

CHAPTER 6 : TERM OF PARLIAMENT

Term of reference 6 : the term of Parliament.

Introduction

6.1 In Chapter 1 of this Report we referred to the essential democratic requirement that the people choose the Government. Voters must have the power to change the Government at regular and frequent elections so that it remains responsible to them. At the same time, voters wish the Government to have an adequate opportunity to implement its policies. This requires the Government to have sufficient time to put in place cohesive policies upon which the electors can in turn pass an informed judgment. Voters in addition require a Parliament and political parties which operate effectively and are not constantly preoccupied by an imminent election. So in deciding upon an appropriate term for Parliament there is a balance to be struck between voter sovereignty and effective government.

6.2 In considering these issues we:

- (a) discuss the choices made by New Zealand and other countries (paras. 6.3 to 6.9);
- (b) eliminate some of the possible changes (paras. 6.10 to 6.12);
- (c) state the arguments for and against change under the 2 heads of effective government and voter sovereignty (paras. 6.13 to 6.29); and
- (d) record our conclusions (paras. 6.30 to 6.34).

THE TERM IN NEW ZEALAND AND OTHER DEMOCRACIES

6.3 **New Zealand.** The concept of a fixed term for Parliament reached New Zealand through the English political tradition. In England the fixed term was not established until 1694 when the Triennial Act was passed. Although successive English Parliaments differed on the optimum length of the term, the concept of a fixed term became accepted into the political tradition. The New Zealand Constitution Act of 1852 followed that tradition, fixing the maximum life of Parliament at 5 years. In 1879, following the abolition of the provinces in 1875 and the consequent increase in power of central Government, the term was reduced to 3 years, largely with a view to making Governments more accountable to the electorate. Since then, the 3-year term has been altered on only 3 occasions. The first was an extension to 5 years in 1916 during the First World War. The second was in 1932 when, during the Forbes coalition Government, Parliament first extended its life by 1 year and then in 1934 passed a general extension to 4 years. This was unpopular, and may have contributed to the defeat of the Forbes Government in the election of 1935, after which the extension was repealed. Finally, in 1941, during the Second World War, it was agreed by both parties that Parliament should be prolonged by 1 year. A similar

prolongation was agreed on in 1942. Since then the term has remained unchanged at 3 years. The entrenchment provisions of the Electoral Act 1956 require a majority in a referendum or a 75% vote of all the members of Parliament before the term can be changed.

6.4 During the 1960s, discussion of the advantages of a longer term led to the Electoral Poll Act of 1967 which, in accordance with the 1956 entrenchment provisions, put the issue to the people in a referendum. The poll produced a 69.7% turnout with 68.1% of those who voted favouring 3 years and 31.9% favouring 4 years. Such later opinion poll results as are available appear to show an increase in support for a 4-year term with, however, a majority still favouring 3 years. Any change in the public attitude may result from a recognition, in the context of increasing anxiety about the operation of our economy, of the need for measures which adopt a medium or long-term perspective. Those concerns were reflected in submissions made to us by various business organisations, the members of which generally favour a 4-year term while acknowledging the considerable power of our Governments once they are elected. Indeed, a substantial majority of all the submissions made to us concerning the term sought an increase, with by far the greatest number favouring 4 years. It is likely, however, that we heard more from the proponents of change than from those who wish to maintain the existing term. The Labour, National, Democratic and Values parties stated that they favoured 3 years. The New Zealand and Mana Motuhake parties favoured 4 years.

6.5 **The term in other countries.** The terms of elected Parliaments range from 2 to 6 years. The vast majority of Parliaments from which governments are formed have longer maximum terms than New Zealand. A study of 39 broadly democratic countries¹ shows that 19 favour a 4-year term (for example, Belgium, Denmark, the Federal Republic of Germany, the Netherlands and Norway) and 17 favour a 5-year term (for example, Canada, India, the Republic of Ireland and the United Kingdom). Only Australia, Sweden and New Zealand share the 3-year term. The United States of America has a 2-year term for the House of Representatives but a 4-year term for the Presidency and a 6-year term for the Senate.

