

## **Electoral Reform in Canada: The Shape of Things to Come**

**We are committed to ensuring that 2015 will be the last federal election conducted under the first-past-the-post voting system.**

**As part of a national engagement process, we will ensure that electoral reform measures – such as ranked ballots, proportional representation, mandatory voting, and online voting – are fully and fairly studied and considered. .. Within 18 months of forming government, we will bring forward legislation to enact electoral reform.**

**-- Justin Trudeau, Real Change, Fair and Open Government 2015**

# **Electoral Reform in Canada: The Shape of Things to Come**

## **Executive Summary**

### **The Canadian Debate**

Justin Trudeau promised during the election that this would be the last federal election using the unfair first past the post system (FPTP). Trudeau describes his proposal as a version of the single transferable vote (STV) which uses a ranked ballot. His critics say that when STV is used in single member ridings it is really just an Alternative Vote (AV) system and the results tend to be just as unfair as in FPTP. An analysis shortly after the election showed that Trudeau's preferred system, in this last election, would have led to an even bigger Liberal majority—further undermining the representativeness of parliament.

The Conservative opposition has taken no position on any proposal other than demanding any change be subject to a referendum. New Democrats have long favoured a Mixed Member Proportional system as found in Germany and New Zealand. The NDP has also suggested that a referendum be held after the public has some experience with a new voting system. It was also proposed that the Committee studying proposed changes be representative of all the parties in Parliament.

The Green Party supports some form of proportional representation and the Bloc has supported resolutions proposed by the NDP in the previous parliament.

### **Electoral Systems**

Broadly speaking there are four families of electoral systems:

1. Plurality Family—including FPTP
2. Majority—including Trudeau's AV proposal
3. Proportional Family—including list systems used in many Scandinavian countries and multi member constituencies using STV ( proposed for Canada by Stephan Dion in 2012)
4. Mixed Family—includes MMP such as Germany and New Zealand and Mixed Member Majoritarian in countries like Japan and the Philippines.

Plurality and majority systems usually elect one member per electoral district.

Proportional systems usually use multi member districts that elect more than one member.

Mixed systems combine the election of single members in constituencies with a second group of proportional seats that make the results more representative—in terms of seats -- of the ballots cast in an election.

Each of these systems is discussed in more detail below.

### **Plurality Electoral Systems**

The primary plurality electoral system is **First Past the Post** (FPTP) sometimes called the **Single Member Plurality (SMP)**. This is the method of election most familiar to Canadians.

This is the system that is now being considered for change, in large part because it more often than not distorts the voters overall intentions awarding large majorities to parties receiving less than 40% of the popular vote.

### **Majority Voting Systems**

There are two principal systems of majority voting. First is the **Alternative Vote System** (AV) used in Australia and some neighbouring countries and the **Two-Round System** (TR) used in such countries as France, Egypt and Vietnam.

In the Alternative Vote system each geographical electoral district elects a single member of parliament based on the requirement that the winning candidate achieve at least 50% plus one of the votes. To achieve this result each voter receives a **preferential ballot** and the candidates for election must be ranked 1, 2, 3, etc. If no candidate receives the required 50%, the second choices of the candidate receiving the lowest number of votes are reallocated. If 50% is still not achieved the votes of next lowest candidate are reallocated. This process continues until a candidate receives the required 50% plus one.

In the **Two-Round System**, voters in each geographical district elect one member who must receive 50% plus one of all votes received. A ballot that lists all the candidates for election (similar to FPTP) in the district is used. If a candidate does not received the required majority of votes a second round of voting is held—usually a week after the initial vote.

In some systems—like the French Presidential elections—only the two candidates receiving the most votes remain on the second ballot.

## **Proportional Representation Systems**

There are two principal forms of proportional representation: **List Proportional** (LPR) and the **Single Transferable Vote** (STV).

In the List Proportional System each geographical district elects more than a single member. In a LPR system a proportional formula is used to allocate the seats in a multi-member constituency.

