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Discussion paper

What is the best voting system for local government in the NT?

Review of the local government voting system in the NT

Please submit written comments to:

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Submissions close on Friday 17 September 2010.

Note:
This discussion paper has been prepared to assist the review of the local government voting system in the Northern Territory. It presents commonly identified advantages and disadvantages of the current and alternative voting systems and aims to encourage councils and individuals in the Territory to have an informed debate on what is the most appropriate voting system for local government in the Territory.

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Introduction

The Minister for Local Government has initiated a review of the local government voting system in the Northern Territory.

The aim of the review is to seek comment on whether or not changes need to be made to the electoral system for local government in the Territory.

As part of the review, input will be sought from local government bodies such as municipal and shire councils, the Local Government Association of the Northern Territory, the general public, and the Northern Territory and Australian Electoral Commissions.

The government is now seeking input from the local government sector and the general public.

Purpose

The purpose of this discussion paper is to receive feedback from councils and the community to ensure we have the most appropriate voting system in place for local government in the Territory.

Background

In October 2008 the inaugural local government elections were held for the new shire councils established following reform of the Territory's local government. A review of the elections was conducted by this department to help identify ways to improve future elections and by-elections.

Comments received during the review showed there was concern about the complexity of the voting system and some results from the 2008 elections. The review and other feedback indicated a need to review whether the current voting system of exhaustive preferential is the right electoral system for local government in the Territory.

Interest in the local government voting system has also been generated by the work of Will Sanders in his published paper, 'Fuelling large group dominance and repeating past mistakes: A critique of the Northern Territory local government electoral system' (2009). In his paper, Sanders questions the suitability of the exhaustive preferential vote counting method for local government in the Northern Territory.

This review will help identify key issues and concerns about the current voting system and, while acknowledging that there is no 'perfect' electoral system, to help determine the most appropriate system that best suits the expectations and needs of the local government sector in the Territory.

The consultation phase of the review is due to be completed by the end of 2010 and outcomes of the review will be reported to the Minister for Local Government.

> The Territory Government values a strong and vibrant democracy and is determined to involve more Territorians in our political system. *Territory 2030*, the government's strategic plan for the Territory, outlines targets set to increase the voter participation and nominations from candidates for local government elections by 2030.
>
> For more information: www.**territory2030**.nt.gov.au

Our current local government voting system

History

Prior to local government reform and the introduction of new legislation in 2008, there was a variety of electoral systems in place for local government in the Territory. The community government and association councils used various systems including first past the post and exhaustive preferential. Municipal councils used the exhaustive preferential electoral system and this system was adopted for all councils from 1 July 2008.

The decision to use the exhaustive preferential electoral system for all councils was based on a number of factors and was made by Government on the recommendation of the former Local Government Advisory Board (the Board).

The Board considered a number of electoral systems including exhaustive preferential, optional preferential and proportional representation electoral systems. It was noted that people were familiar with the exhaustive preferential system because full preferential voting is used for Northern Territory Legislative Assembly and the Australian House of Representatives, and municipal council elections used exhaustive preferential. Because the system was already in use in the Territory, the Board recommended it being retained for at the least the first election after local government reform.

How the system works

The Territory's local government voting system, contained within the Local Government (Electoral) Regulations, is known as *exhaustive preferential*, or *block majority*. It is a variation of a majority system that can be used in multi-member electorates.

A candidate is elected on receiving an absolute majority (50% of votes + 1) of the formal vote which can be made up of first preference votes alone or a mixture of first preference votes and votes attributed from other candidates through exclusions.

Under this system, once a candidate is elected, all ballot papers are returned to the count to elect the next member.[1] A person's vote is given the same full value each count, whether they be first preference or second or third and so on.

In summary, the process used for each vacancy is as follows:

- The voter must fill out their ballot paper listing preferences for all candidates (e.g. if there are 5 candidates the voter must place a number from 1 to 5 against all of those candidates).
- After the first count the candidate with the fewest votes is excluded and their second preferences are distributed to other candidates. This process continues until a candidate has an absolute majority and the first vacancy is filled.

