

An Institution at Impasse: The 'Economics' of Electoral Reform in Canada

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Inception

This paper was written for Dr. Shannon Sampert's "Canadian Politics" course in the Department of Political Science.

Abstract

Canadian democratic institutions find themselves at an impasse: attempts at electoral reform keep appearing, yet electoral system change never results. This article explores the factors that sustain this impasse through conceptualizing the supply and demand for electoral reform in Canada. The supply side is found to be inadequate due to (1) inherent incentives in First Past the Post (FPTP), which discourage the pursuit of reform by those with the necessary political power and (2) the meddling of political elites who use their influence to create obstacles to successful reform. The demand side is found to be restricted due to (1) a lack of understanding within the electorate of electoral systems and their effects as well as (2) a normalization of FPTP which dissuades the electorate from seeing electoral reform as an important policy issue. The conclusion drawn is that without widespread change within this 'market' for electoral reform, all reform attempts will fail.

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"The leaders are lizards. The people hate the lizards and the lizards rule the people."

"Odd," said Arthur, "I thought you said it was a democracy."

"I did," said Ford. "It is."

"So," said Arthur, hoping he wasn't sounding ridiculously obtuse, "why don't people get rid of the lizards?"

"It honestly doesn't occur to them," said Ford. "They've all got the vote, so they all pretty much assume that the government they've voted in more or less approximates to the government they want."

—Douglas Adams, *So Long and Thanks for All the Fish*



There is an increasing sense of urgency surrounding the state of Canadian democracy. Declining voter turnout, low participation among younger voters, and increasing distrust in political actors are seen as indications that serious issues of increasing severity are emerging within the current political atmosphere (Tanguay 301). Canada is said to be facing a "democratic malaise", which is a result of a "disparity in power and influence between political decision makers, on the one hand, and citizens, on the other" (Law Commission of Canada 3). There are those who pin a substantial part of the responsibility for this situation on Canada's electoral system, First-Past-the-Post (FPTP), and advocate for a more proportional system. Indeed, FPTP "is a system that academic specialists in electoral systems rate as one of the least desirable systems" (Shugart 7). Nevertheless, the prospect of reform seems bleak; Citizens' Assemblies, referenda, commission reports and even recent government promises of electoral reform have all failed to break FPTP's iron hold on Parliament Hill and provincial legislatures alike. Indeed, Canada is highly unlikely to see any electoral reform for some time, due to issues with both the 'supply' of, and the 'demand' for, electoral reform. The incentives and mechanics of FPTP provide ample motivation to elected politicians to maintain the status quo and encourage the meddling of political elites to preserve the same, thus limiting the 'supply' of electoral

reform. Meanwhile, 'demand' for electoral reform is stunted, as electoral systems and their effects are not widely understood by the electorate, and reform is consequently not seen as a relevant policy issue. As Shugart wrote, "it is precisely at the intersection of normative critiques of the existing rules [that is, 'demand'] and rational interest of political actors [that is, 'supply'] that reform is most likely to occur" (Shugart 10). Thus, it is through the synergy of this reluctant 'supply' and muted 'demand' that Canada's FPTP electoral system is maintained, and until this inhibiting interaction is ended, the dominance of FPTP will remain in perpetuity.

Some Historical Context

Canada has seen prior attempts at electoral reform. In the years following the First World War, both Manitoba and Alberta adopted new electoral systems: Single Transferable Vote (STV) in urban areas and Alternative Vote (AV) in mainly rural areas (Massicotte 113). During the 1920s, Ontario, Quebec and Saskatchewan all considered similar reforms (Massicotte 113). Calgary, Edmonton, Regina, Saskatoon, Vancouver, Victoria and Winnipeg all had MLAs elected through STV through parts of the 1920s (Library of Parl. *Electoral Systems* 15). However, with the exception of a short-lived bout of AV in British Columbia in 1952, all these initiatives died by the end on the 1920s with the exceptions of Manitoba and Alberta which maintained elements of these systems until 1971 and 1961 respectively (Massicotte 113-114; Library of Parl. *Electoral Systems* 12). The 1970s and 1980s witnessed some renewed interest for electoral systems for the federal and Quebec governments, however, "not a single change was ever passed" (Massicotte 114).

Not until the early 2000s did electoral reform become a central issue again. The BC Government established the Citizens' Assembly on Electoral Reform in 2004, which concluded in recommending STV for the province (Library of Parl., *Electoral Reform* 1-2). In 2007, the Government of Ontario followed suit in creating their own Citizens'

Assembly to examine FPTP, which recommended a Mixed-Member Proportional Representation (MMP) system (Library of Parl., *Electoral Reform* 6-7). New Brunswick established a Commission on Legislative Democracy in 2003, which recommended a change to MMP and a referendum on the matter, and PEI did likewise in the same year (Library of Parl., *Electoral Reform* 3-5, 7-10). Also at this time, Quebec established various committees which came to propose a form of MMP for the province (Library of Parl., *Electoral Reform* 10-12). At the federal level, various reports and commissions were had between 2004 and 2007, with the 2004 Law Commission of Canada report recommending the adoption of a MMP system (Library of Parl., *Electoral Systems* 13).