6.6 **Observations on the term chosen by New Zealand and other democracies.** Over 100 years ago the New Zealand Parliament made a deliberate choice in favour of a 3-year term. That choice has been maintained, with only 3 exceptions in times of crisis, and was reinforced by Parliament in 1956 when the provisions of the Electoral Act relating to the term were entrenched. Subsequently, when New Zealand electors were directly consulted in the 1967 referendum, they showed a clear preference for the 3-year term. Doubts have been expressed concerning the 1967 result, both because there was little public discussion at the time and because the issues concerning the term may have been overshadowed by the public debate surrounding the contemporaneous referendum concerning hotel closing hours. We

¹Dick Leonard & Richard Natkiel, *World Atlas of Elections*, London, 1986.

are inclined to think, however, that the 1967 result constituted a clear expression of the wish of voters at that time to exercise regular control over the Government. Whether that is the view of the majority of present-day voters may be open to some debate. Though voters may continue to place a high value on their right to review the performance of the Government every 3 years, too much weight should not be placed on a referendum result obtained nearly 20 years ago.

6.7 Successive Governments have respected the 1956 entrenchment and we think it is now an accepted part of our constitution that any change to the term of Parliament should only be made on the basis of s.189 of the Electoral Act (see para. 9.175). In our view it is highly desirable (other than in a pressing emergency) for any proposal to change the term to be decided by referendum rather than by the alternative method provided by s.189 (75% of all the votes in the House or in essence the agreement of the major parliamentary parties). A proposal for change could not then be interpreted as an attempt by politicians to obtain greater power.

6.8 While the term of the New Zealand Parliament is comparatively short, care is needed in making comparisons. Most western democracies with longer terms have other restraints on the powers which their governments exercise. Some have federal systems which impose constitutional and other checks on the government. Others have bicameral systems, with the Second Chamber having delaying or veto powers. Others again have proportional systems, bills of rights or constitutions which restrict government power. By contrast, New Zealand Governments do not have such restraints on their powers.

6.9 In countries with a longer term Parliaments do not necessarily last the full period. Thus Canada and the United Kingdom, both of which have a 5-year term, have since the Second World War had elections about every 3 to 3 1/2 years (approximately 37 and 41 months respectively).² Similar averages pertain in relation to those countries with a 4-year term (approximately 40 months). On the other hand, New Zealand Parliaments regularly last their full term. The average frequency of elections in New Zealand since the Second World War is approximately 35 months and there have in that period been only 2 early elections. In Australia, which also has a 3-year term, the average frequency of elections in the post war period is only 29 months, but this is at least in part due to Australia's bicameral system and is affected by the occasions when double dissolutions have been sought.

POSSIBLE CHANGES IN RESPECT OF THE TERM

6.10 We do not consider there is any possibility of a shorter term in New Zealand. This would significantly reduce the ability of Governments to plan and implement policies, while at the same time placing an unreasonable burden on political parties in planning and carrying out election campaigns at shorter intervals. In other words, a lesser term

²See Ivor Crewe, "Electoral Participation", in *Democracy at the Polls*, ed. D. Butler, H.R. Penniman and A. Ranney, Washington, 1981, Table 10-2.

than 3 years would strike the wrong balance between the competing objectives of effective government and voter sovereignty. In relation to a longer term, we first note that in view of the points referred to in para. 6.9, we do not consider that there should be a change to a longer term unless there is some restraint on the right of dissolution. We return to this issue in paras. 6.33 and 6.34. We further consider there is no case for any term greater than 4 years. In the New Zealand context, with no Second Chamber, federal system or other substantial constitutional restraints, any term greater than 4 years would in our view represent an unacceptable erosion of voter control.

6.11 Another possibility suggested to us, which we do not favour, is that a new Government should have a longer term than a Government which is returned to office. First, there are practical problems in applying such a rule in a volatile political situation. For example, it is difficult to apply the rule to a coalition Government which includes a party that was in the previous Government, or to a new party which is formed out of an old one. Second, such a rule might in practice favour the party in Government, i.e. better the party the voters know for another 3 years than the other untried party for 4. Third, there could be inequality of voting power in that, if the Opposition succeeded in the election, a vote for it could be regarded as worth $\frac{4}{3}$ of a vote for the Government.

6.12 A final possibility suggested to us is that some MPs should be elected at different times from others—for example, half the MPs being elected every 2 years. We consider this proposal could only be contemplated for a Second Chamber in the context of a bicameral Parliament. In our unicameral situation the electorate would never have a single and decisive opportunity to select or reject a Government. Nor would the electorate necessarily have the ability at the first opportunity to remove a Government which initially won a large majority but subsequently pursued a course unacceptable to most voters.

ARGUMENTS FOR AND AGAINST THE PRESENT TERM

6.13 We now consider the arguments for and against retention of the present term. It is convenient first to consider the arguments based on effective government.

