SUMMARY

This research paper provides a brief history of the parliamentary voting systems used in New Zealand. It provides some context for the various attempts to change the voting system by placing it within New Zealand’s wider institutional framework and within the comparative context of OECD nations.

An indicative (non-binding) referendum will be held on 26 November 2011 to determine whether voters wish to retain the Mixed Member Proportional voting system for parliamentary elections. Of the four alternative voting options on the ballot paper, New Zealand has experience of three – first past the post, a form of preferential voting, and single transferable vote.

The FPP voting system was used in New Zealand from 1853 but its use in the 19th century was distinguished by multi-member electorates and the lack of political parties in contrast to its later use in the 20th century.

The Second Ballot Act 1908 saw New Zealand change its voting system for the first time by introducing “essentially a form of preferential voting” for the 1908 and 1911 elections.

A number of factors contributed to the erosion of public trust in the FPP voting system and the re-emergence of electoral reform on the political agenda: atypical elections results in 1978 and 1981; the failure of “third” political parties to achieve more than nominal parliamentary representation from voting support repeatedly above 10%; demands for a more representative parliament; the perceived lack of accountability of single party government.

New Zealand is the only OECD nation to not have any of the following institutional constraints on executive power: a codified constitution, an upper house, an elected head of state, or devolved powers.

Although there were proposals to implement the institutionalised constraints on executive power found in other OECD countries, attention in New Zealand turned instead toward reform of the voting system.

Following the 1986 Royal Commission of Inquiry on the electoral system, a binding referendum was held in 1993 in which 54% of voters elected to change the voting system to MMP.

Three-quarters (70%) of OECD nations (including New Zealand) use proportional voting systems, 15% use semi-proportional systems and 15% use systems that are non-proportional.

For the purposes of the 2011 referendum, the Government has indicated that the size of Parliament (120 seats), the provisions relating to the Māori seats and the provisions relating to a fixed number of seats for the South Island would not change.

Nevertheless, the actual number of general and Māori electorates would change if an alternative voting system was adopted. Under the FPP, PV and STV referendum systems, the number of MPs from general electorates would increase to 108 (currently 63); the number of Māori electorates would increase to 12 (currently 7). Under the Supplementary Member system there would be 81 general electorate and 9 Māori electorate MPs.

If voters do not wish to retain MMP in the 2011 referendum the current Government has committed to holding a second (binding) referendum in conjunction with the 2014 general election. The 2014 referendum will ask voters to choose between MMP and the alternative voting system option that was most preferred by (a plurality of) voters in the 2011 referendum.

If at least 50% of voters choose to keep MMP, the Electoral Commission will review and seek public views on changing aspects of MMP, including the one electorate seat threshold for a party to be eligible for allocation of list seats, the overhang mechanism, and the capacity of a person to be both a constituency candidate and list candidate.
Introduction

At this year’s general election, on 26 November 2011, an indicative (non-binding) referendum will be held to decide whether voters wish to retain the Mixed Member Proportional (MMP) voting system – and if not, which alternative voting system they prefer. Of the voting systems on the ballot paper New Zealand has previously used first past the post (FPP) and a form of preferential voting (PV) in national elections, and currently uses single transferable vote (STV) in some local council elections. Apart from two elections in 1908 and 1911, however, New Zealand parliamentary elections were held under the first-past-the-post (or plurality) system for a period of 140 years – from 1853 to 1993. Although New Zealand has the ninth oldest continuously functioning parliament in the world, changes to the voting system in New Zealand, as elsewhere, have been rare.¹

Changes to the electoral system changes the way votes are translated into seats in parliament, the number of parties represented in parliament, the number of women and ethnic minorities gaining representation, and the number of parties necessary to form a government. Beyond these primary effects, particularly within parliamentary systems, are other consequences arising from voting system change – on governmental effectiveness, governmental accountability to parliament, the policy making process, and political stability.

It is therefore important to evaluate changes to any voting system – and proposed alternatives – within the historical context and the wider framework of a country’s political institutions. It is the overall institutional framework that determines the rules of the game by which democracy is practised, and it is important to note that changing one part of this framework – such as the voting system – is likely to cause adjustments in the way other institutions within it work.²

Electoral rules are not neutral: the way votes translate into seats means that some groups, parties, and representatives are ruled into the policymaking process, and some are ruled out. The core debate concerns whether countries should adopt majoritarian systems which prioritise government effectiveness and accountability, or proportional systems, which promote greater fairness to minority parties and more diversity in social representation. There is no single 'best' system: these arguments represent irresolvable value conflicts… In constitutional design it appears that despite the appeal of ‘electoral engineering’ there are no easy choices.³

This research paper provides a brief history of the parliamentary voting systems used in New Zealand and attempts to change them. It includes an assessment of the drivers of change that led to the adoption of MMP. It provides some context for the voting system by placing it within New Zealand’s wider institutional framework and within the comparative context of OECD nations. The paper shows the trends in polling data on whether the voting system is likely to be retained. The paper then outlines the referendum process, a description of how each of the alternative voting systems work and the countries in which they are used.


The Early Voting System and Reform Efforts

Voting has been a feature of democracy since it was introduced by a number of Greek city-states, notably Athens, following a popular uprising in 508 BC. However, voting was little used by the Athenians – who believed that elections inherently favoured the wealthy and the well-known over average (male) citizens – and preferred selection for public office by sortition (ballot, or lot), as well as rotation of office.

When the first parliamentary election in New Zealand took place in 1853, voting in New Zealand did indeed favour the wealthy with the franchise restricted to males over the age of 21 who owned, leased or rented property of a certain value. Male Māori (usually tribal leaders) were also able to vote although most were effectively excluded because they owned their lands under communal title.

Voting took place under the first-past-the-post (FPP) electoral system which New Zealand inherited from Britain after the British government had passed the New Zealand Constitution Act 1852. The election saw 37 MPs elected from 24 electorates; 12 single-member electorates and 12 multi-member electorates returning from 2 to 3 members each. Not all electorates were contested and candidates tended to be independents. These two aspects – multi-member electorates and the lack of political parties – are important contextual features in the initial use of the FPP voting system in New Zealand.

The use of FPP and multi-member electorates in mid-19th century Britain stemmed from its origins in two-member constituencies to ensure the election of “two knights from every shire and two burgesses from every borough” to the House of Commons. Large, multi-member constituencies are regarded as resulting in a more representative parliament than small constituencies returning only one member each, and a key variable influencing factors like proportionality and accountability.

The use of FPP also pre-dated the emergence of political parties in New Zealand. It seemed ideally suited to the provincial rivalry of the time because it ensured that distinct geographic areas would be represented in Parliament. Of the original 37 MPs, for example, 23 were drawn from 14 North Island electorates, and 14 from 10 South Island electorates. In the absence of any party system, members of Parliament formed factions based on personal ties, or provincial and community interests. This obviated any need for the electoral system to be able to also reflect the preferences of the electors (in terms of parties) as to the distribution of seats in parliament among those parties.

