

## Lobby Edition 01 February 2005

---

The dismissal of an MP called Rich is a headline punsters' dream. In our take on it in the Governor's Edition this week, we report National MPs were aghast at the start to the parliamentary year while Government MPs were gloating. But the case isn't closed because recent history shows neither Don Brash nor Helen Clark have been damaged by dismissals.

Also this week we summarise the PM's speech, bring you the headline numbers from our exclusive rolling poll of polls and a smidgeon of media tattle.

## We read it so you don't have to – Part 2

---

Last week we brought you a summarised report of Don Brash's Orewa II speech. This week, the PM pitched her opening of parliament as a sequel, 'the Real State of the Nation. Highlights of her speech (with significant policy initiatives in bold):

Growth for the year to September came in at 4.6 per cent, equal to that of the United States and second only to Korea in the OECD. Our GDP growth per capita has been running ahead of the OECD average over the past five years.

More than a quarter of a million jobs have been added to this economy. The crime rate is down too, to its lowest level for 21 years.

**Legislation will be introduced this year to keep the pressure on crime through a civil forfeiture regime to target the profits of organised crime.**

Early intervention, drug and alcohol treatment, and crime prevention initiatives, like the recently announced Vehicle Crime Reduction Strategy, will all help reduce the number of New Zealanders who become victims of crime.

In the past five years the numbers of working age adults supported by benefits has dropped by over 100,000 – a drop of 23 per cent. There are



now nearly 7,000 Modern Apprentices, and more than 126,000 people involved in industry training. Health spending is up by forty per cent. Education spending is up 39 per cent. From 1 April this year, 300,000 low and modest income families with dependent children will get significant boosts to their incomes.

**This year's Budget will have many more new initiatives linked to the Growth and Innovation Framework.**

A new reference group is being established to follow through on the workplace productivity report. It is being asked to identify concrete actions to drive productivity improvements in the workplace, with a report expected by mid-year.

We also want better value for money in some areas of further education and training spending. **Low quality providers and courses should not expect to survive.**

**The Minister of Immigration is looking at how to encourage more migration back by expatriates.**

**This year's Budget will also support business innovation by, for example, increasing the rate of depreciation on short-lived assets.**

In the United Kingdom, one of our key source countries for skilled migrants, proposals are being considered for a year's paid parental leave. And plans have been announced for "dawn to dusk" out of school care (8.00 am to 6.00 pm) based at schools, for five to eleven year olds, with the aim of extending to fourteen year olds in time. So **we are looking again at our set of policies – across parental leave, child and out of school care, flexible working hours, and work-life balance.** In that mix of policies we are looking at options for boosting the provision of home-based childcare, as part of the overall solution to getting enough places.

The government is continuing to work on a staged programme to address pay equity issues in the public sector.

**The government is developing new savings initiatives.** This year we will be announcing further initiatives to encourage more families to participate in workplace savings schemes. How to encourage savings which could lead to home ownership is under consideration now.



Our aim is to complete the historical Treaty settlements in the next ten to fifteen years. Achieving that will need **a closing off date for the lodging of claims to be set.**

**Increased investment is also required in the energy sector. The state will be expected to stump up a major share of it.**

Changes to the RMA will give renewable energy a greater weight in decision making.

There will be significant Budget initiatives to support the Government's Digital Strategy.

Our top trade policy agenda is the WTO round. But we can't stand by and see others negotiate preference through FTAs which disadvantage our exporters.

Negotiations for an FTA with China are under way, and we are well advanced on the trilateral FTA with Singapore and Chile. ASEAN has agreed to negotiate with New Zealand and Australia, and a study of the possibilities with Malaysia is being done. Egypt has approached us about an FTA, and we've agreed to respond positively to their proposal. We remain ready to enter negotiations with the United States. New funding to enable us to get the most from the new agreements will be announced in the Budget.

A change in the flag could only occur after full public debate and consideration of the options over a lengthy period of time.

