers the agency
- decision-making management committees – see Table 9 for a list as well as functions and membership
- discussion forums (see Appendix B)

Ethical standards
The AEC’s ethical standards are implicit in:

- our values of electoral integrity through professionalism, agility and quality
- the Australian Public Service ICARE values of impartiality, committed to service, accountable, respectful, and ethical
- our Enterprise Agreement 2016–2019, which reflects the values and ethical standards of the Australian Public Service Code of Conduct
- the AEC’s strategic planning framework and staff conduct policies

Internal audit
The Business Assurance Committee and the Internal Audit program oversee the AEC’s internal audit arrangements and approach.

The committee provides independent assurance that the AEC’s risk management, governance and internal control processes are operating effectively. The scope, responsibilities and independence requirements for audit functions are in the AEC audit charter endorsed by this committee.

Risk management
Risk management is discussed in AEC committees. These include the:

- Executive Leadership Team
- National Election Delivery Committee
- Business Assurance Committee
- Fraud Control Committee
- Organisational Health Committee

More information on committees is in Table 8.

To assess risk maturity, the AEC participates in Comcover’s risk management annual benchmarking survey. In 2017–18 the AEC’s risk management activities included a risk culture review to identify strengths, challenges and opportunities.
Fraud control
The AEC Fraud Control Plan highlights the AEC’s low tolerance to fraud regarding AEC operations and services. As required by section 10 of the Public Governance, Performance and Accountability Act 2013, we have:

- prepared fraud risk assessments and fraud control plans
- appropriate fraud prevention, detection, investigation and reporting mechanisms that meet the AEC’s specific needs
- taken all reasonable measures to deal with fraud appropriately

The AEC Fraud Control Plan outlines strategies to prevent, detect and respond to fraud, including prevention strategies for both corporate and electoral fraud. Our Fraud Control Committee (see Table 8) oversees the plan.

The AEC examines all allegations of suspected fraud including complaints related to the Australian Marriage Law Postal Survey.

Information on reporting suspected fraud is available to staff through the intranet and mandatory fraud awareness training. For the public, this information is on the AEC website.

Internal planning processes
The AEC’s corporate planning processes support corporate governance and are undertaken in line with the requirements of the PGPA Act. The corporate plan, available on the AEC website, informs operational planning and performance and is reflected in the AEC’s corporate planning documents (see appendix B).

The corporate plan informs operational planning and performance and is reflected in the AEC’s corporate planning documents.

Internal reporting and mid-term performance assessments help track progress against performance criteria. Information on how the corporate plan contributes to specified outcomes is in the performance statement on page 12.

Corporate planning documents, including internal monitoring and reporting mechanisms, are listed in Table 7 of appendix B.
Management and accountability

External scrutiny

Judicial decisions

Candidate and Members of Parliament qualifications under section 44 of the Constitution

In 2017–18 the High Court – sitting as the Court of Disputed Returns – made decisions that involved the qualifications of candidates and members of Parliament under section 44 of the Constitution.

Under an Administrative Arrangements Order made by the Governor-General, responsibility for administering the Constitution sits with the Attorney-General’s Department.

Where the High Court, sitting as the Court of Disputed Returns, finds that a member of Parliament is disqualified by the operation of section 44 of the Constitution, the AEC is instructed to fill the vacancy that is created by conducting either a special count (where the matter involves a sitting Senator) or a by-election (where the matter involves a sitting Member of the House of Representatives).

Decisions of the Court of Disputed Returns during the reporting period include:

- Re Culleton (No. 2) [2017] HCA 4
- Re Day (No. 2) [2017] HCA 14
- Re Canavan; Re Ludlam; Re Waters; Re Roberts [No 2]; Re Joyce; Re Nash; Re Xenophon [2017] HCA 45
- Re Nash (No.2) [2017] HCA 52
- Re Lambie [2018] HCA 5
- Re Kakoschke-Moore [2018] HCA 10, and
- Re Gallagher [2018] 17

The Australian Marriage Law Postal Survey

In assisting the Australian Bureau of Statistics to conduct the Australian Marriage Law Postal Survey, the AEC was a party to the proceedings in Wilkie v The Commonwealth; Australian Marriage Equality Ltd v Cormann [2017] HCA 40.

The High Court considered the power of the AEC to enter into arrangements for the supply of goods or services to any person or body under section 7A of the Electoral Act. The plaintiff argued that the AEC did not have the power to enter into the arrangements with the ABS to help conduct the postal survey as this was outside the ‘functions’ of the AEC identified in section 7 of the Electoral Act.

The AEC values of electoral integrity through quality, agility and professionalism, guide the work of AEC.

The High Court dismissed the plaintiff’s argument on this issue, finding that making and honouring arrangements under section 7A is itself one of the functions of the AEC identified in section 7(1)(a) of the Electoral Act. The AEC was able to continue to provide services to the ABS and helped conduct the postal survey.