Arguments based on effective government

6.14 **Time required to implement and assess policies.** Many policies, particularly those which affect the economy, require both time to develop, introduce and implement and time for their effects to be judged. Those who favour a 4-year term point out that the time required to implement or judge policies may well exceed 3 years. It is claimed that 4 years would allow for greater consultation and help avoid hasty legislation, giving a better opportunity both to implement and judge policies. Moreover, a 3-year term may deter Governments from making necessary changes because they cannot be introduced and seen to be working effectively within a 3-year time span. This may result in poor decisions and may also have wider ramifications because Government

decisions radically affect the way in which the Government departments, the business community and individuals plan their affairs. If Government decisions focus on the short-term, it is likely that business and other decision-makers will do likewise. Thus a short-term planning mentality, possibly focussed on caution and risk minimisation rather than on long-term investment initiatives, may be encouraged in the business community. Likewise the ability to make sound forecasts in all areas of administration may be lessened.

6.15 Election-year influences. A further series of arguments raised against the 3-year term relates to the frequency of undesirable election-year influences. These influences may exist whatever the length of the term. They simply arise more frequently with a shorter term. In the first place, an approaching election may cause a Government to act improperly by taking unsatisfactory decisions designed for short-term political advantage. There is, for example, some evidence, more pronounced in some other countries than in New Zealand, that in an election-year economic restraints tend to be relaxed with Government expenditure and the budget deficit increasing. This then contributes to a cyclical economy with serious effects on the country's economic performance, to the ultimate detriment of the whole population.

6.16 Other election-year influences concern the disruptive effect of elections and the reduced effectiveness of Governments as a consequence. Thus there is in an election year a temptation to avoid decisions which, while necessary, are controversial or will offend some sections of the electorate. Moreover, an approaching election disrupts the Government's legislative programme as MPs begin to give more attention to electioneering and less to policy or governmental matters; and following an election the new Government (particularly if there is a change in the governing party) needs time to plan, consult and commence implementation of its policies, which further increases the disruptive effect of the election.

6.17 A longer term should also enable individual MPs to become more effective. Ministers in particular would have more time to become acquainted with the detailed workings of their departments before feeling the pressures of electioneering and should therefore be able to exercise more influence over them. All MPs may have more time to build good working relationships with the various sectional interests in the community. Respect for MPs may also be increased because of the less frequent onset of electioneering. Finally, less frequent elections would reduce the cost to taxpayers and political parties.

Analysis of effective government arguments

6.18 Many submissions made to us supported a 4-year term on the basis of the arguments summarised above. We think it clear that the community has become increasingly conscious of the need for more effective management, particularly in the economic sector. The key issue, however, is whether a 4-year term will provide a greater

opportunity for more effective economic and other management by the Government. This requires some consideration of the evidence. Turning first to the economic evidence, it is not in our view as clear as some critics of the 3-year term suggest. This may in part be because of the lack of suitable research, but the best advice we have been able to obtain is that improved research would require very considerable time and expenditure and might still fail to produce definitive answers. In relation to research needs we consulted the Treasury, the Reserve Bank of New Zealand and the New Zealand Institute of Economic Research (Inc). We also heard a wide range of views from experienced people who were invited to attend a seminar organised by the Institute of Policy Studies at Victoria University of Wellington. While it is not possible to record all the views expressed to us, we think it is helpful to reproduce the conclusions reached in a paper submitted to us by the Reserve Bank.

Perhaps the strongest message that emerges . . . is that it is difficult to establish objectively a clear relationship between the length of the electoral term and economic well-being. Certainly we are not aware of any methodologically sound study that establishes conclusively, either in New Zealand or overseas, that economic performance has been materially affected by the electoral term. Any hypothesis that it has been remains just that, and claims that there have been significant welfare losses must therefore be treated with a degree of caution. In New Zealand the serious empirical work which may or may not support such a claim has yet to be done.

That being said the following points might still be made:

- There appear to be no strong economic arguments that we are aware of that the electoral term should be shortened.
- Economic arguments do not allow us to clearly choose between the most likely possible alternative terms (say, three, four or five years). If the present term were four or five years, there would not be compelling arguments to reduce it.
- There is some evidence of an electoral economic cycle in New Zealand in recent years, but it is impossible to quantify the costs of this, or to establish that the costs would have been either higher or lower if the Parliamentary term had been different.
- If the relatively short electoral term has resulted in poor economic policymaking in the past, this does not necessarily mean that it will do so in the future. Providing that the electorate can learn and is presented with alternatives, economic theory suggests that politicians will eventually have incentives to implement better policies.
- Lengthening the electoral term is not the only possible remedy if the short-term focus of politicians is perceived to be a problem. For example, the accountability of governments, and the understanding of economic issues in the electorate, could

possibly both be improved if policies were subjected to independent scrutiny more formally and thoroughly than they are at present.

