

PMP 2007: The New Zealand election campaign of 2005, the government-formation process, and policy-making with special emphasis on climate-change policy

1. The campaign for the 2005 election

Rogernomics went too far, too fast - Clark

09 August 2005

Rogernomics went too far, too fast and destabilised New Zealand society and the economy, Prime Minister Helen Clark said yesterday.

"The whole period still strikes a nerve, which is why I've never given interviews about it," she said. "From my point of view it's a particularly painful part of the Labour Party's history."

"It's been my job over 12 years as leader to restore our credibility as a mainstream Labour Party which is electable and which I believe has been successful in government."

Miss Clark was answering questions at her post-cabinet press conference about issues raised in the book written by former prime minister David Lange. She recalled that she entered Cabinet in 1987 as minister of housing, and said she was shocked when she saw the portfolio briefing papers. "It was an agenda not dissimilar to what the National government would set out (in 1990) and the same agenda popped up in the 1987 economic statement," she said. [...]

Miss Clark said she spent two years "fighting off Roger Douglas on state housing, beating off the effects of the post-election briefing papers and the 1987 economic statement".

"I still carry the scars." [...]

Miss Clark accused National of having a similar secret agenda to that run by the previous Labour government. "I think that's inherent...a strategic deficit, announce big tax cuts, then a hidden agenda of cost-cutting. [...]"

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Allies desert National in coalition wrangling

31 August 2005

The arm-wrestling over coalition options has intensified as National looks increasingly isolated and NZ First sows fresh confusion about its post-election intentions.

As the minor parties jostled for position 17 days out from the election, ACT leader Rodney Hide called National's campaign strategy "stupid", the Maori Party finally ruled out a deal with National, and NZ First leader Winston Peters gave a speech that appeared to rule out his

propping up either a National or Labour government – then immediately refused to be pinned down on his remarks.

With National's coalition prospects looking increasingly remote, leader Don Brash struck back with a scathing attack on the Green Party's Maori sovereignty and anti-roading agenda and labelling a Labour-Green coalition as "scary".

But the anti-Green strategy could backfire – it risks a rerun of 2002, when National voters scared by the prospect of a Labour-Green government ticked United Future, and of 1999 when an attack on the Greens by National leader Jenny Shipley was credited with lifting the Greens' support.

Mr Peters added to National's isolation with his strongest attack yet on Dr Brash, calling National "puppets of the far Right".

Leaked e-mails exposing close ties between Dr Brash and members of ACT and the Business Roundtable were reason for New Zealanders to be "very afraid", he said. "These are not the type of people we want running the country . . . it now seems clear that National's agenda all along had been to deceive the public with an artificial debate about tax cuts while scheming to unload its secret agenda . . ."

He was also scathing of Labour's record, accusing it of a "warped agenda" on moral and social issues. "I make this unequivocal promise to you today. We will not be propping up any National or Labour secret agenda – not now, not ever."

When asked later if he was suggesting that NZ First would refuse to enter either a Labour or National government, Mr Peters refused to give an unequivocal answer.

Asked if his speech indicated that it would be almost impossible for NZ First to support National in any way, shape or form, he responded: "Who's got the next question?" [...]

National has few coalition options, with ACT doomed on current polling and United Future lacking the impact it had in 2002.

Labour, however, has an assured ally in the Greens, and its position has just been strengthened by the Maori Party's decision to work actively against National. Prime Minister Helen Clark made it clear, however, that the Maori Party remained her least preferred option.

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Labour takes Green road

31 August 2005

By KIM RUSCOE

Bio-fuels, more public transport and cleaner cars are among Labour's Green Party-look-alike transport policy.

Prime Minister Helen Clark and Transport Minister Pete Hodgson announced the policy

yesterday, at a ceremony to mark the start of Auckland's long-awaited extension to State Highway 20 in Mt Roskill.

"What we can say with absolute certainty is more is going to have to be spent on transport in the future and I'm sure the way fuel prices are, the balance will tilt a little more to public transport," Miss Clark said. "There is plenty in it for the advocates of public transport and cycling and alternatives to roading." [...]

Mr Hodgson said the Government had already put a disproportionate amount of money into the Wellington region, [...]. "We have put (\$405 million) on the table. It is not quite enough to build the coastal highway, it is not enough to build Transmission Gully but it is a very substantial amount of money." If the region wanted Transmission Gully, it would have to find the rest of the money.

Bio-fuels also played a significant role in what appeared to be a watered-down version of the Green Party's transport policy. Mr Hodgson said the country needed to move away from its total dependence on oil. [...]

Green co-leader Jeanette Fitzsimons said the policy was a good start but needed to be bolder. National transport spokesman Maurice Williamson said no one seriously believed Labour was committed to fixing the country's roading crisis.

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United will be a player in the next govt - Dunne

01 September 2005

By MARTIN TIFFANY

Peter Dunne is quietly confident about having a part to play in the next government.

In Hamilton yesterday, the United Future leader said he was happy to work with either Labour or National to form a coalition as each had some policies that were close to his party's. But any potential coalition partner would have to agree to some of their key policies, such as making no changes to the Families Commission and not legalising cannabis.

"We will be a player in the next government," Mr Dunne said.

His party is currently polling around two per cent, down from the 6.7 per cent it got in 2002, but if, as is likely, Mr Dunne wins his Ohariu-Belmont seat, the party is likely to return with at least two MPs, which could be enough to determine who governs. [...]

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Bid to oust Peters in Tauranga

02 September 2005

By MARTIN KAY

NZ First leader Winston Peters could face a tactical voting threat to his Tauranga seat

after United Future candidate Larry Baldock said he would back National if it looked like it could win.

And Mr Baldock is urging Labour candidate Sally Barrett to also support the leading contender to knock Mr Peters off his Tauranga perch – most likely to be National's Bob Clarkson.

ACT is also signalling a major announcement on its Tauranga campaign today. If it pulled out, it would signal a local centre-Right effort to oust Mr Peters, who needs to retain the seat if his party vote slips below 5 per cent. Polls show his support has steadily dropped from 12 per cent in June to around 6 per cent now.

Mr Peters holds the seat with a 10,000-plus majority, but faces a strong challenge from Mr Clarkson, a local businessman. A signal from Mr Baldock for his supporters to back Mr Clarkson could be significant as Mr Baldock won more than 1600 votes in 2002 and 1456 votes in 1999 – when National's Katherine O'Regan missed out on the seat by 63.

But any pact against Mr Peters could be fraught with problems for National, as it could leave the party with no obvious coalition partner if NZ First does not return. It is refusing to throw ACT a lifeline in Epsom, and United Future will not return with the same force as 2002.

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Vote Nats to get rid of Winston - Hide

02 September 2005

By DANYA LEVY

ACT leader Rodney Hide yesterday threw his weight behind National's Tauranga candidate Bob Clarkson in an attempt to oust New Zealand First leader Winston Peters from the seat he has held for the past 21 years.

[...] Mr Hide campaigned outside Mr Peters' electorate office, encouraging ACT supporters to vote for Mr Clarkson, known locally as "Bob the Builder". [...]

ACT's Tauranga candidate Frances Denz would continue to campaign for party votes for ACT in Tauranga. "But I want to make it quite clear that ACT supporters should back Mr Clarkson."

Mr Hide said unseating Mr Peters was the only way to ensure New Zealanders received tax cuts. "Mr Peters has publicly opposed National's tax package, describing it as 'irresponsible', 'not credible' and 'unworkable'.

"Peters losing Tauranga will allow National to deliver tax cuts."

Mr Hide said National's tax policy was good but ACT could improve it. "We will drop the top personal and company tax rate to 25c in the dollar immediately."

Meanwhile, Labour leader Helen Clark warned she would encourage Labour voters to vote for National's Epsom candidate Richard Worth in an attempt to ensure the demise of ACT. ACT is

polling at 2 per cent and needs 5 per cent to survive. If it doesn't win Epsom the party is out of Parliament. [...]

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United Future calls for ACT supporters' vote

05 September 2005

United Future leader Peter Dunne today urged ACT supporters not to waste their vote and instead back his party.

"A vote for ACT is a dead vote," Mr Dunne said.

A One News-Colmar Brunton poll released last night put ACT on just 1 per cent, well under the 5 per cent threshold the party needs to return it to Parliament without an electorate seat. The poll also put United Future on 1 per cent but Mr Dunne's safe seat of Ohariu/Belmont will see the party back in Parliament.

Mr Dunne said ACT was "political history and their supporters need to look at how they can best achieve a presence in the next Parliament".

United Future has said it could work with either Labour or National.

"We can stop the disaster that would be a Labour government beholden to the Greens, or we can be a strong support partner for National, which desperately needs one." No other party "fitted the bill" for ACT supporters who wanted results their centre right party could not deliver, he said.

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Brash firm over no deals with parties

12 September 2005

National leader Don Brash today continued to rule out any deals with smaller parties despite a warning it could cost his party power.

Dr Brash could throw a lifeline to its obvious coalition partner, ACT, by urging National voters in Epsom to vote for ACT leader Rodney Hide. Polls consistently have ACT polling well under the crucial 5 per cent threshold and, if it does not secure a seat, the party is headed for political oblivion.

That could leave National with one less option for a coalition partner. Despite that, Dr Brash this morning continued to rule out a deal. "We're not planning any deals at all and I think it's extraordinarily unlikely that the (National Party) board would change its view on that," he told National Radio. [...]