It was also in the context of the provincial, not party, politics of the day that four Māori seats were created through the Māori Representation Act 1867. The Act made it mandatory that the representatives for the Māori seats should themselves be Māori. The Bill’s preliminary proposal however – that the representatives for the Māori seats could be non-Māori (as they are allowed to be today) – worried the South Island representatives who were unhappy at the prospect of

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4 Technically, plurality voting in multimember districts is known as “Block Voting” and is commonly found in countries with weak or non-existent political parties. See Andrew Reynolds, Ben Reilly, and Andrew Ellis, (eds.), Electoral System Design, The New International IDEA Handbook, Stockholm, International Institute for Democracy and Electoral Assistance, 2005, p. 44.


8 Raymond Miller, Party Politics in New Zealand, Oxford University Press, 2005, p. 27.

9 Dummett, op cit., p. 6.
three additional European members from the North Island upsetting the balance of power between the North and South Islands.  

The Representation Act 1881 abolished multi-member constituencies with the 91 European electorates now returning one member only. Responding to the risk that minorities might now be unrepresented, Premier Stout stated

*There is always that danger; but the remedy that we ought to adopt is some system such as the proportional representation scheme which has been adopted and advocated at Home, sooner than have these single-member constituencies, because they really do not give a minority any chance whatever.*  

These concerns about minority representation in single-member seats were somewhat addressed by the Representation Act Amendment Act 1890 which re-introduced multi-member electorates for the four city electorates from 1889 to 1903. Indeed the specific combination (of single member districts and the use of FPP) occurred in New Zealand before it became the norm in the United Kingdom.

In 1878 Frederick Whitaker’s Parliamentary Representation Bill sought (unsuccessfully) to introduce a form of the single transferable vote (STV). With the transition to both single-member electorates and the emergence of political parties, the debate about the appropriateness of the FPP electoral system began to intensify.

Early political parties, such as the Liberal Party, drew their support from voters whose interests, increasingly, were not defined by the boundaries of their electorates. The development of a party system and of mass constituencies in New Zealand helped to weaken the idea that representatives should be elected simply on the basis of their geographical and provincial interests. By 1881 it was accepted that representation should be based on population and was an official acknowledgement that “the representation of individuals was more important than the representation of communities.”  

Although voting still took place for individuals within distinct geographical electorates, increasingly it was the party label of the electorate candidates which voters used to guide their electoral choice.

In 1908 New Zealand changed its voting system for the first time. The Second Ballot Act 1908 stipulated that no candidate could be elected to Parliament unless he (women could not stand) had over 50% of the vote. If that was not achieved in the first ballot, the two top polling candidates had to contest a second ballot a week later.

Used for the 1908 and 1911 elections, the second ballot system was similar in principle to the alternative vote system used in Australia, the two-round system used in France, and the preferential vote (the 2011 referendum option). Sir Joseph Ward, New Zealand Prime Minister at the time, justified the adoption of the second ballot system on “the very important principle that the majority should rule in everything.” In 1908 23 (29%) of the 80 seats required a second ballot, while 30 seats (38% of the 80) went to a second ballot in 1911. Had the second ballot system been in place in New Zealand in 2008, 17 of the 70 electorates (24%) would have had to go to a second ballot, since they were won with less than 50% of the electorate vote.

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A number of candidates (who supported the groups which would later form the basis of the Labour Party in 1916) were considerably helped by the Second Ballot system. Labour-affiliated candidates won one seat in 1908 and four in 1911. Despite the re-introduction of FPP in 1914, Labour-affiliated candidates managed to increase their total to six seats through an electoral accommodation with the Liberal Party.  

Despite the introduction of the second ballot system by the Liberal Government, interest in a proportional representation system for both the lower house and the Legislative Council (the upper house) continued. Liberal MP for Grey Lynn, G. Fowlds, introduced the Proportional Representation and Effective Voting Bill in 1911. Similar to the STV referendum option that would be offered a century later (the 2011 STV option proposes between 24 and 30 electorates, each with 3 to 7 MPs), Fowlds 1911 bill proposed an STV system comprising 19 electorates each returning between 3 and 6 MPs. The Bill failed to progress beyond its first reading with the collapse of the Ward Government in 1912.

Other parties were also now becoming attracted to proportional representation. In its 1911 manifesto the Reform Party pledged that members of the Legislative Council would be elected by a system of proportional representation; in its 1911 manifesto the Labour Party promised to abolish the Legislative Council and to introduce a system of proportional representation for the House of Representatives as well. In 1914 an Act was passed that provided for the Legislative Council to be elected by single transferable vote but this was never implemented.

When Thomas MacKenzie formed a government in 1912 he introduced a Bill that would have introduced a system of preferential voting for the House of Representatives that adopted elements of the systems then in place in the Australian states of Victoria, Queensland, and Western Australia. Following the defeat of the MacKenzie Government, Massey’s Reform Government passed the Legislative Amendment Act 1913, which abolished the second ballot system and re-instituted FPP. Although there were further attempts to change the voting system, all subsequent parliamentary elections until 1996 were conducted under the FPP voting system.

A form of STV was introduced for local body elections by the Local Elections (Proportional Representation) Act 1914. The use of the system by local councils was optional and remained so until the mid-1960s. Christchurch City Council employed it in local elections in 1917, 1929, 1931, and 1933; Woolston Borough Council used it in 1917 and 1919. More recently, the Local Electoral Act 2001 gave electors and councils an opportunity to decide which electoral system they wanted for the 2004 local authority elections – FPP or STV. Of the 86 district and regional councils in New Zealand in 2004, 76 retained FPP, while ten used STV.

Each year, from 1916 to 1919, and again in 1921, W. A. Veitch introduced a Proportional Representation and Effective Voting Bill; in 1921 and 1922 J. McCombs introduced similar proportional representation bills – both bills were variants of STV. One of the last unsuccessful legislative efforts at changing the voting system came in 1923 when a “curious attempt” was made to combine both preferential voting in rural electorates with proportional representation for multi-member electorates in the four main cities.

Promising to introduce a preferential voting system, the United Party, under Ward, came to power in 1928. In office United sent the Chief Electoral Officer to Australia to examine its

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17 Royal Commission, op cit., Appendix A, p. 56.
operation there, but further interest in implementing change receded following the death in office of Ward in 1930.

In the mid-1930s, with the election of the first Labour Government in 1935 and the emergence of the National Party in 1936, the reign of the two-party system in New Zealand began. Subsequently, debate about alternative systems of voting disappeared rapidly.

Although not a change to the voting system itself, the 1956 Electoral Act was important because it provided statutory recognition that electoral system change— including the method of voting—was fundamental to New Zealand's constitutional system and that any change to it from now on would require more than the ordinary parliamentary majority of a single party. The Act included a number of entrenched provisions which could not be amended unless the proposed changes were agreed to by either 75% of all MPs or a majority of those who voted in a referendum.

By mid-century the FPP system had facilitated the consolidation of a two-party system, dominated by the Labour and National parties. FPP helped entrench the dominance of a two-party system because in practice it "manufactured" a majority— where the winning party's share of the votes was translated into a dis-proportional share of the seats.\(^{18}\) For example, in 1972 the Labour Party won almost two-thirds (63%) of the seats in the House of Representatives from less than half (48%) of the votes cast. Similarly, in 1990 the National Party won over two-thirds (69%) of the seats from 48% of the votes cast throughout the country as a whole.

