Coalition and minority governments

Executive summary

When comparing New Zealand’s MMP experience with that of Western European countries with proportional representation since 1945:

- The time taken to form the National/NZ First coalition in 1996 was long when compared to European averages, but not compared with maximum times in some countries.
- The durability of New Zealand coalitions 1993-98 is about average.
- Detailed coalition agreements are often used overseas as the basis for coalition management, and they are usually finalised after rather than before the election.
- There are some different models overseas for coalition and minority government formation, including vote of confidence provisions and the involvement of facilitators.
- There are also some useful overseas models for coalition management including means to enhance information and decision sharing, dispute resolution, and policy coordination.

A brief NZ background

The coalition formed in 1996 after New Zealand’s first MMP election was not the first in New Zealand. There have been three other peacetime coalition governments this century: the United/Reform coalition during 1931-35, the National/Right-of-Centre coalition in 1994/95, and the National/United New Zealand coalition in 1996.

It has been the exception rather than the rule in New Zealand for a political party to win more than 50% of the popular vote. From the 1930s to 1996 the major parties won majority support from the voters only four times; Labour in 1938 and 1946, and National in 1949 and 1951. What has changed with the move to MMP and a direct relationship between party votes and seats in the House, is the need for coalitions or other agreements to enable a Government to be formed.
Overseas experience

In countries which have had proportional representation systems for many years, coalition and/or minority governments are commonplace. For example, an analysis of governments formed in twelve Western European countries plus Israel 1945-1987 found that 70% were coalitions, and 37% were minority governments (some governments were both a minority and a coalition).

Minority governments are especially common in the Scandinavian countries. They can be more easily formed and maintained where the party system makes it difficult to secure support for an alternative majority coalition to be formed, a vote of investiture is not required, and a government can stay in office unless there is an absolute majority (rather than a relative majority as in New Zealand) against it. Countries with such ‘negative’ government formation rules on average form governments faster (33 days vs 41 days).

Constructive votes of no confidence, where the replacement government must be identified before the government must resign (rather than a simple vote of no confidence as in New Zealand), are the rule in Germany, Spain, and (since 1995) in Belgium. This situation makes it harder to remove a government from office between elections.

In Europe from 1945 to 1989, 26% of the governments had coalitions that were larger than required simply to gain a majority of the seats in Parliament. ‘Over-sized’ coalitions, especially prevalent in Belgium and the Netherlands, are thought to compensate for potential breaches of party discipline or coalition cohesiveness. In Belgium, they also relate to rules for including major cultural groups in the government.

The length of time required to form New Zealand’s first MMP coalition agreement created some controversy and concern. Most other proportional representation countries, both with MMP and other PR systems typically take much less time (Figure 1). However, the maximum times can be longer. For example, the process has taken six weeks in Ireland and in the Netherlands it once took six months. The short time period in Greece results from legal time limits for government formation, which if not met lead to a new election.

Figure 1: Typical number of days required to form a post-election government.

![Figure 1](image_url)

Source: De Winter 1995 in Döring H.(ed), Table 4.1: those proportional representation countries with available data 1945-1994. New Zealand data is for the 1996 post-election coalition only (8 weeks x 7 days = 56).
In New Zealand the Constitution Act 1986 (s 19) sets a time limit of six weeks between the return of the writs from the election and the summoning of Parliament. While not requiring a new Government to be formed by this date, the deadline is a major incentive. The coalition formation process after the 1996 election met this deadline with two days to spare. New Zealand’s time limit for the meeting of Parliament after the election is long compared to other countries; for example 30 days in Germany, Ireland and Australia, and two to three weeks in Denmark, Norway and Sweden.

An analysis of 342 European governments since 1945 showed the average survival times for different government types as follows:

- single-party majority governments 30 months
- coalition majority governments 18 months
- minority governments 14 months
- all single-party (minority or majority) 22 months
- all coalitions (minority or majority) 16 months
- non-partisan (caretaker) governments 4 months

In New Zealand, the four principal coalition arrangements since the 1993 election have ranged in duration between 10 and 22 months, with the average being just under 15 months. Unlike the European countries, this is within a three year election cycle rather than four to five years.

In the Netherlands it is accepted that agreements will “wear out”, usually through internal disagreements. Factors identified in Ireland that have assisted in creating durable coalitions include:

- good relationships among senior Ministers, and weekly pre-Cabinet meetings to resolve differences;
- ideological compatibility of coalition parties;
- allocation of cabinet portfolios seen to be fair by all parties;
- equal access to information for the junior coalition partner;
- a detailed programme for implementation;
- “programme managers” to assist implementation of the coalition agreement; and,
- lessons learned from difficult coalitions in the past.

An important goal of parties is to see their policy ideas implemented. If they are unsuccessful in obtaining a majority of the popular vote, this goal may be achieved through supporting a minority government or joining a coalition in exchange for policy accommodations and/or favoured Ministerial portfolios. The general trend with coalitions in Europe has been for the smaller coalition partners to secure more Cabinet posts than they would be entitled to on a strictly proportional basis. This is however seen as a normal part of coalition negotiation.

In order to maximise votes and thus be in a position to pursue policy objectives, it is important for parties to not be seen to be compromising the basic values and policy platform which they campaigned on. For example, in Ireland when Labour was seen to be submerged by its majority coalition partner Fine Gael, it lost much of its support the following election in 1987 and rejected joining coalitions for five years.
Recent polls have shown that 79% of New Zealand voters believe that parties should announce their coalition intentions before the election (New Zealand Election Study survey results as at 16 November).

The announcement of coalition intentions is the usual practice in proportional representation countries in Western Europe. The majority of coalitions also produce published agreements (average 61% 1945-1996), usually after the election. In France, Norway and Portugal significantly more published agreements were released prior to the election (Figures 2 and 3). The parties in all coalitions reach some form of agreement, but not all make the details public.

