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# The Impact of Changing the House of Representatives Electoral System on the New Zealand Party System<sup>1</sup>

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#### **Abstract**

Time and again, changes to the electoral system have been driven by the vested interests of political players primarily interested in maximizing their gains, measured by the number of seats filled in parliament. History knows many cases in which such reforms were counterproductive and destabilized the functioning of the political system. This raises the question of whether it is possible to reform the electoral system in a way that not only does not result in a chaotic shift in the balance of power on the political scene but, above all, serves to improve the functioning of democratic institutions. This article discusses the implications for the party system of the 1993 reform of New Zealand's electoral law for the House of Representatives, involving a departure after 138 years from a plurality system to a mixed-member proportional system (MMP). The New Zealand case demonstrates that even a revolutionary change in the electoral system does not necessarily lead to a profound and disorderly remodeling of the party system, with the side effect of disrupting the functioning of the whole political system.

Keywords: electoral reform, party system, mixed electoral system, New Zealand.

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#### Introduction

When summarizing the course of the debate on the introduction of a mixed electoral system to the Lower House of Polish Parliament (Sejm), which has been going on in Poland for 30 years, Bartłomiej Michalak indicates:

Most often, the motivation of political parties to change the electoral system is related to the expected mandate results, i.e. that preferences as to the shape of the electoral system are a function of the expected distribution of mandates related to the performance of these systems. Maximizing political influence and the number of seats won in subsequent elections naturally induces political parties to favor particular institutional arrangements (Michalak, 2023, p. 96).

This way of thinking fits in with the heresthetics formulated by William H. Riker, underpinned by the belief "that political players are always ready to alter the rules of the game to their benefit" (Kaminski, 2002, p. 325). History knows of many instances in which a change in electoral law, or certain elements, aimed at maximizing gains of specific political powers. An almost iconic example of this type of action was Massachusetts Governor Elbridge Gerry's manipulation of constituency boundaries for the state legislature in 1812. The aim of the electoral law pushed through by the Italian Christian Democrats in 1952, which went down in history as the "fraudulent law" (Italian: *Legge Truffa*), was to ensure the party's dominance on the political scene (Zakrzewska, 1967). Similarly, the 2005 electoral law reform for the Chamber of Deputies by the majority led by Silvio Berlusconi was intended to stop the center-left's march to power (Pasquino, 2007).

The consequences of amending the electoral law are not only limited to a change in the number of seats held in the chamber by individual political parties but also impact the functioning of the entire political system. In this context, it is worth recalling, following Marek M. Kamiński, the Polish experience resulting from changes in electoral law at the turn of the twentieth and twenty-first centuries. Kamiński notes:

The choice of a majoritarian electoral law by communists in 1989 contributed to their defeat and subsequent demise of communism (Kamiński, 1999). The 1991 Lower House electoral law produced high parliamentary fragmentation and permanent cabinet instability. In 1993, the sudden dissolution of the parliament after the new law was introduced left little time for the rightist parties to consolidate and contributed to their sound electoral defeat. Ironically, this change in the electoral law helped the former communists regain power (Kamiński, Lissowski, & Świstak, 1998; Kamiński, 2002, pp. 326–327).

Therefore, the question arises as to whether it is possible to change the electoral system in a way that not only does not result in a fundamental (and often unforeseen) change in the balance of power on the political scene but, above all, serves the objectives of improving the functioning of a country's democratic institutions. The 1993 reform of New Zealand's electoral law for the House of Representatives, involving a departure from a plurality sys-

tem to a mixed electoral system (mixed-member proportional system (MMP)), may provide a good example.

This article aims to identify the impact of New Zealand's electoral law reform on the party system. However, the consideration here is not limited to an assessment of the gains and losses incurred by individual political parties because of the introduction of a mixed electoral system but also relates to aspects of the functioning of the political system, such as the representativeness of parliament or the process of government formation. Analyses were carried out to illustrate the dynamics of changes in the party system at the national and local levels to fulfil the research objective. For the analyses relating to the national political arena, the study used, among other indexes, the index of the effective number of parties at the electoral level, the index of the effective number of parties at the parliamentary level, or the index of the relative reduction of the effective number of political parties were used. The development of the New Zealand party system at the local level was illustrated using so-called crown diagrams. The study used data on how New Zealand voters voted at the electorate (single-member district) level and the seats allocated to each party in the House of Representatives. The time frame of the analyses covers the period 1946–2023, during which 17 parliamentary elections were held using the FPTP electoral system (1946–1993) and ten elections under a mixed electoral system (1996–2023).

The article consists of two parts. The first is a description of the New Zealand party system during the period of the FPTP electoral system, while the second relates to changes in the party system brought about by introducing a mixed electoral system for the House of Representatives. Both parts outline characteristics of the FPTP and mixed electoral systems for the House of Representatives, followed by analyses relating to the same processes and phenomena, providing an opportunity to identify changes within the New Zealand party system brought about by the 1993 electoral law reform.

### The FPTP Electoral System and the House of Representatives: Basic Characteristics (1946–1993)

In the period 1946–1993, the composition of New Zealand's unicameral parliament (the House of Representatives) was determined by an electoral system employing plurality rule and single-member districts (FPTP). Although parliamentary elections have been held in New Zealand since 1852, the FPTP electoral system was first used in the 1881 election. In this form, the system only lasted for three elections, as the previous plurality electoral system with one-, two- and three-member districts was reinstated in 1890. For a short period, in connection with the parliamentary elections of 1908 and 1911, the plurality rule was replaced by the majority rule, which required a second vote in those single-member districts where none of the candidates had secured an absolute majority of votes. The FPTP system with single-member districts was introduced by legislation in 1913, and its first use was for the 1914 parliamentary election. Since then, the system has operated in essentially unchanged form until 1993. The main amendments made to the system concerned the number of MPs serving in the House of Representatives and involved a change in the number of single-member districts: in the period 1914–1966, New Zealand's electoral area was divided into 80 single-member districts, while from the election held in 1969, this number steadily increased from 84 to 99 (1993).

