

PRESENTATION SUMMARY

NORTH VANCOUVER PUBLIC HEARING
DATED 2 JUNE 2004
AT THE LONSDALE QUAY HOTEL

THE FOLLOWING INFORMATION IS A BRIEF SUMMARY OF THE PRESENTATION TO THE CITIZENS' ASSEMBLY ON ELECTORAL REFORM. IT ATTEMPTS TO CAPTURE THE KEY ISSUES AND ARGUMENTS THAT WERE PRESENTED AND DISCUSSED DURING THE PUBLIC HEARING. IN SOME INSTANCES, THE PRESENTER HAS ALSO MADE A SUBMISSION TO THE ASSEMBLY AND THIS IS ACCESSIBLE VIA THE WEBSITE AT WWW.CITIZENSASSEMBLY.BC.CA BY CLICKING ON "GET INVOLVED". IF SUCH A SUBMISSION IS AVAILABLE, IT WILL BE NOTED AT THE END OF THIS REPORT.

Herbert Grubel

DESCRIPTION OF PRESENTATION

I would like to speak briefly on two topics: 1. The bias towards excessively large governments under systems of proportional representation, and 2. The need for governments to be constrained by legal or constitutional requirements for balanced budgets and maximum levels of spending and taxation.

KEY THEMES

Dr. Grubel discussed his concerns regarding the possible introduction of a system of proportional representation in British Columbia. Specifically, Dr. Grubel stated his concern over the potential production of coalition governments under such a system, thereby giving disproportionate power to parties that represent very narrow interests. This power may then be used to introduce legislation beneficial to them but not to the vast majority of citizens. Dr. Grubel argued that this effect may be tempered by the utilization of a threshold under a mixed member system. Despite this fact, Dr. Grubel noted that countries with proportional systems tend to have higher levels of government spending than those using majoritarian systems. In addition, regulations and income redistribution through taxation are almost certain to be higher in proportional systems. According to Dr. Grubel, the smaller governments produced by majoritarian electoral rules do not exclude minority interests. Rather, these interests work within parties in the design of party platforms and policies. While arguing the desirability of the majoritarian over the proportional system, Dr. Grubel also noted that the need remains to limit government spending even under the current system.

RECOMMENDATIONS

Dr. Grubel advocated the retention of the current system. Furthermore, the presenter recommended that the Citizens' Assembly discuss the issue of placing tax and expenditure limits on government. According to Dr. Grubel, this point is particularly important should the Assembly recommend the adoption of an electoral system with a bias toward increasing the size of government.

QUESTIONS, ANSWERS AND COMMENTS FROM THE PANEL

Q Where would you put the threshold in a proportional system?

A I do not advocate a proportional system. I believe that the present system is working quite well. Votes are not lost, as sometimes those votes make the difference of having one or another member in the house. I don't believe that having more parties

to choose from will reinvigorate interest in voting. Historically young people have always been disinterested as they have more interesting things to do with themselves.

QUESTIONS, ANSWERS AND COMMENTS FROM THE AUDIENCE

Q In the study you mentioned in the American Economic Review, was the lower income distributed equitably or was it distributed to a special interest group?

A A study in the American Economic Review was done using 80 countries around the world that had different political systems that occasionally changed from one to the other. The article analyzed systematically whether the level of government spending is associated with different electoral systems. It suggests that systems with PR have more government spending as a percentage of national income than others.