**Among the significant legislation the government will be looking to pass are:**

- **the Resource Management Act amendments,**
- **the Lawyers and Conveyancers Bill,**
- **the Overseas Investment Bill,**
- **the Prisoners and Victims Claims Bill,**
- **the Architects Bill,**
- **the Charities Bill,**
- **the Securities Bill,**



- **the Relationships Statutory References Bill,**
- **a number of Treaty settlement bills.**

## Exclusive rolling average poll of polls

We exclusively reported Katherine Rich's misgivings about Orewa 2 last week, but that was before Katherine Rich became National's own abandoned mother. At this early stage Don Brash's Orewa II speech looks to have been a damp squib with little if any change in the relative standing of the two major parties.

With two new polls into the data this week the numbers in our exclusive rolling poll of polls are:

	Per cent	Seats
Labour	45.02	56
National	34.82	43

A clean majority Government can be arranged with NZ First or the Greens and with Jim Anderton's help 61 seats could be scraped together with United Future too. You have to suspect that a deal towards the centre similar to the current arrangement would be the most attractive, so perhaps we will see the return of the current minority, United Future-supported Government with or without overt Green support.

\*\*Further details of our poll of polls the poll are available in the Governor's Edition.

## More in the Governor's Edition

Subscribe from \$135 (GST inclusive) by emailing us at:

[subscriptions@molesworthandfeatherston.info](mailto:subscriptions@molesworthandfeatherston.info)

Mentioned in the Governor's Edition this week:

Don Brash, Helen Clark, Katherine Rich, Steve Maharey, Georgina te Heuheu, Gerry Brownlee, Michael Cullen Jim Anderton, Winston Peters, Jim Bolger, Wilson Whineray, the Queen, Brent Wheeler, Tony Verdon, the Crawford family, Joanne Black, Steve

Your Tuesday economics and politics intelligence



Braunias, Linda Clark, Amber Oolder, Tracy Watkins, Nick Venter, Haydon Dewes, John Armstrong and Jonathan Hunt.

Also in the Governor's Edition:

- Constant poor polling and focus group work is souring morale in Act.
- UMR's Mood of the Nation survey shows the number of New Zealanders who believe things are generally on the right track is stable over fifty percent.
- Cabinet had a light agenda this week and extended Dame Syhlvia Cartwright's term until August 2006 to avoid a change immediately before the election.
- In the week ahead Broadcasting Minister Steve Maharey will crow about the success of New Zealand music quotas and we'll be scrutinizing the Economic Indicators Report 2005.

## Media tattle

---

Northern Advocate editor Tony Verdon has taken the big step upstairs to become general manager of the Whangarei daily. Verdon, a former NZ Herald man, was the first Advocate editor who didn't come from the Crawford family and has done well with the paper. A former press gallery reporter, and the last Herald journalist to be posted to the London office, he worked his way up the Herald newsdesk ranks to the quasi-management role of chief of staff.

## Fine Print

---

Each week Molesworth & Featherston fires someone who disagrees with our boss and brings you up-to-date insights on politics and economics. Your comments are invited to:

[editor@molesworthandfeatherston.info](mailto:editor@molesworthandfeatherston.info)

This is the Lobby Edition, a complimentary, heavily condensed version. You can subscribe and find back issues on our website.

[www.molesworthandfeatherston.info](http://www.molesworthandfeatherston.info)

You may forward this copy, but if you wish to forward it for commercial gain, you must make an agreement with us first. Copyright remains with the publishers. Molesworth & Featherston is published jointly by Inhouse Media Limited and Sugar Media Limited.

-----Your Tuesday economics and politics intelligence



You can arrange a subscription to the Governor's Edition only by email. Subscriptions cost \$135 per year for individuals and \$400 per year for organisations (GST inclusive). Please contact us at:

[subscriptions@molesworthandfeatherston.info](mailto:subscriptions@molesworthandfeatherston.info)