### New Zealand's Party System Under the FPTP Electoral System (1946–1993)

Maurice Duverger (1959) formulated the "law" that elections in an FPTP electoral system contribute to forming two-party systems. For many years, New Zealand has been considered a model example confirming the accuracy of the French political scientist's observations in research on electoral systems. In this context, mention should be made of Arend Lijphart's research, based on which he described the party system operating in New Zealand between 1935 and 1993 as an "almost pure (perfect) two-party system" (Lijphart, 1999, p. 22). This assessment of the system was determined by the dominance of two political parties in the electoral and parliamentary-cabinet arenas. As Lijphart noted, from 1935 until the mid-1990s, government cabinets in New Zealand were formed exclusively by the Labour Party or the National Party. The dominance of these two parties was also evident in the electoral arena, where for 11 (out of 17) House of Representatives elections held between 1946 and 1993, both parties collectively won 100% of the seats (Lijphart, 1999).

The diagnosis formulated by Lijphart is confirmed by analyzing other indicators used to describe party systems. In the elections held from 1946 to 1993, there were 1,470 seats to be won in the House of Representatives. During this period, 1,459 seats were won by candidates of Labour and of National Party. Only 11 seats were filled by candidates representing minor (other) parties during this period. The landmark year was 1966 when a representative of a minor party (Social Credit) was elected to parliament for the first time in New Zealand's post-war history. The duopoly of Labour and the National Party was only successfully broken once again in the late 1970s and early 1980s, when Social Credit managed to introduce its candidates to the House of Representatives as a result of the 1978 (1), 1981 (2) and 1984 (2) elections. In the 1990 general election, New Labour won 1 seat, while in 1993, Alliance and New Zealand First each secured two seats in the House of Representatives.

The above-described balance of power in the New Zealand parliamentary arena was reflected in the effective number of parties at the parliamentary level (ENPP),<sup>3</sup> which fluctuated around 2.0 between 1946 and 1993, reaching its highest value in 1993 (2.16) and its lowest in 1990 (1.73).

$$N = \frac{1}{\sum_{i=1}^{n} p_i^2}$$

where n is the number of parties with at least one vote/seat and  $\mathbf{p_i^2}$  is the square of each party's share (proportion) of all votes or seats. See more: Laakso & Tagapera (1979).

The index of the effective number of parties was created by M. Laakso and R. Taagepera. The index considers the relative size of political parties as measured by the share of the vote (effective number of parties at electoral level – ENEP) or the share of seats they hold in the parliament (effective number of parties at parliamentary level – ENPP). The following formula is employed to calculate the index:

2,25

1,5

0,75

1946 1949 1951 1954 1957 1960 1963 1966 1969 1972 1975 1978 1981 1984 1987 1990 1993 election year

FIGURE 1. The Effective Number Parties at the Parliamentary Level in the New Zealand House of Representatives 1946–1993

Source: own elaboration based on data sourced from Gallagher (2024).

The dominance of the Labour Party and the National Party in the New Zealand political arena can also be seen at the level of the results of successive parliamentary elections held between 1946 and 1993. However, the data illustrating the support for the two major parties reveals "scratches" on Lijphart's "pure bipartisanship" as early as the 1950s. Almost 100% of the votes were cast for two major political parties in the first three general elections after the Second World War. However, from the 1954 election onwards, the proportion of voters who supported one of the minor parties gradually increased. From 1966 onwards, the proportion of New Zealanders voting for parties other than Labour or the National Party reached several percent. In 1981, minor parties crossed the 20% threshold of support nationally. The 1987 general election represents a brief pause in the gradual decomposition of the two-party system in New Zealand. In this election, the level of support for candidates of Labour and of the National Party again exceeded 90% nationally. In subsequent elections, the combined support for the two major political parties again fell below 90%, reaching a record low of less than 70% in 1993.

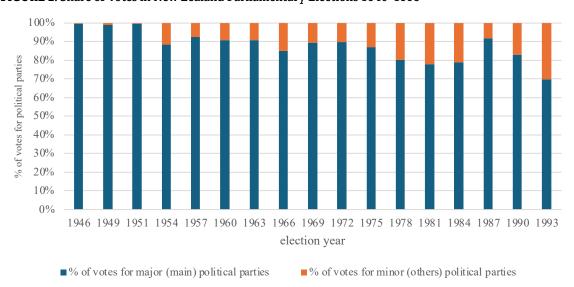


FIGURE 2. Share of Votes in New Zealand Parliamentary Elections 1946-1993

Source: own elaboration based on New Zealand Electoral Commission data.

The dynamics of the decomposition of New Zealand's two-party system at the electoral level are well illustrated by the effective number of parties at the electoral level (ENEP). Figure 3 shows that, at the electoral level, we only experienced a "pure two-party system" in the 1940s and early 1950s. In the following years, a systematic decomposition trend of the two-party system at the electoral level is evident. The period from 1954 to 1975 saw the formation of a two-and-half-party system in the New Zealand electoral arena, while the period from 1978 to 1993 saw the emergence of a three-party system.