—A relatively short term does not preclude the adoption of a medium term approach to economic management, as the present Government has demonstrated. In principle, it should not be necessary to have to demonstrate tangible benefits from particular policies in order to obtain electoral endorsement for them.

6.19 The best, therefore, that can be said of some of the economic arguments in favour of a longer term is that they are, on the basis of our present knowledge, unproven.

6.20 In our view, qualifications need also to be made to many of the other arguments based on effective government. Thus the contention that the 3-year term leads to hasty legislation with inadequate research and consultation is to some extent countered by the possibility that the 3-year term acts as an effective spur to get planning under way and legislation passed with proper efficiency. Moreover, extending the term to 4 years will not necessarily provide a greatly improved opportunity to pursue medium and long-term strategies. In many instances, for example, resource and industry development, health, education, justice and employment, lengthy periods may be necessary before policies are seen to be producing results. The time required may considerably exceed 4 years and the difference between 3 or 4 years may not be significant.

6.21 Similarly, in relation to election-year influences, the situation is not as clear-cut as is sometimes suggested. Thus there is evidence that some countries with longer terms, of which Mexico with a 6-year presidential term is an example, have very severe cycles associated with elections. Although there are cyclical movements in New Zealand which have some correlation with the electoral term, the evidence is not always clear. To take a specific example, it was pointed out to us that the budget deficit as a proportion of gross domestic product sharply increased in the years following the 1972, 1975 and 1978 elections, allegedly as a result of policies pursued in the election year. However, the same effects are not observable in respect of the 1981 and 1984 elections. All past and present Cabinet Ministers to whom we have spoken deny efforts to stimulate the economy purely to create a more favourable climate in an election year. They point both to the difficulty and complexity of doing this if the aim is to achieve predictable short-term results and to the multitude of other factors—including external developments and cycles quite beyond New Zealand's control—which may influence the economy. It is possible that politicians have come to appreciate how imprecise many calculations of economic outcome are and that the New Zealand electorate is also now suspicious of attempts to woo support by short-term measures which may have undesirable long-term consequences.

6.22 The remaining election-year arguments (disruptive effects, decreased opportunity for Ministers, Government and parties to be effective, increased costs) all have force, but there are again considerations which need to be placed in the balance. While elections are indubitably disruptive, one viewpoint is that the disruptive effect is of much more concern to those in places of influence and power than to the average citizen. The latter may see Governments as being restored to course rather than blown off course by an election.

6.23 A final matter which we note in relation to the effective government arguments is that it is sometimes said they overlook that a 3-year parliamentary term does not necessarily mean the total period a party spends in government will be less than if there were a longer term. Governments are often re-elected and on that basis it is argued that the length of the term is not as important as it might appear. It is true that New Zealand Governments are often re-elected and also that the number of post-war Governments is little greater than in some countries with longer terms. In our view, however, the ability of Governments to gain re-election is largely irrelevant to the effective government issues. It is the period of time before the next election which dominates the thinking and actions of both Government and the public. Moreover, all the election year influence arguments remain applicable to the extent that elections are more frequent when the term is shorter.

6.24 In summary, there are real qualifications to be taken into account in relation to most of the effective government arguments. At least in the light of the present evidence, it cannot be said that those arguments decisively establish a 4-year term would provide more effective government. However, giving full weight to all the qualifications, we think it can properly be said that there are certainly some beneficial policies which, because of their initial impact or the complexity of the planning involved, a Government would find it preferable to implement over a 4-year period and could be deterred from implementing with a 3-year period. There will also always be at least a temptation in election years for Governments to take unsatisfactory decisions designed for short-term political advantage; and it is undoubtedly true that, as an election approaches, Governments tend to avoid or defer decisions which, though desirable, may prove unpopular with some sections of the electorate. It must always be likely that a Government will endeavour to take unpopular decisions as early as possible and will show a real disinclination to do so later in its life. Likewise, frequent elections undoubtedly tend both to encourage short-term planning and to deflect Governments as greater attention is paid to electioneering. They also have a generally disruptive effect as Governments and parties campaign and then settle in following an election. While we accept that some disruption is often valuable, and is in any event part of the price to be paid for democracy, we believe that a reduction in the disruptive effects of elections would be desirable. We therefore consider that the effective government arguments generally favour a 4-year term. We are also clear from the submissions made to us

that many New Zealand people are both concerned to see that the Government has a good opportunity to embark upon sound policies and believe there would be a better chance of this with a 4-year term.