Analysis of the content of the published coalition agreements in Western Europe 1945-1996 showed that detailed agreements (either stating positions on a wide range of issues or also going into proposed details of policy implementation) comprised the majority in Denmark, Sweden, and Portugal (all 100%), Belgium (75%), Norway (71%), Ireland (67%), Finland (58%), Germany (57%) and the Netherlands (53%). While the 1996 National/NZ First agreement is similar in this regard, its presentation as a legal contract is not the usual practice overseas.

**Figure 2: Percentage of coalitions in Western Europe 1945-1996 with published coalition agreements**

![Figure 2](image)

**Figure 3: Number of published coalition agreements before and after elections, Europe 1945-1996, for first coalition following election.**

![Figure 3](image)

Involvement of facilitators in finding a new government

Several European countries involve the Speaker of the House or the monarch and/or an informateur to facilitate the search for a new government.

In Sweden the Speaker of the House is required by law to meet with parties to find the most likely formateur (the leader of the principal party that forms a government). If, before a new government is found the Riksdag resumes and a new Speaker is chosen, he or she continues the process. The test that the Speaker, although from a party background, acts in the interests of the Riksdag as a whole is the required vote of investiture for the new government (no equivalent in New Zealand). In Norway, involvement of the Speaker is not required but is an optional procedure if problems are encountered.

In the Netherlands, Belgium and Denmark if election results do not make the choice of new government obvious, the monarch meets with leaders of all parties to get their advice, and can appoint an informateur to negotiate with parties and report back within a set time frame. An informateur is used most often in the Netherlands and Belgium, and is usually a seasoned politician with credibility and standing who is not a prospective Prime Minister. They meet with all parties, facilitate preparation of a coalition agreement, report regularly to the media, and recommend to the Queen on either the best formateur or that there should be another informateur round. Once the formateur is identified he or she is responsible for the more detailed negotiations required to form a government.

In New Zealand the formation of government is decided by politicians, but the Governor-General requires information on where the support in the House lies in order to appoint a new Prime Minister if required. If the situation is unclear, this may involve direct discussions between the Governor-General and some or all party leaders.

Sharing information and resolving disputes

Countries which have lived successfully with coalition and minority governments for many years have developed a number of mechanisms to ease relationships among parties and interest groups and encourage agreement on governance.

In Germany, which has been stable under MMP for decades, there is a tradition of resolving disputes before decision-making in Cabinet and the Bundestag (their lower house of Parliament). Policy preparation is a lengthy process, whereas passage through Cabinet and the Bundestag is relatively rapid. Policy is developed in consultation with affected departments, pressure groups (who are numerous and registered in association with the Bundestag), party caucuses, and select committees.

Likewise in Sweden, policies are thoroughly developed before going to Cabinet or a vote in the Riksdag. Commissions comprised of experts and representatives of parties and interest groups are commonly used to explore policy issues. This process may take two to three years, but results in a detailed report and widely acceptable policy. Bi-partisan agreement in the Riksdag (opposition parties supporting the government) has occurred on important issues that have gone through this process, such as the national pension scheme.
Sweden usually has single party minority governments. However, in 1991-94 when a four-party coalition was in place the Prime Minister’s Office coordinated a team of political advisers to ensure that the policies of the parties in the coalition were given effect. These advisers sought compromises in keeping with the coalition agreement, helped resolve conflicts among Ministers, attended policy discussions in coalition party caucuses, and kept backbench MPs informed of policy proposals.

Similarly in Ireland, a team of “programme managers” has been attached to the office of the Taoiseach (Prime Minister). Originally there was one manager per policy area and the team met regularly with party and government officials to ensure that the coalition agreement was implemented smoothly. This innovation worked well, but by late 1997 the team had been reduced to two (one for each major coalition partner).

Another Irish innovation was the creation of a small department for the Tánaiste (Deputy Prime Minister). This “office of the minority party”, with its own Vote and access to government staff, proved effective during 1992-97 in giving Labour, as the junior coalition partner, access to information and analysis. Also in Ireland, opposition parties have the right to get their policy proposals costed through the Department of Finance without reference to the government.

In Germany, final conflict resolution and decisions take place in the weekly elefantenrunde (‘elephant round’ – referring to the weight and power of the group) comprising all coalition party leaders, chairs and whips, the Chancellor and Vice-Chancellor. This meeting is informal and off the record, and established by agreement rather than by law. In Scandinavian countries, regular informal policy discussions among Ministers over lunch are used for coalition team building and dispute resolution.

In New Zealand, the 1996 coalition agreement required regular meetings of coalition party representatives and specified a dispute resolution procedure. In a further initiative, Coalition Partner Spokespersons were identified who were to be consulted before any significant matters in their portfolio area went to Cabinet.

A detailed quantitative analysis of 310 governments in 16 European countries since 1945 identified aspects of the 2,126 parties involved which best predicted which parties provided the formateur (leader of the principal party that forms a government) or were a coalition partner. The factors which together accurately predicted 92% of formateur parties were:

- size (larger proportion of seats won);
- experience (in previous or recent government); and,
- ideological centrality (centre, centre-left, or centre-right).

The factors which together accurately predicted 85% of coalition partner parties were:

- experience (in previous or recent government);
- size (relatively small – e.g. minimum needed to form majority);
- increase in support from electorate; and,
- ideological distance (closeness to the formateur and to the ideological centre).
Caretaker governments are common in Europe when coalition negotiations take any appreciable amount of time, and are formed by inviting the previous government to continue until the new government can be formed. The political conventions which are followed ensure that no major decisions or changes will be made without the support of Parliament. This same approach was taken in New Zealand during the 1996 coalition negotiations.

Selected reference


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