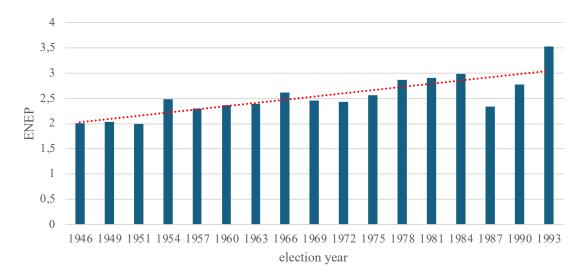


FIGURE 3. The Effective Number of Parties at an Electoral Level in New Zealand 1946-1993

Source: own elaboration based on data sourced from Gallagher (2024).

A comparison of the effective number of parties at electoral and parliamentary levels between 1946 and 1993 allowed us to determine the FPTP electoral system's reductive power on the New Zealand party system. For this purpose, we used the index of the relative reduction in the effective number of political parties (the reduction index).<sup>4</sup>

Figure 4 summarizes the discussion so far. The reason for the increasing values of the reduction index was the systematically increasing level of support obtained by minor parties in the period under study (increase in the effective number of parties at electoral level), which, due to the application of plurality rule and single-member districts, did not translate into parliamentary seats (increase in the effective number of parties at parliamentary level) won by minor parties.

$$RI = \frac{Nv - Ns}{Nv} \times 100$$

where RI is the reduction index, Nv is the effective number of parties at the electoral level (ENEP), and Ns is the effective number of parties at the parliamentary level (ENPP). See more: Taagepera & Shugart (1989); Michalak (2012).

The relative reduction in the effective number of political parties (the reduction index) was proposed by R. Taagepera and M. Shugart. The index measures the reductive power of the electoral system on the party system. The following formula is employed to calculate the index:

35
30
25
10
50
10
50
1946 1949 1951 1954 1957 1960 1963 1966 1969 1972 1975 1978 1981 1984 1987 1990 1993 election year

FIGURE 4. Reductive Power of the FPTP Electoral System for the House of Representatives 1946–1993

Source: own elaboration based on data sourced from Gallagher (2024).

The above data refers to parliamentary election results aggregated at the level of the entire electoral area (state), which do not provide insight into the dynamics of party competition at the local level (i.e., individual single-member districts), which is of particular interest in the case of FPTP electoral systems. The so-called crown diagram is a tool that allowed us to track the course of party competition at the local level and the resulting changes in the party system (Dunleavy & Diwakar, 2011). By visualizing the data with this type of diagram, it is possible to study the dynamics of the competition between the two major parties of the national political arena and to show how the minor parties are positioned against it. Therefore, based on crown diagrams, conducting both analyses of the evolution of party systems and comparing different systems was possible.

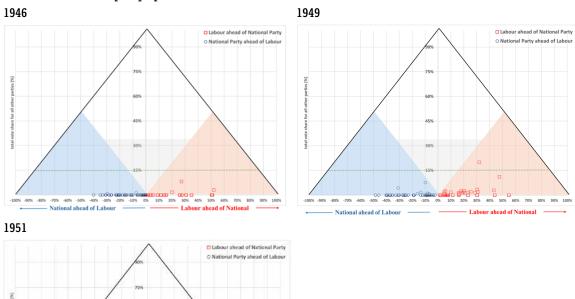
The construction of the crown diagram is straightforward, so interpreting its illustrated results should not cause any significant difficulty. Each dot on the crown diagram represents voting results in one single-member district (electorate). The horizontal axis represents all single-member districts regarding the local vote for the top two nationally leading political parties over their opponents. In New Zealand, these are the Labour Party and the National Party. Single-member districts, where the National Party leads over the Labour Party, are shown on the left-hand side of the diagram, arranged in order of *National vote share – Labour vote share*; and vice versa, single-member districts where the Labour Party is ahead of the National Party are shown on the right-hand side, going out in order of negative *Labour vote share – National vote share*. For instance, if the National Party leads over the Labour Party by 15%, this single-member district will be located at -15 on the horizontal axis. If the Labour Party leads over the National Party by 25%, this will be located at 25 on the horizontal axis. This location system applied whether both main parties are locally the top two political parties in the single-member district being charted (Dunleavy & Diwakar, 2011).

In turn, the vertical axis shows the total support received by the minor parties in an individual single-member district. The higher a given dot is placed on the vertical axis, the higher the total vote share for minor political parties, where Labour and National Party are the largest parties (vote share from 0 to 100%) and the second largest party (vote share from 0 to 50%), the single-member district outcome will tend to occur lower down on the crown dia-

gram; where both parties are lower down the rankings in the single-member district, then the single-member district will be higher in up the diagram. If a minor party was victorious in a given single-member district, it was labeled with a separate dot (Dunleavy & Diwakar, 2011).

Crown diagrams prepared for parliamentary elections held between 1946 and 1951 confirm the existence of a "pure two-party system" in New Zealand at the local level. This period is characterized by the dominance of the Labour Party and the National Party at the level of single-member districts, which is reflected not only in the victories of candidates representing the two major political parties in all single-member districts but also in the low level of support gained by the minor parties at the local level. Only in the 1949 election, in just one single-member district, did the minor party win more than 15% of the vote (Democratic Labour in the Grey Lynn).

**Figure 5.** Electoral Competition at the Level of Electorates, House of Representatives elections 1946–1951, "Pure Two-party System" at the Local Level



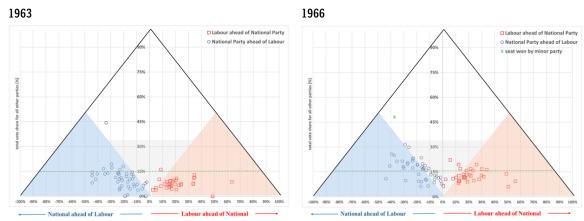
Source: own elaboration based on Vowles (2022).

