

The Impact of Electoral System Reform: The New Zealand Example

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I. The Impact of MMP

1. Parliament: Parties, Groups and MPs

Parliamentary Composition: the parties and proportionality

- Parliament changed from a dominantly two-party to a multi-party Parliament (six parties after the 1996 election, and seven after the 1999 and 2002 elections).
- Very small parties have been largely excluded by the five percent threshold. The Christian Coalition in 1996 (4.3% party vote) failed to pass the threshold and many other parties fell far short of it. But the one-seat threshold brought in NZ First (1999); and the Progressive Coalition (2002).
- The share of the seats awarded to the parties that passed the threshold has been close to the share of their nationwide votes (e.g. see the 2002 election results below).

In the 2002 General Election, the following parties crossed the threshold:

	<i>%Votes</i>	<i>Constit. seats</i>	<i>List seats</i>	<i>%seats</i>
ACT	7.1	0	9	7.5
Green	7.0	0	9	7.5
Prog.C	1.7	1	1	1.7
Labour	41.3	45	7	43.3
National	20.9	21	6	22.5
NZF	10.4	1	12	10.8
UF	6.7	1	7	6.7

Prog.C. = Progressive Coalition; NZF = New Zealand First; UF = United Future

In the 2002 General Election, the following parties were under the threshold

	<i>% votes</i>
Alliance	1.27
Aotearoa Legalise Cannabis	0.64
Christian Heritage	1.35
Mana Maori Movement	0.25
NMP	0.01
OneNZ	0.09
Outdoor Recreation	1.28

As can be seen:

- The thresholds have affected parliamentary composition
- The traditional parties – Labour and National – are predominantly constituency parties while the newer parties are predominantly list parties. This affects both election campaigning at election time and MP/constituent relationships.

Party fragmentation and defections from parties

- Three Parliaments (1993-6 [the years of the last FPP-elected Parliament], 1996-9, and 1999-2002) experienced ‘party-hopping’;
- The minor parties, especially those aligned with governments, fragmented (NZ First, 1998); (Alliance, 2001-2).

Parliamentary Social Composition

- Parliaments under MMP have been more widely representative of society’s groups than under FPP and have included the first members from New Zealand’s Chinese and Indian communities, and Pacific Island nation MPs.
- Maori and women have gained representation, the former in numbers proportionate to their presence in wider society while women have done less well (28% in 2002), although better than under FPP (21% in 1993).
- The increased social representativeness has been the consequence (mainly) of parties creating ‘balanced’ party lists.

MPs and the People

- MPs, voters, and the media have taken a while to adjust to having two types of MP. List MPs, particularly in the early days of MMP, were widely regarded as less-hardworking and less accountable than constituency MPs.
- Because there are fewer electorates than there used to be, they are larger, affecting rural areas most markedly.
- Many list MPs have taken up area or regional responsibilities; and many have built relationships with particular groups across New Zealand.
- List and constituency MPs have the same responsibilities in Parliament.
- Constituency seats have become safer under MMP, with the marginal list seats the most precarious.

2. Parliament, Government and the Policy Process

- Parliament has become more important, partly because governments under MMP have usually lacked a majority of seats and governments have had to consult widely with other parties in order to maintain the confidence of the House and implement their legislative programmes.
- Parliament has become more assertive. This is due to several factors: the multi-party Parliament, leading to the parties competing with one another for media attention and, also, to carve out their own distinctive policies; the succession of minority governments; and the existence of an established (before MMP) system of parliamentary committees. Legislation is frequently amended in committee; and the committees carry out inquiries of policies and government administration.
- Parliament represents wider policy views than under FPP, and these have to be considered by governments.

The style of politics and policy-making under MMP

- Politics is no less aggressive (as between parties) than it was under FPP, at least in plenary sessions.
- Negotiation is the predominant style in the parliamentary committees, increasingly the 'work horses' of Parliament.

- Major parties in government have had to learn to consult their minor party coalition partners, the caucuses of their support parties, and their own backbenchers.
- MMP has provided a constraint on radical policy making, although governments of different political philosophies have been able to implement distinctively different policy programmes.

