Helen Clark: Labour Party Campaign Launch Speech

Monday, 13 October 2008, 9:25 am Speech: New Zealand Labour Party

Rt Hon Helen Clark Prime Minister LABOUR PARTY CAMPAIGN LAUNCH 2008 at The Great Hall, Auckland Town Hall, AUCKLAND, 2.30 pm Sunday 11 October 2008

I stand before you today to launch our campaign for a fourth term for our Labour-led Government.

I do so because I truly believe that we in Labour have the vision, the leadership, the experience, the judgement, the commitment, the determination, and the plan which New Zealand needs at this time.

And these are challenging times – for our world.

Our country, while resilient, is not immune to what is happening.

Our world is experiencing the worst financial crisis seen since the 1930s.

A curtain is being drawn on the era of the free wheeling unregulated money traders and financiers whose greed has shaken the international financial system to its very core.

Co-ordinated international action will be needed to ensure that the greed merchants don't ever again get the chance to destroy the lives of ordinary people in real jobs trying to put food on the table for their families.

We know of no precedent for the scale of what is happening in international markets, nor for the scale of the responses being made in those world capitals where financial services make a significant contribution to the size of the economy.

Who could have envisaged even six weeks ago the US Government's \$US700 billion bail out – or Britain's part nationalisation of major banks?

At present, New Zealand and Australia have escaped the worst of the storm, as the quality of the assets in our banking systems has been higher.

The Reserve Bank has already been intervening in the market to ensure that liquidity is maintained, and the Government has agreed to implement a deposit guarantee scheme which will provide New Zealand depositors with additional confidence.

The Minister of Finance will be announcing the details this afternoon.

Both the Government and the Bank are committed to doing what needs to be done to keep the New Zealand system safe.

You can count on us to use sound judgement and to be resolute through these challenging times.

Our great party, the oldest in New Zealand, responded effectively to the depression in the 1930s. Our opponents then had failed dismally and must not be given the opportunity to let New Zealand down again.

At the international level the challenge now is to stop the financial market crisis turning into a full-blown economic crisis.

Projections of world economic growth have been trimmed.

That includes forecasts for New Zealand in the near term.

Our country is coming off eight years of good growth by developed world standards – ours was still at 3.2 per cent in the year to last December.

The latest forecasts are for a flat year in the year to March, and 1.8 per cent growth in the following year, before returning to growth of over three per cent.

But these forecasts were completed before the last few extraordinary weeks on world financial markets.

At times like these, it's important to have a plan – not a knee-jerk reaction, and it's certainly important not to panic. Nor is complacency an option.

It's at times like these that we New Zealanders must ask who do we really trust with the future of our economy and our country.

It's at times like these that we need a vision for growth and investment, and a plan to make it happen.

It's at times like these that we must have a plan which helps all our people move forward – and doesn't just abandon the poorest to the cool economic winds.

Labour's vision embraces the six priorities for building a strong, upmarket economy, driven by skills and innovation, underpinned by our savings and modern infrastructure, focused on growing our export trade, and committed to sustainability.

Our plan addresses these six critical areas for growth and investment in the short, medium, and long term, and I am focusing on them today. I'll also be indicating the kind of new measures the government is prepared to take to ensure that the economy doesn't stagnate and unemployment doesn't take off as a result of this international crisis.

I make no apology for beginning with our commitment to education and skills training.

He tangata, he tangata, he tangata – the development of our people must come first.

All our people must have the opportunity to reach their full potential – and have the chance to fill the skilled job slots available in the economy.

Even now employers are experiencing difficulty finding skilled labour.

We've set out a big vision for the future of secondary education to improve our young people's chances of success.

Under Schools Plus, we want our schools to be able to respond to the full range of abilities of our teenagers – and to make education relevant and personal to all our young people.

By 2011 we will have youth apprenticeships available in every high school in New Zealand for students from Year Nine on.

From 2011, every student from Year 9 on will have their personal education plan – agreed between them, their school and their family.

From 2011 there will be an education or training leaving age of seventeen, and from 2014 of eighteen.

Not all those students will be in school – but they will still be learning in work or in training.