This situation changed somewhat in 1954 when minor-party candidates (representing in the vast majority of cases Social Credit) won at least 15% of the vote in 30% of single-member districts. However, this support did not give any of them a seat. In 1966, the Social Credit representative from Hobson won this seat. Noteworthy, the victory of the Social Credit in this particular single-member district was not a coincidence, as already in the 1963 election, its candidate had lost in Hobson to the candidate of the National Party (for whom this single-member district was an "electoral stronghold") by a difference of only 31 votes. The high level of support, which admittedly did not translate into a seat won by the Social Credit in Hobson in the 1963 voting,

can be observed in the crown diagram below, in which this single-member district (located in the upper left of the diagram) is marked with a "circle" (representing the National Party's victory). In the crown diagram prepared for the next election, this single-member district was already marked with an "asterisk" (representing the victory of a minor party), even though its position on the diagram had changed only slightly compared to the previous election.

In the context of the 1966 election, it is worth noting the increase in the percentage of single-member districts in which support for minor-party candidates (primarily Social Credit candidates) reached at least 15%. In that election, such single-member districts accounted for 45% of the total.

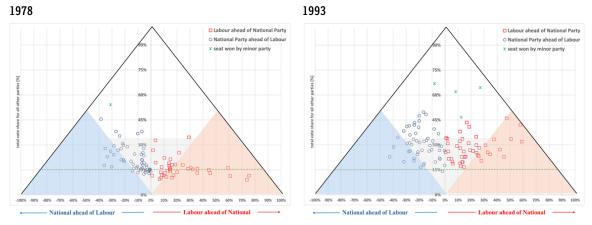
**FIGURE 6.** Electoral Competition at the Level of Single-member Districts to House of Representatives Elections 1963–1966



Source: own elaboration based on Vowles (2022).

In the 1978 election, the Social Credit candidate again managed to break the dominance of the Labour and the National Party with a victory in the Rangitikei. This election was the first time that the percentage of single-member districts in which minor-party candidates gained at least 15% support exceeded 50%. In 1978, in 68% of single-member districts, minor-party candidates received at least 15% support. In subsequent elections, this percentage was: 1981 – 80%; 1984 – 79%; 1987 – 13,4%; 1990 – 55,7%; 1993 – 99%.

FIGURE 7. Electoral Competition at the Level of Single-member Districts to House of Representatives Elections 1978–1993



Source: own elaboration based on Vowles (2022).

## The Aims of Amending the Electoral Law for the House of Representatives in the Context of the Party System

The analysis results presented in the previous section demonstrate that the main factor petrifying the "pure two-party system" in New Zealand between 1946 and 1993 was the FPTP electoral system employed to elect the members of the House of Representatives. Over the years, the reductive power of this system has effectively hindered the entry of minor political parties into the parliamentary arena despite steadily increasing support for such parties among New Zealanders. This issue was one of the central problems to be addressed by the reform of New Zealand's parliamentary electoral system, the discussion of which began in the late 1980s. It should, therefore, come as no surprise that the Royal Commission on the Electoral System's formulation of a set of ten criteria for evaluating the new electoral system included those that directly addressed the impact of the system on political parties. The first was on 'Fairness between political parties'. This criterion stated that, in the name of fairness and equality, the number of seats obtained in the parliament by political parties should be proportional to the number of voters who supported each party. A further criterion was that of "effective parties," according to which the voting system should recognize and support the essential role that political parties perform within representative democracy. In particular, this role includes formulating and articulating policies and providing representation to different groups of voters (Boston et al., 1996, pp. 17–18). Eventually, as a result of years of debate and two referenda (in 1992 and 1993), the FPTP electoral system for the New Zealand House of Representatives, which had been in action for 138 years, was replaced by a proportionalized version of a mixed electoral system (mixed-member proportional; MMP).

### Mixed Electoral System: Basic Characteristics

Since the 1996 elections, the House of Representatives seats have increased from 99 to 120. Competition for parliamentary seats takes place in two tiers of the system. Part of the seats are filled in the plurality tier (so-called electorate seats), and part in the PR tier (so-called list seats) of the system. Over the years, the number of seats filled in both system tiers has changed, noting that the number of electorate seats has increased at the expense of the number of list seats. Moreover, in the plurality tier, several seats are reserved for the Māori population (in so-called Māori electorates). Over the years, the number of such seats has fluctuated. In 1996, there were five; in 1999 – six, and since 2002 there have been seven. (Boston *et al.*, 1996; Denemark, 2005; Vowles, 2005; Michalak, 2013).

The consequence of the distinction between two tiers in the electoral system is that New Zealanders express their political support by two categorical votes: the so-called *electorate vote* is cast for a candidate in the plurality tier, while the so-called *party vote* supports an electoral list registered by a political party in the PR tier. From the point of view of the final electoral outcome of individual parties, both votes do not have equal importance. The votes cast by voters in the PR tier (party votes) are of far more political significance, as their sum at the national level determines the number of seats to be filled by each party in the House of Representatives (Boston *et al.*, 1996; Jackson & McRobie, 1998).

TABLE 1. Number of Seats Filled in Both Tiers of the Electoral System for the House of Representatives

Election year	Electora	PR seats	TOTAL	
	General electorates	Māori electorates	PK seats	IOIAL
1996	60	5	55	120
1999	61	6	53	120
2002	63	7	50	120
2005	62	7	51	120
2008	63	7	50	120
2011	63	7	50	120
2014	64	7	49	120
2017	64	7	49	120
2020	65	7	48	120
2023	64	7	49	120

Source: own elaboration based on data sourced from the New Zealand Electoral Commission.

