

New Zealand government makes false promises to address Maori poverty

Tom Peters**19 February 2018**

The corporate media used New Zealand's national day, Waitangi Day, on February 6, to again glorify the Labour Party-led government and Prime Minister Jacinda Ardern.

Ardern spent five days touring Northland, the second most impoverished region of the country, before delivering a speech at the Waitangi Treaty Grounds on February 5. She repeated her government's empty promises to address poverty, inequality and homelessness, including among indigenous Maori, who make up 15 percent of the population.

She told her largely Maori audience: "[W]hen we return in one year, in three years, I ask you to ask of us 'what have we done?' Ask us what we have done to improve poverty ... hold us to account."

The government's populist stance is an attempt to placate widespread anger over the social crisis created by nearly a decade of austerity under the previous National Party government.

In the lead-up to last September's election, the media, trade unions and pseudo-left organisations sought to trap disenchanted workers and young people behind the Labour Party by promoting Ardern, the newly-installed 37-year-old leader.

The Labour Party gained only 36.9 percent of the votes and was forced to form a coalition with the Greens and the right-wing populist NZ First. However, in the special Maori electorates, Labour received 59 percent. The Maori Party and its ally the Mana Party, which represent indigenous business interests, failed to gain any seats in parliament.

The Maori Party is discredited after spending nine years in coalition with National and supporting its regressive measures, including a Goods and Services Tax increase and the partial privatisation of power companies and state housing. Mana split from the Maori Party in 2011 and was fraudulently promoted as progressive by pseudo-left organisations. It lost its only seat in parliament in 2014

after a short-lived alliance with the pro-business Internet Party.

Virtually the entire media is seeking to drum up illusions in Ardern's government. A *New Zealand Herald* editorial on February 9 asserted that Labour "is the party that represents the real interests and aspirations of Maori and those are the same as the interests and aspirations of all the lower paid or unemployed and underprivileged in New Zealand."

Commenting on Ardern's Waitangi speech, the newspaper fawned: "Our Prime Minister is young, female and about to have a baby. She is the epitome of the new confidence in New Zealand among the young as well their social and environmental values. Alleviating child poverty is her personal priority."

Pro-Labour columnist Chris Trotter wrote that the Labour Party ran "an unabashedly class-based campaign" in the election, telling Maori workers that the Maori Party "sold you out to the corporate warriors of the Iwi Leadership Group," the organisation representing tribal leaders, which worked closely with the National government.

Claims that the Labour Party will lift workers out of poverty are a fraud. Its election promise to halve child poverty by 2021 by increasing welfare payments was discredited last month when Treasury revealed it was based on inaccurate calculations.

On January 31, Ardern announced a revised "target" of halving child poverty in 10 years, i.e., after three more elections. The target is meaningless: no details were given as to how it would be achieved. Labour has ruled out increasing taxes on the rich and is committed to a tight cap on public spending, while increasing funding for the military and the police.

In response to a housing crisis that has left more than 41,000 people, including 14,000 Maori homeless, the government plans to build only 1,000 new state houses

per year and 16,000 houses over the next three years—to be sold at market prices. Economist Shamubeel Eaqub, who authored a “housing stocktake” for the government, estimated that the country needs 500,000 more houses.

Far from opposing Maori capitalists, Labour and National-led governments alike have for decades enriched this thin layer at the expense of the working class.

The tribal elites have swung behind Ardern’s government. Her speech at Waitangi was the first time a prime minister spoke at the Treaty Grounds without any protest by Maori nationalist activists. Waitangi National Trust committee chairman Pita Paraone told Radio NZ there was broad support from Northland tribes for protocols to ensure no demonstrations would disrupt Ardern’s visit.

Waitangi Day commemorates the signing of the Treaty of Waitangi in 1840 by representatives of the British Empire and hundreds of Maori chiefs. For decades, the treaty was widely regarded as a confidence trick, which facilitated Britain’s colonisation of the country based on fraudulent promises that Maori would be treated equally and their property rights preserved.

Since the 1970s, however, successive Labour and National governments have elevated the Treaty to the status of a national founding document that established a “partnership” between Maori and European New Zealanders.

The Labour Party, in particular, assisted by the trade unions and pseudo-left organisations, has promoted identity politics to divide the working class along racial lines and undermine resistance to the pro-market onslaught launched by Labour in the 1980s. Tens of thousands of workers in meat processing, transport, auto manufacturing and other industries were made redundant as government services were privatised and the economy opened up to global competition.

Through Treaty of Waitangi settlements, beginning in the 1990s, a layer of Maori entrepreneurs was cultivated to act as a buffer against the Maori working class. Governments have paid a total of \$2.2 billion to Maori tribes, ostensibly to redress the crimes of colonialism. These have been used to establish profitable businesses in fisheries, tourism, property and other industries.

The Maori working class remains deeply impoverished. According to researcher Max Rashbrooke, wealth inequality within the Maori population is now twice as high as among white New Zealanders.

In 2013, the median income for an individual Maori person was \$22,500 per year, a decline in real terms of

\$2,200 compared to 2006. Unemployment for Maori is officially 9 percent, twice the overall rate. Maori are more likely to be homeless, have a suicide rate 1.6 times that of non-Maori, and make up half the prison population.

By contrast, over the past decade, Maori capitalists, along with the ruling elite as a whole, have continued to profit. Total Maori business assets are estimated at \$50 billion, up from \$36 billion in 2010.

Since being installed, the Labour-led government has given extra payments to two of the country’s richest tribes. In mid-December, Waikato-Tainui and Ngai Tahu received \$190 million and \$180 million respectively, on top of previous payments that began in the mid-1990s.

Relativity clauses in the Treaty settlements mean other tribes will receive extra payments as the total amount paid to all tribes increases. There are 47 other settlement negotiations underway with various tribes. In her Waitangi speech, Ardern stressed her commitment to reaching a settlement with Ngapuhi, the country’s largest tribe.

Labour will expand the previous government’s Whanau Ora scheme, devised by the Maori Party, which privatised some health and welfare services to the benefit of tribal corporations. Tribal-based companies will also profit from the government’s policy to “partner” with private developers to build so-called affordable houses. These will be sold at \$500,000 to \$600,000, which is beyond the reach of most families.

Workers and youth should be under no illusion. The Labour-NZ First-Greens government will deepen the pro-corporate assault of National and the Maori Party at the expense of the entire working class. Workers can defend their interests only by uniting their struggles on the basis of a socialist program, in opposition to every capitalist party, including Labour and its allies.



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