Prime Minister Helen Clark said she was not surprised the race was so close. "Obviously it is very, very tight and my clear message this week is going to be 'if people want the Helen Clark-led government it's very important to vote for it'," she told National Radio.

"There are small parties out there who won't really say which way they'll go and if people value the kind of leadership that I've given and the kind of policies that Labour has...then there's one choice and that's to vote for it." [...]

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United Future Press Release

http://www.unitedfuture.org.nz/press/show_item.php?t=0&i=1286

Hon Peter Dunne

14 Sep 2005

Greens the albatross around Clark's neck

United Future leader Peter Dunne says the time has come for the Prime Minister to cut the Greens loose, since it's now clear the Greens have become the major obstacle to Miss Clark's getting a third term as Prime Minister.

"United Future has long made it clear that we will not support a Labour-Greens coalition after the election, because the Greens' extremist views and policies will be very harmful to New Zealand.

"Now Winston Peters has made it clear that New Zealand First will not support a Labour-Greens coalition, dramatically reducing the chances of Labour being able to form the next Government.

"The Prime Minister now has a stark choice. If she goes into the election with the high-risk strategy of hoping Labour and the Greens will gain an absolute majority, she is unlikely to succeed.

"United Future remains committed to talking first to the largest party after the election to ensure a stable and reliable government can be formed," said Mr Dunne.

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United Future Press Release

http://www.unitedfuture.org.nz/press/show_item.php?t=0&i=1287

Hon Peter Dunne

14 Sep 2005

Dunne: MMP worked because of United Future

The supply and confidence agreement between Labour and United Future has lasted three years and two months — a full six months longer than the failed Labour-Alliance minority coalition last term and almost twice as long as the National-NZ First government debacle from 1996, United Future leader Peter Dunne said today.

"It has been the most stable government to date under MMP, indeed we have been the party that has made MMP work for the first time," he said.

"The key difference has been United Future's commitment to providing stable government, which has in turn contributed to the economic boom that the country currently enjoys."

He said that New Zealand voters needed to be aware that the NZ First that last week said it wouldn't hold a government to ransom and hadn't done this term is the same on that has put at least four no-confidence motions since 2002. [...]

He said the Greens have also moved three no-confidence motions in the current government, and despite providing support to the Labour-Alliance government on confidence and supply during the 1999-2002 term, they staged a walkout from Parliament prior to the election, claiming that they would vote against any government that allowed the commercial release of GMOs.

"And the Greens' threat was the reason the Prime Minister used to call an early election, stating 'I do not believe that it is acceptable to New Zealanders to see small parties exercise a balance of power irresponsibly.'"

"The evidence is clear: only United Future has a record of providing stable government."

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Greens demand two posts in Cabinet

15 September 2005

By IAIN BUTLER

The Green Party will demand at least two seats at the Cabinet table if it is called upon to help Labour form a government after Saturday's general election.

Green co-leader Rod Donald - on the campaign trail in Palmerston North yesterday - told the Manawatu Standard his party wants more say in how the country is run. The Greens have supported Labour on confidence and supply and voted with them on a bill-by-bill basis since 2002, but have had no presence in Cabinet.

But with the centre-left parties openly campaigning together this election, Mr Donald said his party will seek a formal coalition agreement if it has the numbers to help govern after Saturday.

That will include Cabinet positions for Green MPs, with an emphasis on the plural. "I think only having one minister in government wouldn't be enough. We would want two," Mr Donald said. [...]

Mr Donald would not be drawn on which portfolios the Greens prefer, saying it will be "a matter of negotiation", but did not rule out bidding for the transport and environment posts. He did indicate a desire to establish a special portfolio in Cabinet, however. "I would love to be the Minister of Buying Kiwi Made." [...]

The prospect of Green ministers calling the shots on transport has been described as "scary" by Opposition MPs during the campaign, while United Future leader Peter Dunne derided the party's "caveman economics" last month. [...]

But Mr Donald said whatever portfolios Green MPs hold after the election, they will have to negotiate policy with the Labour-dominated Cabinet. "We will push them enough on some areas and then there will be some areas where we will agree to disagree." [...]

Genetically engineered food and free trade with China are two issues the would-be partners don't agree on, he said.

Mr Donald said, ultimately, it is more important for the Greens to get their policy in place than sit at the Cabinet table. That policy includes greater emphasis on public transport and weaning a car-loving populace off petrol.

It's a message Mr Donald said is gaining support. [...]

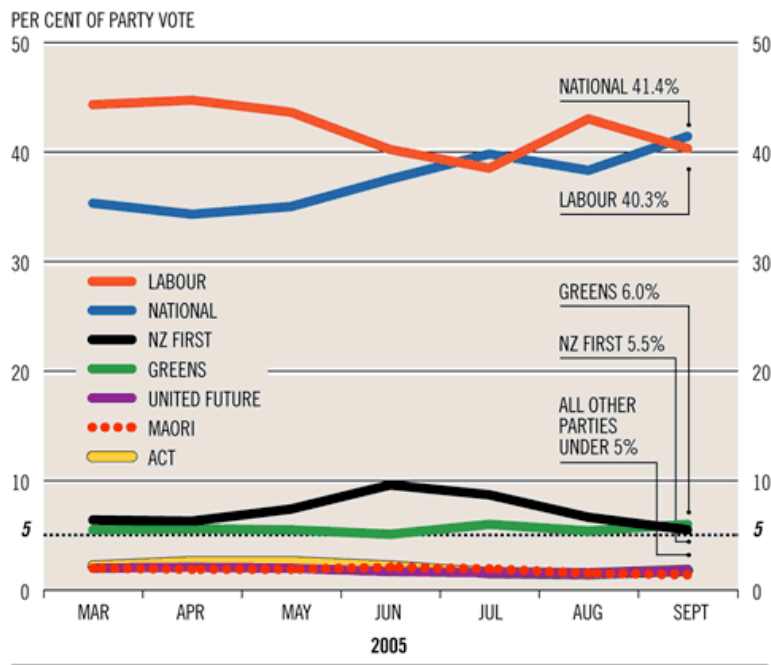
The contrast in coverage from last election - when Corngate featured prominently - is marked.

"Last time it (GE corn) was the only issue we could talk about. This time we can't get any issues to feature."

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Party vote trends

Monthly average starting March, 2005. To gain representation in Parliament parties need to have at least 5 per cent of the party vote.



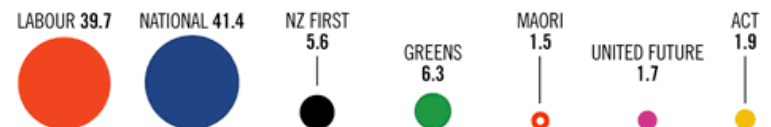
NZPA GRAPHIC © 14.9.05/4

SOURCE: NZPA

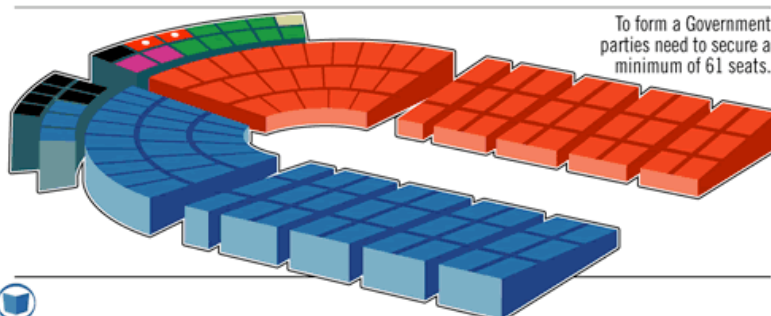
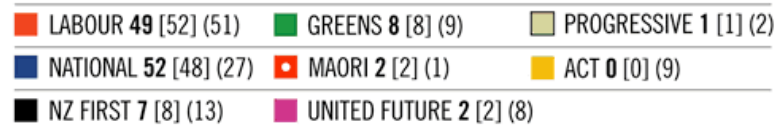
Reds in the blues

How parties are faring in the run up to this Saturday's election, based on the average of the six most recent polls.

HOW THE PARTIES ARE POLLING (PERCENTAGE OF PARTY VOTE)



POLLING TRANSLATED INTO SEATS: THIS WEEK [LAST WEEK] (CURRENT)



NZPA GRAPHIC © 14.9.05/2

SOURCE: NZPA

2. Post-election developments

RESULTS OF THE NEW ZEALAND LEGISLATIVE ELECTION OF 17 SEPTEMBER 2005

Election to the House of Representatives
Source: Elections New Zealand

NATIONAL SUMMARY OF LIST VOTES AND SEATS

Party	Votes	%	Change	Local Seats	List Seats	Total Seats	Change
Labour Party	935,319	41.1	(-00.4)	31	19	50	-2
National Party	889,813	39.1	(+18.0)	31	17	48	+21
New Zealand First Party	130,115	05.7	(-04.9)	-	7	7	-6
Green Party	120,521	05.3	(-01.2)	-	6	6	-2
United Future New Zealand	60,860	02.7	(-04.1)	1	2	3	-6
Māori Party	48,263	02.1		4	-	4	
ACT New Zealand	34,469	01.5	(-05.6)	1	1	2	-7
Jim Anderton's Progressive	26,441	01.2	(-00.5)	1	-	1	-1
Others	40,389	01.8		-	-	-	
Total	2,286,190			69	52	121	+1

There is a provision in New Zealand election law which allows for the creation of extra seats where a party wins more constituency seats than its party vote would entitle it to. In this election the Māori Party won four constituency seats with only 2.1% of the vote, leading to the creation of an "overhang" seat.