The competition for seats in the plurality tier of the system takes place in single-member districts (electorates) between individual candidates. The winner of the competition is the candidate who obtains the highest number of electorate votes in the electorate. The winners keep the seats they have won in the electorates, even if their political party falls below the nationwide 5% electoral threshold. In the PR tier of the system, voters cast party votes for the electoral lists of political parties competing for seats in a single nationwide district. The distribution of list seats is based on the Saint-Lague method among the electoral lists of the parties that have secured at least 5% of the valid party votes cast nationwide. In the electoral system for the House of Representatives, there is also a so-called alternative electoral threshold, whereby a party whose candidate has won at least one electorate is also eligible to participate in the distribution of list seats (based on the number of party votes won) (Boston *et al.*, 1996; Jackson & McRobie, 1998; Denemark, 2005; Vowles, 2005; Michalak, 2013).

The procedure for establishing the outcome of an election begins by determining the level of support secured by the lists of political parties in the PR tier of the system. The total number of party votes won by the political parties that meet one of the thresholds in the New Zealand electoral system establishes the total number of parliamentary seats allocated to them. The number of seats to which political parties are entitled in each tier of the electoral system is then determined. First, each political party will obtain the number of electorate seats (based on the victories of their candidates in electorates). A compensation mechanism is then triggered whereby the total number of seats allocated to each party is reduced by the number of electorate seats they win in the plurality tier. This determines the number of list seats allocated to each political party (Vowles, 2005; Michalak, 2013).

**TABLE 2.** Electoral System to the House of Representatives in Action: 2002 Parliamentary Election Results (No Surplus Seats)

	PR tier			Plurality tier		
Parties	Seats Allocated	Votes	%	Seats Won	Votes	%
ACT	9	145,078	7.14	0	70,888	3.55
Alliance	0	25,888	1.27	0	33,655	1.69
Green Party	9	142,250	7	0	106,717	5.35
Labour Party	7	838,219	41.26	45	891,866	44.69
Mana Māori	0	4980	0.25	0	8130	0.41
National Party	6	425,310	20.93	21	609,458	30.54
NZ First	12	210,912	10.38	1	79,380	3.98
Progressive Coalition	1	34,542	1.7	1	36,647	1.84
United Future	7	135,918	6.69	1	92,484	4.63
Other	0	68520	3.38	0	66361	3.32
TOTAL	51	2,031,617		69	1,995,586	

Source: own elaboration based on data sourced from the New Zealand Electoral Commission.

A consequence of the compensation mechanism based on the negative transfer of seats between tiers of the electoral system and the institution of the alternative electoral threshold is the occurrence of so-called surplus (overhang) seats. These seats increase the number of MPs in the House of Representatives in a given term. However, the magnitude of this phenomenon is small. In New Zealand's mixed parliamentary elections from 1996 to 2023, surplus seats occurred only five times and in limited numbers, i.e. 2005 (1 seat), 2008. (2), 2011 (1), 2014 (1), and 2023 (2).

TABLE 3. Electoral System to the House of Representatives in Action: 2023 Parliamentary Election Results (With Two Surplus Seats)

	PR tier			Plurality tier		
Parties	Seats Allocated	Votes	%	Seats Won	Votes	%
ACT New Zealand	9	246,473	8.64	2	149,507	5.45
Green Party	12	330,907	11.60	3	226,575	8.26
Labour Party	17	767,540	26.92	17	855,963	31.21
National Party	5	1,085,851	38.08	43	1,192,251	43.47
New Zealand First Party	8	173,553	6.09	0	76,676	2.80
Te Pāti Māori	0	87,844	3.08	6	106,584	3.89
Other	0	159043	5.59	0	135,047	4.92
TOTAL	51	2,851,211		71	2,742,677	

Source: own elaboration based on data sourced from the New Zealand Electoral Commission.

The New Zealand House of Representatives electoral system is an example of a so-called mixed electoral system. Because it operates a mechanism of negative transfer of seats between the two tiers, the system is classified as a subgroup of the mixed-member proportion-

al (MMP) systems (Norris, 1997; Errara, Herron, & Nishikawa, 2005; Shugart & Wattenberg, 2005; Kamiński, Flis, & Salamon, 2024). The design of this system is similar in many respects to the electoral system known from elections to the German Bundestag. However, despite many similarities, both systems are different. For example, in both systems, voters have two votes. The equivalent of the New Zealand electorate vote is the German *Erststimme* (first vote), while the party vote corresponds to the Zweitstimme (second vote). In this context, it is worth noting that the use of the ordinal numerals "first" and "second" in Germany has resulted in a significant proportion of voters misinterpreting a vote cast for a candidate as being more important to the outcome of an election than a vote cast for a party list. This problem, on the other hand, was avoided in New Zealand (Karp, 2006). Boston et al. (2016, p. 23) indicate other differences between the two systems: "Unlike Germany, where political parties put forward separate lists in all the states (or Lander), in New Zealand, each party will be able to field only one nationwide of candidates." Both systems have a nationwide 5% electoral threshold and alternative electoral thresholds. However, "in Germany, a party which wins at least three district seats qualifies for list seats in the Bundestag, while in New Zealand, a party needs to win only one electorate seat in order to acquire additional seats in the House of Representatives" (Boston et al., 1996, p. 24).

