Overhang\(^1\)

*How an overhang occurs*

Under MMP, a party is entitled to a number of seats based on its share of the total nationwide party vote. If a party is entitled to 10 seats, but wins only seven electorates, it will be awarded three list seats, bringing it up to its required number.

This only works, however, if the party’s seat entitlement is greater than (or equal to) the number of electorates it won. If, for example, a party’s share of the overall party vote entitles it to five seats, but it wins six electorates, the sixth seat is called an overhang seat.

*New Zealand’s experience*

The 2005 general election produced the country’s first overhang and resulted in a Parliament of 121 members. The 2008 general election also produced an overhang, on this occasion 122 MPs were elected. In both cases, the overhang was the result of the Māori party winning more electorate seats than its overall party vote share entitled it to (in 2005 2.1% of the party vote and in 2008, 2.3% of the party vote). These results would have entitled it to three seats on both occasions but the party won four and five electorates respectively. In the 2011 general election, the Māori party won three electorate seats whereas its party vote would have entitled it to just two seats. As a result, there was again an overhang and there are 121 MPs in the 2011-14 Parliament.

In New Zealand overhangs occur when a party’s candidates have stronger local support than the nationwide support of their party.

Independent candidates, by definition, have no party at all, and so obviously cannot win party votes under MMP or gain list MPs. If independents were to win electorates, then the seats won by these candidates are excluded from the proportional system altogether (this means the number of quotients for list seat allocation is reduced by the number of seats won by independent candidates). This has yet to happen in New Zealand’s MMP system.

The election of an independent candidate therefore cannot produce an overhang.

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\(^1\) Material taken from the International Institute for Democracy and Electoral Assistance (IDEA), 2005.
How to manage an overhang

The table below shows the three options used to manage overhangs.

Table: How the three options would work in a New Zealand Parliament of 120 members and, for the purpose of illustration, a two-seat overhang

<table>
<thead>
<tr>
<th>Quotients used</th>
<th>Number of seats in legislature</th>
<th>Effect of formula</th>
</tr>
</thead>
<tbody>
<tr>
<td>120 quotients plus overhang</td>
<td>122 seats</td>
<td>Allow the overhang and size of legislature temporarily increases</td>
</tr>
<tr>
<td>120 quotients plus overhang plus balance seats</td>
<td>122 seats + additional balance seats</td>
<td>Allow the overhang and provide balance seats to other parties; size of legislature temporarily increases</td>
</tr>
<tr>
<td>118 quotients plus overhang</td>
<td>120 seats</td>
<td>Allow the overhang but compensate by decreasing the number of quotients available for list seat allocation</td>
</tr>
</tbody>
</table>

Allow the overhang

In New Zealand, a party is allowed to keep any overhang seats it wins, but other parties are still awarded the same number of seats they are entitled to. This means a party with overhang seats has more seats than its entitlement and the size of the legislature is temporarily increased. This system is also used in the federal elections in Germany.

Allow the overhang and provide additional ‘balance’ seats

Allow the overhang but compensate other parties with additional seats to ‘balance’ the number of members in the legislature. Balance seats are used to compensate other parties for the disproportionality that results from an overhang by maintaining the proportionality between parties established by an election result. This increases the size of the legislature as the party with the overhang seats keeps the additional seats and other parties represented in the Parliament receive extra seats to ‘balance’ the numbers to ensure overall proportionality. The number of extra seats that may be created is sometimes limited to avoid an excessive increase in the size of the legislature.
Take the number of additional list seats from the other parties’ entitlement

A party is allowed to keep any overhang seats it wins, and the corresponding number of list seats allocated to other parties is reduced to maintain the overall number of seats in the legislature. This means a party with overhang seats has more seats than its entitlement, and other parties have fewer. The size of the legislature does not increase. This is the system used in Lesotho, Scotland, and Wales.