### The Erosion of “Simple Certainties”

For much of the middle years of the 20th century the “simple certainties of the old two-party system” had restrained interest in, and demand for, electoral reform.\(^{19}\) Several factors however contributed to the erosion of public trust in the voting system and the re-emergence of electoral reform on the political agenda—atypical elections results in 1978 and 1981; the repeated failure of ‘third’ political parties to achieve more than nominal parliamentary representation from voting support above 10%; demands for a more representative parliament; and the perceived lack of accountability of single party government.

Firstly, a number of closely contested elections helped to undermine the idea that the characteristic dis-proportionality of the FPP system was unproblematic. Table 1 limits the discussion to the five elections where the percentage difference in the total vote share between the two main parties was about 1% or lower. For example, in 1954 the National Party won 0.14% more of the total vote than the Labour Party, or 1,548 votes, resulting in a 10 seat advantage (and the Treasury benches) for the National Party.

Two elections demonstrated that FPP could not always be relied upon to reflect the popular will by rejecting the incumbent government. In 1978 the Labour Party won more of the votes (40.4%) and 40 seats, while the National party won fewer votes (39.8%) but more seats (51). In 1981 the Labour Party won 39.0% and 43 seats, while National won 38.8% and 47 seats. In 1978 over 10,000 more voters (a plurality) voted for the opposition than for the incumbent government; in 1981 4,122 did. Both elections served to illustrate that, in requiring the plurality rule to apply at the electorate level, FPP was a system that could prevent it applying at the national level. This was "an early cause of the electoral dissatisfaction that led to the change to MMP."\(^{20}\)

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\(^{18}\) Pippa Norris, op cit., p. 3.


Table 1: Close Elections in New Zealand

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<tr>
<td>1954</td>
<td>44.27%</td>
<td>44.13%</td>
<td>0.14%</td>
<td>1,548</td>
<td>10 (National)</td>
<td>56.3%</td>
<td>43.8%</td>
</tr>
<tr>
<td>1969</td>
<td>45.22%</td>
<td>44.18%</td>
<td>1.04%</td>
<td>13,905</td>
<td>6 (National)</td>
<td>53.6%</td>
<td>42.8%</td>
</tr>
<tr>
<td>1978</td>
<td>39.82%</td>
<td>40.41%</td>
<td>0.59%</td>
<td>-10,085</td>
<td>11 (National)</td>
<td>55.4%</td>
<td>43.4%</td>
</tr>
<tr>
<td>1981</td>
<td>38.78%</td>
<td>39.01%</td>
<td>-0.23%</td>
<td>-4,122</td>
<td>4 (National)</td>
<td>51.0%</td>
<td>46.7%</td>
</tr>
<tr>
<td>1993</td>
<td>35.05%</td>
<td>34.68%</td>
<td>0.37%</td>
<td>7,133</td>
<td>5 (National)</td>
<td>50.5%</td>
<td>45.5%</td>
</tr>
</tbody>
</table>

Since in each close election the incumbent government was returned to power, the results also called into question the contention that in FPP “voters have an unmatched ability to fire and replace governments.”

As Table 1 above illustrates, FPP is a system that is sensitive to small shifts in overall support. In 1978 for example, although the National Party won a total of 10,000 fewer votes than Labour, National was able to form a Government on the basis of 722 more votes than Labour spread across seven marginal seats. Similarly, in 1981, a Labour Government would have occurred had 154 voters in three marginal electorates voted for the Labour Party rather than the National Party.

The inference drawn from the voting power of electors in marginal electorates was that it appeared to undermine the notion of political equality. In modern representative democracies, political equality means that each individual has an equal say in electing the decision makers, namely through the concept of ‘one person, one vote; one vote, one value.’

But as the 1986 Royal Commission noted “the power to change a Government is held by the relatively small number of voters in marginal seats. Their enhanced participation comes at the price of lessened participation for the vast majority of voters”. This meant that those voters who lived in marginal seats had a much greater ability to shape the outcome of national elections.

Governments came and went on the votes of less than 10,000 people nationwide – the majorities in enough of those marginal seats to give a majority of seats in the House. This caused New Zealand politics to be pitched to what parties saw as the aspirations of this slice of the electorate.

Indeed comparative electoral systems research confirms this observation – that FPP encourages parties to formulate policies and focus public spending in ways that are “likely to be more attentive to their own supporters, especially in the constituencies they hold and in particular in the marginal ones where the next election could be won or lost.”

Conversely, the high number of ‘wasted’ votes in ‘safe’ seats was also undermining the assumption that all votes counted equally. A wasted vote can be defined as any vote that does

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22 Royal Commission, op cit., p. 23.
not help to elect a candidate – this includes any vote for a losing candidate, as well as any votes for a winning candidate that are surplus (votes over and above the threshold or ‘post’ required to win the electorate). The Royal Commission on the Electoral System noted that over half of all votes in the 1984 election fell into the wasted vote category.26 A voting system which results in a high number of wasted votes means that these voters have little ability to shape the outcome of national elections – contributing to a loss of confidence in the democratic process.

A second contributing factor to the re-emergence of electoral reform as an issue was that the inherent disproportionality of the FPP system was increasingly seen as “unfair” for small or ‘third’ parties. FPP tended to exclude from the New Zealand parliament those parties whose support was significant nationally but which was geographically dispersed, rather than concentrated in particular electorates. Interest in electoral reform was boosted by third parties attracting increasing levels of support, but winning few seats.27

Figure 1: Vote and Seat Share of ‘Third’ Party or Independent Candidates

Figure 1 above shows support for third parties or Independents was above 5% in all but four of the 19 elections held between 1938 and 1993. In 11 of these elections, support for third parties or independent candidates was at or above 10%. For example, despite winning over 16% of the vote in 1978 Social Credit gained one seat; in 1981 it won almost 21% of the vote and two seats – 2% of the 92 seats in Parliament at that time. Other political parties – the Values Party, the Democrats, the Green Party, New Labour, the Alliance, and New Zealand First – were all similarly disadvantaged under FPP. Over the period from 1938 to 1993, candidates for parties – other than National or Labour – won a total of 11 seats, five of which were won in the 1990 and 1993 elections.

In 1977 the leader of the Social Credit Party, Bruce Beetham, and 40,790 others, presented a petition to Parliament, “praying for the application of a system of proportional representation to elections for the House of Representatives”.28 However, the chair of the Petitions Committee reported that after careful consideration, the Petitions Committee had no recommendation to make. For the 1978 election, the Social Credit and Values parties made proportional representation a campaign issue.

26 Royal Commission, op cit., p. 23.
In 1984 the New Zealand Party gained no seats from more than 12% of the votes. In its 1987 election manifesto the party stated that “introducing proportional representation…will provide much fairer representation of our diverse society.” Almost 400,000 New Zealand voters in 1984 (and over half a million in 1993) appeared to want a Parliament quite different in composition from those that the FPP system actually delivered.

The Emergence of New Social Movements

The political identity of my generation is not shaped by the traditional ideology of the old hierarchical parties, but by engagement in the advocacy campaigns of social movement organisations.