"Change" compares the 2005 votes and seats with the 2002 result.

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NZ swings right, but Clark clings to power

18 September 2005

By RUTH LAUGESEN and HELEN BAIN

<http://www.stuff.co.nz/stuff/0,2106,3414342a10,00.html>

Labour leader Helen Clark will today scramble to sew together a majority, after a cliffhanger election which left her just one seat ahead of National.

Clark will be wooing New Zealand First, United Future and the Maori Party, who could all play a role in ultimate victory.

Last night she thanked "mainstream New Zealand" for its support, and said she had been concerned by the divisions opened up by the campaign. "My objective now is to begin negotiations which will enable us to lead a government which brings New Zealanders together," she said.

But while Labour last night had the edge, National leader Don Brash refused to concede defeat, saying he would be working to secure a majority in the "days and weeks ahead".

The spotlight now goes not only on United Future and New Zealand First, but on newcomers the Maori Party, who swept into four Maori electorate seats.

Brash last night did not rule out talking to the Maori Party. Nor would Brash rule out compromises on his policy of abolishing the Maori seats.

United Future leader Peter Dunne was refusing to say whether he would keep to his pre-election commitment to talk first to the party with the most votes, which would mean Labour. [...]

New Zealand First leader Winston Peters, who lost his Tauranga seat to National, said he would keep his commitment to back the party with the most seats. He said he would not be seeking the "baubles of office", and instead would sit on the cross-benches and vote on an issue-by-issue basis.

But while that would suggest support for Labour, Peters' mercurial nature may yet hold surprises for Clark, who won 40.7% of the vote. Labour's 50 seats, combined with the Green's six seats, means she needs another six seats to have a majority in the 122-member house.

Clark can be expected to shelve pre-election plans for a coalition with the Greens in order to secure Dunne's support. The Greens, while preferring coalition, are committed to supporting Labour in any case. [...]

The election highlighted a divide between town and country, with provincial Labour seats toppling to National.

In a night of high drama, Act leader Rodney Hide brought his party back from the grave by winning the National stronghold of Epsom from Richard Worth. That was enough to bring Heather Roy in with him on the party list. [...]

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<http://www.stuff.co.nz/stuff/0,2106,3414341a10,00.html>

Minority parties key to power

18 September 2005

By ANTHONY HUBBARD

With the two main parties stalemated last night, the shape of the new government remains unclear. As party leaders prepare to enter talks, voters face a nervous wait.

The shape of the next government lay in the hands of Winston Peters and Peter Dunne last night. Both have said they would talk first with the party that won the most seats in parliament. But with Labour one seat ahead of National on election night, Helen Clark seemed the most likely candidate to lead the new government.

Winston Peters said: "We said we would put our support in the interests of stable government behind the party that got the most seats." [...]

If the Greens were unable to get these [cabinet ministries that they seek], they would certainly want some policy wins in return, but these should be able to be accommodated by Labour. They

want a rise in the minimum wage and Labour has shown it is willing to raise it. Its other environmental policies are modest and would not cause the kind of serious stand-off the Greens' anti-GM policy caused at the 2002 election.

Besides, the Greens have nowhere to go. They would not do a deal with National. [...]

Dunne's policy bottom lines the retention of the Families Commission, no legalisation of cannabis and no legislation banning "hate speech" can be accommodated by both Labour and National. His other preferred policies modest tax cuts and income splitting are unlikely to be deal-breakers either.

Dunne would like to return to Cabinet, but this too could be accommodated by either Labour or National. Some have spoken of him as a possible minister of foreign affairs.

But in any case, Dunne seems unlikely to insist on this as a deal-breaker either.

New Zealand First leader Winston Peters has spoken against the idea of "bottom lines", preferring to say he would "fight" for the party's preferred policies.

The party's top priority is senior citizens and its "golden age card" giving subsidised travel on public transport and other perks. It also wants to tighten the immigration laws and increase police numbers. [...]

Peters says his party will not support free trade agreements with low-wage economies. But in any case the two major parties are likely to support each other in any free trade deal with China, so Peters' support would not be needed.

In any case, Peters has said: "We would not bring a government down over these types of issues."

Both Peters and Dunne are keen to avoid any suggestion that they are the tail that might wag the dog the small party guilty of bringing down a government.

The Maori Party has virtually ruled out doing a deal with National, although co-leader Pita Sharples has not ruled out discussions if National was "desperate." All decisions on these issues would be determined by *hui* held by the party next week with decisions promised within seven days.

However, it seems highly unlikely that Maori Party supporters would vote to do a deal with National. As Sharples points out, it would be suicidal to do a deal with a party that wants to abolish the Maori seats the basis of the Maori Party's representation in parliament.

There seems to be no major obstacle to Act either forming a coalition or coming to some kind of arrangement with National.

National leader Don Brash, the unlikely populist, had gambled on winning a huge chunk of the vote, aiming for 45%. His classic populist policies an enormous tax handout and a crackdown on "special treatment" of Maori certainly brought his party back from the graveyard 21% it won at the last election.

But it was not enough to swing it decisively National's way although it did topple the arch-populist Winston Peters in parliament. Tauranga could get its populist by proxy by voting for Bob "the Builder" Clarkson.

Brash also hoped he could do without Act, refusing to do a deal with Act leader Rodney Hide in Epsom. But this election proved that voters as well as leaders can make tactical decisions and particular seats are not in a leader's gift.

Epsom conservatives decided Brash would indeed need a right-wing partner, and they gave him one.

Brash's Maori policy certainly helped the National party become a major political contender again but it also had the effect of polarising the vote between Pakeha and Maori. The white backlash in turn created a brown backlash, manifested in the Maori Party winning four Maori electorates.

And Brash's hard line on the abolition of the Maori seats might strike problems if he is able to form a coalition. Neither United Future nor New Zealand First is keen on abolishing the seats by fiat. Instead, they wanted consultation with Maori first.

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Peters refuses to clarify his line on Greens

<http://www.stuff.co.nz/stuff/0,2106,3415844a14095,00.html>

20 September 2005

By MARTIN KAY

NZ First leader Winston Peters is refusing to say definitively whether he would support a Labour-Green coalition, but signs are emerging it could be a stumbling block in negotiations.

Mr Peters would not give a clear answer on election night about having the Greens in the Cabinet, and insisted yesterday that he had spelled out his position in a speech in Rotorua on September 7.

But that speech, in which Mr Peters said he would keep NZ First out of a formal coalition but give confidence and supply to the party with most seats, was ambiguous on the issue of coalitions.

Views also differ within the party about what was meant, and the issue could complicate efforts by caretaker Prime Minister Helen Clark to form a government. The Greens have made it clear they want Cabinet seats in a formal coalition with Labour.

In the speech, Mr Peters said NZ First would not let "the Greens blackmail Labour". He went on to say Labour would not need the Greens to govern – a position he reiterated as Saturday's result came in – but also suggested that if the Greens were a deciding factor and wanted Cabinet posts, it could threaten NZ First support.

"Rod Donald will not become energy minister, nor Jeanette Fitzsimons transport minister, nor Nandor Tanczos minister of police," he said in the speech.

The statement can be read two ways: that NZ First would oppose any Greens in the Cabinet at all or would allow them, but restrict their portfolios. Mr Peters would not discuss the ambiguity yesterday, saying he was sick of being "misinterpreted". [...]

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Greens hit back at United Future

<http://www.stuff.co.nz/stuff/0,2106,3415883a14095,00.html>

20 September 2005

By TRACY WATKINS

Helen Clark is facing more headaches stitching together a government after an exasperated Green Party warned that all bets might be off if United Future tried to muscle its way into power at its expense.

The Greens appeared yesterday to turn United leader Peter Dunne's bottom-line refusal to work with them against him, indicating they might have a problem propping up a Labour government that put Mr Dunne in the Cabinet at their expense.

"We refuse to give any commitment to supporting a government that includes United Future but excludes the Greens," leader Rod Donald said. His co-leader Jeanette Fitzsimons said Mr Dunne had "more bottom lines than seats in Parliament". "I don't really think that with three seats you get to call the shots about the whole shape of government." [...]

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Government talks grind on

<http://www.stuff.co.nz/stuff/0,2106,3440437a6160,00.html>

11 October 2005

Labour leader Helen Clark continued talks today to try to pull together her third government as the Greens started to show signs of frustration at the slow pace.

Miss Clark met United Future and the Greens, while the Maori Party continued to consult its members and New Zealand First leader Winston Peters played cat and mouse games with the media.

Miss Clark needs to gain a majority in a Parliament of 121 MPs and is still looking at a range of options ranging from support agreements through to formal coalitions with the four minor parties.

Labour has 50 MPs plus the one vote of Jim Anderton and is counting on Mr Peters delivering the votes of his seven MPs on crucial votes.

This would leave Miss Clark needing the support of just one of the other parties, and the Greens are committed to backing her, though her stated desire is to get many MPs as possible on her side.

Mr Peters has pledged to abstain from confidence and supply votes or back Labour if that is necessary for its survival. Miss Clark is believed to be seeking a stronger commitment which would see NZ First committed to voting with the Government. [...]