To achieve this proportionality a **party-list ballot** is used. There are several variations including a **closed list** ballot where voters choose the party they support, an **open list** system where the voters may reorder their party's list of candidates and a **free list ballot** which allows voters to rank any of the candidates regardless of party.

The list proportional systems produce legislatures that closely represent each party's share of the vote.

This system also produces a diversity of parties that tend to function to create **coalition governments**.

A second type of proportional representation with multi-member districts is the **Single Transferable Vote** system. This system is used in Malta, the Republic of Ireland and in the Australian Senate. Each geographic district elects more than one member. Some districts may have 4, 5 or 6 members depending on the number of voters.

The formula used to elect members is based on a **quota**. For example in a five member district the threshold for election would be 16.7% plus one vote. Voters use a ranked ballot similar to the AV system.

STV is used in only a very few countries and two of them are predominantly two party systems. The system is complex by Canadian standards and the size of multi-member districts required to make this functional in a Canadian context might be problematic.

## **Mixed Family**

**Mixed Member Proportional** (MMP) was first used in 1949 in the former West Germany and now is used in New Zealand, and a number of other countries in Europe and South America.

In MMP voters receive a double ballot. On one side the FPTP ballot with a list of candidates to choose from to represent the local constituency. On the other is a list of political parties seeking representation in the legislature—the party vote. A voter can

only choose to support one party on the list but may choose to support a local candidate from another party.

The proportional seats are filled in a manner that is unique to MMP. Assume that in a 300 seat legislature half of the seats are elected at the constituency level and half from the adjustment or proportional seats. Each party's share of the vote is used to determine the overall number of seats it should have. The number of seats won at the local level is subtracted from the number of seats it should have based on the party vote. What remains is the number of adjustment seats that the party will receive.

The German experience has produced stable coalition governments. The same seems to be the case for New Zealand.

A variant of the MMP is the **Additional Member System** (AMS) as it is employed in Scotland.

In Scotland 129 Members of the Scottish Parliament (MSP) are elected in two ways. Individual constituencies are represented by 73 member elected under the first-past-the-post system. In addition, 56 members are selected from party lists in the country's eight electoral regions through an Additional Member System.

### **Assessing the Options for Canada**

In December 2015 Abacus data polled Canadians on various electoral reform issues on behalf of the Broadbent Institute. (Appendix 2)

According to this poll most Canadians think that Canada's system for electing members of Parliament needs to change.

- Forty-two per cent thought that the system needs major changes or needs to be changed completely.
- A plurality of respondents (41%) thought that the system only needs minor changes.
- While about one in five (17%) were satisfied with the status quo and felt no changes were needed.

Survey respondents were provided descriptions of four electoral systems, including the current one, and were asked to rank the system from most preferred to least preferred.

Overall,

- A plurality of respondents (44%) ranked one of the proportional systems (either Mixed Member or Pure PR) as their first choice.
- Another 43% ranked SMP as their most preferred system.
- The ranked/preferential ballot system was the least favoured voting system as it was ranked first by only 14% of respondents.

On behalf of the Broadbent Institute Abacus also modeled the 2015 election results under various systems. The table below compares the outcome of the election using four different electoral systems. **Moving Forward—What's Best for Us.**

	LPC	CPC	NDP	BQ	GPC
<b>Popular Vote</b>	40%	32%	20%	5%	3%
<b>SMP (CURRENT)</b>	184	99	44	10	1
<b>% of seats</b>	54%	30%	13%	3%	0.3%
<b>Ranked Ballot</b>	217	66	50	4	1
<b>% of seats</b>	64%	20%	15%	1.2%	0.3%
<i><b>Difference between SMP and Ranked Ballot</b></i>	+33	-33	+6	-6	-
<b>National PR</b>	136	108	67	16	11
<b>% of seats</b>	40%	32%	20%	4.7%	3.3%
<b>Provincial PR</b>	139	106	66	15	11
<b>% of seats</b>	41%	31%	20%	4.5%	3.3%

Canada's elections have produced some of the most disproportionate results among all established democracies. In one study Canada ranked 35<sup>th</sup> of 38 countries when it comes to seats in the legislature not matching the share of votes received in the election.