More information on the AEC’s involvement in the Marriage Law Survey is on pages 29, 47 and 53.
Administrative Appeals Tribunal decisions
In 2017–18 one matter before the Administrative Appeals Tribunal had significant impact on the AEC: Watson v Australian Electoral Commission and Anor – AAT 2017/3419.

On 19 June 2017 the Administrative Appeals Tribunal notified the AEC of an application under the Electoral Act to register the logo of the Australia First Party (NSW) Incorporated. This logo includes a representation of the Eureka flag. Objections to the logo registration were based on its reputed creation as a symbol of defiance.

Due to the operation of section 127 of the Electoral Act (including the issuing of writs for various by-elections) throughout the reporting period, this matter has not yet been set down for hearing.

Australian Information Commissioner decisions
There were no reports of privacy breaches to the Australian Information Commissioner during the reporting period. However, the AEC did receive a notice from the Office of the Australian Information Commissioner relating to a complaint about handling information on a silent elector. The AEC’s response was that the complaint was misconceived.

Australian Human Rights Commission
The AEC conducts criminal record checks as part of its vetting process for senior polling officials. In June and July the AEC was notified of several complaints lodged with the Australian Human Rights Commission alleging criminal record discrimination under the Australian Human Rights Commission Act 1986. One complaint, which was outstanding at the end of the previous reporting period, was subsequently dismissed.

In May 2018 the AEC was notified of an allegation of disability discrimination related to an employee redundancy offer. This complaint is still outstanding.

Auditor-General reports
There were no Auditor-General reports during the reporting period.

Parliamentary committees
The AEC works closely with the Joint Standing Committee on Electoral Matters and the Department of Finance to promote opportunities and risks in the electoral environment and the need to modernise key election management systems.

In 2017–18 the AEC:
- provided information and advice on electoral management and the delivery of electoral services to three parliamentary committees for six inquiries
- made 10 submissions and attended eight public hearings
- attended three Senate Estimates hearings and responded to 48 Senate Estimates Questions on Notice
Management and accountability

Table 2: AEC APS workforce by employment type and classification (excluding statuary office holders) as at 30 June 2018

<table>
<thead>
<tr>
<th>Classification</th>
<th>Ongoing</th>
<th>Non-ongoing</th>
<th>Casual</th>
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</thead>
<tbody>
<tr>
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<td>0</td>
</tr>
<tr>
<td>SES Band 1</td>
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<td>0</td>
<td>0</td>
</tr>
<tr>
<td>EL 2</td>
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<td>8</td>
<td>1</td>
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<tr>
<td>APS 6</td>
<td>194</td>
<td>10</td>
<td>3</td>
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</tr>
<tr>
<td>APS 1</td>
<td>0</td>
<td>0</td>
<td>974</td>
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</table>

Detailed workforce statistics are available at appendix H.

Commonwealth Ombudsman investigations

There were no investigations undertaken by the Ombudsman into the AEC’s administration during the reporting period.

Freedom of information

The AEC’s Information Publication Scheme under the Freedom of Information Act 1982 can be found at www.aec.gov.au

Customer scrutiny

The AEC’s service charter – available www.aec.gov.au – outlines the agency’s role and purpose and the services the public can expected to receive.

Public engagement policies, procedures and tools are also available for staff. The AEC routinely examines enquiry trends to improve public information and services.

Managing and developing staff

The AEC effectively manages and develops employees to deliver electoral events and services through the AEC’s training and performance management programs.

Terms and conditions of employment

At 30 June 2018 the AEC had a regular workforce of 813 APS employees, a casual workforce of 986 APS employees and eight statutory office holders. Twenty-five APS staff had identified as Aboriginal and Torres Strait Islander (13 ongoing, two non-ongoing and 10 casual). See page 56 for information on disability reporting.

A table of statutory appointments is at appendix H, Table 28.

Employees are also engaged to work on election events. A breakdown of APS ongoing, non-ongoing and casual staff by classification is shown in Appendix H, Table 25.
Most AEC staff are covered by the AEC Enterprise Agreement 2016–2019 published on the AEC website. This outlines salaries and conditions of employment. Under the Agreement, staff receive a range of non-salary benefits.

The AEC supports employees with caring responsibilities as outlined in the Carer Recognition Act 2010. Employees are eligible for paid personal leave (carer’s) under the agreement.

The Electoral Commissioner may agree to individual flexibility arrangements with employees, which can vary the effect of the terms of the Enterprise Agreement. The Electoral Commissioner agreed to 29 new individual flexibility arrangements, with 23 of these still active at 30 June 2018.