It should be noted that in single member electorates, irrespective of the number of candidates, exhaustive preferential functions the same way as ordinary preferential voting.[2]

Benefits

As noted by the Board, exhaustive preferential presents a familiar style of voting because full preferential systems are used in Northern Territory Legislative Assembly and Australian House of Representatives elections.

The system can be used in both single and multi member electorates, and this means that one system can be used across the different ward structures of local government in the Territory.

Majority voting systems, such as exhaustive preferential, are more easily understood than proportional representation systems, and have the ability to produce quick results.

Criticism

The main criticism of the exhaustive preferential system is that the system has the potential to produce what appear to be strange results in multi-member elections. Individual candidates with a very low first preference vote may be elected while candidates with a significant number of primary votes, but not a majority, may not be elected due to subsequent counts and allocation of preferences. This can occur because a person's vote is given the same full value each count, and this can have a disproportionate impact on the election of subsequent candidates.

Sanders terms this 'large group dominance' and notes that it can take the form of a large population centre in a ward drawing representation over smaller population centres; or representation can also be aligned with a large social group, such as a collection of outstations, or a large clan group, that is not necessarily associated with one location.[3]

Other criticisms of the exhaustive preferential system have been that the need to give a preference to all candidates in situations where there are a number of candidates on the ballot paper leads to higher rates of informality.[4]

It has also been said that generally speaking, public understanding of the exhaustive preferential counting method is low, and this means that voters often do not appreciate the effect of their preference choices.[5]

Feedback from the inaugural local government elections

Considerable feedback about the voting system was received by the review of the 2008 elections that the department conducted. The two main issues raised about the voting system were that:

1. the exhaustive preferential system was not well understood by voters; and
2. in some shires candidates from large communities within the electorate dominated the results, this meant that some smaller communities did not have a representative elected to council.

The exhaustive preferential voting system can lead to concentrations of representation in larger communities and in some wards. This can mean smaller communities may miss out on having a representative elected from within each small community. This is not necessarily a problem, unless representation is intended to be spread evenly over the ward and to cover all cultural groups.

The recent work of Sanders provides several examples from the Central Desert Shire Council elections that demonstrate this situation (see Sanders, 2009, pp. 11-16).

It should be noted that this was not the case in all elections across the NT, and there are also examples from the 2008 elections in which the opposite happened, and a representative was elected from the smaller population centre, or grouping, within the ward.

It is also worth noting that in areas with low voter enrolment and voter turnout rates, increasing the levels of both voter enrolment and voter turnout could have a significant effect on candidate success.

Questions

1. Do you think it is important that people understand the vote counting system? If so, why?

2. Given that it is not feasible for every small group to be represented in a local government area, is it important that the vote counting system enables representation of minorities?

3. The 2008 elections introduced many voters and councils to a new, perhaps unfamiliar voting system. Do you think the current voting system should be given the chance to settle and be tested again at the 2012 elections before any changes are made?

What defines a good voting system for local government in the Territory?

There is no such thing as the best or perfect electoral system. It is generally accepted that all systems currently in use have their faults.[6] The aim of the review is to determine which electoral system satisfies the most crucial requirements or expectations of the local government electorate.

The preface to the *Local Government Act 2008* provides that the system of local government:

(a)   *needs to be flexible and adaptable to the diverse interests and needs of the many communities within the Territory; and*

(b)   *needs to be comprehensive, democratic, responsive to community needs and accountable to both local communities and the public generally.*

The broad purpose of an electoral system is to translate the will of the electors, as they have expressed it by voting, into an elected body[7]. Most people want a democratic electoral system that enables them to have a say in choosing their council member(s). Does the system ensure people are and feel effectively represented?[8]

Local government electorates in the Northern Territory consist of both single member and multi-member wards and urban and remote settings. A local government voting system for the Territory will need to work effectively in all of those circumstances.

There are a range of factors that can be considered when selecting an electoral system such as:

▪   Whether the system favours certain social or minority groups to ensure the social composition of local government reflects the social make-up of the electorate.

▪   If the system is easily understood by voters.

▪   Different electoral systems have different degrees of what political scientists call 'proportionality', or in other words, the degree in which those elected reflect the make up of the electorate.

▪   How quickly the result of an election is available.

▪   The cost or overall investment of running elections based on a particular system.