Arguments based on voter sovereignty

6.25 **Opportunity to pass judgment on Government.** If the term of Parliament is increased to 4 years, electors will have fewer opportunities at elections to pass judgment on the policies adopted by the Government. It is essential to democracy that those opportunities should be frequent. They also maintain the interest of electors in the process of government and prevent voter apathy. Moreover, electors have more opportunities to pass judgment on the policies of the main political parties in the many countries with a federal system or an elected Second Chamber.

6.26 **Opportunity to control Government.** Frequent elections also enable voters to exercise greater control over Governments. This is particularly material in the New Zealand context with our unicameral system and relative lack of other restraints on the powers of central Government. Keeping the periods between elections short lessens any tendency by those elected to neglect their responsibility to the electorate. This may happen through incompetence in carrying out a policy which was endorsed at the previous election, or through a deliberate decision to embark on measures inconsistent with the election platform in the hope that over a longer period electors will forget the breach. In either event, a shorter term enhances accountability and enables a Government which has lost the confidence of the people to be removed more speedily from office. On other occasions, and probably more frequently, departures from election policy result from Governments discovering facts previously unknown to them or encountering a change of circumstances thought to render the previously approved policy inappropriate. If, as a result, a Government considers it is obliged to change its policy in the alleged interests of the electorate, a democratic verdict on the change will be that much further away if there is a longer term.

Analysis of voter sovereignty arguments

6.27 The above arguments are generally regarded as favouring a 3-year term. Once again, however, there are qualifications to be made. Although electors should have frequent opportunities to pass judgment on Governments, it is also essential to ensure that those opportunities allow for the exercise of an informed judgment as to whether the Government should be changed. If elections are too frequent, the Government will not have time to implement policies which are seen to be working, with the result that the Government will be judged on inadequate evidence. A longer term may thus enhance accountability by enabling the electorate to judge the Government better and by compelling decision-makers to live with the consequences of their decisions. The key issues concern the period necessary to enable a

Government to be properly judged and how informed or educated the electorate is concerning the Government's policies. Many policies may have a lengthy lead time before their effects are fully observable, but a well informed electorate may still be capable of making appropriate judgments about the likely end results, thereby encouraging politicians to adopt longer-term policies. Weighing the above factors, we are of the view that the New Zealand electorate, which is a reasonably well-educated one, is capable of making suitable medium and long-term judgments if kept adequately informed by the Government.

6.28 In relation to voter control of the Government, the key issue in New Zealand is the power which our system gives to the governing party and particularly to the executive. New Zealand has limited local government and at national level a unicameral, non-federal, plurality system under which the Government of the day has large powers. Though frequent elections can be a powerful weapon in the hands of a populist Government, on the whole they act as a restraint on Government power. Given that situation, it must be accepted that, in the New Zealand context, the voter sovereignty arguments support a 3-year term. Moreover, many people would wish to retain the power to replace a bad Government after 3 years.

6.29 It is, however, true that steps have been taken over the past 30 years to place restraints on the power of Government and to increase its accountability. Examples are the creation of the Public Expenditure Committee and the Ombudsmen, more active intervention by the Courts in relation to administrative fairness, greatly increased parliamentary scrutiny of Bills, the Official Information Act, and the recent changes in relation to select committees and control of regulations. Moreover, steps taken to deregulate economies both here and overseas mean that there is now a group of indicators in the financial, equity and foreign-exchange markets which produce a rapid response to perceived divergence from sound economic management. More sophisticated ways of conveying the views of the electorate to Governments have also been developed, including opinion polls and increased pressure from interest and other political groups. All the above changes have placed some restraint on Government power.

CONCLUSIONS

6.30 Although the effective government arguments favour a 4-year term they cannot, as we previously indicated, be said to do so conclusively. Nevertheless, they would lead us to favour the relatively modest extension to a 4-year term, which we would not regard as significantly reducing voter sovereignty, were it not for the relative lack of restraints on the power of New Zealand Governments. In our view, there are as yet insufficient restraints to justify recommending a change to a 4-year term. We would not be prepared to do so until the present trend towards additional restraints has been further developed.

