SUBMISSION NO. 1 BY ED HITCHCOCK TO 2022 INDEPENDENT ELECTORAL REVIEW:

SOLVING THE WASTED VOTES AND THRESHOLD-RELATED PROBLEMS

1. SUMMARY

This is a submission by Edward Hitchcock.

At present, if I give my party vote to party that does not pass a threshold, my vote is discarded and wasted. I submit that I should have a vote in the main election irrespective of whether I wish to support a small party.

I may want to join a political party, perhaps a new one or perhaps one longer established. I want to be able to do so free from the perverse incentives created by the risk of a 'wasted vote'. The wasted votes issue make small parties into 'spoilers' against their 'friends', creating an environment I do not like.

I submit that both of these desires may be simply achieved by giving all voters a second choice of party vote.

"If my first choice party fails to pass any threshold, my party vote should go to my second choice party".

That second choice means that wasted votes will be much reduced and a very high proportion of voters can have a direct say in the makeup of parliament.

It also means that people can show support for smaller parties without harming the party bloc they wish to help. And it does not necessitate a lowering of the 5% threshold percentage.

Two-choice party voting can be implemented very simply with only minor changes to voting papers and to vote counting. The idea of second-choices is well-understood in society, so the change would be easily communicated.

Two-choice party voting is a very simple, intuitive solution to the threshold and wasted votes problem which has dogged New Zealand MMP since the beginning. It may also provide a compromise between those convinced of the need for the 5% threshold and those seeking a solution for the problems created by the present vote-discarding threshold.

This rest of this document provides more details of this proposal.

2. PROBLEM: WASTED VOTES

'Wasted votes' is an oft-talked-about subject in relation to MMP, in my experience.

2.1. Voters hate wasted votes

Most voters participate in general elections in order to have a say in the makeup of parliament, and most importantly to have a say in which grouping of parties gets to form the next government. Many of these voters wish also to see some smaller party in parliament. *But they cannot express both ideas with their vote.* For many, the most important is to influence the makeup of the next government, so they see voting for a small party as potentially 'wasting their vote'.

2.2. The risk of wasted votes hides reality

Because of the wasted votes issue, nobody can tell what the real level of support is for a given small party. Many of its supporters probably did not vote for the small party for fear of wasting their vote.

2.3. Parties hate wasted votes even more

The wasted votes issue creates a poisonous environment of perverse incentives for all concerned. A vote for a small party is a vote lost to its allied big brothers. If the small party misses the threshold, those votes diverted from larger parties are lost, so harming the bloc of parties the small party hoped to support. So small parties can be seen as 'spoilers' – taking votes from their friends and wasting them. This helps explains why no party has ever passed the 5% threshold without help from an electorate seat win.

The wasted votes problem discourages every aspect of starting, growing, or supporting new parties.

An added problem here is that this wasted votes issue is little understood or discussed. I suspect that people create small parties without really understanding the issues, and many vote for small parties without understanding the issues either.

2.4. Disenfranchisement.

The party vote under MMP appears to be an attempt to do two things with one vote.

- Decide which parties pass the threshold
- Allocate seats in parliament among threshold-passing parties

Unfortunately, the vote-discarding threshold has the effect of denying the supporters of small parties any say in the overall result.

I suggest that almost every voter, whether they support big or small parties, has a strong interest in the overall result. But typically, 5-8% of voters are disenfranchised from this most important aspect of the election.

This seems plain unfair and unconstructive. It seems to be disenfranchisement for administrative convenience.

2.5. Lower than necessary proportionality.

New Zealand has one of the more proportional of world voting systems. But it could be so much better. I am sure that most of the 5-8% of voters whose votes are now wasted would like the opportunity join the rest of the country in deciding the

makeup of parliament. If they were able to do so the number of wasted votes could be substantially reduced, probably to less than 1%.

2.6. Unequal voters.

The disenfranchisement mentioned above has the effect of creating two classes of voters:

- Those who chose a threshold-passing party
- Those who chose a non-threshold-passing party.