Parties with regional based strengths are rewarded with seat strength that exceeds their national popular vote. Likewise parties that have evenly distributed strength across all regions receive fewer seats than they deserve.

If FPTP is not the answer then what is?

To consider this question let's look at what respondents to the Abacus Poll, conducted on behalf of the Broadbent Institute in December 2015, said they wanted in their electoral system.

When asked to rate the goals Canadians value most in an electoral system, the top 5 are:

1. The ballot is simple and easy to understand.
2. The system produces stable and strong governments.
3. The system allows you to directly elect MPs who represent your community.
4. The system ensures that the government has MPs from each region of the country.
5. The system ensures that the number of seats held by a party in Parliament closely matches their actual level of support throughout the country.

Given the strong desire to directly elect MPs that represent your community a nationally or provincially based **PR List System** does not seem to fit the bill. It could also fail on the first goal as the ballot for open or free list elections would be much more complicated. On the other three points it could be argued that PR would be a significant improvement.

**Alternate Vote or Single Transferable Vote** also introduce a level of complexity into the balloting. While AV does retain the direct relationship with the voter in goal 3 and would perform similarly to our current FPTP system on goal 2 it fails to make any gains in regional representativeness or proportionality.

STV systems don't have the same direct relationship that voters seem to want with their representatives in goal 3. They would be an improvement from the status quo on the remaining goals of regional representation and proportionality.

**Mixed Member Proportional** systems may succeed on all 5 goals to some degree. Voters continue to have MPs elected at a local level. They produce stable governments in other countries where they are used. They provide greater proportionality where seats won are more reflective of the votes won. They ensure better regional representation within an elected government. On the first goal the ballot could be simple—the local ballot plus a party list ballot where voters mark a preference for a single party. Or they can be more complicated where the party ballot allows ranking of candidates from within a party's list.

If it is the case that MMP systems best meets the goals of Canadians. Which system would be preferable? In a German style system the local constituency seats are equal in number to the list or balancing seats. In the Canadian context this would mean either a reduction in local constituency seats to keep the 338 member House of Commons or a doubling in size of the House of Commons.

In Scotland under their style of MMP—Additional Member System where they elect 73 constituency members and 56 additional members—a roughly 60-40 split of the

representation. In the Canadian context that would mean 203 constituency seats and 135 additional seats. Or if the Commons were to be increased from 338 members an extra 226 seats.

Some commentators criticize proportional systems— including Mixed Member Proportional—as both too complicated and too unstable. Often Italy and Israel are used as examples. On the first point adding a single party list vote would probably add at most 30 seconds to a voter’s experience at the ballot box. On the second, countries like Germany, New Zealand and Scotland provide good examples of how mixed member systems create both strong and stable governments.

One critique of the list members elected in an MMP system with closed lists is that party brass and back roomers get to decide the candidates not the voter. This concern can be addressed by open lists where party supporters get to rank the candidates put forward by their party.

### **Recommendations:**

1. The government should make good on its commitment to replace the current First Past the Post electoral system before the next federal election.
2. Extensive consultations should be held across the country to engage Canadians on this fundamental question of democratic reform.
3. Proposals to be considered should include a **Mixed Member Proportional** system similar to the Additional Member System in Scotland and the MMP systems in Germany and New Zealand including both closed and open list options.
4. In developing proposals to improve the overall fairness of the electoral system Parliamentarians should be mindful of the goals of simplicity and the desire of Canadians to maintain the direct relationship with a local MP within a strong and stable government that reflects both the diversity of our distinct regions and our society as a whole.
5. To ensure that Canadians have practical experience before voting on a changed voting process any legislation approved by Parliament should include a requirement for a referendum to continue the new voting rules or return to FPTP at the same time as the first election following the new voting systems initial use.