Government: stability or upheavals?

- There has been only one majority (coalition) government so far.
- The minority governing parties have had to learn to find support parties and create legislative coalitions to pass laws. Thus they have had to compromise their election manifestos.
- There has been both centre-right and centre left governments.
- Junior coalition parties have had problems in achieving two very different aims: keeping government stable and therefore refraining from ‘rocking the boat’; while at the same time showing that they have policies that are distinctive from the governments they are allied with. The resulting strains have led to two junior coalition parties falling apart while in government.
- After a rocky start after the 1996 election, the parties have learned through experience to make governments quickly and to agree on viable coalition agreements.

Negotiations and Payoffs

- There are secret negotiations between parties after elections, during the government formation process. These negotiations determine:
 - government policies, perhaps a formal coalition agreement
 - the working rules of the coalition
 - the allocation of cabinet posts (according to relative party strengths)
 - the selection of ministers.

The Factors Influencing Government Formation in New Zealand

- Constitutional rules & conventions -- there are very few rules dictating how governments should be formed. For example, there is no legal time limit on government formation negotiations, and there is no formal requirement for Prime

Ministers to be confirmed in their positions with a parliamentary vote of confidence. Thus there is much flexibility.

- Political culture and expectations: New Zealanders dislike small parties holding larger parties to ransom (as happened in the post 1996 election period with NZ First); and they expect governments to be created promptly after elections, as occurred under FPP. They also dislike parties that publicly display their internal differences.
- The basic configuration of the party system under FPP, with its two dominant parties distinguished from one another on socio-economic differences, has largely continued under MMP.
- Not all minor parties want to be part of a government (for example the ACT party). This can leave the larger parties without potential coalition partners.
- Parties and politicians have learned from the experiences of early days under MMP.
- The numbers are what count: does a party (or parties) have the numbers to form a government? To pass its legislation? To get the budget through the House?

II. Lessons to be Learned from the New Zealand Experience

1. Don't expect electoral system reform to cure all (or even most) of a political system's problems.
2. Thus, make sure expectations are realistic.
3. If a country changes its electoral system, give the new rules time to settle down and become established. Allow a minimum of three elections before assessing their effectiveness; and then adjust the minor aspects rather than the major features (unless, of course, the effects are catastrophically bad).
4. It is difficult, perhaps impossible, to predict all the effects of electoral system change, as the following points illustrate.

The Anticipated and Unanticipated Consequences of MMP

Parliament: *Anticipated:*

- Multi-party Parliament
- Parliament more representative of different groups in society
- Parliament represents Maori fairly; & parties more responsive to Maori needs

Parliament: *Unanticipated:*

- Post-election party fragmentation (1993-9)
- The questioning of the legitimacy of the List MPs
- Some hostility to perceived Maori power

Government: *Anticipated:*

- Wider policy agenda
- Increased governmental consultation with other parties (and outside groups)
- Minority governments more accountable to Parliament than majority governments
- Increase in number of effective parliamentary parties (those parties with an influence on public policy)
- Select committees more assertive
- Government are more unstable (1993-99)

Government: *Unanticipated:*

- Adversarial rather than consensual style
- Minor party exercised disproportionate power in post-1996 coalition negotiations; and its choice of coalition partner did not coincide with pre-election statements (discrediting MMP itself).

The Voters, the Parties, and the Elections:

Anticipated:

- Voters employed new rules strategically; and about one-third (even more than expected) split their votes
- The parties quickly moved to created new candidate selection methods (although these were not always as democratic as one might desire).

The Voters, the Parties, and the Elections:

Unanticipated:

- Voters disliked dual candidature.
- Voters distrusted the party list MPs, regarding them as unaccountable to electors.
- Significant role played by one-seat alternative threshold—voting weight and party campaign distortions.
- Parties were slow to adapt to the new demands of campaigning for the list vote (rather than concentrating on the marginal constituencies, as under MMP)
- Public dislike increased size of House (and note destabilizing effects of referendum on the number of MPs under the Citizens Initiated Referendum Act 1993)
- Party membership has generally continued to decline