The second group have no say in the main election. I think that both these groups, not just the first, should be allowed to participate in the main election.

2.7. Risk of election instability.

There is a potentially more serious problem that arises from the 5% threshold, and which applies for any level of threshold chosen.

A problem that arises if one party (or more) gets very close to the 5% threshold. There can be huge legal debates over the validity of small numbers of votes, or incentives to 'find' a few votes.

It is problem most recently demonstrated in the 2020 US presidential election. Because all electoral college votes for the state go the state winner, a small number of votes can have a huge effect on the overall election. Many will remember that Donald Trump was trying to 'find' just 12780 votes to swing the whole state of Georgia his way. In situations like this there can be huge legal debates on the validity of votes because so much hinges on it.

That this could be a problem in New Zealand can be seen in the 2008 election results. Just a few more votes for one party could have allowed it to pass this arbitrary threshold. That would nearly have made it possible for a different group of parties to have formed the government.

That 5% block is pretty large so passing or not it can have a big effect. This very possible albeit unlikely situation should be considered in designing the electoral system.

3. ANALYSIS

If there is one thing that can be concluded from the previous section, is that wasted votes create many problems. We should look for a solution.

3.1. Objectives

We need a way of selecting qualifying parties and then allowing all or nearly all voters to vote for one or other of the qualifying parties. It should avoid the problems identified above with the present system, while minimising change.

3.2. Proposal

I submit that the following achieves the desired objectives:

Allow voters to express the following idea:

> "If my first choice party fails to pass any threshold, my party vote should go to my second choice party".

Do this by

- adding a second column of tick boxes to the party voting paper.
- Modifying the counting of party votes to take into account second choices.
- Using the existing methods unchanged to decide numbers of seats for each party

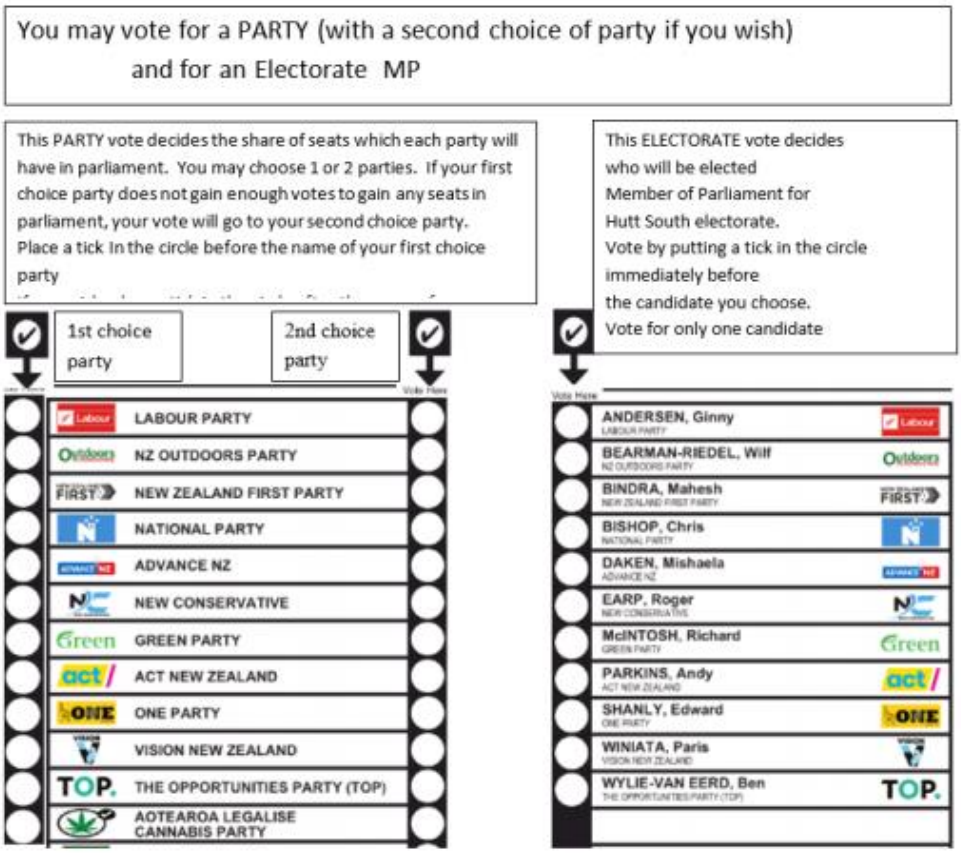
The following sections detail how this system would work and how it would address the problems identified with the present system.