▪   How practical it is to implement the system.

Question

4.   What do you think are the most important factors to consider when choosing an electoral system for local government in the Territory?

Local government voting systems used in other states

The following table sets out the voting system currently used for local government elections in the Australian states.

State	Electoral system(s)
New South Wales	▪ Optional preferential and exhaustive preferential
Queensland	▪ First past the post for multi-member wards ▪ Optional preferential for single member wards
South Australia	▪ Partial preferential (up to the number to be elected) and proportional representation count ▪ Elections are conducted by postal voting (exemptions may be granted)
Tasmania	▪ Proportional representation – Hare Clark, partial preferential for councillors ▪ Optional preferential
Victoria	▪ Full preferential ▪ Exhaustive preferential where more than one vacancy ▪ Melbourne, greater Geelong and Nilimbuk: proportional representation for councillors elected for the municipal district as a whole
Western Australia	▪ First past the post

As this table demonstrates, there is not one 'standard' voting system used in local government across Australia.

Voting systems

There are three main types of electoral systems used in Australia that could be used for local government in the NT:
- Plurality systems
- Proportional representation systems
- Majority systems

The current voting system, exhaustive preferential, is a kind of majority system that can be used in both single and multi member electorates.

Plurality systems

Description

The candidate who receives the highest number of votes is elected, even if that number is not an absolute majority (more than 50% of votes + 1) of the votes. Plurality systems are also known as *first past the post* or *simple majority* systems.

This kind of system is almost always used in single member electorates[9]. It can be used in multi-member electorates, in which case it is called *block vote*. Voters have as many votes as there are seats to be filled and candidates with the highest number of votes are elected, regardless of the percentage of the vote they receive.

Preferences can also be applied to a first past the post system.

Common features

Strengths of plurality systems	Weaknesses of plurality systems
Voting is simple and easy to understand.	Minority opinions can be under-represented.
Election results are quickly calculated (only 'first past the post' wins).	Most candidates are not elected on absolute majorities and therefore winning candidates may not be the preferred candidate by the majority of voters.
Error in calculations is minimal.	

Source: Electoral Commission of South Australia[10]

Comments on plurality systems in a Territory context

First past the post systems could be used in the NT and it has been suggested that the use of two kinds would suit local government in the Territory:
- First past the post with a single vote in multi-member electorates; and
- A simple preferential version of first past the post voting in which preferences are distributed until the number of candidates remaining is equal to the number to be elected.[11]

In first past the post elections, candidates can be elected with quite small numbers of votes and the system does not necessarily result in the representation of majority and minority interests in true proportion.[12]

Votes for some candidates will not count at all in the election because candidates can be elected on a relatively small proportion of the vote.[13]

Because of these features, the 'fairness' of this system has been questioned, given that the operation of simple preferential first past the post systems can result in candidates being elected with quite different numbers of votes.[14]

Proportional representation

Description

Proportional representation is an electoral system used in multi-member electorates, where candidates are elected in proportion to their support from the electorate.

There are three kinds of proportional representation systems:
- list systems,
- mixed member proportional, and
- single transferable vote, which is the only system used in Australia.

Two variants of single transferable vote systems are used: the 'Senate' model and the Hare-Clark system. In terms of how the count is conducted, there are only minor differences between the Senate system and Hare-Clark systems. The main difference is the way in which the Senate system favours parties, while the Hare-Clark system favours individual candidates.[15]

In single transferable vote systems, voters indicate an order of preference for individual candidates and votes can be transferred between candidates in the order of the voters' preferences.

A candidate is elected when their total number of votes equals or exceeds a quota, the number of votes required to be elected. The quota is calculated using the formula:

((total number of votes) divided by (number of candidates to be elected + 1)) plus 1

Any fraction or remainder is disregarded. In Australia this method is called the 'Droop' formula.

The result is determined through a series of vote counts. At the first count, the total number of first preference votes for each candidate is established. Any candidate who has a number of first preferences greater than or equal to the quota is elected.