### New Zealand's Party System Under the Mixed Electoral System (1996–2023)

Analyses of the New Zealand party system after introducing the mixed electoral system were conducted at the level of the entire system and, when justified and necessary, at the level of both its tiers. The adoption of such a research assumption is a direct consequence of the design of the New Zealand electoral system, in which the final electoral outcome (the number of seats held by each political party in the House of Representatives) is determined based on the number of party votes won by the national electoral lists in the PR tier of the system. The electorate votes cast for candidates running for parliamentary seats in electorates, which form the plurality tier of the system, serve primarily to express the personal preferences of voters and have a limited impact on the number of seats allocated to each party in the parliament.

Introducing a mixed electoral system for the House of Representatives significantly challenged the Labour and the National Party's previous dominant positions in the electoral and parliamentary-cabinet arenas.

In the ten mixed parliamentary elections held between 1996 and 2023 in New Zealand, there were 1207 seats to be filled in the House of Representatives. During the period under review, the two major political parties filled 915 seats in parliament, of which 640 were list seats and 275 were electorate seats (by comparison, the 17 FPTP parliamentary elections resulted in both parties winning 99.2% of all seats). The remaining 292 parliamentary seats (of which 238 were list seats and 54 were electorate seats) were won by candidates of minor political parties. It is, therefore, noticeable that the position of the Labour Party and the National Party in the New Zealand parliamentary arena has decreased due to the introduction of a mixed electoral system. However, the electoral law reform has had a more significant negative impact on the National Party. While the 1946–1993 elections resulted in the party's

representatives in parliament holding an average of 53% of seats (max = 69% (1990); min = 37% (1972)), after the introduction of the mixed electoral system this percentage fell to an average of 39% of parliamentary seats (max = 50% (2014); min = 28% (2017)). Labour was affected to a lesser extent by the electoral reform. As a result of elections held under the FPTP system, Labour representatives filled an average of 46,3% of seats in successive parliaments (max = 63% (1972); min = 30% (1990)). Following the introduction of the mixed electoral system, this percentage fell to an average of 37% of parliamentary seats (max = 54% (2020); min = 26% (2014)).

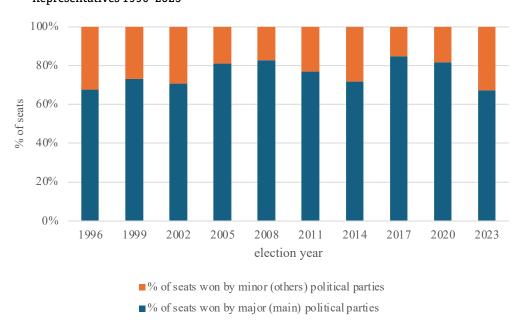


FIGURE 8. Share of Seats Won by Major (Labour and National) and Minor Political Parties in the House of Representatives 1996–2023

Source: own elaboration based on data sourced from the New Zealand Electoral Commission.

Introducing a mixed electoral system for the House of Representatives has helped strengthen the position of minor political parties (both previously existing and newly established). As a result of the 1996–2023 general elections, these political parties filled 292 seats in the following terms of the parliament. Since the first mixed parliamentary election in 1996, it has yet to happen that minor political parties have not been represented in parliament. In 1996, representatives of four minor parties secured seats in the House of Representatives, five between 1999 and 2008, six in 2011, five in 2014, three between 2017 and 2020, and four in 2023. In examining the formation of the New Zealand party system after 1996, it should be noted that the last parliament to be elected under the FPTP system already had representatives from two minor political parties - the left-wing Alliance (whose core was Social Credit and the Greens) and New Zealand First, formed as a result of a breakaway in the National Party. New Zealand First became a permanent component of the New Zealand party system, not only regularly getting its representatives into the parliament (except the 2008 and 2020 elections) but also participating in government coalitions with the National Party (1997-1998 and from 2023) and the Labour Party (2017-2020). The decomposition of the Alliance, on the other hand, took place rather quickly. In 1997, the Greens left

the Alliance and decided to run independently in the 1999 election. In 2002, Jim Anderton left the Alliance along with a group of MPs. Since the 2002 election, the Alliance has yet to introduce a single MP into the House of Representatives. The fortunes of the breakaway parties were quite different. Jim Anderton's left-wing political party (Progressive Coalition) fielded its candidates to the House of Representatives three times (between 2002 and 2008). On the other hand, the Greens (focusing mainly on environmental and social issues) have been getting their representatives into parliament continuously since 1999, thus becoming the main left-wing alternative to the Labour. In 1996, ACT, which broadly leans towards the right with stances emphasizing smaller government and personal liberty, choice, and expression, brought its representatives to the House of Representatives. Although the party remained outside the House from 1999 to 2005, its candidates have consistently won parliamentary seats since the 2005 election. Following the 2023 election, the party formed a coalition government with the National Party and the New Zealand First. Also noteworthy is the centrist United Future Party, whose representatives won parliamentary seats in the 1996–2014 elections (as many as eight in 2008). This party supported (based on confidence and supply) both the governments formed by the Labour Party (2005-2008) and the National Party (2008-2017). The introduction of a mixed electoral system has also improved Māori parliamentary representation. Since 2005, with a short break between 2017 and 2020, Māori have been represented in the House of Representatives by the Māori Party (Te Pāti Māori). In the 2011 election, another Māori political party, the Mana Party, managed to get its representative into the House.

Between 1996 and 2023, minor political parties brought their candidates into the House of Representatives mainly through the PR tier of the electoral system. As many as 238 seats, out of the 292 seats won by the minor political parties, were list seats. We should note the increase in the frequency with which candidates of minor political parties won in electorates. Between 1946 and 1993, candidates of these parties achieved only 11 such victories, and during the mixed electoral system era, their number increased to 54. The question arises as to the reasons for this state of affairs. In this context, it is worth returning to the issue of the characteristics of the mixed electoral system for the House of Representatives.