The usually talkative Green co-leaders Rod Donald and Jeanette Fitzsimons were quieter today with Ms Fitzsimons showing some frustration by telling journalists it was not the Greens "holding things up" over the formation of the next government. [...]

United Future leader Peter Dunne refused to go into details of his talks or what relationship he and his two other MPs would have with a minority Labour government or possible policy concessions he was seeking. [...]

As Miss Clark tried to put together the political jigsaw, the last piece in the puzzle – the Maori Party – was due to announce its position tomorrow. Miss Clark is expected to meet Maori Party co-leaders Pita Sharples and Tariana Turia later in the week following the series of consultative hui around the country which finish later today.

The co-leaders and their MPs Hone Harawira and Te Ururoa Flavell may get together tonight to compare notes on the hui and decide the party's position.

It is unlikely that its four MPs will join a formal coalition with Labour, but it is still unclear what position they will take on crucial confidence and supply votes. [...]

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Brash and Peters seen to get closer

<http://www.stuff.co.nz/stuff/0,2106,3440630a6160,00.html>

12 October 2005

By HAYDON DEWES and NZPA

Moves to form a government have taken a bizarre twist with a secretive meeting supposedly taking place between National Party leader Don Brash and NZ First leader Winston Peters.

Yesterday afternoon Dr Brash and his deputy Gerry Brownlee were spotted in a lift at Bowen House where NZ First has its offices.

Earlier, Mr Peters had been seen heading toward the Beehive but to avoid reporters he left Bowen House through a car park and then retreated in a taxi when he couldn't gain access to the Beehive through a side door.

Neither party would rule out that the meeting took place.

Mr Brownlee said: "We have lots of meetings with lots of people and we don't usually publish who we have meetings with."

Mr Peters would not "confirm or deny or react" regarding any claims that such a meeting took place.

Dr Brash signalled yesterday morning that he still hoped to form a government if caretaker Prime Minister Helen Clark failed to do so. Though he had not spoken to NZ First at that point, he confirmed talking to United Future and the Maori Party.

National, with 48 seats, could possibly form a government with the support of NZ First, United Future and the Maori Party. It is an unlikely grouping, but not impossible. A meeting with National could be used by NZ First to leverage a better deal with Labour.

Miss Clark said talks between National and NZ First were "not at all" a concern. But such a development could still dash Labour's hopes to pull together a government as soon as this week. [...]

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<http://www.stuff.co.nz/stuff/0,2106,3445603a6160,00.html>

Coalition plan splits National

16 October 2005

By HELEN BAIN

The National Party is split over leader Don Brash and deputy Gerry Brownlee's plans to push ahead with talks with NZ First and the Maori Party, fearing it will be electoral suicide.

On Friday, National received assurances from the Maori Party, United Future and Act that they would support a National-led government that was supported by NZ First.

National, Act, the Maori Party and United Future together have 57 seats, and with NZ First's seven seats, National would have enough support to govern.

But some National MPs are concerned that if negotiations with NZ First did pull off a deal, it would be unstable and cost National support among its voters, who oppose NZ First and the Maori Party.

Concerns are particularly focused on whether National might agree to pay for NZ First leader Winston Peters' "bottom line" policy to increase NZ superannuation, costing billions of dollars and possibly threatening the affordability of National's tax cuts.

MPs also fear National must back down on plans to abolish the Maori seats to bring the Maori Party on board. One described such a union as "political dynamite" and another said it was "madness". [...]

National became keen on negotiations in the past week when it was obvious that Helen Clark was having trouble forming a government. "The caucus has authorised Don Brash and I to take part in these discussions without dissent," Brownlee said. [...]

A Sunday Star-Times poll shows voters want Labour to form a coalition with the Greens and NZ First. The nationwide poll of 776 voters, conducted over nine days ending on Thursday, shows voters prefer a formal coalition arrangement entailing ministerial posts for the minor partners.

Of the parties Labour is negotiating with, voters' preferred coalition partners are the Greens (35 per cent), followed by NZ First (29 per cent), the Progressives (26 per cent) United Future (21 per cent) and the Maori Party (17 per cent).

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<http://www.stuff.co.nz/stuff/0,2106,3446722a6160,00.html>

Clark cobbles together Government

17 October 2005

By IAN LLEWELLYN

Helen Clark has cobbled together her third government by giving New Zealand First and United Future two ministerial positions, but leaving the Greens mostly out in the cold.

NZ First leader Winston Peters will hold the foreign affairs, racing and associate senior citizens portfolios.

United Future leader Peter Dunne will hold the revenue and associate health positions.

Both Peters and Dunne will be outside of Cabinet allowing them to disagree with the Government on issues outside of their portfolio areas.

They also both get a number of policy concessions including a small rise in superannuation, more police and policy reviews.

The arrangements leave the Greens shut out of formal government, but in exchange for abstaining on crucial confidence votes they get a "co-operation agreement".

This will include the Green leaders getting to work on certain policy areas and even holding the role as spokespeople for the Government on energy efficiency, solar programmes and a "Buy Kiwi Made" programme.

Miss Clark said the Greens had been vetoed by the other minor parties from gaining Cabinet positions and she had to deal with the way the numbers fell in a "fractured" parliament.

Labour will have its 50 MPs and will be in coalition with the sole Progressive MP Jim Anderton. NZ First will give Miss Clark seven votes and United Future three.

This is a majority of 61 in the 121 seat Parliament for confidence and supply votes such as the budget.

The Greens six MPs will abstain and the Maori Party said it would be an "independent" voice choosing how to vote on a case by case basis.

National 48 MPs and ACT's two MPs will comprise the formal opposition. [...]

Miss Clark conceded it was a new experience to have the important foreign affairs portfolio held by a minister outside of Cabinet. It also new ground to have Green MPs not voting for the government, but then speaking for it on some issues. She described it as part of a "learning curve" under MMP.

The Greens were furious today after the talks ended with them not getting the ministerial positions they had been negotiating towards. Green co-leader Jeanette Fitzsimons said Mr Dunne and Mr Peters had held Labour to ransom. "We do not believe such a government is in New Zealand's best interests and therefore cannot in all conscience, actively provide support," Ms Fitzsimons said.

Her fellow co-leader Rod Donald was also scathing. "Many of the policy and budgetary demands that Labour has accepted from NZ First and United Future are socially, economically or environmentally destructive," Mr Donald said.

Miss Clark said it was a "reality" of the cards dealt by voters one month and two days ago on election day, that she could not deliver a guaranteed stable government with the Greens inside it.

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The statements of each of the parties in the government arrangement are posted at the course website (*Readings* page).

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<http://www.stuff.co.nz/stuff/0,2106,3446909a6160,00.html>

Concessions squeezed out of Labour

18 October 2005

A small rise in superannuation and more police are just some of the policy initiatives Labour has conceded to its new support partners. [...]

NZ First leader Winston Peters had campaigned for large increases in superannuation, instead he gets a lift from 65 per cent of the average wage to 66 per cent from April 2006.

Finance Minister Michael Cullen said this would cost about \$80 million a year. By Treasury's calculation that will be about \$4 a week in the hand for most superannuitants. Senior citizens will get a "seniors card" to help them get discounts.

Mr Peters also campaigned for 5000 more police, but will get 1000 over three years and a look at "demerging" traffic enforcement from police.

In the economic area, 2007 is going to be declared "Export Year" and the Government will also look at measures to increase exports.

Mr Peters not only gets the racing portfolio, but he gets to develop a fairer taxation regime for the sector.

United Future also gained several policy agreements, including retaining the criminal status of cannabis, not implementing hate speech laws and maintaining the Families Commission.

Both United Future and NZ First want a review of Labour's plans for a carbon tax, while United Future has gained a new tax regime for charities.

In his associate health role, United Future leader Peter Dunne will also get a review of the medicines strategy after years of criticising drug purchasing agency Pharmac.

The alternative motorway route out of Wellington through Transmission Gully will also have a new life, with Mr Dunne extracting a promise for it to be put back on the table. [...]

3. Governing since the 2005 election

Deutsche Presse-Agentur
December 21, 2005, Wednesday

New Zealand dumps proposed carbon tax

The New Zealand government announced Wednesday that it was dumping a proposed carbon tax designed to reduce greenhouse gases blamed for global warming.

The minister responsible for climate change, David Parker, said that a policy review had found that the 15 New Zealand dollars (about 10.5 U.S. dollars) per ton charge on carbon-dioxide emissions would not cut consumption enough to justify the policy.

Commentators said that the tax announced in May was doomed after the New Zealand First and United Future parties, which opposed it from the outset, demanded the policy be scrapped in return for propping up the Labour Party government after it failed to win an overall majority in

September's general election.

Labour planned to introduce the tax, which it said would add 4 cents to a litre of petrol and 1 cent to a unit of electricity, in April 2007.

The government has asked officials to come up with alternative policies by March, to cut greenhouse gases in line with New Zealand's commitment to the Kyoto protocol on climate change.

Minister of Forests Jim Anderton said that they would include incentives to encourage planting trees, which absorb carbon emissions, and discourage felling of trees. [...]

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The New Zealand Herald
February 13, 2006 Monday

Gary Taylor: Dumping carbon tax mad move [opinion piece]

The announcement before Christmas that the Government was dropping the proposed carbon tax was bad news for business, the country and the environment.