In the second and subsequent counts, votes above the quota (surplus) of elected candidates are transferred according to voters' second preferences on the ballot papers. These votes are transferred as a percentage of one vote, so that the total transferred vote equals the candidate's surplus. So if a candidate has a total of 100 votes, and a surplus of five votes, the surplus would be transferred according to the second preference at the value of 1/20th of a vote.

After any count, if no candidate has a surplus of votes over the quota, the candidate with the lowest total number of votes is excluded. Their votes are then transferred in the next count according to the second and then lower preferences. The process of successive

counts, after each of which surplus votes are transferred or a candidate is excluded, continues until all vacancies are filled by candidates who have received the quota, or until the number of candidates left in the count is only one more than the number of seats to be filled, in which case all remaining candidates bar one are elected without receiving a full quota.

The more candidates there are to be elected, the smaller the percentage of the vote that is required, and the more proportional the overall election result is likely to be.

Common features

Strengths of proportional representation	Weaknesses of proportional representation
Representatives from smaller groups as well as larger groups can gain representation.	Results can take a long time as counts can be very long.[16]
Each candidate is elected in proportion to the total number of votes received.	The complexity of the vote counting system can make it hard for voters to understand.[17]
It is claimed that the use of proportional representation systems generally sees the election of people who might otherwise be under-represented.[18]	Ballot papers are more difficult for voters to mark correctly.
Fulfils the principle of inclusion as voters are more likely to have a wide choice of candidates and a chance to elect candidates from across the different groups in the electorate.	Candidates with a small share of the vote can get a disproportionate share of the representation.

Design elements of proportional representation systems, such as the electoral district scale, can affect the outcome of elections, and the translation of votes into elected positions. It is therefore important to consider the possible administrative and political implications that the design of the system may have.

Comments on proportional representation systems in a Territory context

It has been suggested that the 'fairest' way to spread representation in multi member electorates is through the use of a single transferable vote system that uses minority quotas: single transferable vote proportional representation (STVPR).[19] This is because STVPR systems set a quota for election related to the number of positions to be elected, and then allow any candidate who exceeds that quota (and is elected) to give away their surplus votes while candidates below the quota (not yet elected) must keep competing for votes until they reach the quota.

STV systems are mathematically complex and results can take a long time, so if a simple and quick system is desired this may not be the most suitable option.

Majority systems

Description

A candidate must receive an absolute majority (more than half) of votes to be elected. This majority can be achieved through a second ballot or by means of preference voting (also known as alternative vote or preferential voting).

Preferential voting asks the voter to indicate how he/she would vote if their first preference candidate is defeated, and the voter would need to chose again from the remaining candidates[20].

Examples of *preferential voting* systems are:
- *Full preferential* – voter must give a preference for all candidates.
- *Partial preferential* – voter must give a minimum number of preferences, usually equal to the number to be elected.
- *Optional preferential* – voter only needs to give preference for one candidate and any further preferences is optional.

Under a *full preferential* system voters must give their preference for all candidates. All first preference votes are counted for each candidate. If a candidate gets an absolute majority (50% of votes + 1) of the first preference vote, they are elected. If no candidate has an absolute majority, the candidate with the least votes is excluded. These votes are then transferred to the remaining candidates according to the second preferences until a candidate has an absolute majority. If after this no candidate has an absolute majority, the candidate with the fewest votes after this process is then excluded and the votes are transferred. This process continues until one candidate has an absolute majority and is elected.

The current voting system, exhaustive preferential, is a kind of full preferential majority system that can be used in both single and multi member electorates.

Another version of full preferential voting is *bottoms up preferential*. Under this system, a vote is cast in the same way as under a full preferential system. In the count, candidates with the least votes are eliminated, and their preferences transferred until the number of candidates equals the number of positions to be filled. This kind of system places weight on the primary vote and it is possible that a voter's primary vote is in effect the only one taken into account in a multi-member electorate, even if more than one member is to be elected.

A *partial preferential* system requires voters to express a minimum number of preferences, usually the same number of preferences as there are positions to be elected.

Under an *optional preferential* system, a voter has more options in the way that a vote is cast. A voter can choose to give their preference(s):
- for only one candidate and leave all other squares blank; or
- for some candidates and leave remaining squares blank; or
- for all candidates (voter completes the ballot paper as is required under full preferential).

