

A new rift in New Zealand's government

A New Zealand correspondent
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New Zealand's Maori Affairs Minister, Tau Henare, has been dropped as deputy leader by his party, NZ First, following a vote in the party caucus. With the National Party Party-NZ First coalition sitting on a thin majority of one seat in parliament, the affair has provoked a political crisis, raising the possibility of the government not seeing out its term of office.

The immediate reason for the sacking was reported dissatisfaction with Henare's performance and personal style, most recently centred on an overseas trip to London during which he and his entourage travelled first class, apparently against instructions of his party leader, Winston Peters.

Henare and his supporters, including NZ First's other Maori MPs, immediately levelled claims of racism in the action against him, saying a 'redneck' non-Maori section of the party was making him a scapegoat for its dismal performance in the polls, where it is struggling to make a showing of more than 2 percent.

There have been no statements from the party explaining the sacking. However, it comes after an extended period of inner-party disputes over government policy. Previously, the NZ First Associate Minister of Health, Neil Kirton, was sacked for criticising health policies. Differences have arisen more recently over further government asset sales, the handling of the firefighters' dispute and the reduction of police numbers.

These rifts are being exacerbated with \$300 million cuts to government spending demanded by Peters as treasurer, and endorsed by cabinet, as a result of the impact of the Asian crisis on the country's economy. Henare has indicated he will resist money being cut from Maori programs. Other NZ First proposals, such as payment of an allowance to tertiary students, are likely to suffer. Backed by Prime Minister Jenny Shipley, Peters has demanded that the five Maori MPs abide by party rules.

The media has been full of predictions that Henare will break from NZ First and set up a separate Maori political party. NZ First was formed prior to the 1996 elections on a populist and nationalist program of opposition to big business, Asian immigration and overseas financial control of the economy. It gained electoral support from among those who had been hard hit by government funding cuts in health and social welfare in the early 1990s, in particular the elderly and the Maori working class.

From the outset, it was a diverse coalition of groupings. Peters had been a cabinet minister in the 1991 National Party government and received strong support from business elements that had suffered most from deregulation. Henare, a former trade union official, and other aspiring Maori politicians were recruited by Peters to help promote a divisive nationalist orientation. Peters's appeal to anti-Asian racism and to 'put New Zealanders first' fitted neatly with the claims of Maori nationalists that they represented the interests of the 'first New Zealanders'.

NZ First won all five seats set aside for Maori voters in the country's electoral system--seats that had been controlled by the Labour Party since its formation. Labour's betrayals throughout its years in office from 1984 to 1990 had led to enormous disaffection and mistrust throughout the working class.

Since European settlement of New Zealand, the social and economic fate of the Maori population had been closely intertwined with the development of the working class. Dispossessed of their lands following the colonial wars of the 1860s and 1870s, Maori were drafted to make up the central core of the work force, particularly in labour-intensive occupations such as forestry, building and meat processing.

Many of these jobs were the first and hardest hit under the restructuring initiated under Labour in the 1980s. Once unemployed and reliant on benefits, Maori

then bore the brunt of the next round of attacks on the working class, when the National Government in 1991 slashed benefits and social welfare, plunging tens of thousands even further into poverty.

Having joined with National in 1996 to form the coalition government, NZ First has been at the forefront of the onslaught, sharply seen in the work-for-the-dole scheme being implemented by a NZ First Minister of Labour, Peter McCardle. The coalition government has deepened the budget cuts, attacks on welfare beneficiaries, privatisation of state assets and the transfer of wealth to the upper middle class through tax cuts.

The result has been a disaster for the great majority of Maori, who make up almost a quarter of the country's population. On the same day Henare was dropped as deputy leader, the Maori Affairs Ministry released a report on the worsening social and economic position of Maori. The report blames the economic restructuring of the late 1980s for the decline in Maori education, health and employment while stopping short of criticising economic and government policies in the period since.

Features of the report include:

- Maori unemployment has increased over the past 12 months. In March it stood at 18.3 percent on the official figures--over twice the national average.
- 48 percent of Maori households earn less than \$27,800, compared with 39.3 percent for non-Maori.
- 36.3 percent of Maori were reliant on benefits as their main source of income in 1996, compared with 14.3 percent for non-Maori
- In 1994, the Maori sudden infant death syndrome rate, at 6.9 per 1,000, was five times higher than the non-Maori rate.
- Youth and teenage pregnancy has increased since 1994 and is about 6,000 higher per 100,000 population than non-Maori.
- Youth suicide among Maori men was at 60 per 100,000 of population compared with 35 for non-Maori.

These figures expose widespread levels of economic and social deprivation among ordinary working class Maori at the same time that millions of dollars have been paid out through the traditional tribal structures as settlement for land confiscations.

These payments have been made under the Treaty of

Waitangi, a document signed last century between the major Maori tribal chiefs and the British colonial representatives. Having lain dormant for decades, and denounced as a 'fraud' by Maori land rights protesters in the 1970s, it was revived by the Labour government in the 1980s.

Since then, successive governments have used compensation payments to foster the rise of Maori businessmen, whose economic and social position rests on the exploitation of the working class, brown and white. This layer controls significant corporate interests in fishing, forestry, tourism, property investment and agriculture. The total wealth involved has recently been estimated by the *National Business Review* as between \$2 billion and \$10 billion--enough for some of the owners to qualify for future inclusion in the country's 'rich list'.

Henare and his supporters have become the representatives in office of this social layer. Their wallowing in the privileges of bourgeois politics is an outward sign of growing class polarisation. The more thoroughly NZ First has become an integral part of government, the less it can pretend to be an 'opposition' force, despite attempts by Peters and Henare to paint the party as a moderating influence on National's right-wing agenda as the government declines in the polls.

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