4. TWO-CHOICE PARTY VOTING: HOW IT WOULD WORK

Two choice party voting involves a modest change to the party voting paper, and consequent modest changes to vote counting. It requires no changes to the method of deciding the number of seats for each party in parliament.

4.1. The party-voting paper

The party voting paper needs one extra column of tick-boxes, with some modified instructions, with one possible layout shown below:



This change is intuitively easy to understand. We understand the idea of making a second choice in case the first is unavailable.

The second choice does not guarantee that every voter will have a vote that counts towards the makeup of parliament. For this each voter must choose, for one or other choice, a threshold passing party. There will still be cases where voters choose two under-threshold parties, but this will be their choice.

The change is extremely robust to voter error. Provided one of the two columns has just one tick, and that against a threshold passing party, the voter intention is clear and useful in deciding the next government.

4.2. Vote counting

Vote counting requires another step and some information from the national totals. Very early in vote counting, it becomes very clear which parties are certain to pass the threshold, which will definitely not pass the threshold, and which may possibly pass it.

A possible process involves counting first choice votes for parties certain or likely to pass a threshold, and second choice votes for the rest. Mostly these will fall into two clear groups, but sometimes there will be parties with some uncertainty about threshold-passing, especially with regard to the one-electorate-seat threshold/waiver.

One important aspect is that a result table can be created independently for each voting place. These can be accumulated simply, for reporting or analysis purposes. This ensures that the process is simple, fast, and easily understood. In particular it would work well with the New Zealand tradition of fast election night results.

The party-voting result table for each voting place or group of voting places would look something like this:

Sample results table under two-choice party voting

Qualifying Party	Electorates won	First choice votes	Second choice votes***	Total votes	Expected seats
Labour	46	50.01%	3.00%	53.01%	64
National	23	25.58%	3.00%	28.58%	34
Green	1	7.86%	0.60%	8.46%	10
ACT	1	7.59%	0.60%	8.19%	10
Maori	1	1.17%	0.30%	1.47%	2
Under threshold/wasted		7.79%	-7.50%	0.29%	
Total		100.00%	0.00%	100.00%	120

First choice votes: From national totals 2020

Second choice votes: Numbers for demo purposes only

***This column can be expanded to show where second choices came from

Same basic layout for a voting place, an electorate, or the country

A similar but simpler table can show the votes received by each under-threshold party.

Non-qualifying party	First choice party votes received	Percentage of all first choice party votes	Second choices used to replace first choices of under-threshold parties					Still wasted
			Labour	National	Green	ACT	Maori	
New Zealand First	75 020	2.60%	1.00%	1.00%	0.28%	0.25%	0.05%	0.02%
Opportunities (TOP)	43 449	1.51%	0.70%	0.70%	0.04%	0.01%	0.05%	0.01%
New Conservative	42 613	1.48%	0.15%	0.90%	0.10%	0.25%	0.05%	0.03%
Advance NZ	28 429	0.98%	0.63%	0.10%	0.06%	0.02%	0.05%	0.12%
Aotearoa Legalise Cannabis	13 329	0.46%	0.22%	0.10%	0.04%	0.02%	0.05%	0.03%
ONE	8 121	0.28%	0.10%	0.05%	0.05%	0.03%	0.04%	0.01%
All others taken together	14 221	0.49%	0.20%	0.15%	0.03%	0.02%	0.01%	0.08%
Total	225 182	7.80%	3.00%	3.00%	0.60%	0.60%	0.30%	0.30%
First choice votes: From national totals 2020								
Second choice votes: Numbers for demo purposes only								
Same basic layout for a voting place, an electorate, or the country								

4.3. Determination of number of seats for each party

The vote counting process provides a national total of votes for each party, just as under the present system. The process of determining seats for each party under the St Lague system is unchanged.

