

Unintended consequences of changing the MMP electorate-seat rule

by Keith Rankin, 25 May 2012

The most requested change to our MMP voting system is to abandon the 'electorate-MP' rule that may allow a party with less than five percent support to avoid being disqualified from proportional representation in Parliament.

However, removing the electorate MP rule would increase the numbers of smaller party disqualifications, thereby accentuating a bias in favour of the two biggest parties.

Indeed a situation could more easily occur in which a governing coalition is defeated in parliament, despite the parties in that coalition gaining more votes than the opposition parties. (I am using the word "coalition" here to mean "confidence and supply".)

The best way to think through the issue is to consider how a governing (or an opposition) coalition would respond to an electoral situation in which one of its members appears likely to fall below the five percent threshold.

At present, the dominant party in that coalition has the option to facilitate its partner party's success by, implicitly, not contesting an electorate. National conceded Epsom in 2008 and 2011, to avert the disqualification of Act. Given the circumstances, this was an arrangement that was apparent to everyone. It was overt political pragmatism.

In the absence of the electorate-seat rule, and bearing in mind that at one stage Act seemed likely to gain about four percent support, National would have had to devise an alternative strategy to ensure that the National-led government could still rely on Act's parliamentary support. It seems to me that the most likely response by National would have been a covert deal to encourage sufficient right-wing National supporters - indeed National Party members - to party vote Act.

Such a covert deal to prop up Act would have been damaging to democratic values. Unlike the 2011 Epsom deal, such an arrangement would have distorted the all-important party vote.

The bigger issue is to note that the primary function of electorate candidates is to campaign for the party vote. This is exactly what Epsom's National candidate did in 2011.

The second issue is to note that the electorate contest is a contest between people, not parties. Voters generally work out that, in almost each electorate, there are just two contestants. Thus, as we all knew, the two contestants in Epsom were John Banks and Paul Goldsmith.

It was clearly the obligation of National to support Mr Banks' candidacy in Epsom, given the danger to National's partner. It is not reprehensible to support one's partner, whether in life, business or politics..

It is equally clear that it was in the interest of the opposition Labour-led coalition to promote Paul Goldsmith, the non-Banks non-Act contestant. Thus the reason John Banks prevailed was the failure of Labour to engage effectively in the politics - the open politics - of Epsom in 2011.

Labour strategists made two mistakes. First they chose a high profile candidate (David Parker), knowing he would always come a distant third in this 'two-horse' race. Second, the opposition parties failed to encourage their voters to vote for the only candidate (Goldsmith) whose election could bring down the Key-led government. Most seriously for the left, their Epsom voters gave a long term lifeline to the party (Act) they most despise.

The electorate-seat rule minimises the risk that a government in office will fall for no reason other than the disqualification of a coalition partner. The rule ensures that an open political process may take place to ensure that support parties which have played a constructive role in parliament are protected from the arbitrariness of the percentage threshold.

The purpose of the five percent threshold is to prevent new extremist parties from destabilising the political process. Indeed that's why the Germans, in the 1940s, replaced their previous form of proportional representation with the high-threshold MMP.

Our MMP system currently achieves this high hurdle for new parties, while easing the disqualification criteria for parties that have proven they can work with others. MMP should be retained as it is.

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