An analysis of the 475-page report from the Ministry for the Environment and the consequent Cabinet paper reveals it to be a poorly justified, rushed decision that effectively replaces a robust policy framework with possible soft measures that will not work.

And what is not well understood is that it will increase New Zealand's greenhouse gas emissions significantly.

The decision will undermine New Zealand's credibility internationally. We have been a leader at the United Nations negotiations and have had the political courage to differentiate ourselves from the United States, which strenuously opposes price-based measures at least at federal Government level.

We are now stepping more in line with the US position, even though the international community strongly rejected its approach at the Montreal summit in December. Some business leaders have praised the decision, but the effect is to create a long period of uncertainty for the market over just how to factor the cost of carbon emissions into investment decisions.

Just how does a director of a large power company make decisions on significant new projects without clear Government policy? This is why it is important to put a price on carbon.

Many OECD countries have carbon taxes. Europe has emissions trading which is another way of putting a price on carbon. State Governments in Australia and the US are going the same way, although their respective federal Governments oppose Kyoto.

Business New Zealand, however, supports voluntary measures to tackle our emissions deficit. But they will not work. The United Nations Framework Convention on Climate Change tried the voluntary approach internationally in the early 1990s - and emissions went up. That led to the Kyoto Protocol, which sets up a cap-and-trade mechanism and puts a price on carbon.

It is ironic to have some business leaders arguing for non-price measures when they understand better than most that if you really want to change behaviour, you need to put a price signal into the market that encourages that.

New Zealand's carbon tax would have done exactly that. It was supposed to be introduced in April next year. Because of the tax, the Resource Management Act was amended to take consideration of greenhouse gases out of the realm of local and regional councils.

The idea was to avoid double jeopardy - where a company paid once through the tax and then had to show how greenhouse gases would be avoided or mitigated on resource consents for new projects.

Now the tax has been cancelled the RMA needs to be changed back to where it was, otherwise not only do polluters not pay their environmental costs, they also get a free ride in consenting processes.

Negotiated Greenhouse Agreements were designed to give exporters that were energy-intensive exemptions from the tax in return for moving towards world's best practice in emissions management for their sector. Millions of dollars were spent on NGAs. Now they are worthless because everyone is exempt. The lack of stability and consistency in government policy must be galling for those businesses that took it seriously.

A key reason given for dropping the tax, in the ministry's report, is that it is too late to put it in place by next year. But that is because officials who should have been working up the final design of the tax have been preoccupied writing the review itself, which has been some months in gestation, presumably in the expectation of a change of government. That's a bureaucratic catch 22 resonant of a "Yes Minister" approach.

The report itself fails to properly analyse the justification for dropping the tax and fails to come up with any sound replacement policy mix. It turns the clock back to the early 90s when countries thought they didn't have to take climate change seriously.

But now the evolving science is firming and the worst-case scenarios are looking more probable. It is ironic that Australian farmers, who are seeing the red centre expanding and the coastal fringe contracting, are calling for more robust action from their Government while New Zealand farming leaders, and Business New Zealand, are at the "do little" end of the spectrum.

The net effect of dropping the carbon tax, if you interpret the ministry's own numbers, is that New Zealand's excess emissions in the Kyoto Protocol's first commitment period will rise substantially. They will go up from 33 million tonnes of CO₂ equivalent to 49 million tonnes, an

increase of 36 per cent. This is quite extraordinary given the commitment to put New Zealand on a downward path in gross emissions by 2012.

Indeed, the ministry's report concedes that our emissions will continue to grow. They certainly will if the Government is advised to drop effective policies to reduce emissions.

Where do we go from here? That's not clear. We could have a carbon tax on everything except transport fuels if that was the area of political sensitivity. Or we could introduce full-blown emissions trading and devolve the forest sinks and go the European route.

Or we could follow the voluntary approach which would be a cop-out. The way ahead may be made clearer when Climate Change Minister David Parker speaks at the Australia-New Zealand Climate Change and Business Conference this month.

Gary Taylor is the chairman of the Environmental Defence Society and convener of the 2nd Australia-New Zealand Climate Change and Business Conference in Adelaide on February 20-21.

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The New Zealand Herald
May 19, 2006 Friday

Budget 2006: Political reaction [of each parliamentary party]

National: "Helen Clark and Michael Cullen believe there is a place for tax cuts. It's called Australia. This is the Brain Drain Budget; the Bondi Budget. Instead of boosting the country's capacity to grow, Helen Clark is focused on redistributing what we currently have. But without sustained growth we will never be able to afford the health, education and environmental standards Kiwis expect and deserve. National in government would have been introducing tax cuts to reward effort and provide fair incentives for Kiwis to get ahead under their own steam. Instead, under Labour, more of our grandchildren will end up cheering for the Wallabies." - leader Don Brash

Act: "Labour has turned its back on the gates of opportunity. The Budget should have provided direction for completing Auckland's Western Ring Route, delivered the timetable for a 15 per cent flat tax and constrained the growth of government. Instead, this is the "Lost Opportunity Budget". - leader Rodney Hide

Maori Party: "It's all very well for the Finance Minister using flash words to impress - that there would be a "reallocation" from existing initiatives - to "better position Maori to build and leverage off their collective resources... to improve their quality of life" but we want to know, what does it all mean? Nothing for Maori. What the 2006 Budget does is to strip money from the meagre Maori Votes across Government and put it into their new bureauspeak policy ideas." - co-leader Tariana Turia

United Future: "In 2002 United Future was ridiculed for promoting family issues but we have ensured every Budget since has been family friendly. Families are \$6 billion winners this year and will also benefit from increased funding for roading and health. We are delighted our involvement has helped make this happen." - leader Peter Dunne

The Greens: "Labour's 2006 Budget is designed for a flat Earth where resources are endless and we can continue to live well beyond our means with no thoughts for future generations. The allocation of an additional \$1.3 billion for new road building shows the Government has yet to fully grasp the fact that our future will be dominated by peak oil and the effects of worldwide climate change and these expensive motorway projects will be nothing but white elephants." - co-leader Jeanette Fitzsimons

New Zealand First: "There is no coincidence that New Zealand First's five policy platforms from the 2005 election - senior citizens, immigration, law and order, Treaty of Waitangi and an export-led economy - and other policy initiatives like the Tauranga Harbourlink bridge feature so strongly in today's Budget, because it is a genuine MMP budget." - leader Winston Peters.

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The New Zealand Herald
May 26, 2006 Friday

Business tax review a big win for United Future, says Dunne

United Future leader Peter Dunne is claiming a sizeable portion of the credit for the Government's business tax review, which is at an "advanced" stage.

Mr Dunne yesterday said that the review, which could have flow-on effects for personal tax rates, was a big win for United Future because Labour hadn't committed to such a move ahead of the last election.

The review arose as part of the confidence and supply agreements Labour made with United Future and New Zealand First after the election in order to win government. [...]

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The Dominion Post (Wellington, New Zealand)
June 5, 2006 Monday

Greens' co-leader warns Labour

Kay Martin

NEW GREEN co-leader Russel Norman has stamped his mark on the party, warning Labour not to take its support for granted and opening the door to a deal with National.

The challenge was given added weight by co-leader Jeanette Fitzsimons, who told supporters the party was more interested in tackling key environmental issues than propping up a Labour

government.

Both said the Greens were at present closer to Labour than National, but warned they would in future support the party that promised the most in areas such as climate change, public transport and economic sustainability.

The comments were part of a coordinated effort to stamp a new brand of independence on the party after the election of Dr Norman to replace Rod Donald, who died suddenly in November, as male co-leader.

Dr Norman, who is not an MP, won after the first round of voting under the preferential system. It is thought he beat his closest rival, MP Nandor Tanczos, by two votes to one.

In his speech to the Greens' annual meeting yesterday, Dr Norman immediately moved to rebrand the party.

"While we may be closer to Labour, Labour and National are closer to each other . . . The Greens are an independent principled voice in Parliament and in society and we will not trade our voice or our independence or our principles for a footnote in a Cullen budget," he said.

At the last election, the Greens -- who draw most of their support from Left-leaning voters -- allied themselves to Labour, only to be ditched in the post-election talks after NZ First leader Winston Peters vetoed any chance of their being in coalition.

Dr Norman told The Dominion Post that Finance Minister Michael Cullen's allocation of \$1.5 billion in last month's Budget for a massive road-building project was behind the warning that Labour should not take the Greens for granted. [...]

Ms Fitzsimons also took a swipe at Labour for leaving the Greens at the altar. "Some of us are starting to draw the conclusion that Labour will never share power with its friends, only with its enemies, who might otherwise provide crucial support to the other side of the House."

She said the Greens would name a preferred coalition partner before the next election, but told The Dominion Post that National would have to do a U-turn on areas such as climate change and public transport funding.

Both she and Dr Norman agreed the Greens had to tread carefully because of many members' philosophical opposition to National, but Dr Norman said it was important to put the focus on the party's core policies. [...]

Ms Fitzsimons said she expected Dr Norman would be ranked one or two in the list in 2008.

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The Press (Christchurch, New Zealand)
July 1, 2006 Saturday

NZ set to revisit policies on climate change

Andrew Janes

Unfortunate, is how Greenhouse Policy Coalition (GPC) executive director Catherine Beard diplomatically describes New Zealand's climate change policies.

There was the backdown on the now infamous fart tax -- a levy on farmers' methane- belching farm animals which account for about half of New Zealand's emissions.

