## <u>Abstract</u>

While the rules for elections to the House of Representatives have mostly stayed stable for a long time, the changing party system is changing how those rules manifest.

The combined major party primary vote has dropped down to under 70% as of 2022, with an increasing number of races seeing an independent or minor party member making it to the final distribution of preferences.

There is also an increasing occurrence of races where it is not clear which two candidates will make the final count, with the gap between second-placed and third-placed candidates dropping precipitously over recent decades.

This has led to more volatility in who wins results, and has led to the average primary vote for a winning candidate dropping from above 50% as of 2007 to just 42% in 2022.

This paper also explores how the use of "three-candidate-preferred" estimates becomes more important in some of these contests, and specifically looks at races involving Labor, the Greens and the Coalition, and how different Coalition preferencing decisions can affect who is likely to win with a particular three-candidate-preferred split.

Ben Raue is the writer of the independent electoral analysis website The Tally Room. He also produces and hosts the linked podcast of the same name.

Ben is a prominent media commentator on election results. He has been a regular analyst on The Guardian's election night liveblogs and was also ABC Radio's election night analyst for the 2023 NSW state election and the 2023 Voice referendum.

#### Not your parents' electoral system

Ben Raue

The rules for the electoral system for the Australian House of Representatives have mostly stayed the same for a long time, but the changing shape of the party system is changing how that electoral system plays out in practice. A falling vote for the major parties is leading to races where a much larger share of the vote is cast for candidates outside of the top two, with added complexity in analysing election prospects and results.

## Total major party primary vote, Australian federal elections



Combined primary vote for Labor and the Coalition for the House of Representatives at Australian federal elections 1949-2022.

While Labor or the Liberal-National Coalition gain swings towards them at some elections, the overall trend over recent decades has seen the combined primary vote for Labor and the Coalition dropping. The combined major party vote briefly dipped below 80% in 1998, then climbed up to 85% in 2007. But since then the trend has been steadily downwards. The 2022 election saw an acceleration of that trend. Just over 68.5% of formal votes were cast for Labor or one of the Coalition parties, with almost one third of votes cast for minor parties or independents.

Understandably, this has led to an increased number of seats where the contest is not between Labor and the Coalition. The Australian Electoral Commission defines a "nonclassic" contest as a seat where the final distribution of preferences is not between a Labor candidate and a Coalition candidate.



## Non-classic races at federal elections, 1990-2022

A "non-classic" race is a contest where the final count is not between Labor and the Coalition.

Chart: Ben Raue • Created with Datawrapper

The number of non-classic races began to climb in 2010, and reached a peak of 27 in 2022 – almost one sixth of all House contests.

Traditionally almost every electorate had a contest where the two leading candidates were clear, even if in some contests those two candidates were not Labor and Coalition. But that has been changing. The gap between the second-ranked and third-ranked candidate on primary votes has been shrinking over recent elections.



Gap between second and third on the 3CP count, 2004-2022

The average gap between the second-placed candidate and the third-placed candidate was about 25% at the 2004 and 2007 elections, but has since steadily declined to about 15% in 2022.

When there are an increased number of viable candidates in an electorate, the preferential voting system plays out quite differently.

When there are only two viable candidates, voters have a clear choice. They can either cast a first preference for one of those canddiates, or vote for another candidate and then give a preference to one of those viable candidates, but there is no doubt about where their vote will end up.

But when there are more than two viable candidates, questions of order of elimination come into play, and in theory voters could consider the strategic value of how they vote, casting a ballot for the candidate with a better chance of winning the final preference distribution rather than their favourite candidate.

Contests where there is a close race for second place also add a second opportunity for the seat to be marginal. In some races, the final two-candidate-preferred margin is quite substantial, but the race remains close because of a close margin at the second-last stage in the distribution of preferences.

When there are three viable candidates, the share of the primary vote necessary to win decreases. We have seen a gradual decline in the average share of the primary vote polled by the winning candidate over recent decades, with a precipitous drop in 2022.



#### Average primary vote for winning candidates, 1958-2022

At elections for the House of Representatives from 1958 until 2022, what was the average percentage of the primary vote for winning candidates.

Data excludes the uncontested seat of Northern Territory at the 1963 federal election. Chart: Ben Raue • Source: Peter Brent • Created with Datawrapper

To see how volatility could increase in the new party systems, it's worth examining a handful of examples.

At the 2022 federal election, a lot of attention was paid to the seats of Brisbane, Macnamara and Richmond. In all three seats there was a clear two-candidate-preferred majority for a party of the left over a Coalition party, but it was not clear if that party of the left was Labor or the Greens.

In Richmond it became clear on further counting that the Nationals were stuck in third place, where their preferences ensured Labor would win. Labor polled 28.8% of the primary vote, with the Greens second on 25.3% and the Nationals on 23.4%.

This was less clear in Brisbane and Macnamara.

The Australian Electoral Commission has a standard practice of conducting notional twocandidate-preferred counts between the two candidates who appear to be most likely to finish in the top two at the end of the distribution of preferences, which usually allows the winner to become clear long before the full count is concluded.

In Brisbane and Macnamara, however, the critical count was the second-last round, when three candidates were left standing. So the AEC (seemingly for the first time) conducted special notional three-candidate-preferred counts in these two seats to clarify who would win.