Optional preferential voting allows voters to restrict their votes to candidates whom they do support and refrain from voting for candidates they oppose or don't know.

Under this voting system, if a voter marks only one preference on the ballot paper, and the candidate they gave this preference to finishes third or lower in the first preference count, their vote is 'exhausted' or used up, and does not get included in further counts for the election. [21]

Under optional preferential voting, if too many voters cast just a single preference (vote for only one candidate), the system becomes a de-facto first past the post system, defeating a major reason for the creation of preferential voting. [22] It should also be noted that under the optional preferential system, single vacancy contests give the same result as if conducted under proportional representation[23].

The preferential voting system is similar to proportional voting except the votes of the successful candidates are transferred at full value and not at reduced value as is the case with proportional voting.

Preferential voting systems can be used in both single member and multi member electorates.[24]

Common features

Strengths of majority systems	Weaknesses of majority systems
Easier to understand then proportional representation systems.	The winner of the most votes does not always gain election and this can mean that results do not always reflect the wishes of the electorate.
Can produce quick results.	Can lead to a 'winner takes all' result (*winner's bonus effect*).
Prevents the election of any candidate that has not received an absolute majority of votes, thus avoids one of the main criticisms of first past the post.	As with plurality systems many votes are 'wasted' because individual candidates win more votes than are required to be elected.
Tends to avoid the situation where a candidate can be elected on a very small percentage of the vote.	Can be unpredictable in its application and can result in the 'least disliked' rather than the 'most popular' candidate being elected.
Where optional preferential is used, voters only need to cast a single preference vote and therefore can avoid voting for candidates they may not like.	Full preferential may require voters to express preferences for candidates they don't support. [25]

Comments on majority systems in a Territory context

The current voting system in the Territory, exhaustive preferential, is a type of majority system.

There are other types of majority systems that could be used in the NT, as discussed above.

> **Question**
>
> 5. Does one of these systems seem like a better option for local government in the Territory? If so, can you explain why?

How to submit a response

The government is welcoming feedback from the general public and local government bodies in the Territory.

You can have your say by sending your response in writing to:

Mail: Policy and Legislation
        Department of Housing, Local Government and Regional Services
        GPO Box 4621, Darwin NT 0801

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Glossary

Absolute majority	50% of the formal vote, plus one.
Block majority	Another name for exhaustive preferential.
Community government councils	Local government bodies that existed prior to the introduction of local government reform on 1 July 2008.
Consensus	Electors decide the successful candidate/s through a process of discussion, rather than by a formal vote.
Electoral system	Used in this paper to describe the voting method, including how people vote at the ballot box, and how the votes are then counted to elect representatives.
Exhaustive preferential	A kind of majoritarian full preferential voting system that can be used in single member and multi-member electorates. A voter is required to indicate a preference for all candidates and a candidate must receive an absolute majority of votes to be elected.
First past the post	A voting system in which the candidate who polls the highest number of formal votes, even if that number is not more than 50% +1 of the formal votes, is elected.
Formal vote	A ballot paper filled out in such a way as to ensure that the vote is counted in the election. What constitutes a formal vote depends on the voting system in use.
Full preferential	A kind of majority voting system that requires the voter to indicate an order of preference for all candidates. This system is used in single member electorates.
Hare Clark	A kind of single transferable vote system where voters indicate a preference for individual candidates and to be elected a candidate needs to receive a quota of votes.
Majority system	A type of voting system in which a candidate must receive an absolute majority of votes to be elected.
Multi-member wards	Wards within a council's area that have more than one elected representative.
Municipal councils	A kind of local government area classified according to the density of population and the degree of urbanisation.
Optional preferential	A kind of majority voting system in which the elector need only indicate a preference for the candidate of their first choice, and the allocation of any further preferences is optional.
Partial preferential	A kind of majority voting system in which the elector must show a minimum number of preferences for candidates, usually equal to the number of candidates to be elected.
Preference vote	The term preference, or preferential, refers to an elector being required to indicate an order of preference for candidates on the ballot paper.
Proportional representation (PR)	A kind of voting system that is used in multi member electorates. Candidates are elected when they receive a set proportion of the votes. In Australia, all PR systems are Single Transferable Vote types.
Single Transferable Vote (STV)	A type of proportional representation voting system in which the elector indicates an order of preference for individual candidates.
Wards	A division of a council area for administrative and representative purposes. Wards may have one, or more than one, elected representative.