Yet, not a single one of these reform initiatives succeeded. BC would hold two referenda on adopting STV: the first in 2005 achieved 57% in favour, short of the 60% threshold; the second in 2009 received only 39% in favour (Library of Parl., *Electoral Reform* 2-3). Ontario's referendum on its Citizens' Assembly proposal failed with only 36.9% of the vote (Library of Parl., *Electoral Reform* 7). New Brunswick backed out of holding a referendum and dropped the issue (Library of Parl., *Electoral Reform* 5). PEI held a referendum in which 63% voted to maintain FPTP (Library of Parl., *Electoral Reform* 9). Quebec simply dropped the issue after 2007 (Library of Parl., *Electoral Systems* 15). The Federal government likewise took no action (Library of Parl., *Electoral Systems* 13). Most recently, the current federal government had declared that 2015 would be the last election via FPTP and held town hall meetings across the country as well as hosting an online survey on what Canadians would like for their new electoral system. This too failed to bring any change, with the government making an about-face on the issue in early 2017. As Shugart concluded, "the recommendation has always been 'change', but the result so far has been 'keep'" (Shugart 8)

The 'Supply' of Electoral Reform

The first element in explaining this stubborn disposition of 'keep' over 'change' is the effect of the mechanics and the resulting incentives of FPTP on the 'supply' of electoral reform. It has been said that FPTP is a system which "seems destined to last forever," as whichever party has formed government "has (almost always) benefited from the system in the previous election" insofar as "its seat share [has] exceeded its vote share" (Blais 1). Altering to a more proportional system would undoubtedly shift power from larger parties to smaller ones, providing very little incentive for a governing party to seek such a change (Blais 1). Indeed, Blais and Shugart conclude that "most elected politicians oppose electoral reform because they reason that their chances of being re-elected are higher under FPTP than under alternative rules" (190). Furthermore, Pilet and Bol have found that the longer a party has recently spent in government, the less likely it is to support electoral reform (578-579). They established that there "is a psychological inclination to evaluate the existing electoral law positively once in power" and that even should a party lose a number of elections, it will likely not change its stance as "they still believe that they can win next time" (Pilet and Bol 579-580). Thus, it is notable that while the federal NDP, "having now lost hope of becoming a major player," supports proportional representation (PR), this same stance has not spread to its BC, Saskatchewan or Manitoba wings "which have reached majority power status or are in power" (Massicotte, 136-137). As Rahat and Hazan find, "vested interests are a powerful barrier" since "asking politicians to reform is akin to asking them to put themselves in jeopardy" (488). They find this to be particularly the case in FPTP systems (Rahat and Hazan 490).

Benoit has championed this rational choice perspective:

A change in electoral institutions will occur when a political party or coalition of political parties supports an alternative which will bring it more seats than the status quo electoral

system, and also has the power to effect through fiat that institutional alternative. (373).

Given that the only parties with sufficient fiat power to change electoral systems, being those currently in government, are the very parties who are least likely to gain seats through such a change, there is little internally derived impetus for any government in Canada to 'supply' electoral reform. Furthermore, any move towards some form of PR would likely mean more parties, making majorities harder and coalitions more likely; Canadian parties have shown a great dislike for coalitions, preferring often short-lived minority governments (Massicotte 135). Such is likely the case as single-party majorities "[guarantee] full power, untrammelled by blackmail from coalition partners or the necessity of sharing the spoils of office" (Massicotte 135). This serves as an enticing "grand prize" for parties, alluring them to support FPTP "even when the system does not stand by its promises" (Rahat 530). As such, given the incentives arising from the mechanics of FPTP, political parties with sufficient fiat power have no internally derived reasons to pursue or 'supply' electoral reform.

This incentive to retain FPTP has an added effect: even should governing parties be externally pressured to 'supply' an opportunity for electoral reform, political elites, beholden to the advantages of FPTP, will use their influence to preserve the system and stymie reform efforts. This is not an uncommon notion; indeed "the view has spread among reformers that incumbent legislators should be sidelined on [electoral reform], on the assumption that they are sold to existing arrangements and that they are in a position of conflict of interests" (Massicotte 121). Thus the "unheard of levels" of "participative democracy, consultation, deliberation, and referendums" of the early 2000s (Massicotte 123). This could be said to be advantageous for reformers, enabling them to bypass opposed politicians. However, these measures can also be used by pro-FPTP political elites, as "consultations have the advantage of postponing decision, revealing unsuspected complexities or oppositions, while

creating the exciting image of a government that reaches out to ordinary Canadians” (Massicotte 123). Indeed, Massicotte adds that “the dream of some politicians is to see reform buried not by them, but by the will of the electorate” (123).

