New Zealand election foreshadows deep attacks on the working class

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The lead-up to the New Zealand election on November 7 has been marked by widespread alienation, anger and disillusionment with the entire political establishment. Successive Labour- and National Party-led governments have overseen savage austerity measures and the diversion of billions in public funds into the military to prepare for war.

Both main parties entered the election campaign promising, as a priority, to return government books to surplus—National by 2028/29 and Labour by 2029/30. This can only be achieved by a vast escalation of the ongoing assault on the social position of the working class.

A study released by the University of Otago on October 15 reported that satisfaction with the state of the economy averaged 4.3 out of 10. Some 22 percent of respondents said they were "angry" over the cost of living, with 40 percent struggling to pay for essentials while 75 percent expected this to persist for years. Lara Dolan of South Auckland's M?ngere Budgeting Services told Radio NZ the same day: "We see a lot of people who are 'working poor,' like teachers, builders, and health care workers coming in."

Strikes have re-emerged after a period of quiescence imposed by the trade union bureaucracy. About 10,000 public servants took part in a half-day strike on September 9 against moves to drive down wages and impose thousands of job cuts. On October 21, 8,000 tertiary education staff held a half-day national strike against low wages, understaffing and insecure contracts. Long-running strikes by firefighters continue.

The past two weeks have seen walkouts by KiwiBank staff and retail workers at Farmers and Ikea. TVNZ staff struck nationally for first time in 20 years. Localised strikes were held by Watties frozen food workers in Hawkes Bay and hospital staff in both Hamilton and Tauranga.

For months National and Labour have both polled below 30 percent support—the first time the two central props of the ruling establishment have been so unpopular since the 1930s. Whichever leads the next government will have to form a coalition with two or more minor parties, which will likely be highly unstable.

The working class confronts a situation in which all the capitalist parties are lurching sharply to the right as they prepare to impose deeper austerity measures immediately after the election.

The *Post* reported on October 30 that public service chiefs have been ordered to draw up plans for sweeping spending cuts to axe nearly 9,000 more jobs. The Public Service Commission has written to department heads requiring them to model an immediate 15 percent reduction in staff numbers. Over 9,500 public sector roles have already been slashed since 2023.

Opposition Labour Party leader Chris Hipkins hypocritically criticised the cuts, declaring that they would affect "the people supporting hospitals, border security, schools and communities." But Labour has adopted National's $2.4 billion annual government operating allowance, which is below the $2.5 billion Treasury estimates is necessary to just maintain existing services.

Both parties intend to reduce core public sector spending to a record low share of gross domestic product (GDP). Labour's fiscal plan aims to bring government expenses down to 30.4 percent of GDP, while National has aligned with the Treasury's baseline projection to reduce public spending to 29.8 percent of GDP.

Public services are being sacrificed to fund preparations for war. Both parties are committed to

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double defence spending to 2 percent of GDP by 2032/33. In its 2026 budget the government committed a combined $1.58 billion uplift to the military as part of a total $3.5 billion defence and intelligence package.

On a recent podcast with *Stuff* columnists Damien Grant and Verity Johnson, Hipkins was confronted over the lack of any real policy difference between Labour and National. He bluntly said he doesn't want to impose "too much change" on people who "aren't ready for it," declaring: "we need to get the books back in order first."

After six years in office, Labour lost the 2023 election in a landslide over failing to deliver on promises to reduce child poverty and provide affordable housing.

In a Radio NZ interview on October 21, Labour's health spokesperson Ayesha Verrall was asked why Labour wasn't promising more funding on health than National. Verrall denied the accusation but provided no details. Labour is committed to increase health funding by a paltry 2.1 percent per year against National's 1.8 percent. Neither will do anything to fix the crisis-ridden health system plagued by understaffing and overcrowding.

One of Labour's key promises, the restoration of pay equity negotiations for low paid workers in female-dominated sectors is another sham. The coalition government extinguished 33 pay equity claims covering 180,000 workers in health, education and elsewhere. Labour proposes to put 65,000 care and support workers first in line for a settlement—but with a mere $4 per hour pay rise. Any spending on pay equity will come out of existing departmental budgets, meaning funding cuts in other areas.

Labour's abject refusal to present any program to defend the interests of the working class has emboldened the far-right minor parties to advocate even more vicious attacks on working people.

The ACT Party proposes lifting the pension age to 67 and a three-year freeze on the poverty-level minimum wage. It promises to slash $22 billion of public spending over four years. Party leader David Seymour, who served a term as a deputy leader in the coalition, last year visited Argentina's fascistic president Javier Milei, glorifying his "chainsaw" economic shock therapy and police state regime.

The right-wing nationalist NZ First postures as the champion of ordinary people, but is using the election to push a Trumpian agenda vilifying immigrants, restricting the right to vote to NZ citizens only and running a racist anti-M?ori rights agenda. Leader Winston Peters uses his campaign rallies to rail against socialists and "pinko Communists."

NZ First deputy leader Shane Jones has produced an on-line ad promoting the fascist "Great Replacement" theory which posits non-whites are replacing white people as part of a "globalist" plot. The party's Rotorua candidate, Billy Brown, posted on X: "Mass migration has been forced down everyday Kiwis' throats by the two old parties." The "Great Replacement" was glorified in the fascist manifesto authored by terrorist Brenton Tarrant who slaughtered 51 Muslim worshippers in Christchurch in 2019.

The rightward shift by the entire ruling establishment is a sharp warning to the working class. The next government, whichever party leads it, will ramp up austerity and accelerate the militarisation of the country.

To oppose this agenda, the Socialist Equality Group (SEG) is standing its candidate Tom Petterson in the working class Hutt South electorate on November 7. The SEG rejects the premise shared by every other party contesting the election: that working people must pay for the crisis of the profit system.

SEG members and supporters have distributed thousands of copies of its election statement, which calls on workers to build a new revolutionary socialist party. The SEG urges workers, young people and readers of the *World Socialist Web Site* to vote for Tom Petterson and join the struggle to build the party.

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