The AEC also has a collective determination for staff engaged under section 35(1) of the Electoral Act. Set by the Electoral Commissioner, this determination covers temporary staff such as polling officials (election period only). The collective determination is being reviewed for the next federal election.

Performance pay

The agreement requires all employees engaged under section 22(2) of the Public Service Act 1999 to participate in the AEC’s Performance Management Program. Eligible employees who meet the requirements receive salary advancement. The AEC does not provide performance bonuses.
Terms and conditions of SES employees

The AEC has 12 SES staff. The terms and conditions of employment, predominantly for senior executive service and executive level officers, can be set with individual determinations by the Electoral Commissioner under section 24(1) of the Public Service Act 1999.

In 2017–18 the terms and conditions of employment of ten employees, predominantly senior executive service and executive level officers, were set by individual determinations by the Electoral Commissioner under section 24(1) of the Public Service Act 1999.

The Remuneration Tribunal determines the Electoral Commissioner’s remuneration under the Remuneration Tribunal Act 1973. Other statutory appointees were part of the principal executive officer structure under the Remuneration Tribunal Act 1973. The Electoral Commissioner determined the remuneration and conditions for these appointees within parameters set by the tribunal. All statutory appointment holders in the AEC transitioned to the full-time office holder structure from 30 April 2018. The Remuneration Tribunal now determines the remuneration for these positions. Details of executive remuneration are published on the AEC and Remuneration Tribunal websites. For full disclosure of remuneration see the financial statements on page 62.

Disability reporting mechanisms

The AEC provides a variety of education and communication initiatives to meet the needs of Australians with disability. These are reported through the National Disability Strategy 2010–2020 and the State of the Service report.

Since 1994 non-corporate Commonwealth entities have reported on their performance as policy adviser, purchaser, employer, regulator and provider under the Commonwealth Disability Strategy. In 2007–08 reporting on the employer role was transferred to the Australian Public Service Commission’s State of the Service reports and the APS Statistical Bulletin. These reports are available at www.apsc.gov.au.

From 2010–11 entities have no longer been required to report on these functions.

The Commonwealth Disability Strategy has been overtaken by the National Disability Strategy 2010–2020 which sets out a 10-year national policy framework to improve the lives of people with disability, promote participation and create a more inclusive society. A high-level, two-yearly report will track progress against each of the six outcome areas of the strategy and present a picture of how people with disability are faring. The first of these progress reports was published in 2014 and can be found at www.dss.gov.au.
Table 3: New claims for compensable and non-compensable injuries

<table>
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<th></th>
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<td>17</td>
<td>14</td>
<td>14</td>
<td>23</td>
<td>12</td>
</tr>
<tr>
<td>Non-compensable</td>
<td>32</td>
<td>19</td>
<td>41</td>
<td>42</td>
<td>41</td>
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<tr>
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<td>NA</td>
<td>NA</td>
<td>NA</td>
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<tr>
<td>Total</td>
<td>49</td>
<td>33</td>
<td>55</td>
<td>65</td>
<td>58</td>
</tr>
</tbody>
</table>

**Workforce planning**

The AEC develops workforce strategies to reduce identified risks for both day-to-day operations and delivery of electoral events.

Workforce planning is done at three levels (divisional, state/branch/agency-wide) and is informed by operational plans, business plans and the corporate plan.

To improve workforce planning the AEC is increasingly using business intelligence and data to support decision-making and service delivery.

**Work health and safety**

As part of its compliance obligations under the *Work Health and Safety Act 2011*, the *Safety, Rehabilitation and Compensation Act 1988* and the Guidelines for Rehabilitation Authorities 2012, the AEC has the following systems to monitor, evaluate and maintain health, safety and welfare:

- our Rehabilitation Management System which meets Comcare’s Guidelines for Rehabilitation Authorities 2012 under section 41 of the *Safety Rehabilitation and Compensation Act 1988*
- our work health and safety management system *AECsafety*
- an electronic incident management system through Aurion

There were 175 health and safety incidents reported this year, compared with 104 for the previous year.

Additional initiatives to monitor, evaluate and maintain health, safety and welfare across the AEC include:

- our Employee Assistance Program
- annual influenza vaccinations
- an early intervention program
- resilience workshops
- workstation assessments and ergonomic equipment
- making reasonable workplace adjustments to enable a person with a disability or other circumstances to perform their role and participate equally in working life

**Claims management**

Injury and illness claims during the year consisted of:

- 13 new cases for compensation (of which nine were accepted by Comcare and two were withdrawn) (see Table 3)
- 19 continuing cases for compensation
- 37 new cases of non-compensable injuries or illness
- five continuing cases of non-compensable injuries or illness
Five incidents were reported to Comcare. None were notifiable for serious injury or illness, and one was notifiable for a dangerous occurrence. No Comcare investigations were undertaken and there were no liaison inspections.

