

New Zealand: Labour Party MP leads Auckland mayoral race

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Former Labour Party leader and current defence spokesman Phil Goff is widely expected to become the mayor of New Zealand's most populous city, Auckland, after voting finishes on October 8. According to a September 14 poll by the *Spinoff* web site, Goff leads the race with 38 percent support, compared with 11 percent for Vic Crone, the candidate aligned with the National Party government.

Goff's election campaign has a right-wing, pro-business character, virtually indistinguishable from the other main candidates. These include Crone, who has had managerial roles in large IT and telecommunications companies, restaurateur John Palino, and business executive Mark Thomas.

City Vision, an Auckland-based group of Labour and Green Party politicians, along with like-minded "independents," endorsed Goff's campaign last month. The National Party government gave tacit support, when Prime Minister John Key said he would happily work with Goff, describing him as "a very effective minister" in the previous Labour government.

The endorsement of Goff by the government and opposition parties reflects their shared support for austerity, job cuts and policies aimed at expanding the wealth of the country's ruling elite.

Participation in Auckland council elections has fallen drastically, reflecting the hostility of large portions of the working population to the entire political establishment. Voter turnout plummeted from 51 percent in 2010 to 35 percent in 2013. Recent polling suggests this year's election will be similar.

Current mayor Len Brown was elected in 2010 with the support of City Vision, which claimed "he can be trusted to make decisions based on what is right for the community, not big business," and Maritime Union and Unite Union leaders. Brown began his tenure by

overseeing an amalgamation of councils in Auckland, which eliminated over 1,200 jobs.

Unemployment in the first quarter of 2016 was at 6.6 percent in Auckland (compared to 5.7 nationally) and hundreds of jobs continue to be slashed, including at the Unitec polytechnic and the council-owned Ports of Auckland.

Brown's administration has presided over a near-doubling of average house prices, from \$524,000 in October 2010 to over \$1 million by September 2016. Rents have increased 21 percent over the past five years, according the web site Trade Me, and now average \$510 a week, almost equal to the full-time minimum wage.

The council has worked with the National government to assist property speculators to drive up prices. Under a 2013 agreement, the council and government established 154 Special Housing Areas (SHAs), ostensibly to increase the supply of affordable housing. In the SHAs, however, property developers are only required to sell one in 10 houses at "affordable" prices. The definition of "affordable" agreed by the council is absurd, at 75 percent of the median house price, i.e. currently about \$630,000.

The council has a vested interest in soaring property prices. Brown has revealed that parkland and other council-owned property deemed "surplus to requirements" has been sold to private investors to raise around \$100 million per year.

Auckland has an estimated shortage of 40,000 houses and requires 13,000 new houses per year just to keep up with population growth. The council has signed approximately 9,600 residential building consents annually.

Homelessness is soaring. Auckland City Mission reported in June that since 2013 the number of people

sleeping rough in the city centre has increased from 68 to 228. Nationwide, 42,000 people, one in 100, are homeless.

None of the parliamentary parties or the mayoral candidates has announced a policy to address the crisis. Goff has suggested turning the disused Mt Eden Prison building into a “temporary” homeless shelter.

Goff has called for more job cuts at the council and pledged to cut council spending by up to 6 percent. In a debate on August 14 on TV3’s the “Nation,” he lamented that “there’s 130 people in the council’s communication unit. Now I can’t, for the life of me, understand why you’d need 130 people in that area.”

Goff has also urged the government to introduce a 10 cents per litre regional petrol tax, and has suggested other possible charges for road users.

A major aspect of Goff’s campaign is his attack on immigrants. His web site blames the housing crisis on “record migration levels.” Nationally, Labour and the Greens increasingly line up with the xenophobic New Zealand First Party, which campaigns against immigrants from China, India, the Middle East and the Pacific.

Goff has blamed overseas-based investors for “forcing up” property prices. In fact, Land Information New Zealand data released earlier this year showed that only 4 percent of houses in Auckland were purchased from overseas. The real source of the crisis is rampant speculation by local investors, which has created a property bubble. Neither Goff nor any other candidate has any intention of cutting into profits from property speculation and other forms of financial parasitism .

Christchurch mayor Lianne Dalziel offers Aucklanders an example of what they can expect from Goff’s mayoral leadership. She served in the previous Labour government, as commerce minister between 2002 and 2008.

Since becoming mayor in 2013, Dalziel has collaborated fully with the National government’s pro-business rebuild scheme following the 2011 earthquake. This has been carried out as cheaply as possible, in the interests of insurance companies and the construction company Fletcher Building. Thousands of people have waited more than five years for insurance settlements or rebuilding. Dalziel funded the council’s share of the rebuild by cutting staff and selling assets.

Goff has promised not to sell “key strategic assets,” specifically the council’s shareholding in Auckland International Airport, Watercare and Auckland Ports. However, Goff’s web site states that “funding may come in part from the sale of non-strategic surplus assets.” He has not specified whether libraries, sporting facilities, transport infrastructure or other assets could be privatised.

While advocating spending cuts and asset sales, Goff is running a “law-and-order” campaign, demanding more government funding and recruitment for the city’s police force.

As part of the 1984-1990 Labour government, Goff supported sweeping pro-business economic restructuring and attacks on the working class. This included the introduction of the regressive Goods and Services Tax and the sale of public assets, including telecommunications, railways, banks, forestry and a steel mill, that led to a surge in unemployment.

Goff worked with the Service and Food Workers Union to convince workers that a consumption tax on food and other items was needed to fund health and education. As education minister in 1989, Goff introduced the first university fees, ending free tertiary education.

During Helen Clark’s government from 1999-2008, Goff was foreign affairs minister, then defence minister. He ardently supported New Zealand’s participation in the fraudulent “war on terror,” which included sending troops to Afghanistan and Iraq. Labour and the Greens both back the current government’s strengthening of the alliance with the US, including a US naval visit to Auckland planned for November, the first such visit in 33 years.

If elected as Auckland mayor, Goff will be part of the intensifying assault on the social position of the working class by successive National and Labour governments.



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