Last year it became clear the country would face a massive deficit -- \$562 million at Treasury's last estimate -- for the first Kyoto commitment period (2008-2012). The Government had promised a surplus when it made the case for ratification, but that was blown apart by a growing economy and a forestry sector downturn.

In December, the Government scrapped a planned carbon tax on fuel and heavy emitters, and put on hold other programmes to cut greenhouse gas emissions -- New Zealand's small part in trying to control global warming.

The country was left with a massive policy vacuum and big businesses, facing long-term investment decisions, were left uncertain about which direction the Government would take. Six months later and the Government is about to have another crack at its Kyoto policy with Climate Change Minister David Parker promising an announcement setting out various options in the next couple of weeks.

He will not be drawn on how long it will take to settle a policy. "But I am making it clear that consultation effectively starts now."

Beard says: "It's a very challenging policy area, there's no question about it. "Which is why we'd rather they take their time to get it right and road test some of the ideas rather than have something that's going to fall apart again."

Formed in 1996, the GPC represents major industrial emitters, which account for about 14 per cent of New Zealand's GDP but a third of the country's greenhouse gas emissions.

"A lot of countries, New Zealand included, went into Kyoto on a basis of faith, not knowing how things would pan out," Beard says. "As it's turning out, most countries will be struggling to meet their first-term Kyoto targets. We are certainly not alone in having trouble."

So what kind of policies can we expect to emerge from the current review of climate change policy? Parker says a narrower form of the carbon tax, an emissions trading scheme and a range of sectoral initiatives -- such as incentivising the forestry industry to plant more trees -- are all being looked at. Within each of these approaches there is a range of alternatives, he says.

The NZ Council for Sustainable Development makes no bones about which policy path it wants the Government to take. The council, which represents about 50 large New Zealand companies, including Meridian Energy, Mighty River Power and Fonterra, supports the introduction of a regime similar to the European emissions trading market. Under such a system the Government would give emitters carbon credits based on their current emissions.

Companies that made energy efficiency gains could sell spare credits while other companies unable or unwilling to reduce emissions, could buy credits on the market. Council for Sustainable Development chief executive Peter Neilson says: "Internationally most people are saying that you've got to get a price of carbon into economies so people start making decisions considering that carbon as part of the cost," he says.

"And that price is best discovered by an international cap and trade regime." A cap and trade regime sets emission limits and allows those who undercut them to sell their "surplus" while those who exceed them would be able to buy or trade others' surpluses. But because there would probably need to be multiparty agreement on the level to set the cap at, Neilson says it is probably not practical to introduce a scheme till 2012.

In the meantime, he wants to see "grandparenting" provisions introduced for emitters allocated to sectors and businesses. This would require the Government to start monitoring significant emitters now to prove they are eligible for emission rights when a cap and trade scheme is introduced. "Effectively the Government would say to these companies that we'll give you emission rights based on your current emission levels but if you are to increase emissions before 2012, you'll have to pay." But Beard is not so sure about a cap and trade scheme. "You need to have a truly global market for a New Zealand market to link to," she says.

And at the moment the European market does not have that kind of coverage so there are possible leakage issues with companies simply moving production to other countries where they do not face penalties. "We are already starting to hear industries talking about redirecting their investment away from Europe."

The GPC also thinks a narrower version of the carbon tax would be a mistake as it is unfair to single out one sector of the economy and it may drive some industry offshore. "Our hope is for a system where the Government sets individual emissions targets for energy-intensive companies based on world's best practice. "If we are up there with the best in the world then what more would you want the industrial sector to do?"

Ultimately what business wants from the Government's Kyoto policies is long-term certainty rather than a knee-jerk reaction to try to solve the problem of the country's emission deficit in the first commitment period.

The current policy vacuum is starting to make companies defer investment decisions, Beard says. "What we want and what I think would be good for New Zealand is looking ahead 20 to 30 years and deciding what we think we can do and how we are going to get there."

But with so many uncertainties around what will happen with Kyoto internationally this may prove difficult. Parker admits that it is not yet clear if Kyoto will be the most effective way of tackling climate change in the longer term. "We don't know whether there's going to be an international consensus that's broad enough to make Kyoto the policy instrument of choice," he says. "It might be that some variant of the Kyoto Protocol incorporating aspects of the Asia Pacific Six partnership becomes the future," he says.

The Asia Pacific Six includes non-Kyoto countries the United States and Australia as well as China, India, South Korea and Japan. "It might be that the Asia Pacific Six partnership sits separately from Kyoto, both under the umbrella of the framework of the convention on climate change. "Or it might be that we just have regional initiatives. I'm open-minded as to what is the most effective policy response and we'll pursue that."

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September 27, 2006 Wednesday

Tauranga bridge toll-free

An Order in Council for tolls to be charged to cross a harbour bridge in Tauranga has been revoked. As part of the supply and confidence agreement with Labour, New Zealand First leader Winston Peters negotiated for the \$220 million Harbour Link project to be designated a fully funded state highway. Mr Peters said yesterday the revocation meant the bridge was now officially designated toll-free.

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The New Zealand Herald

September 25, 2006 Monday

Work starts on \$255m port road

Work begins this week on the Bay of Plenty's biggest roading project - the \$255 million, four-lane Harbour Link expressway between Tauranga and Mt Maunganui.

A duplicate harbour bridge is part of the 4.9km expressway, which Transit promises will ease congestion and free up access to the Port of Tauranga. The first stage of the project will be officially launched at a ceremony on Wednesday that Transport Minister Annette King is expected to attend.

Tauranga City Council had initially planned to meet half the cost using tolls, but former Tauranga MP Winston Peters secured a Crown grant and toll-free deal in return for New Zealand First's support for the Labour-led Government. [...]

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The New Zealand Herald
October 30, 2006 Monday

Sustainable future within reach, says Labour

Helen Clark wants to make New Zealand "carbon neutral" and a world leader in sustainability but such an achievement may be decades away. *

The PM's ambition takes Labour into an area traditionally associated with the Greens and one in which National has recently shown renewed interest. She hopes to use a combination of carrots and sticks to achieve energy efficiency and sustainable land-use management.

Helen Clark is seeking to link Labour not just to environmental sustainability but also to economic and social sustainability. "Why shouldn't New Zealand aim to be the first country which is truly sustainable - not by sacrificing our living standards but by being smart and determined?" she asked. "We can now move to develop more renewable energy, biofuels, public transport alternatives, and minimise, if not eliminate, waste to landfills. We could aim to be carbon neutral."

Energy Minister David Parker said that more details of Labour's sustainability measures could be announced within a month.

But for the ordinary New Zealander there would be greater focus on renewable energy sources - hydro and wind, for example - as opposed to thermal energy such as gas, coal and oil. And they would mean the introduction of new fuel sources for the vehicle fleet, which would be a combination of bio-fuelled and electric cars - though to be carbon neutral the power source for electric cars would have to be electricity from renewable sources rather than fossil fuels.

The policy shift suggests that the Government will try to engage the public more on what ordinary people can do rather than on New Zealand's target under the Kyoto Protocol, which was to reduce carbon emissions to 1990 levels by 2012, something that is looking unlikely.

Mr Parker said that under current policy, New Zealand's greenhouse gas emissions from energy would increase by 30 per cent over the next 25 years. That explained why so much work was being done on new policy. "It is not in New Zealand's interests that that future come to pass."

A "carbon neutral" goal would be more ambitious than the Kyoto target, Mr Parker said, and New Zealand could be a world leader. He was not sure whether the Government would set a target date for New Zealand to become carbon neutral. At present 70 per cent of our energy sector was renewable, meaning only 30 per cent produced emissions. But in the transport sector New Zealand was 100 per cent non-renewable, which required long-term change "so you are taking more than 30 years to achieve that".

Helen Clark said the movie *An Inconvenient Truth* by former United States Vice-President Al Gore, who is to visit New Zealand next month, had made a big difference to perceptions. "I think there's a much greater public awareness now at the size of the challenge.

** Being carbon neutral means reducing emissions to a point where they are balanced by compensating measures, such as planting new forests, or in simple terms doing nothing to worsen climate change.*

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The Dominion Post (Wellington, New Zealand)
February 5, 2007 Monday

Prepare for changes to save planet says Parker

Matthew Torbit

THE global climate change countdown has begun -- but the Government has passed on the onus of dealing with its dire consequences to all New Zealanders.

Climate Change Minister David Parker said New Zealand needed to play its part in curbing greenhouse gasses. "Clearly, no matter what happens, we New Zealanders must ready ourselves for changes to our climate which may affect our agriculture, biodiversity, tourism and way of life. "I urge all New Zealanders to play a constructive role in responding to this very serious threat."

On Friday, the United Nations Intergovernmental Panel on Climate Change levelled the blame for climate change on mankind, and warned of dire global consequences unless greenhouse gases were cut. More violent floods and storms, acute droughts and frequent heatwaves have been forecast, as well as melting polar ice-caps and rising sea levels.

Mr Parker said plans to deal with climate change were being rolled out by the Government later in the year, as well as publications explaining ways to cut greenhouse emissions.

New Zealand accounts for 0.2 per cent of the world's greenhouse emissions, but per capita is among the worst 15 emitting nations. About 40 per cent of New Zealand's greenhouse gasses come from agriculture in the form of methane, and about 45 per cent is from the burning of fossil fuels.

