



## New Zealand election: 17 September 2005

New Zealand prime minister Helen Clark has formed her third successive minority government after the Labour Party won 41 per cent of the vote in the 17 September 2005 election. Labour has a formal coalition with the Progressive Party and confidence and supply deals with New Zealand First and United Future. Clark is the first post-WWII Labour leader to take her party to a third term in office.

Contrary to some commentary published immediately after the election, the result did not reflect a significant swing away from Labour. Its 41.1 per cent of the party vote was only 0.2 of a percentage point below its 2002 result, which had been the party's best performance since 1987. The noteworthy result was the resurgence of the National Party, which had suffered the worst result in its 66-year history in 2002. In the party's best result since 1990, it captured 39 per cent of the vote this year, a jump of 18.2 percentage points and a mere two percentage points below Labour.

The losers in the 2005 election were the five minor parties that had won a significant share of the vote in the previous election. In total, their vote dropped 16.7 percentage points—almost as much as National gained. Two of these parties plunged in the polls to below the 5 per cent threshold that guarantees parliamentary seats. They returned to parliament by virtue of winning an electorate seat, an aspect of the electoral system that commentators have queried.<sup>1</sup> Despite the fall in vote share for the minor parties, a sixth party—the new Maori Party, which Labour defector Tariana Turia formed in 2004—won four of the seven Maori electorates.

### Context of the election

Clark called the election on 25 July. At the time, her government was languishing in the opinion polls, despite presiding over a strong economy and a low unemployment rate (about 3.5 per cent). Its main opponent, the National Party, had risen from its comatose state 18 months earlier, in January 2004, when a strident speech in Orewa from its new leader, former Reserve Bank governor and political newcomer Don Brash, gave the party a much-needed boost in the polls. National had been trounced at the 2002 election, with its 20.9 per cent vote share giving it only 27 of the 120 seats in parliament. Brash's speech, which targeted what he condemned as the Labour Government's excessive focus on race-based political correctness and pandering to Maori rights, appeared to resonate with the community. Support for

National rose 17 points in a month in 'the largest single increase in the history of polling in New Zealand'.<sup>2</sup>

Pre-election opinion polls were extremely volatile, and commentators agreed that the election was too close to call.

### Major issues of the campaign

*Tax cuts:* both major parties tried to lure voters with promises of tax relief in the context of improving living standards and trying to stop the flight of Kiwis overseas. Labour had attracted scorn in June when, in the face of a booming economy, its Budget offered a tax change said to be worth just NZ67c a week to the average taxpayer. In the election tax-cut lolly scramble, National offered a policy under which most workers would pay only NZ19c in the dollar and Labour counter-offered with tax relief for families and a reminder that it used taxes to improve social services. However, Labour's promise to abolish the interest on student loans for graduates who stayed in New Zealand came unstuck on the official costings and fears that it would lead to unrestrained borrowing, and National's pledge of a 5c a litre cut in petrol tax came across as an obvious ploy.

*Race issues:* National tapped into public concern that Maori claims under the Treaty of Waitangi had gone too far, especially given that Labour had had to legislate in 2004 to retain Crown ownership of the country's coastline after a court case paved the way for Maori to claim legal ownership of the seabed and foreshore. National's platform included a review of Treaty-related administration, a 2010 settlement date for all Maori land and other claims, and abolishing the seven Maori electorates. Labour pledged to settle all claims by 2020.

*Foreign policy:* Clark accused Brash of being 'slippery' on the commitment of troops to Iraq and the future of the nuclear-free policy. Labour quoted Brash as telling visiting American senators that if he had his way, the nuclear ban would be 'gone by lunchtime'.<sup>3</sup> National's official policy was that the ban would be put to a referendum.

Results 2005 (2002)	Party vote (%)	Electorate seats	List seats	Total seats
Labour	41.1 (41.3)	31 (45)	19 (7)	50 (52)
National	39.1 (20.9)	31 (21)	17 (6)	48 (27)
NZ First	5.7 (10.4)	0 (1)	7 (12)	7 (13)
Green Party	5.3 (7.0)	0 (0)	6 (9)	6 (9)
Maori Party	2.1 (-)	4 (-)	0 (-)	4 (-)
United Future	2.6 (6.7)	1 (1)	2 (7)	3 (8)
ACT NZ	1.5 (7.1)	1 (0)	1 (9)	2 (9)
Progressive	1.1 (1.7)	1 (1)	0 (1)	1 (2)
Total	98.5 (95.1)	69 (69)	52 (51)	121 (120)