The first reason for the increase in the number of victories for candidates of minor political parties in electorates is the existence of the so-called Māori electorates under the mixed electoral system. New Zealand's electoral system guarantees a specific pool of seats in parliament to representatives of the indigenous Māori population. The consequence of this arrangement is that within the electoral system, there are two types of electorates: so-called general electorates (in which all New Zealanders are eligible to elect their representatives) and so-called Māori electorates (in which Māori elect their representatives). Both types of electorates cover the entire electoral area of New Zealand, and a voter is allowed to vote only in one of them. Between 1996 and 2023, candidates representing Māori parties won 23 victories in this type of electorate, partly explaining the higher number of victories by minor political parties in electorates than in the FPTP electoral system era.

The increase in the number of victories by candidates of minor parties can also be attributed to the emergence of so-called trigger electorates within the electoral system for the House. It should be recalled that in the system, there are two electoral thresholds: a political party is allowed to participate in the distribution of parliamentary seats if its list

receives at least 5% of the valid party votes nationwide (basic threshold) or its candidate wins in at least one electorate (alternative threshold). Significantly, a party that only manages to meet the alternative threshold not only retains the electorate seat but also, based on the party votes it has won, participates in the distribution of list seats. Therefore, electorates in which victory allows a political party to participate in this procedure are labeled trigger electorates. While failing to meet the basic electoral threshold between 1996 and 2023, victories in trigger electorates allowed ACT, United Future, New Zealand First, Progressive Coalition, Māori Party, and Mana Party to gain parliamentary representation. In the mixed electoral system era, these parties secured victories in 20 trigger electorates (six of which were held by Māori parties).

The decline mentioned above in the number of parliamentary seats held by representatives of the two major political parties was directly reflected in a higher effective number of parties at the parliamentary level than in the period when the FPTP electoral system was in place, indicating the formation of a multi-party system after 1996. In the period under study, it is possible to distinguish two sub-periods characterized by different dynamics of change in the effective number of parties at the parliamentary level:

- a period of increase, covering the 1996–2002 elections, which resulted in an average ENPP oscillating around 3.65;
- a period of decline, covering elections from 2005 to 2020, which resulted in an average ENPP oscillating around 2.83.

After the 2023 election, the effective number of parties at the parliamentary level reached its highest value ever recorded (3.81). At this stage, however, it is impossible to say whether this marks the beginning of a new sub-period characterized by a continuing increase in the effective number of parties at the parliamentary level or whether it is merely a one-time increase that will not be repeated after the 2026 parliamentary election.

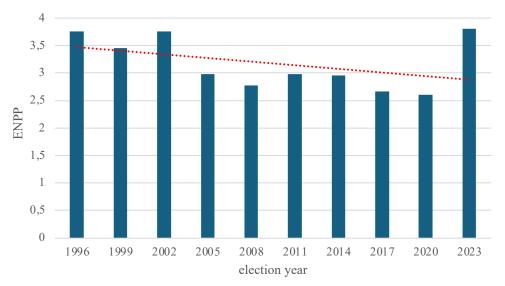


FIGURE 9. The Effective Number of Parties at the Parliamentary Level in New Zealand 1996-2023

Source: own elaboration based on data sourced from Gallagher (2024).

The decline in the number of seats held by Labour and the National Party in the House of Representatives has also contributed to a weakening of the position of both parties in the governmental arena. Whereas between 1946 and 1993, majority governments formed by one of both major parties were the rule, the era of the mixed elections is characterized by, with one exception, the inability of the Labour and the National Party to form a single-party majority government. In this period, in New Zealand, there were:

- four minority single-party governments: the National Party governments of 1998–1999, 2008–2011, 2011–2014, and 2014–2017;
- four minority coalition governments: the Labour and Alliance governments of 1999–2002; the Labour and Jim Anderton's Progressive Coalition governments of 2002–2005 and 2005–2008; and the Labour and NZ First governments of 2017–2020;
- two majority coalition governments: the 1996–1998 National Party and NZ First government and the National Party government formed following the 2023 election with the ACT and NZ First;
- one single-party majority government: the 2020–2023 Labour Party government.

Since the 1996 elections, the two major political parties have received a noticeable decline in support. While Labour and the National Party won an average of 88.9% of the vote in successive plurality elections between 1946 and 1990, the average support for the two major parties fell to 77.7% in the elections between 1996 and 2023. An even more significant decline in support for the two major political parties can be seen at the plurality tier of the system, where the average support for candidates of Labour and of the National Party stood at 72.2%.

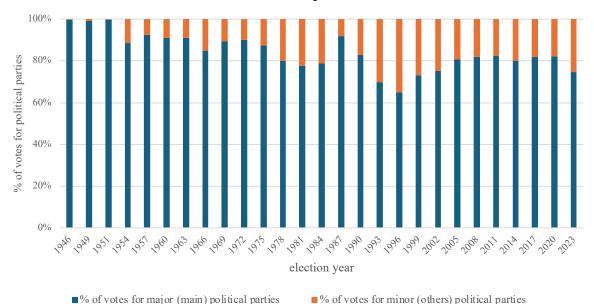


FIGURE 10. Share of Votes in New Zealand Parliamentary Elections 1946–2023

Source: own elaboration based on data sourced from the New Zealand Electoral Commission.

The decline in support for both major political parties is reflected in the effective number of parties at the electoral level, which also confirms that a progressive process of forming a multi-party system began in the electoral arena after 1996.