National climate change spokesman Nick Smith said New Zealand's carbon emissions had surged under the Labour-led Government.

**

Carbon price welcome, but Greens warn of pitfalls

Jeanette Fitzsimons MP, Green Party Climate Change Spokesperson

<http://www.greens.org.nz/searchdocs/PR10789.html>

24th April 2007

The Green Party has welcomed the Minister of Energy's commitment today to a price on carbon across the whole economy and all greenhouse gases.

Speaking from Nelson, on the Green Party's Climate Defence tour of the South Island, Co-Leader Jeanette Fitzsimons says: The message we are getting from the public is that we must take action now. People support a price on carbon provided there are no free-riders - just targeting electricity is not enough, and transport and farming must play their part.

However, the Greens warn that a full carbon emissions trading system will take time to establish and cannot be ready for next year.

The key issue will be how permits to emit carbon will be allocated. Trading is a secondary issue. If permits are given mainly to existing polluters it will stifle innovation, provide windfall profits to the worst polluters and lock the New Zealand economy into old technology. On the other hand, if the permits are auctioned, some businesses will go broke and that's not the goal either, Ms Fitzsimons says.

This will give rise to the biggest political battle New Zealand has seen as all sectors lobby for more initial permits. When the EU went down this route, the lobbying led to over-allocation of permits and the trading has not reduced emissions much at all.

That's why the Green Party has proposed involving only the large fossil fuel, electricity and dairy processing companies in the world carbon market, passing the cost of their obligations to purchase credits on to their customers, and so leading to a price on carbon across the economy.

It is also important that the carbon price generates funds for public investment in research, and assistance to reduce emissions and develop renewable alternatives.

We cannot allow the revenue from the carbon price to be captured by speculators in the carbon market, she says.

**

The Evening Standard (Palmerston North, New Zealand)
March 13, 2007 Tuesday

Down on the farm, Key gets among grassroots

Jill Galloway

The National leader says it's critical the party grasps the wider issues of the agriculture sector.

National leader John Key got out of the city and on to a dairy farm yesterday. He tried his hand at putting the cups on some of National list MP Nathan Guy's 600 dairy cows at Koputaroa, near Levin.

Mr Key proved to be something of a natural when it came to avoiding the splatter of excrement. He spent the day in the Otaki electorate - one of the few rural electorates with a Labour MP.¹

It was all about keeping in touch with the grassroots and Mr Key said it was critical that National understand the wider issues of agriculture. "In the short term farmers are concerned about interest rates and the high value of the kiwi dollar, but in the longer term it will be about being internationally competitive and climate change that will put the pressure on farmers," Mr Key said. New Zealand farmers will have to compete against farmers in Latin America who do not have the same demands environmentally and face lower compliance costs, he said.

Figures show farm animals are responsible for 50 percent of all of New Zealand's global warming gas emissions. The Government wants New Zealand to be carbon neutral - that's going to put farming under huge pressure, Mr Key said.

"New Zealand's emission rates have risen faster than most. The Prime Minister is driving for this carbon neutrality. I don't see how farmers can reach the Government's emission targets unless they cut stock numbers. And that would be a disaster for the country."

New Zealand can't afford to lower its environmental standards but it should be spending more on research and development, he said. "National would pour money into R and D. It would be on a contestable basis. You'd see the CRIs competing with the private providers."

Mr Key said he believes that model works well, with universities, CRIs and private providers working together. "You could just pour money into a black hole. We won't do that. It does have to be a reasonable amount of money though, to make a difference."

Farmers are worried and Mr Key believes the Government is short on farming know-how, with no one on the Government benches having hands-on farming experience, unlike National which, he says, boasts many practical farmers among its MPs.

**

Greens pose tough questions for Labour and Nats

<http://www.greens.org.nz/searchdocs/PR10907.html>

Jeanette Fitzsimons MP, Green Party Co-Leader

3rd June 2007

Green Party Co-Leader Jeanette Fitzsimons has put some hard questions to both the Labour and National parties in her speech to members at the Greens Annual General Meeting in Nelson this morning.

¹ The district was won in 2005 by Darren Hughes of the Labour party with 45.8% of the vote, and a margin of only about 400 votes over the National candidate. Candidates of New Zealand First and Green parties each won just over 1,000 votes. (Hughes has held the seat for a while; for instance, in 2002, he won it with 53% of the vote. His party won 44% of the list votes in the district that year.)

Without answers to these questions, and others, the Green Party cannot make any decisions about where it might stand in relation to any future government, Ms Fitzsimons said.

The first and second questions were put to both leaders. Firstly, at what level did they plan to cap greenhouse gas emissions and who will they get permits? Secondly, how much bigger are they prepared to allow the dairy industry to grow given its damaging effects on water quality, water allocation and climate change?

Both Mr Key and Miss Clark have told New Zealand they are serious about climate change and the environment, but so far neither has done much more than just talk. National's policy on climate change is very thin, and Labour's is very aspirational but has been distinctly lacking in any action.

Climate Change is the biggest looming threat to our economy and our civilisation and at this stage it seems as if neither of the old parties have any policies that will reduce New Zealand's greenhouse gas emissions by any meaningful amount.

The third question for John Key asks what he intends to do about the people he has labelled as the underclass.

Will you make a public commitment now that benefits levels will not be cut and the conditions for receiving them will not be made more stringent under any government you lead? Will workers still enjoy the options of seeking collective agreements? Will the minimum wage be frozen at the level you inherit or will it continue to rise? Will we see bulk funding or vouchers introduced in education? she asked.

The third question to Helen Clark asks how she feels about the growth in inequality since she came to power, and what plans she has to address that.

In your rush to offer more to middle New Zealand than National's proposed tax cuts, your Labour-led Governments have left some of our most vulnerable citizens behind. The gap between the incomes of those who can work and those who cannot - due to illness, disability or because they're bringing up kids without a partner, has increased since Labour came to power, Ms Fitzsimons said.

The Greens will be pushing both parties to answer these questions before the election because the public has the right to know, Ms Fitzsimons said.

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Government announces emissions trading scheme

http://www.labour.org.nz/news/latest_labour_news/news070920a/index.html

September 20, 2007

An emissions trading scheme will reduce greenhouse gas emissions, promote environmentally friendly behaviour and create business opportunities for New Zealanders, according to Finance Minister Michael Cullen and Climate Change Minister David Parker.

The scheme, announced by the Labour-led government today, will be phased in from next year, beginning with the forestry industry, and including all sectors and gases over time.

“Climate change is a real threat from which New Zealand is not immune. We must do our bit to help the world deal with it. As part of our response to climate change, Cabinet has agreed to the key design features for a New Zealand emissions trading scheme,” said Dr Cullen.

“An emissions trading scheme will create an incentive for businesses and households to make decisions that are good for the environment, and will discourage actions that cause greenhouse gas emissions.”

New Zealand’s forestry industry will receive incentives to plant trees equivalent to hundreds of millions of dollars under the scheme. “Forestry is critical to New Zealand’s response to climate change. We want to see more forests planted, and we want to see harvested forests replaced. The government, therefore, has agreed with the forestry sector that they should receive a free allocation of carbon credits,” Dr Cullen said.

“Consistent with the commitments we have made to farmers, the government is proposing that agriculture will not join the scheme until 2013, and the sector will also receive generous free allocation equivalent to 90 percent of their 2005 emissions.

“We have designed the scheme to assist business as much as possible without defeating the purpose of the scheme, and other industries will also receive transitional assistance.”

New Zealand is one of a number of countries, such as the UK, Australia, the EU and parts of the US, which have or are developing such schemes.

“This is the way the world is heading,” David Parker said. “For those at the forefront of carbon-friendly services and technologies there are considerable opportunities emerging from such an economic transformation. Sectors such as tourism and viticulture have already identified this and are planning and investing based on sustainability. Energy efficiency in businesses will also improve their competitiveness.

“There will be increased costs in, for example, petrol and energy. The government will look at what assistance households need to adjust to these increases. There will also be increased efforts to make all households more energy efficient – through insulation, solar panels, and other measures.

“The development of an emissions trading scheme demonstrates the government listened during consultation on policy options earlier this year,” said Mr Parker. “Submissions received during this consultation on the five climate change and energy discussion documents made it clear that there is a high level of support for emissions trading.

“The government is now committed to providing opportunities for detailed engagement with interested parties, such as industry, consumer groups, NGOs and Maori, to ensure the final design of the scheme is fair and can be implemented effectively,” said David Parker.

The engagement, which is happening from now until November this year, will focus on the core design elements and will include a series of *hui* to address priority issues for Maori.

Once emissions trading scheme legislation has been introduced, the public will be able to provide further input as part of the select committee process.

“The government looks forward to working collaboratively with all those involved, as it develops a scheme that will work for New Zealanders in the long term,” said Mr Parker.

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United Future: In the spotlight today

Dunne cool on climate change plans – 20 September 2007

http://www.unitedfuture.org.nz/default,273,dunne_cool_on_climate_change_plans.sm

UnitedFuture leader Peter Dunne has given cool support to the Government's emissions trading regime announced today.

"After months of delay it is good to see an announcement finally being made," he said, "however, there must be real doubts as to its sustainability, given both the secretive way in which the policy has been developed without too much consultation with business and other political parties, and its complexity."