6.31 The first possibility by way of additional restraints is the proposed change to the Mixed Member system of proportional

representation (MMP). Under that system there is an increased likelihood the Government will be representing, and aiming to satisfy the views of, at least 50% of the electorate. Even if there is a minority Government, there is likely to be a significantly greater degree of consultation and accommodation of other views with a consequent restraining effect on the powers of Government. Whether or not there is a change to MMP, there are other possibilities and trends which have a restraining effect on Government power and are making Governments more accountable to the public. The most promising of these is the tendency towards a better informed and more vigilant electorate. In that respect, it is increasingly clear that access to knowledge and information on the part of the electorate is of crucial importance. We would support all measures which result in greater public access to information, including the progressive fulfilment of the objectives contained in s.4 of the Official Information Act (more effective participation, improved accountability and thereby better Government). We also believe economic management will improve as communication between the Government and the electorate on economic matters increases. It may, in addition, be possible to develop better monitoring of Government policies by way of better funded political parties and public research organisations and, in particular, the provision of better research facilities for the principal opposition parties. An increase in the number of MPs leading to wider scrutiny by select committees coupled with vigilant press reporting, would again be a material improvement. We would add that all these protections are important if we remain with a 3-year term. They simply become more important with a 4-year term. Though they do not necessarily produce the same constraints as an election, they all enhance Government accountability. We also mention that we have not included the development of a Second Chamber amongst the possible restraints, for the reasons we give in paras. 9.149 to 9.156.

6.32 Although we would favour a 4-year term only if further steps are taken to restrain the exercise of Government power, we recognise that the competing arguments are finely balanced and that the issues are such that there will continue to be room for genuine differences of view. We also recognise that an increase in the term was advocated in many of the submissions made to us and that, as we previously indicated (para. 6.7), the length of our parliamentary term is a question for the people to decide. We therefore consider that it is in any event appropriate for a referendum to be held to determine whether the term should be increased to 4 years. Our preference would be to defer a referendum until it is seen whether any of the possible additional restraints on Government power are implemented during the next few years. We accept, however, that views on whether or not the referendum should be deferred could legitimately differ. We accordingly recommend that a referendum be held no later than December 1993 to determine whether the term of Parliament should be increased to 4 years. Should the referendum favour change, the new term should apply from the time of the general election next following the referendum.

RIGHT TO SEEK A DISSOLUTION

6.33 A final matter to which we draw attention is the likely effect of a longer term on decisions by the Government to call an early election. A simple increase in the term, without any restriction on the right to call an early election, would make it easier for Governments to choose an advantageous time to go to the electorate. Overseas experience indicates that, when Governments have longer terms, they endeavour to choose times for an election which are politically advantageous (cf. para. 6.9). This may allow the Government to distort the people's choice by its own self-interested choice of time. Moreover, dissolutions which are sought not for the good of the country but for naked political advantage lead to cynicism in the electorate. Predictability of elections is also important in terms of effective government. The ability to call early elections tends to be both destabilising and disruptive, with constant speculation about whether or when there will be an election. By contrast, New Zealand with its 3-year term has had long sequences of regular elections with early elections having been called only twice (1951 and 1984) in more recent times.

6.34 In our view, a longer term would almost certainly reduce the chances of a fair election at a regular time. Parliament might quite frequently fail to last the full term, which would tend to negate any advantage in increasing the term. These are consequences which we consider undesirable. They can, however, be prevented by appropriate legislation restricting the power to call an early election. This has, for example, been done in the Australian States of Victoria and South Australia, both of which have recently introduced a 4-year term. In each case their Parliament may not now be dissolved before the expiration of 3 years. In the New Zealand context we think it would be preferable for the term to be a minimum of 3 1/2 years. It should also be noted that, if a minimum term is introduced, it is essential to make an exception for the situation where a Government can no longer govern because it has lost the support of the House. Both the Victorian and the South Australian legislation make such an exception. If MMP is adopted in New Zealand, the exception would need to include the case discussed in Chapter 2 (paras. 2.207 to 2.209) where, following a change in coalition arrangements, the new Government considered itself obliged to seek a mandate.

Recommendation:

- 21. (a) A referendum should be held no later than December 1993 to determine whether the term of Parliament should be increased to 4 years (para. 6.32).
- (b) The referendum should include a proposal to limit the power to seek a dissolution (para. 6.34).