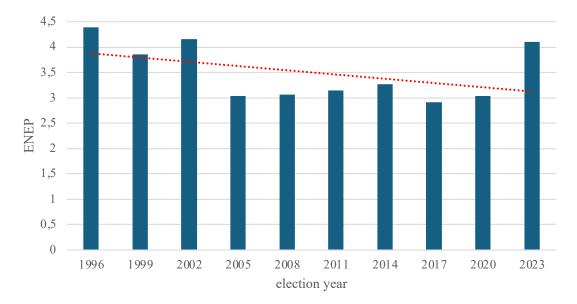


FIGURE 11. The Effective Number of Parties at an Electoral Level in New Zealand 1996–2023

Source: own elaboration based on data sourced from Gallagher (2024).

Therefore, it should not be surprising that the mixed electoral system is characterized by lower relative strength in reducing the effective number of political parties. While the average value of the reduction index was 20.8 between 1946 and 1993, it has fallen to an average of 9 between 1996 and 2023.

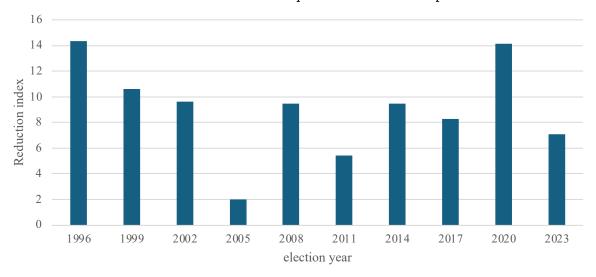


FIGURE 12. Reductive Power of the Mixed Electoral System for the House of Representatives 1996–2023

Source: own elaboration based on data sourced from Gallagher (2024).

Establishing a mixed electoral system has changed the nature and dynamics of party competition at the local level. A measurement of the level of support for electoral lists registered by minor political parties, which was conducted at the level of electorates, shows that between 1996 and 2023, they obtained at least 15% support in almost all electorates. The exception in this respect was the 2017 parliamentary election when the level of support for minor-party lists exceeded 15% in 80% of electorates. However, the fact remains that even in the PR tier of the electoral system, there are still only occasional electorates where the lists registered by the minor political parties win the most votes (at this point, it should be emphasized that achieving such a "victory" is not tantamount to winning a seat in the parliament). In the period under study, this situation occurred only three times and involved a limited number of electorates – in the elections of 1996 (4 electorates), 1999 (2) and 2023 (3). In seven elections (from 2002 to 2020), there was a situation where the minor party list won the highest support in no electorate.

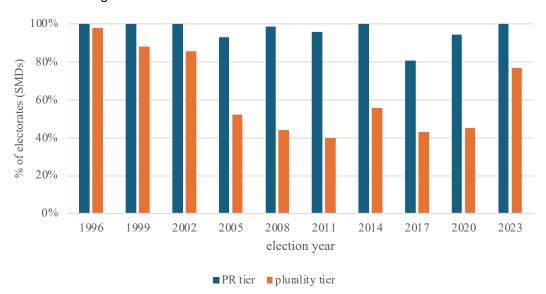


FIGURE 13. Percentage of Electorates in which Minor Parties Received at Least 15% of the Votes 1996-2023

Source: own elaboration based on data sourced from the New Zealand Electoral Commission.

The situation of minor-party candidates in electorates is far more interesting. Although, as mentioned earlier, candidates registered by Labour and by the National Party continue to dominate in the plurality tier, no parliamentary election was identified in the period under review in which a minor party candidate did not win in at least one electorate. In subsequent elections to the House of Representatives, such electorates were identified: 9 in 1996, 4 in 1999, 3 in 2002, 9 in 2005, 8 in 2008, 6 in 2011, 4 in 2014, 1 in 2017, 3 in 2020 and 11 in 2023.

FIGURE 14. Electoral Competition at Electorate Level: 1996, 2008, and 2023 House of Representatives Elections



Source: own elaboration based on data sourced from the New Zealand Electoral Commission.

In the context of electoral competition in the plurality tier, attention is drawn to the growing support for minor party candidates registered in the electorates. In the first three mixed parliamentary elections, on average, in 91% of electorates, candidates representing minor parties secured at least 15% support. In the 2005–2020 elections, there were only two cases (in 2005 and 2014) where minor party candidates won at least 15% of the votes in more than 50% of the electorates. In the 2023 parliamentary election, the percentage of such electorates increased to 77%.

### Summary

Conducted analyses confirmed the significant role of the FPTP electoral system employed in New Zealand's parliamentary elections until 1993, establishing the "pure" two-party system and its petrification. This electoral system effectively prevented minor political parties from establishing themselves in the national parliamentary arena on a lasting basis, even though support for them among the New Zealand electorate had steadily increased since the mid-1950s.

This was intended to be changed by the 1993 electoral law reform, which aimed to "establish fairness between political parties." The results presented in the study confirm that, in this respect, the reform was successful. Although the implementation of the proportionality mixed system (MMP) did not lead to the decline of the dominant role of the Labour Party and the National Party in the New Zealand political arena (both parties continue to have the most significant representation in parliament and without their involvement it is not possible to form a government), it did, however, open the door more widely and, above all, permanently for more minor parties not only to the House of Representatives but also to the government.

The case of New Zealand demonstrates that even a revolutionary change in the electoral system (which was the 1993 change from an FPTP electoral system to a de facto proportional system) does not necessarily lead to a profound and disorderly remodeling of the party system and the temporary dysfunctionality of the political system as a whole. It seems more reasonable in this case to speak of an evolutionary transition from a "pure" two-party system to a multi-party system, accompanied by the preservation of the leading (but no longer dominant) role of the hitherto main actors.

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