Notes

[1] *Electoral Systems of Australia's Parliament and Local Government*, a pamphlet by the Electoral Council of Australia (2004).

[2] Alistair Heatley, *Electoral systems in municipalities in the Northern Territory: An Evaluation*, 1997. p. 6.

[3] Dr Will Sanders, *Fuelling large group dominance and repeating past mistakes: A critique of the Northern Territory local government electoral system*, Report 59, Desert Knowledge CRC, 2009, p. 16.

[4] Alistair Heatley, *Electoral systems in municipalities in the Northern Territory: An Evaluation*, 1997. p. 7.

[5] Alistair Heatley, *Electoral systems in municipalities in the Northern Territory: An Evaluation*, 1997. p. 7.

[6] Gerard Newman (with revisions by Scott Bennett), 'Electoral systems', Parliamentary Library Research Brief, Canberra, 2006 (originally published in 1989-90), pp. 1, 7.

[7] Gerard Newman (with revisions by Scott Bennett), 'Electoral systems', Parliamentary Library Research Brief, Canberra, 2006 (originally published in 1989-90), p. 2.

[8] Usually known as effective constituent representation. Newman, 'Electoral systems'.

[9] Gerard Newman (with revisions by Scott Bennett), 'Electoral systems', Parliamentary Library Research Brief, Canberra, 2006 (originally published in 1989-90), p. 8.

[10] Electoral Commission of South Australia, accessed at: www.eca.sa.gov.au

[11] Dr Will Sanders, *Fuelling large group dominance and repeating past mistakes: A critique of the Northern Territory local government electoral system*, Report 59, Desert Knowledge CRC, 2009, p. vi.

[12] Gerard Newman (with revisions by Scott Bennett), 'Electoral systems', Parliamentary Library Research Brief, Canberra, 2006 (originally published in 1989-90), p. 11.

[13] Dr Will Sanders, *Fuelling large group dominance and repeating past mistakes: A critique of the Northern Territory local government electoral system*, Report 59, Desert Knowledge CRC, 2009, p. 22.

[14] DR Will Sanders, *Fuelling large group dominance and repeating past mistakes: A critique of the Northern Territory local government electoral system*, Report 59, Desert Knowledge CRC, 2009, p. 22.

[15] 'Hare Clark explained", ABC Election Coverage: Tasmania 2006 Election Antony Green Election Guide, accessed at: http://www.abc.net .au/elections/tas/2006/guide/hareclark.htm

[16] Electoral Council of South Australia, accessed at: www.ecsa.gov.au

[17] ACE Electoral Network, accessed at: www.aceproject.org

[18] Gerard Newman (with revisions by Scott Bennett), 'Electoral systems', Parliamentary Library Research Brief, Canberra, 2006 (originally published in 1989-90), p. 5.

[19] Dr Will Sanders, *Fuelling large group dominance and repeating past mistakes: A critique of the Northern Territory local government electoral system*, Report 59, Desert Knowledge CRC, 2009, p. vi.

[20] Gerard Newman (with revisions by Scott Bennett), 'Electoral systems', Parliamentary Library Research Brief, Canberra, 2006 (originally published in 1989-90), p. 12.

[21] State Electoral Office of South Australia, September 2004, Research Series, *Report on Optional Preferential Voting 2003/04,* p. 2.

[22] Gerard Newman (with revisions by Scott Bennett), 'Electoral systems', Parliamentary Library Research Brief, Canberra, 2006 (originally published in 1989-90), p. 14.

[23] Local Government Association of South Australia, Information Sheet No 5, Local Government Elections Review 2004.

[24] Gerard Newman (with revisions by Scott Bennett), 'Electoral systems', Parliamentary Library Research Brief, Canberra, 2006 (originally published in 1989-90), p. 11.

[25] Gerard Newman (with revisions by Scott Bennett), 'Electoral systems', Parliamentary Library Research Brief, Canberra, 2006 (originally published in 1989-90), pp. 13-14.