A third contributing factor prompting renewed interest in voting reform was the emergence of new social and political movements. The 1960s and 1970s saw the women’s, students’, peace, and environmental movements emerge as well as the acceleration of the political activism of Māori. In combination with demographic changes from increased immigration from the Pacific Islands, these movements politicised a number of issues, and helped new political parties emerge. Their repeated failure to gain parliamentary representation, however, added to concerns that FPP was a system that delivered parliaments unable to reflect the composition of society as a whole – a society that was rapidly changing.

One of the most visible examples of that was the gender composition of Parliament. Although women had first become eligible to stand for election in 1919, it was 1933 before the first woman, Elizabeth McCombs, was elected to Parliament (in a by-election held following the death of her husband). Of the 2,110 members elected to Parliament at general elections from 1919 to 1993 119 were women compared to 1,991 men elected over the same period. On average, women comprised just 7% of parliaments between 1935 and 1993. By comparison, under MMP, women have comprised 31% of parliaments, on average, since 1996.

Because FPP had led to an effective two-party contest, parties sought candidates with the broadest possible appeal to the electorate making it difficult for women “to win selection as a candidate for a winnable electorate seat.” This can be shown in Figure 2 which shows that until the 1980s the representation of women in Parliament rarely exceeded 5%. Even after the introduction of MMP, however, women are still finding it difficult to win selection as candidates for the electorate vote, which is of course still conducted under FPP. Figure 2 shows that as recently as 2008, just 27% of electorate MPs were women, compared to 42% of the list MPs. The party list mechanism under MMP clearly helps to rebalance the gender composition of Parliament as well as enabling a more diverse range of candidates (in terms of ethnicity and age) to be elected. As Denemark notes “plurality in New Zealand has historically under-represented women and their concerns.”

32 The figure of 119 women includes women who were successful in more than one election; in terms of discrete individuals just 44 women were elected in either by-elections or general elections between 1919 and 1993. See ‘Women in Parliament’, The New Zealand Electoral Compendium, 5th ed., Electoral Commission, Wellington, 2002, pp. 178-180.
The ethnic diversity of Parliament was also constrained by the FPP voting system, with the first Pacific Island MP not elected until 1993. Although 5% of the NZ population was of Asian ethnicity by 1996, no MPs of this ethnic group were elected under FPP.

On the other hand, it is not possible to attribute the under-representation of Māori in New Zealand parliaments to FPP per se. This is primarily because the number of Māori seats was fixed at four until 1993, but also due to legislation prohibiting Māori from standing in a general electorate until 1967. Nevertheless, looking at FPP elections from 1967 to 1993, Māori representation in parliament averaged just over 6%, compared to a share of the population approaching 12%.
Much positive talk will be heard in the next few weeks about matters of all kinds from people who want to be elected to Parliament. Unfortunately, too many of them will fail to recall the words they used when seeking election, and they will ignore the commitments they made to the electorate once they have been in Parliament for a year or two. So electoral reform is necessary, but attitudinal reform is even more important. (Rt. Hon. J. B. Bolger, 1990) 

The final impetus for voting system reform followed the attempts by successive administrations to respond to economic developments in the 1970s and 1980s. In response to two oil crises and Britain’s entry into the EEC, Robert Muldoon’s government (Prime Minister 1975-1984) embarked on a series of controversial ‘Think Big’ projects. These state-led, state-owned, state-financed projects required a level of state intervention at odds with “many of the party’s traditionally conservative and economically liberal supporters.”

Labour supporters were similarly dismayed when, following its election in 1984, the Labour Government subsequently abandoned its traditional commitment to state interventionism, state ownership and a regulated economy. Instead, “to a shell-shocked electorate, it was clear that Labour had pursued a top-down program of dramatic and unannounced economic reforms.”

Philip Joseph notes that regardless of the party in power two periods of FPP government had enabled Governments to pursue their own agenda regardless of voter concerns, and “had produced intense voter alienation: under Robert Muldoon’s three-term National Government from 1975-1984, and under David Lange’s two-term Labour Government from 1984-1990.”

New Zealand’s experience seemed to confirm the general case typical of Westminster parliamentary systems – an electoral system such as FPP usually produces single-party government making it easier to achieve decisive and major shifts in government policy.

Table 2 shows that this was particularly true in the New Zealand case which did not have the types of institutional checks and balances on the policy process found in other Westminster countries such as a codified constitution, upper house, or elected head of state. Indeed, prior to the introduction of MMP for the 1996 election, New Zealand was regarded as one of the purest examples of the Westminster system of a fused executive-legislature – perhaps even unique among western democracies. “In the absence of entrenched constitutional limits and a house of review (after the abolition of the appointed Legislative Council in 1950) or other institutional mechanisms to constrain power, parliament’s actions were, in essence, checked only by voters at elections.”

That many of the most common institutional checks on executive power were not present in New Zealand was recognised at the highest levels. Writing in 1979 Geoffrey Palmer (New Zealand Prime Minister 1989-1990) was troubled about the power of the executive that, while “not entirely unbridled” led to the “fastest law in the West”. In 1984 Jim Bolger (New Zealand Prime Minister 1990-97) argued for the re-instatement of an upper house for New Zealand in

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37 Denemark, op cit., p. 82.
39 Denemark, op cit., p. 71.
order to limit the concentration of power in the executive. In 1990 as Leader of the Opposition he said:

Members would be blind to reality if they did not observe that Cabinet, with a stroke of the legislative pen, can overturn all in a matter of hours with no checks whatsoever. The most recent example of that...was the sale of Telecom. On one afternoon at 2 o’clock it was not for sale. The House went into urgency immediately after formal business and went non-stop through all its legislative proceedings, and 20 or 25 hours later the law had been changed and procedures had been put in place to sell a substantial asset such as Telecom, contrary to the overwhelming view of New Zealanders. Reform is needed to prevent that kind of abuse.

Murray McCully (Minister of Customs 1991-1996) argued that proposals to reform the voting system should not be confused with reforming a system that “places excessive power in the hands of the Executive, and that some checks and balances are required to guard against the abuse of Executive power.” Doug Graham (Minister of Justice 1990-1999), in supporting the idea of an upper house, argued that without a written constitution or second Chamber people had become concerned about the “Government of the day passing any measures it likes in any manner it likes.”

The 1986 Royal Commission had noted too that “our constitution places almost no limits on the power of Governments to carry out their large responsibilities.” In 1989, Richard Mulgan, who had been a member of the 1986 Royal Commission on the Electoral System, asked whether New Zealand could be described as an ‘elective dictatorship’, a phrase used by the former Lord Chancellor of the United Kingdom, Lord Hailsham, in 1976. Without a codified constitution, the FPP electoral system – in combination with the imposition of party discipline and collective cabinet responsibility – had almost always produced one party government and a tendency toward executive dominance. Renwick summarised New Zealand’s position as it existed before the introduction of MMP:

With a unitary governing structure, a unicameral legislature, no written constitution, no bill of rights, no constitutional court, a plurality electoral system, and a two-party system, New Zealand offered the extreme case of centralized power among democratic states.