It is precisely these tactics which have been used by political elites to prevent electoral reform. Pilon remarks that in the 2005 referendum, PEI “ran a shambles [sic] of a campaign, changing many rules at the last minute and opening only a fraction of the island’s traditional voting locations” (81). Additionally, there was, by then Premier Binns, a “last minute intervention” only one month prior to the referendum to set the threshold for success at 60% along with a simple majority of votes in 60% of the ridings, constituting an unprecedented requirement for a PEI referendum (McKenna). Meanwhile, only 50% plus one was required for Quebec’s separation. This trend of sabotage can also be seen in the 2007 Ontario referendum. Despite campaigning on the issue, the then Liberal government waited 3 years into their mandate to commence their Citizens’ Assembly, giving it little time to organize, deliberate and present a recommendation in time for the next election, which the referendum was to be held in tandem with (LeDuc 553). Moreover, LeDuc makes mention of the inherent advantage of the ‘no’ side in such referendums, as the ‘yes’ side must both educate and persuade “an often sceptical and poorly informed public to support change,” making “the quality and availability of information... critical” (552). Damning then was the uniform opposition to the Assembly process and the MMP proposal by mainstream print media and the “inadequate public information campaign” conducted by Elections: Ontario, which left the public “poorly informed” (LeDuc 558, 560).

Most telling though is the BC Citizens’ Assembly and the two subsequent referendums. At the outset, it would seem to be the ideal situation: Premier Campbell himself pushed for a Citizens’ Assembly on the issue of electoral reform, making any challenges to it difficult;

there were no accusations of government interference in the formation or deliberations of the Assembly; the selection process for the assembly produced a group diverse in nearly every conceivable way, adding much legitimacy to the process; the government was required to put the Assembly's recommendation to a referendum; and finally the Assembly enjoyed good media coverage and much popularity in BC (Carty et al. 144-150). Nevertheless, political elites were able to work towards the failure of actual change. For the 2005 referendum, the BC government delayed proceedings such that there would only be six months before the vote, refused to spend serious money on advertising for it and set a trendsetting threshold for success of 60% plus a majority in 60% of ridings "despite the fact that there existed no compelling legal or historical precedents for doing so" (Pilon 76). This last point was "widely interpreted as a necessary concession by Campbell to the strong opposition within his cabinet to raising the issue at all" (Pilon 79). BC proved to be the trendsetter as "both Prince Edward Island and Ontario mimicked British Columbia in adopting super-majority rules and failing to invest effectively in public education" (Pilon 81). The 2005 referendum barely failed, so a second one in 2009 was held. This time, the BC government further meddled, changing the wording of the referendum question, and letting the memory of the Citizens' Assembly slip away, leading to an even more decisive defeat (Pilon 83). LeDuc concludes that "with the decisive defeat of the reform proposal in British Columbia—perhaps the only Canadian jurisdiction where prospects for reform had been more hopeful—the epitaph for electoral reform in Canada has surely been written" (565). The pattern here is clear: political elites been able to use their influence to effectively deny an authentic 'supply' of electoral reform, even when governments were made to offer it, and so have they helped to maintain FPTP in Canada.

The ‘Demand’ for Electoral Reform

Distortions of ‘supply’ would likely be insufficient to deny electoral reform were it not for a corresponding muted ‘demand’ for the same. ‘Demand’ for electoral reform is largely absent; firstly, because electoral system reform is not widely understood. Indeed, “most voters have tended to see electoral reform as an abstract issue, championed by intellectuals and other heretics” (Tanguay 302). This is particularly consequential since it is held that “a governing party under FPTP is more likely to continue the process [of electoral reform] if... [it] is electorally beneficial” (Shugart 46). And even should a process be initiated, ignorance of the issue still proves decisive. Massicotte reports that “following the [2005] BC referendum campaign... polls showed 60-70% of the population knew little or nothing about the referendum question” (134). Equally so, Carty et al. assess of the BC Citizens’ Assembly and the following referendum that “the real black hole in [the] entire reform process was the large number of British Columbians who simply did not know about it” (159).