4.4. And if thresholds were changed?

Two-choice party voting would work equally well with any thresholds and any threshold percentage. It would work the same way if the one-electorate-seat threshold/waiver were abolished, or if the 5% threshold were lowered or abolished.

Even if all thresholds were abolished, there would be value in two-choice party voting. Those voters who now vote for a party with no chance of gaining seats in parliament, could be given a say in the makeup of parliament.

In my opinion, changing to two-choice party voting is more important than lowering the threshold percentage. But two-choice party voting is compatible with any change to thresholds.

4.5. Summary

Two-choice party voting is simple to understand and implement, irrespective of any changes to the existing thresholds.

5. TWO-CHOICE PARTY VOTING – THE BENEFITS

5.1. Addressing identified problems

The benefits of two-choice party voting may be best understood in terms of the wasted votes problems detailed above:

- Voters hate wasted votes
- The risk of wasted votes hides reality
- Parties hate wasted votes
- Disenfranchisement
- Lower than necessary proportionality
- Unequal voters
- Risk of election instability

Two-choice party vote eliminates *all* of the above problems arising from the thresholds and wasted votes.

The problems arising from wasted votes disappear because there is not longer any need for wasted votes.

The issues of restricted participation in the main election also disappear, because every voter can have a say in the main election because no vote need be wasted.

The risk of election instability, when there are results very close to the threshold, disappears as well. This is because if a party falls just short of the threshold, its voters' second choices come into play. Most of those second choices will be for parties allied to the party which missed the threshold, so the overall result in terms of right/left balance will be little affected.

5.2. Lowered barriers to entry

One problem with MMP that I have seen discussed is the absence of new parties under MMP, except for those aided by winning electorate seats. Two-choice party voting should lower barriers to entry, because voter can both support an emerging party and have a say in the overall election, something not now possible.

5.3. Making New Zealand MMP even better

Two-choice party voting is significantly more inclusive that the present threshold system. The New Zealand system, already well-regarded in the world, would become even more proportional. More people would vote because every one of them can be sure of having a say in the overall result of the election.

6. DISCUSSION

6.1. Where did this idea come from?

The idea of two-choice party voting arose from thinking about how people normally offer choices in a way that everyone can receive something that suits them.
The idea of two-choice party voting was apparently first raised in public in submissions to the 2012 MMP review. There were many submissions complaining about the pernicious effects of wasted votes. A number of submitters suggested a second choice of party vote. At least three submissions went into some detail as to how this might be achieved. The 2012 MMP review final report noted the idea of a second choice without any evaluation.

See https://onthethreshold.nz/mmp-review-submissions/

What is new in the present proposal is the simplicity of the rule

> "If my first choice party fails to pass any threshold, my party vote should go to my second choice party".

This is much more intuitive and simpler to implement than other methods of handling second choices. We often use the idea of offering a second choice, when we want to offer choice in an inclusive way.

6.2. The solution hiding in plain sight

Two-choice party voting is a very simple idea, easily understood and implemented. It seems to have been hiding in plain sight up until now.

6.3. References

I have been developing the concept of two-party voting over a number of years. I have put many relevant ideas on a website www.onthethreshold.nz or www.ott.nz .

Submitted with this document is a Powerpoint presentation "I want MMP to include me"

The DemocracyProject website has published my article about the idea of two-choice party voting on its website at:
https://democracyproject.nz/2021/02/04/ed-hitchcock-a-simple-way-to-solve-the-problem-of-the-mmp-threshold/

Some useful links:
Relevant submissions to the 2012 MMP review
The 2012 review final report
Party voting history under MMP in NZ