New Zealand is the only nation in the OECD not to have at least one of the institutional constraints on executive power as outlined in Table 2. It shows that 31 of the 34 nations in the OECD (91%) have a codified constitution, almost two-thirds (65%) have an elected head of state, over half (56%) have an upper house or senate, and nearly one third (29%) have decentralised or devolved power to state governments (as in the USA, Australia, and Canada) or to regional assemblies (such as the UK).
### Table 2: Institutionalised Checks on Executive Power in OECD Countries

<table>
<thead>
<tr>
<th>Country</th>
<th>Codified Constitution</th>
<th>Elected Head of State</th>
<th>Bicameral</th>
<th>Decentralised or Devolved Powers</th>
<th>Electoral System</th>
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<tr>
<td>Switzerland</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>List PR</td>
<td>Proportional</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>×</td>
<td>List PR</td>
<td>Proportional</td>
</tr>
<tr>
<td>Ireland</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>×</td>
<td>STV</td>
<td>Proportional</td>
</tr>
<tr>
<td>Italy</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>×</td>
<td>List PR</td>
<td>Proportional</td>
</tr>
<tr>
<td>Poland</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>×</td>
<td>List PR</td>
<td>Proportional</td>
</tr>
<tr>
<td>Slovenia</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>×</td>
<td>List PR</td>
<td>Proportional</td>
</tr>
<tr>
<td>Belgium</td>
<td>✓</td>
<td>×</td>
<td>✓</td>
<td>✓</td>
<td>List PR</td>
<td>Proportional</td>
</tr>
<tr>
<td>Spain</td>
<td>✓</td>
<td>×</td>
<td>✓</td>
<td>✓</td>
<td>List PR</td>
<td>Proportional</td>
</tr>
<tr>
<td>Estonia</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>×</td>
<td>List PR</td>
<td>Proportional</td>
</tr>
<tr>
<td>Finland</td>
<td>✓</td>
<td>✓</td>
<td>×</td>
<td>×</td>
<td>List PR</td>
<td>Proportional</td>
</tr>
<tr>
<td>Greece</td>
<td>✓</td>
<td>✓</td>
<td>×</td>
<td>×</td>
<td>List PR</td>
<td>Proportional</td>
</tr>
<tr>
<td>Iceland</td>
<td>✓</td>
<td>✓</td>
<td>×</td>
<td>×</td>
<td>List PR</td>
<td>Proportional</td>
</tr>
<tr>
<td>Portugal</td>
<td>✓</td>
<td>✓</td>
<td>×</td>
<td>×</td>
<td>List PR</td>
<td>Proportional</td>
</tr>
<tr>
<td>Slovakia</td>
<td>✓</td>
<td>✓</td>
<td>×</td>
<td>×</td>
<td>List PR</td>
<td>Proportional</td>
</tr>
<tr>
<td>Turkey</td>
<td>✓</td>
<td>✓</td>
<td>×</td>
<td>×</td>
<td>List PR</td>
<td>Proportional</td>
</tr>
<tr>
<td>Netherlands</td>
<td>✓</td>
<td>×</td>
<td>✓</td>
<td>×</td>
<td>List PR</td>
<td>Proportional</td>
</tr>
<tr>
<td>Denmark</td>
<td>✓</td>
<td>×</td>
<td>×</td>
<td>×</td>
<td>List PR</td>
<td>Proportional</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>✓</td>
<td>×</td>
<td>×</td>
<td>×</td>
<td>List PR</td>
<td>Proportional</td>
</tr>
<tr>
<td>Norway</td>
<td>✓</td>
<td>×</td>
<td>×</td>
<td>×</td>
<td>List PR</td>
<td>Proportional</td>
</tr>
<tr>
<td>Sweden</td>
<td>✓</td>
<td>×</td>
<td>×</td>
<td>×</td>
<td>List PR</td>
<td>Proportional</td>
</tr>
<tr>
<td>Israel</td>
<td>×</td>
<td>✓</td>
<td>×</td>
<td>×</td>
<td>List PR</td>
<td>Proportional</td>
</tr>
<tr>
<td><strong>New Zealand</strong></td>
<td>×</td>
<td>×</td>
<td>×</td>
<td>×</td>
<td>MMP</td>
<td>Proportional</td>
</tr>
<tr>
<td>Mexico</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>SM</td>
<td>Semi-proportional</td>
</tr>
<tr>
<td>Chile</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>×</td>
<td>Binomial</td>
<td>Semi-proportional</td>
</tr>
<tr>
<td>Korea, Republic of</td>
<td>✓</td>
<td>✓</td>
<td>×</td>
<td>×</td>
<td>SM</td>
<td>Semi-proportional</td>
</tr>
<tr>
<td>Hungary</td>
<td>✓</td>
<td>✓</td>
<td>×</td>
<td>×</td>
<td>SM</td>
<td>Semi-proportional</td>
</tr>
<tr>
<td>Japan</td>
<td>✓</td>
<td>×</td>
<td>✓</td>
<td>×</td>
<td>SM</td>
<td>Semi-proportional</td>
</tr>
<tr>
<td>France</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>×</td>
<td>PV (TRS)</td>
<td>Non-proportional</td>
</tr>
<tr>
<td>Australia</td>
<td>✓</td>
<td>×</td>
<td>✓</td>
<td>✓</td>
<td>PV</td>
<td>Non-proportional</td>
</tr>
<tr>
<td>United States of America</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>FPP</td>
<td>Non-proportional</td>
</tr>
<tr>
<td>Canada</td>
<td>✓</td>
<td>×</td>
<td>✓</td>
<td>✓</td>
<td>FPP</td>
<td>Non-proportional</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>×</td>
<td>×</td>
<td>✓</td>
<td>✓</td>
<td>FPP</td>
<td>Non-proportional</td>
</tr>
<tr>
<td><strong>Totals (34)</strong></td>
<td>31</td>
<td>22</td>
<td>19</td>
<td>10</td>
<td>24 PR; 5 Semi PR; 5 non-PR</td>
<td></td>
</tr>
<tr>
<td><strong>Share (%)</strong></td>
<td>91%</td>
<td>65%</td>
<td>56%</td>
<td>29%</td>
<td>70% PR; 15% Semi PR; 15% non-PR</td>
<td></td>
</tr>
</tbody>
</table>

**Key:** List PR (List Proportional Representation); MMP (Mixed Member Proportional); SM (Supplementary Member); PV ( Preferential Vote); TRS (Two-Round System); FPP (First-Past-the-Post)

**Source:** Parliamentary Library
Among OECD nations, 15% have four of these types of institutional checks on executive power, 47% have three or more, 82% have two or more, and 97% (all, apart from New Zealand) have one or more institutional checks on power.

Of those OECD nations using a form of proportional representation, similar percentage shares emerge. Interestingly, significant differences emerge in OECD nations using semi-proportional and non-proportional voting systems. Eighty percent of OECD countries using a non-proportional voting system have at least three of the institutional checks on power (compared to an average of 42% for the OECD as a whole). Every one of these countries has a bicameral parliament compared to the OECD average of 56%. One hundred percent of those countries using either a semi-proportional or non-proportional voting system have at least two of the institutional checks on power (compared to an 82% average for the OECD as a whole).

These figures should not, of course, be taken to mean that New Zealand is completely lacking in other institutional forms that serve to check and balance the use of executive power. New Zealand does have a constitution, part of which is written, a Bill of Rights Act, an independent judiciary, executive accountability to Parliament, a recognised opposition, constitutional conventions, and citizens initiated referenda, among others. They do confirm, however, that New Zealand is unique among the OECD in lacking any of the formal institutional checks on executive power set out in Table 2.