The reform efforts in Ontario tell a similar story. LeDuc notes that compared to New Zealand, which successfully reformed away from FPTP, and where “there was genuine public anger at the electoral system, and the unrepresentative governments that it tended to produce,” there was in Ontario “little in the way of predisposition” (556). Most illustrating is that “campaign researchers discovered that voters paradoxically wanted more proportionality in their election results *but did not connect the referendum or the proposal with addressing that desire* [emphasis added]” (Pilon 82). Indeed, Pilon finds that in both PEI and Ontario, “the public remained largely unaware of the referenda, let alone the details of the proposals on offer” (82). Pilon found similar trends in the referenda in BC and Ontario, noting “majority support for broad proportionality in elections” even with the defeat in both cases, and a consentient “deep public ignorance about the existence of the referenda and the

referendum choices” (85). Furthermore, given this “deep public ignorance,” many “voted for the status quo, a typical referendum response by voters with low information” (Pilon, 85). Pilon concludes that “BC-STV was, it seems, ultimately rejected because voters either knew too little or thought they had too little to gain” (85). LeDuc agrees regarding the Ontario case, finding that “an electorate that did not feel itself to be adequately informed found it difficult to overcome its uncertainty about how the new system would actually work” (562).

Significantly, Johnston et al., in a study of perceptions of the health of democracy in Alberta, found that “concerns over the health of democracy are much more immediately rooted in a widespread general distrust in government as being too powerful and secretive than in concerns about the inadequacy of political institutions” (178). This is despite the fact that electoral reform towards greater proportionality would “make majority governments a thing of the past” and encourage coalition governments, which would “in theory at least, place limits on executive power,” showing again the fundamental lack of popular understanding surrounding electoral reform (Tanguay 299). This critical lack of knowledge ensures a low popular ‘demand’ for electoral reform, providing little basis for pressure on governing political parties to offer reform and thus maintaining of the status quo.

Naturally, this lack of popular engagement with electoral reform has the direct consequence of causing such reform to be seen as an irrelevant policy issue; thus, the current electoral system can be seen to be satisfying normative expectations, further inhibiting the formation of ‘demand’ for reform. As Tanguay observes, “Canadians, for the most part, appear to be quite happy with the way their political system in general is running” (281). This is significant given that “norms matter, in that a given pattern of democracy is expected to perform in a given manner,” thus “demands for reform” are more likely to emerge when failure to maintain these norms is

perceived (Shugart 10). Furthermore, if “party politicians and voters alike perceive politics as more local and regional, FPTP may be sustainable even if national aggregate outcomes appear anomalous to outside observers” (Shugart 14). Given the often-observed regionalism found in Canada, this is likely a factor.

Still, as Blais and Shugart observe, “it can hardly be overstated how unimportant the electoral system is to voters most of the time” (196-97). A 2016 study by Angus Reid revealed that two-in-three Canadians see electoral reform “as either a ‘lower priority’ or a ‘very low priority’” (12). Indeed, LeDuc contends that “the public thinks about issues involving elections mainly at election time, but not on any continuing basis,” such that “voters may often be frustrated at the choices presented to them in a given election, but when the election is over there is little lingering desire to engage in a continuing debate on electoral reform” (554). Nevertheless, “if voters are dissatisfied with politics as usual, a party may attempt to promote electoral reform as a way to show that it is ‘doing something’,” but, as has already been shown, this does not mean that this dissatisfaction will remain or that other barriers will not be put up to stall reform (Blais and Shugart 197). Manifestly, Canadians at large do not seem to care. It therefore becomes evident that Canadians see the current electoral system as being within their normative expectations; expectations that are undoubtedly rooted in a lack of understanding of electoral reform. As such, electoral reform is not popularly seen as an important policy issue beyond occasional punctuations and consequently popular ‘demand’ for it is weak.

Conclusions

Fundamentally, Canada's FPTP electoral system is sustained through the combination of poor 'supply' and limited 'demand' of/for reform. 'Supply' is inadequate, in part, since the inherent incentives generated from the mechanics of FPTP give legislators with the power to effect change little internally generated reason to do so. Even should legislators be coerced into providing an opportunity for electoral reform, 'supply' is also diminished by the interference of political elites who use their influence and power to create new "barriers" to reform which "are not easily overcome" (LeDuc 565). The 'demand' for electoral reform is restricted likewise in two parts. First, by the lack of understanding in the general population about electoral reform and the effects of electoral systems, and secondly by the resulting normalization of the status quo and failure to see electoral reform as a relevant policy issue on any continual basis. Taken together, these features of the 'market' for electoral reform in Canada ensure that FPTP will survive, even should challenges arise in the future. To be sure, there always exists the possibility that a party leader with the requisite legislative power may seek reform for altruistic reasons, but as the BC case shows, such efforts can still be undone by meddling political elites and a disengaged electorate. As much as electoral reform can be, as Blais and Shugart argue, the product of miscalculation by politicians, without broad popular support within the electorate, as is demonstratively the case in Canada, there exists insufficient critical mass to take advantage of any such mistakes (199-200). Without real and widespread change in this 'market' for reform, escaping the bonds the FPTP will remain a herculean task.

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