In Brisbane, Greens candidate Stephen Bates came third on the primary vote, with 27.2%, trailing Labor candidate Madonna Jarrett by just eleven votes, with sitting Liberal National MP Trevor Evans leading on 37.7%. On the three-candidate-preferred count, however, Bates overtook Jarrett, leading 30.1% to 28.4%. He then won a comfortable if not large majority of the two-candidate-preferred vote thanks to a very strong flow of Labor preferences.

In Macnamara, the Liberal Party came third, trailing the Greens by just 0.65% on the primary vote. Labor came first. The question in the three-candidate-preferred count was whether Labor would manage to stay in the top two. As long as they stayed in the top two they would win either on Liberal or Greens preferences, but if they dropped into third their preferences would elect the Greens.

The Greens and Liberal candidates did better on minor preferences, but Labor managed to stay ahead of the Greens, and ended up winning on Greens preferences. The Liberal candidate managed to go from third place on primary votes to first place on the three-candidate-preferred count, but did not win.

These results may have been the fairest way to allocate a single electorate, but if you aggregate them over numerous electorates the results look a bit silly. A party could win numerous seats with a vote under 35% in every seat, producing quite disproportionate results nationally.

This doesn't always benefit the major parties. Indeed there are two local regions where minor parties or independents dominated the electorate results with a small share of the vote.

In the three electorates of inner-city Brisbane, the Greens won all three electorates with a primary vote of 30.7%, compared to 35.6% for the Liberal National Party and 26.3% for Labor. If those electorates were a single three-member district almost any proportional system would have given one seat to each of those three parties.

In the four electorates of northern Sydney (Warringah, Mackellar, North Sydney and Bradfield), which all featured identifiable teal independent candidates, the teals won three out of four seats with a primary vote of 32.2%. Meanwhile the Liberal Party won just one seat with 39.5%, while Labor and the Greens polled 21.8% between them.

You could imagine these kinds of disproportionate wave results occurring over larger areas across the country.

As we are gathering more examples of complex three-cornered contests, it is allowing us to go further and analyse how the exact share of the vote affects who will go on to win the seat.

The most common contests involve Labor, the Greens and a Coalition party making it to the three-candidate-preferred count. This was the case in 84 out of 151 seats in 2022. Preference flows between these parties tends to be relatively consistent. Greens voters overwhelmingly favour Labor over the Coalition. The sample size is smaller, but Labor voters usually favour the Greens strongly (at least in the sort of seats where the Greens have a chance of winning). Coalition preferences depend a lot on the party's how-to-vote card. The Liberal Party preferenced Labor over the Greens at the 2022 federal election, and about two thirds of their voters followed that order. Liberal how-to-votes instead favoured the Greens at the 2022 Victorian state election, and about two thirds of Liberal voters then favoured the Greens over Labor.



#### Who wins off a particular 3CP? Federal & QLD version

Assumes preference flows of 80% between Greens and Labor and 66% flow from Liberal to Labor, which roughly matches preference flows from the 2022 federal election.

Chart: Ben Raue, based on a design by Ben Messenger and Alex Jago • Created with Datawrapper

This chart shows which party would win with a particular three-candidate-preferred vote based on the preference flows recorded at the 2022 federal election, with strong Greens electorates shown from recent federal and Queensland state elections.

On the other hand, this next chart shows preference flows at the 2022 Victorian election when Liberal preferences instead favoured the Greens over Labor.



# Who wins off a particular 3CP? Victoria 2022 version

Assumes preference flows of 83% between Greens and Labor and 66% flow from Liberal

Chart: Ben Raue, based on a design by Ben Messenger and Alex Jago • Created with Datawrapper

When the Coalition three-candidate-preferred vote exceeds one-third, the charts look the same, but they look quite different when the Coalition three-candidate-preferred vote is under one third. The Greens came close to winning Northcote in 2022, but wouldn't have come close with the preference flows at the federal election.

The first chart also shows the Greens' first victory in the federal seat of Melbourne in 2010, and their victory in South Brisbane in 2020, both of which benefited from favourable Liberal preferences. The three-candidate-preferred vote in those elections would have resulted in a Labor win if preferences flowed as they did at the 2022 federal election. Meanwhile the Greens lost to Labor in Wills in 2022, but would have narrowly won if preferences followed the flows seen at the 2022 state election.

These charts help clarify how it is possible for a party like the Greens to be in an election to win in one seat on a much lower vote than they could poll in another. The Greens polled substantially more in Wills and Cooper than they did in Brisbane at the 2022 federal

election, but won the latter and lost the former seats. This was caused by Labor polling more of the remaining votes in the former seats, relegating the Liberal candidate to third, while Labor was relegated to third in Brisbane.

These techniques may be useful for analysing other close three-cornered contests, but they also demonstrate the somewhat arbitrary way in which preference flows from a party like the Liberal Party can be crucial if they come third, but are irrelevant when they come second or first on the three-candidate-preferred count.

If there is a continuation of recent trends of dropping support for major parties, and increasing concentration of support for independents and minor parties, these sorts of analytical techniques will become more important in understanding who may win.