Yet in the absence of any progress on introducing the types of institutional constraints on executive control found among OECD nations – and in the face of continuing voter disillusionment with the perceived lack of accountability of single party government – it seemed inevitable that attention would instead turn to reform of the electoral system. As an ex-Speaker of the House of Representatives has put it recently:

Demands for a more representative, a fairer, and more accountable electoral system soon crystallised. People wanted an end to broken promises; electoral reform offered hope for change.

The Introduction of MMP

In both the 1981 and 1984 election campaigns the Labour Party promised to establish a Royal Commission to enquire into a number of issues relating to the electoral system. Following Labour's victory in 1984 a Royal Commission on the Electoral System was appointed in 1985.

The Royal Commission concluded that, of the alternative voting systems it considered, the MMP voting system ensured fairness between political parties and was likely to provide more effective representation of minority and special interest groups. The Commission recommended that a binding referendum should be held on the introduction of MMP. However, in 1988 the Electoral Law Committee, in its inquiry into the report of the Royal Commission, recommended that the plurality system be retained and the following year the Government announced that a referendum on MMP would not be carried out.

Nevertheless, public and parliamentary pressure for voting reform continued. A Labour MP and the Deputy Speaker, John Terris, introduced (unsuccessfully) a private members bill in May 1990 that would enable an indicative referendum on proportional representation to be held.


49 Kidd, op cit., p. 92.
During the 1990 election campaign both the Labour and National parties promised a referendum on the method of electing the House of Representatives.\textsuperscript{50}

Following the election of the National Government, Parliament passed the Electoral Referendum Act 1991 which set down an indicative (non-binding) referendum on the voting system for September 1992. An electoral referendum panel chaired by the Chief Ombudsman was appointed to oversee a public education campaign. In an approach similar to the 2011 referendum, voters were asked whether they wanted to change the existing voting system, and then to indicate support for one of four reform options: MMP, the Single Transferable Vote (STV), Supplementary Member (SM) or Preferential Vote (PV). If there was majority support for change, the government promised to hold a binding referendum (with a choice between FPP and the most popular reform option) the following election year.

Held in a non-election year the first indicative referendum in 1992 saw 55% of electors taking part. Of these an absolute majority (84.7%) favoured a change to the voting system in the first part of the referendum. Among the four alternatives in the second part of the referendum an absolute majority (70.5%) chose the MMP voting system, 17.4% chose STV, 6.6% chose PV, and 5.6% chose SM.

Although the first referendum was non-binding Parliament went on to pass the Electoral Referendum Act 1993 which provided for a second (and binding) referendum – a straight run-off between FPP and MMP, and to be held in conjunction with the 1993 general election.

Perhaps because the second referendum was binding, perhaps because it was held in an election year, and perhaps because both opponents and supporters of FPP engaged in an intensive campaign, turnout in the second referendum in 1993 was much higher (85%). Although the margin favouring MMP was much reduced, an absolute majority (54%) voted to change the voting system. Table 3 sets out the differences in support for MMP among selected electorates.

\begin{table}
\centering
\begin{tabular}{|l|c|c|}
\hline
Electorate Type & Support for MMP & Support for FPP \\
\hline
Māori electorates & 65.8\% & 34.2\% \\
North Island General Electorates & 54.5\% & 45.5\% \\
All General electorates & 53.5\% & 46.5\% \\
South Island General Electorates & 50.1\% & 49.9\% \\
Total NZ & 53.9\% & 46.1\% \\
\hline
5 General Electorates with highest MMP support & & \\
Auckland Central & 69\% & 31\% \\
Island Bay & 66\% & 34\% \\
Tauranga & 62\% & 38\% \\
Palmerston North & 62\% & 38\% \\
Mt Albert & 62\% & 38\% \\
\hline
5 General Electorates with lowest MMP support & & \\
Matamata & 42\% & 58\% \\
Otago & 41\% & 59\% \\
Rakaia & 38\% & 62\% \\
Clutha & 36\% & 64\% \\
Wallace & 35\% & 65\% \\
\hline
\end{tabular}
\caption{Selected Voting Results in the 1993 Referendum}
\end{table}

The Electoral Act 1993 introduced the MMP voting system and the first general election under MMP was held on 12 October 1996. Although MMP was ostensibly just a change to the voting system for parliamentary elections, its impacts on the New Zealand constitution, parliamentary practice, government formation, and the policy process have been wide ranging. Indeed Palmer and Palmer state that MMP “put an end to what Lord Hailsham called, when he was in opposition, ‘the elective dictatorship’.”  

Figure 3 below shows trends in opinion polling since the referendum in 1993.

Figure 3: Trends in Opinion Polling on MMP and FPP

[Graph showing trends in opinion polling]

Source: TV1/Colmar Brunton; Research NZ; UMR; NZ Herald; Shape NZ

The 2011 Referendum Options

The critical question now is about the fairness and equality of the ways in which the votes of New Zealanders, at the national rather than the constituency level, are turned into representation in Parliament and into the establishment of a Government.  

At this year’s general election, on 26 November 2011, an indicative (non-binding) referendum will be held to decide whether voters wish to retain the MMP voting system – and if not, which alternative voting system they prefer. The estimated cost of holding the 2011 referendum is $10.97 million, which includes the cost of administering the referendum and conducting the public information campaign. If (and only if) at least 50% of voters choose to keep MMP, the Electoral Commission will review and seek public views on MMP, including:

- the 5% party vote threshold for a party to be eligible for allocation of list seats;
- the one electorate seat threshold for a party to be eligible for allocation of list seats;

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52 Royal Commission, op cit., p. 5.

the overhang mechanism;
the effects of population change on the ratio of electorate seats to list seats;
the capacity of a person to be both a constituency candidate and list candidate;
a party's ability to determine the order of candidates on its party list and the inability of voters to rank list candidates in order of preference.

If voters do not wish to retain MMP in the 2011 referendum the current Government has committed to holding a second (binding) referendum in conjunction with the 2014 general election. The 2014 referendum will ask voters to choose between MMP and the alternative voting system option that was most preferred by (a plurality of) voters in the 2011 referendum.

For the purposes of the 2011 referendum, the Government has indicated that the size of Parliament, the provisions relating to the Māori seats and the provisions relating to a fixed number of seats for the South Island would not change. Nevertheless, this does not mean, as Table 4 shows, that the actual number of Māori or South Island seats will not be affected, should an alternative voting system be adopted.