Mr Dunne says UnitedFuture has always been supportive in principle of an emissions trading scheme as an alternative to the blunt carbon tax the government originally favoured, but acknowledges that the "devil lies in the detail."

"Until the legislation is introduced, we will not know for sure the absolute shape of the policy, and we will make a call on it at that time," he says.

"In the meantime, we are extremely concerned about the potential negative financial impact on households and families through increased energy and fuel bills.

"We are wary of the proposed compensation mechanism, and strongly warn the government against seeing this as a mechanism for postponing long overdue tax cuts once again," he says.

Mr Dunne says the complexity of the regime makes it imperative the government prepare a thorough public information campaign, possibly through its Energy Conservation Authority.

"Most people could not care less about jargon like carbon footprints, sinks, and emission trading units and markets, and will be much more interested in what it means for them in their daily lives. The government needs to spell this out in words of one syllable in a way that households can follow clearly.

"People need information about which power companies, for example, have the best environmental records, or which household appliances are the most energy efficient, or what are the best transport options for them and their families.

"If the government is going to get the public on side with its carbon emissions trading strategy, it will need to come out of the clouds now and start to talk directly with families and households about how these policies will affect them and what they can do about it.

"Otherwise, today's announcements will be a big yawn, and people will take out their frustration at the prospect of increased power and petrol prices when they go to the polls next year," Mr Dunne says.

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Emissions Trading Scheme ignores need for urgency

Jeanette Fitzsimons MP, Green Party Co-Leader
20th September 2007

The Government's proposed Emissions Trading Scheme is well designed but will take years to have much effect on our greenhouse emissions, and meanwhile, world levels are skyrocketing to dangerous levels, Green Party Co-Leader Jeanette Fitzsimons says.

There is no sense of urgency in this proposal. It is clever, and avoids a lot of fishhooks, but it does not reflect the sobering advice of climate scientists that we have just 10 years to put our emissions on a downward path to avoid dangerous levels of warming.

Users of coal, gas and electricity get off scot-free till nearly half way through the first Kyoto commitment period, with no obligations till 2010, and the whole farming sector, which produces half our emissions, is totally exempt until after the first Kyoto period ends.

The taxpayer does not stop subsidising emitters until 2025, and subsidises the highly profitable dairy sector 100 percent through the five years of our Kyoto obligations. This is a huge wealth transfer from ordinary households and small business to Fonterra, and to farmers who are already getting an average windfall milk payment of \$250,000 this year, Ms Fitzsimons says.

The Greens welcome the underlying design of the scheme, which takes a number of features from our climate change policy we released in March.

The two important design features are:

- * New Zealand emissions units will be fully backed by Kyoto units so the price here will be the international price for those who will actually have to pay it.

- * The point of obligation to purchase units is upstream oil companies and electricity generators will purchase units and pass on the cost to their customers. This saves most people from getting involved in the complex issue of carbon trading.

Never-the-less, despite the schemes good points, by the time it is fully operational it may be too late for the climate, Ms Fitzsimons says.

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12 Oct 2007

Rt Hon Winston Peters

Speech [excerpted]

BUILDING A BRIDGE TO YOUR FUTURE

http://www.nzfirst.org.nz/content/display_item.php?t=1&i=2597

For many years now there have been those who have sneered and mocked New Zealand First as we have addressed Grey Power audiences.

But they have always failed to understand why we take your plight seriously and why we are prepared to work on your behalf in Parliament, despite a few of you having gripes with us from time to time.

We know who it was whose hard work and enterprise laid the foundations of the country we enjoy today. We know who raised this current generation and whose values underpin our societies values which are currently under threat. [...]

Given the announcements made in some political quarters recently, it is worth remembering that yours was also the generation that had to witness too much of what you had worked so hard for being sold off from under your noses.

Your generation knows exactly what asset sales mean and what privatisation means, and most importantly, who benefits and who does not when such policies are implemented. [...]

One need only consider what occurred in the 1990s, where not once but twice National cut New Zealand Superannuation.

And in both instances there were no warnings, they simply broke their promises leaving the most vulnerable in our society to bare the brunt of their ideology.

You see for National asset sales and benefit cuts go hand in hand. Contrast this with New Zealand Firsts track record.

Every time New Zealand First has been part of the governing arrangements Superannuation has increased, health spending on seniors has increased and we have tried to make the lives of our seniors better.

The most recent example of this was the launch of the SuperGold Card. [...] When the SuperGold Card was officially launched on 29 August it was only the beginning.

Some of you may be familiar with a new bridge which is being built toll free just down the road from here. It is an exciting development for the wider Bay of Plenty region and one New Zealand First promised.

But before the bridge is operational, the first sod was turned and the foundations had to be built. Once the foundations are in place then the rest of bridge can be built. The Super Gold Card is the same.

There had been heightened expectations about what the Card might deliver some of which have not yet been met. We accept that and see it as a challenge to see the Card reach its full potential. [...]

Now let us consider another important building block of our democracy transparency and the Electoral Finance Bill currently going before Parliament. Unfortunately the Government has allowed the opposition to set the agenda and distort the debate.

Some of their points are valid, but many are not and it is frustrating that the real debate has been suffocated by sideshows. You see right at the start of this process all sides agreed that we could not have a rerun of 2005. Our democracy was not prepared for the onslaught of big money and secret agendas. What we craved was transparency,

[...] Sadly what we had in 2005 was not a contest of ideas but a big budget marketing exercise. This needed fixing.

The Bill as it currently stands must be changed. We need a law suitable for the MMP environment in other words one which embraces a multi-party democracy.

Elections are not simply a contest between Labour and National, with new parties playing an incidental part. As every election under MMP has demonstrated, new parties have determined the final shape of every government. Our policies matter, our people matter and our place in the political system matters.

So the new law must be based on the principal of a fair and equitable election in an MMP or multi-party system. And that is why transparency matters. [...]

As was noted previously, the current Bill has to change. We need to add greater transparency, but without limiting fair participation in the process. Transparency operates at three levels during a campaign.

First, who are the primary players, the politicians and political parties, and who is funding them. Second, who are the secondary players (lobby groups and other third parties), who is funding them and how much are they spending. And finally, who are trying to influence the outcome but who don't want to be seen to be doing so these are the secret arrangements. [...]

We simply cant have a situation where well funded lobby groups are spending huge amounts, supporting already well funded political parties, with the lobby groups spending significantly more than actual political parties.

It simply undermines a multi-party democracy.

We do not want to see groups such as Grey Power constrained in their ability to participate, but equally we do not want to see undue influence by secret money and secret agendas.

That is not the New Zealand way. [...] For the health of our democracy we must get this right.

Now in conclusion we want you to consider these three things.

First New Zealand First will never sell off what is left of what you worked so hard to build up.

Second we will always work to ensure that you can confidently build your standard of living, even if some among you have a few gripes with us.

Finally, we will always work towards building a fair and transparent New Zealand democracy because that lies at the core of us being able to achieve the first two points.

We are builders dedicated to building a bridge to your future.

The foundations are laid, so join us as we add to the structures that are our society.

After all, many hands make light work.

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National must choose - asset sales or cleaner environment

<http://www.progressive.org.nz/modules.php?name=News&file=article&sid=2873>

Posted on 16 October 2007

Topic: Jim Anderton's Press Releases

Efforts to improve New Zealand's energy efficiency would be wiped out overnight if the National Party sold our State Owned Enterprises, says Progressive Party leader and campaigner against sales of strategic assets Jim Anderton.

"The Government is telling our SOEs to go with renewable energy. We don't want publicly-owned corporations pumping more fossil fuels into the atmosphere to speed up global warming.

"How could the National Party tell SOEs what to build if it didn't own them, or even if it had sold only a minority share?

"I want National to explain its priority - is it more interested in selling a minority share of assets to its rich mates, or in saving the entire planet?

"I want to know whether they even thought about this before they decided it would be a good idea to flog off our power companies.

"What makes public ownership of SOEs desirable is that we can use them to further national goals such as a cleaner environment.

"You cannot be in favour of selling our electricity generators and also in favour of reducing global warming," Jim Anderton said.

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Bureaucratic delays make mockery of renewable energy pledge

<http://www.national.org.nz/Article.aspx?ArticleId=11186>

16 October 2007 - 18:50 - Hon Dr Nick Smith
Climate Change

New Zealand will never achieve the Government's ambitious 90% renewable electricity pledge when bureaucracy is holding up renewable energy projects for years, says National's Climate Change spokesman Nick Smith.

"The proposed Kaituna Hydro Scheme is a case in point. It is farcical that a concession application by Bay of Plenty Energy for just 0.7 hectares of reserve land has already taken 2 years and 3 months to consider, and this still has to be followed by a complete resource consent process".

Conservation Minister Chris Carter told Parliament last December that 'a decision on the Kaituna project is very imminent' and 'some good news is very close on that project', yet 10 months later still no decision has been made.

"This power station will generate sufficient renewable electricity to power 10,000 households, or the equivalent of Whakatane. It just makes a joke of DOC's plans to be carbon neutral when its slow bureaucratic decision-making on this application alone is adding 33,500 tonnes of CO2 to emissions each year.

"It's no surprise, with this sort of bureaucratic bungling, that New Zealand's electricity emissions have grown 58% since 1999 and the proportion of renewables has dropped to an all-time low.

"Labour's energy strategy is just hot air unless it is matched by a consolidated and faster consenting process for renewable energy projects".