The AEC conducted one investigation during 2017–18.

**Developing people**

The National Training and Education Unit (NTEU) was established in early 2018 as part of the Organisational Design Review and centrally-leads and coordinates AEC training and education. It reflects the AEC’s significant investment in revising the approach to staff learning and development.

The revised approach builds:

- critical operational and leadership capabilities that underpin election readiness
- a culture of compliance, electoral integrity and professionalism

Programs include:

- an Australian electoral officer capacity building program to train and support staff to deliver elections in their state or territory
- the AEC’s flagship training initiative, the Election Readiness Program. This builds critical operational and leadership capabilities for divisional returning officers. Since its launch in February 2018 the initiative has been provided to more than 240 AEC staff
- the Election Experience Program which provides hands-on practical election experience

The by-elections conducted this year provided hands-on experience through the Election Experience Program. Participants were able to work at both a polling centre on polling day and an out-posted centre after polling day.

The establishment of the National Training and Education Unit reflects the AEC’s significant investment in revising the approach to staff learning and development.

AEC e-learning courses were improved, enabling staff to improve knowledge in areas related to their roles and responsibilities, including legislation and policy requirements.

More information on how the AEC is developing the workforce is at page 28.

**Assets management**

**Physical assets**

The AEC’s physical assets are managed on an end of life or end of lease schedule. These include machines, equipment and office fit-outs. Asset management is not a significant aspect of the AEC’s strategic business, and service and maintenance agreements are used when they represent value for money.

**Environmental performance and sustainable development**

In accordance with section 516A of the *Environment Protection and Biodiversity Conservation Act 1999*, the AEC reports on environmental performance and
measures that minimise environmental impact, including:

- the Department of Environment and Energy’s Energy Efficiency in Government Operations policy
- fleet monitoring body guidelines for use of ethanol

The AEC’s environment management commitment is on the AEC website.

Standards, programs and innovative practices are in place to improve energy efficiency and minimise the effect of office operations on the environment. These include:

- recycling paper, cardboard, plastics, aluminium and glass toner cartridges
- applying double-sided default printer settings
- using recyclable products where possible
- conserving water
- promoting use of E10 petrol in AEC vehicles and selecting vehicles in accordance with Department of Finance policy
- considering environmental impacts in the design and layout of new and upgraded accommodation

For 2017–18 energy used across all AEC premises was 11,863 megajoules per person. This represents a 34.26 per cent increase on the previous year, due to extended office hours during by-elections.

Unattainable energy usage data was calculated at 500mj/m² in line with Energy Efficiency in Government Operations Policy.

The National Electoral Education Centre in Canberra was accredited as an ACTSmart business for the eighth year.

Purchasing

The AEC’s approach to procuring goods and services is consistent with the:

- Public Governance Performance and Accountability Act 2013
- Commonwealth Procurement Rules
- Department of the Environment and Energy’s Sustainable Procurement Guide

The AEC applies these rules through its accountable authority instructions, supporting operational guidelines, and by continuing to develop procurement skills and processes to improve efficiency and value-for-money.

The AEC has a centralised area of expertise to manage procurement and contracting, including panel arrangements. Tenders are evaluated for:

- energy and consumption demand
- unnecessary consumption
- end-of-life disposal arrangements
Australian National Audit Office
access clauses
All AEC contract templates include a standard clause to provide Auditor–General access to a contractor’s premises. The AEC did not execute any contracts without the Australian National Audit Office access provisions.

Small business
The AEC supports small business participation in the Commonwealth Government procurement market. Small and medium enterprises (SME) and small enterprise participation statistics are on the Department of Finance website at www.finance.gov.au

The AEC recognises the importance of ensuring small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on Treasury’s website at www.treasury.gov.au

Publication of contracts on AusTender
Information on the value of AEC contracts and consultancies is available on the Austender website at www.tenders.gov.au. In 2017–18:

- no contracts or standing offers greater than $10,000 (including GST) were exempt from publication on AusTender on the basis that they would disclose exempt information under the Freedom of Information Act 1982
- the AEC did not administer any discretionary grant programs
- three open tender requests were published

The value of AEC contracts and consultancies in 2017–18 as well as expected procurements are available on AusTender at www.tenders.gov.au

Consultants
Consultants may be engaged to provide specialist expertise, independent research, or to review or assess electoral event matters. These decisions are made in accordance with section 35(2) of the Commonwealth Electoral Act 1918, the PGPA Act and related Regulations (including the Commonwealth Procurement Rules), and relevant internal policies.

During 2017–18, 11 new consultancy contracts were established involving total expenditure of $660,300 including GST.

Five ongoing consultancy contracts were also active during the year involving total expenditure of $785,365 including GST.

Further information on consultancy expenditure is in the financial statements in the following section.