Table 4: Indicative Number of Seats under Alternative Voting Systems

<table>
<thead>
<tr>
<th>Voting System Option</th>
<th>MMP (Current)</th>
<th>FPP</th>
<th>PV</th>
<th>SM</th>
<th>STV*</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Island General Electorates (MPs)</td>
<td>47</td>
<td>81</td>
<td>81</td>
<td>60</td>
<td>18 (81)</td>
</tr>
<tr>
<td>South Island General Electorates (MPs)</td>
<td>16</td>
<td>27</td>
<td>27</td>
<td>21</td>
<td>6 (27)</td>
</tr>
<tr>
<td>Total General Electorates (MPs)</td>
<td>63</td>
<td>108</td>
<td>108</td>
<td>81</td>
<td>24(108)</td>
</tr>
<tr>
<td>Māori Electorates (MPs)</td>
<td>7</td>
<td>12</td>
<td>12</td>
<td>9</td>
<td>4(12)</td>
</tr>
<tr>
<td>Total Electorates</td>
<td>70</td>
<td>120</td>
<td>120</td>
<td>90</td>
<td>28 (120)</td>
</tr>
<tr>
<td>Total List Seats</td>
<td>50</td>
<td>0</td>
<td>0</td>
<td>30</td>
<td>0</td>
</tr>
<tr>
<td>Total Members of Parliament</td>
<td>120</td>
<td>120</td>
<td>120</td>
<td>120</td>
<td>120</td>
</tr>
</tbody>
</table>

* Each STV electorate returns from 3-7 MPs.

Each referendum option is associated with a change in the number of these types of seats. If there is a vote for change, further work would be needed to develop the detail of the preferred voting system, since there are important implications inter alia for the representation of the South Island, Māori representation, the size of electorates and so on.

The alternative voting systems on the referendum ballot paper include two non-proportional systems (First-Past-the-Post and Preferential Voting), one semi-proportional system (Supplementary Member), and one proportional system (Single Transferable Vote).

Figure 4 below sets out the voting systems in OECD countries. Nearly three-quarters (70%) of OECD nations use proportional voting systems, 15% use semi-proportional systems and 15% use voting systems that are non-proportional.
1. **Non-proportional Systems (Plurality and Majoritarian)**

1.1 **Plurality (First-past-the-Post; Single Member Plurality)**

Under the FPP system proposed for New Zealand, voters would have one vote. This vote is for an electorate candidate, who would be elected if they achieved a plurality (one more vote than any other candidate). There would be 120 electorates in total, including 108 General electorates (81 North Island and 27 South Island electorates), and 12 Māori electorates.
FPP is one of the oldest and simplest voting systems. Three of the 37 OECD nations (the United Kingdom, Canada, and the United States) use this system to elect members to their lower chamber – all three countries have bicameral legislatures and devolved powers.

The ‘first past the post’ label is somewhat misleading in that the winning post or threshold is not actually ‘fixed’. Instead, the winning candidate is simply the one who gains one more vote than any other candidate, even if this is not an absolute majority (50% + 1 vote) of the valid votes. This can occur under FPP because as the number of candidates contesting each electorate increases, the lower the winning ‘post’ gets. Hence in seats where the vote splits almost equally three ways, the winning candidate may have only 35% of the vote, while the other contestants get 34% and 32% respectively.

Effective (single party majority) government is cited as one of the main strengths of the FPP system as, in theory, it removes the need for coalition government. Nevertheless, plurality as well as majoritarian systems can result in ‘hung’ parliaments as shown by elections in 2010 in Australia and the UK, and in 2008 in Canada. Indeed, FPP in Canada resulted in hung parliaments necessitating minority or coalition governments in three elections from 2000-2008; in the UK a hung parliament also occurred in 1974; Australia had a Liberal-led coalition government from 1949-1972, 1975-1983, and 1996-2007.

Although New Zealand experienced single-party majority government under FPP from 1935 to September 1994, there is an increased possibility of minority and or coalition government under the 2011 FPP scenario proposed for New Zealand. This might result if there is a close election and a party other than National or Labour wins most of the Māori seats (which would increase from 7 to 12). This could prevent either of the large parties from securing a majority (61) of the seats.

### 1.2 Majoritarian (Preferential Vote; Alternative Vote; Two-Round System)

Under the Preferential Vote (PV) system proposed for New Zealand, there would be 120 electorates in total, including 108 General electorates (81 North Island and 27 South Island electorates), and 12 Māori electorates. Voters in each single-member electorate would only be able to elect one candidate, but on the ballot paper voters would express their preferences among the candidates, by marking a “1” for their first preference, “2” for their second choice, and so on – hence the name, preferential voting.

Majoritarian systems are also known by a variety of other labels including the Alternative Vote (AV) as it is known in Australia where it is used for elections to the lower house. It is also sometimes referred to as Ware’s method, after William Robert Ware, an American architect who devised the system in 1871.

France is the only other OECD country to use a variant of the preferential vote where it is called the Two-Round System. For French national elections a second ballot is held at a later date if no candidate achieves a given level of votes, most commonly an absolute majority (50% plus one vote), in the first election round. New Zealand used the two-round system, “essentially a form of preferential voting”, for the 1908 and 1911 elections. As the name suggests, the Second Ballot Act 1908 provided for an actual second ballot for the two highest polling candidates in the first ballot.

Outside of the OECD, PV (or variants of it) is used to elect the President of India and members of legislative councils in India, the President of Ireland, and members of the national parliament of Papua New Guinea. Although UK voters rejected PV (AV) in the recent 2011 referendum, the

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54 Department of Justice, op cit., Appendix A, p. 50.
system is used by party members there to elect the leader of the Conservative Party, the Labour Party, and the Speaker of the House of Lords.

As the term majoritarian suggests, the key difference in the PV system from FPP is that to get elected each MP must secure an absolute majority – that is, 50% plus one vote of the total votes cast. Because every elected candidate has to obtain the support of more than half of the electorate, the overall legitimacy of the system and the link between the elected parliamentarian and their constituents is thought to be strengthened.

Under PV, candidates who achieve an absolute majority of first preference votes in their electorate are elected. For those candidates who receive only a plurality of votes, the candidate who has the fewest first preference votes is eliminated, and the second preferences of the eliminated candidate are redistributed to the remaining candidates. If these second preferences still do not elect a majority winner, the process of elimination and redistribution is continued until one candidate in each electorate gets an absolute majority.

The Preferential Voting system is not a form of proportional representation. It is also likely to exaggerate the number of seats won by the largest parties. However, people who prefer minor-party candidates as their first preference are given a chance to avoid wasting their vote and to influence the results of the election through their second and later preferences. The experience of PV in Australia does show attempts by the major parties before the election to strike bargains or agreements with the minor parties on policy positions to capture these second preferences. Nevertheless, because it is unlikely to increase minor party representation in Parliament, the Preferential Voting system means that a government can usually be formed without the need for coalitions.

PV in practice tends to discourage extreme policy positions, instead encouraging candidates and parties to seek accommodation, moderate their policy positions, and foster a search for the ‘middle ground’. In the Australian case PV has also facilitated coalition arrangements, such as that between the Liberal and National parties. The PV voting system is thought to have provided “significant incentives for accommodatory and co-operative politics.”

1. Semi-proportional systems (SM; MMM)

Generically referred to as parallel systems, Supplementary Member (SM) or Mixed Member Majoritarian (MMM) voting systems elect representatives through two different and independent mechanisms – one through (usually) a plurality or majority system and one through a List PR system.

Under the Supplementary Member system proposed for New Zealand, voters would have two votes to elect a total of 120 members. The first vote would use FPP to elect single members to 90 electorate seats, including 81 General electorates (60 North Island and 21 South Island electorates), and 9 Māori electorates.

The second vote – for a party – determines what proportion of the remaining 30 supplementary seats should be allocated to the parties. However, these two voting mechanisms are kept separate. Unlike MMP, the number of electorate seats a party wins under the plurality system is not counted when determining the party’s further entitlement to its share of the supplementary (list) seats under the second voting mechanism. It is only the pool of supplementary seats, not the total seats overall, that are allocated in proportion to the number of votes received through the party vote. For example, if a political party didn’t win any of the 90 electorate seats but won...

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7.5% of the party votes, it would be entitled to only 7.5% of the 30 supplementary seats, that is, 2 seats.

The OECD nations to use parallel voting systems include Hungary, Mexico, South Korea, and Japan. Outside the OECD, Albania, Georgia, Jordan, Pakistan, the Philippines, Russia, Thailand, and Taiwan also use parallel forms of voting. In the OECD the percentage of the supplementary seats compared to the total seats varies: 19% in South Korea, 38% in Japan, 39% in Hungary, and 40% in Mexico. Under the SM option proposed for New Zealand the 30 supplementary seats would account for 25% of the total 120 seats.

For the SM system proposed for New Zealand, no minimum percentage threshold for the supplementary seats has yet been decided. Despite this, an effective minimum threshold of around 3% would operate, as this is the level needed in order for the first seat to be allocated. Minor parties who fail to win any electorate seats but attract support above 3% would thus achieve some limited representation in Parliament.

However since major parties who win electorate seats are also eligible for the supplementary seats, the SM system allows major parties to achieve a higher share of the total seats than their share of the total vote. In recalculation hypothetical election results for New Zealand elections, Levine and Roberts clearly demonstrate that SM would result in disproportionality scores far closer to plurality and majoritarian electoral systems than to the scores commonly found in proportional representation voting systems.56

Therefore while parallel systems have a mechanism to ameliorate some of the disproportionality inherent in plurality/majoritarian systems, a party’s total number of seats (electorate and supplementary) is likely to be in proportion to the total number of votes received by that party. Such systems may therefore be described as semi-proportional voting systems.57

3. Proportional Systems (STV; List PR, MMP)

A number of voting systems come under the generic category of proportional representation including single transferable vote (STV), list proportional representation (List PR), and mixed member proportional (MMP). The underlying rationale for all proportional representation systems is that a party’s total share of the nationwide votes should be reflected in a corresponding share of the parliamentary seats.

As Figure 4 above shows, almost three quarters of OECD nations use a form of proportional representation. Of the 24 OECD nations using a form of proportional representation, 21 use List PR, 2 use MMP, and one (Ireland) uses STV. Globally, it is used by more countries than non-proportional voting systems, and it is used by most of the nations of Europe. Proportional representation is also mandatory for every country electing members to the European Parliament, including those who use non-proportional methods for their own national elections, such as Britain. Outside the OECD, Romania, the Democratic Republic of Congo, the Scottish Parliament and the Welsh National Assembly use MMP (in the latter two it is known as the Additional Member System).

STV is used by a number of local government councils in New Zealand, by Northern Ireland, (for the regional assembly only), for elections to the Senate in the Federal Parliament of Australia, and for elections to the lower house of the state parliament of Tasmania, and the Australian

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57 Levine and Roberts, op cit., p. 144.
Capital Territory. If New Zealand voters choose STV for parliamentary elections, there would be 120 MPs, between 24 and 30 electorates, and each would return from 3 to 7 MPs. The exact number depends on the population that the electorate serves.

Thomas Wright Hill, a British schoolmaster, is credited with inventing a transferable voting system in 1821, for school elections, and the system was first used to elect officials to public office in 1840 for the Adelaide City Council. Its first use in national elections was in Denmark in 1856, making STV the oldest form of proportional representation. A modified version of STV, known as the Hare-Clark system (after Thomas Hare, an English barrister, and Andrew Inglis Clark, the Tasmanian Attorney General), was adopted on a trial basis for some Tasmanian elections in 1896, and re-introduced for the whole state in 1907.

STV shares some of the same principles and mode of operation as the Preferential Vote. Both STV and PV emphasise the principle of majority rule. In single-member PV electorates, to ensure that any elected candidate enjoys the majority support of the electorate, secondary and further preferences are transferred until one candidate has achieved a majority. This is in fact identical to STV elections where only one candidate will be elected, such as that used for the Wellington mayoralty in 2010.

However, in multi-member districts, such as the STV option proposed for New Zealand, a quota, or threshold, has to be found to ensure that, at the national rather than the electorate level, “the representatives of different parties were at least roughly in proportion to the respective numbers of electors belonging to the same parties respectively in the constituencies.”

STV therefore is a preferential system in which the voter has one vote in a multi-member district and the candidates that surpass a specified quota of first preference votes are immediately elected. In successive counts votes are redistributed from least successful candidates, who are eliminated, and votes surplus to the quota are redistributed from successful candidates, until sufficient candidates are declared elected. Voters normally vote for candidates rather than political parties, although a party-list option is possible.

**Conclusion**

Changes to the parliamentary voting system in New Zealand have been rare with just three changes in 158 years. From 1853 New Zealand used the FPP voting system which attracted little initial criticism within the context of multi-member electorates and no political parties. New Zealand changed its voting system for the first time by introducing “essentially a form of preferential voting” for the 1908 and 1911 elections. The FPP system was re-introduced for parliamentary elections from 1914 to 1993. Towards the end of that period public trust in the FPP voting system began to erode as a consequence of several factors:

- the plurality rule operating at the electorate level but failing to operate at the national level, resulting in anomalous elections results in 1978 and 1981;
- the failure of ‘third’ political parties to achieve more than nominal parliamentary representation from voting support repeatedly above 10%;
- demands for a more representative parliament;
- the perceived lack of accountability of single party government, given New Zealand did not have any of the institutional constraints found in other OECD nations.

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In the absence of any progress toward implementing the institutionalised constraints on executive power found in other OECD countries, attention in New Zealand turned instead toward reform of the voting system.

In the 1993 binding referendum on the voting system 54% of voters elected to change to MMP. The indicative referendum on the parliamentary voting system on 26 November 2011 gives voters two choices – whether they wish to reform the current proportional system or to reject it in favour of one of four options. Of these, two are non-proportional voting systems, one is a semi-proportional system and one a proportional system. Three-quarters (70%) of OECD nations use proportional voting systems, 15% use semi-proportional systems and 15% use voting systems that are non-proportional. All five of the OECD countries using either a semi-proportional or non-proportional voting system have at least two institutional mechanisms to check the power of the executive.

Under the Supplementary Member system there would be 120 MPs in total – 81 general electorate, 9 Māori electorate MPs, and 30 list MPs. Under the FPP, PV and STV referendum options, the total number of MPs would remain at 120 but the number of general electorates would increase to 108 (currently 63), and the number of MPs from Māori electorates would increase to 12 (currently 7).

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Selected References


Websites


The New Zealand Elections website has some useful resources on the transition to MMP at: [http://www.elections.org.nz/democracy/referendum/mmp-referendum.html](http://www.elections.org.nz/democracy/referendum/mmp-referendum.html)


Disclaimer. Every effort has been made to ensure that the content of this research paper is accurate, but no guarantee of accuracy can be given.