We want those students to be able to move on to new opportunities in apprenticeships and industry training.

By the end of this year we will have approximately 14,000 young people in Modern Apprenticeships training.

Our new target is that in each year, over the next three years we will add another 1000 – to reach 17,000 in Modern Apprenticeship training by the end of 2011.

As well, we are lifting our target for the numbers of Kiwis in industry training in the course of each year.

Last year, there were over 185,000.

Our new target is to lift those numbers in training to ten per cent of the work force. That means that by 2011 we aim to have 230,000 people in recognised training.

These new targets will help us achieve the goals of the New Zealand Skills Strategy – a visionary strategy for a highly skilled workforce, developed by government with Business New Zealand, the Council of Trade Unions, and the Industry Training Federation – and I thank them all for their co-operation.

But in the near term, the prospect of fall out from the international crisis requires us to have new plans for workers whose jobs might be affected.

I am announcing today that Labour will introduce a new retraining allowance, on the same basis as a student allowance, but with no spousal income test, for workers who have been in the workforce for at least five years and have been made redundant.

An allowance will also be available to those who've been in the workforce for ten years and wish to upgrade their skills or retrain in a new area.

These allowances will be available for up to a year for enrolment in a recognised full time course, including to those who have previously used up their full time student allowance entitlement.

My dream has always been to enable our young people – and mature students – to have the kind of support my generation had in full time, quality tertiary education.

We have to keep investing in our people. This is critical to realising our goals for a knowledge led economy and society. I will address these issues in my speech at Otago University tomorrow.

Skilled and educated people will drive the innovation needed for our economy to grow and develop.

Labour wants New Zealand to be a smart economy – not a dumb economy.

For years our companies cried out for a tax regime which would support them doing the research and development which is so critical to developing a high value economy.

We responded in Budget 07 with a tax credit of fifteen per cent of allowable R and D expenditure.

It came into effect on 1 April this year and is expected to increase private sector R & D significantly.

Our R & D tax credit is considered by many to be superior to Australia's, and there are signs that it is beginning to attract R & D investment.

Who, other than the most small minded plodding, short term-focused conservatives, would want to trash that and risk losing R & D investment and innovative companies to Australia?

Labour is committed to working with our smart companies to grow this economy.

And we're committed to working with the big pastoral and food sectors to boost the value of what they export.

We've put \$700 million up for innovation there through the Fast Forward Fund – and industry have committed to match it.

This is the kind of vision we must have to transform our nation's future prospects and lift our people's living standards.

Labour backs innovation, and we back education and skills for the people who will drive it.

And that means driving our export trade forward too – the third element of Labour's plan.

On New Zealand's behalf, Phil Goff and I have been relentless in working to open up markets for Kiwi exporters.

The Free Trade Agreement with China was our biggest, boldest move.

It's even more significant now as developed economies are in or near recession.

China's growth, while clipped, is still significant. It's to our great benefit that we are well placed in their market of 1.2 billion people.

We've just concluded negotiations on an FTA with all of ASEAN – a market of half a billion people.

We are in FTA talks with the Gulf states, and in preparatory talks with Korea.

We have a foot in the door to study an FTA with Japan, and a study is underway with India.

But wait – there's more.

The National Party said that because we were "missing in action" in Iraq, we'd never get an FTA with the United States.

I would rather New Zealand was missing in action in Iraq than have our soldiers missing in action in a war when the cause wasn't right.

Labour's foreign policy has always been conducted on a principled basis and always will be.

That means acting with integrity and treating each issue on its merits.

Now the United States has agreed to negotiate with New Zealand and three other friends on a Trans-Pacific FTA.

We have far more in common with the United States of America as a fellow Western nation than we have with most countries.

It's recognition of that common interest, in the context of only relatively isolated differences, which has enabled us to move forward.

Closely linked to our plans for export trade is our plan for New Zealand to become more sustainable. – the fourth plank in our platform for advancing our economy.

Under Labour, New Zealand has risen to the sustainability challenge because it's the right thing to do for our planet – and because it's the smart thing to do for our economy.

Climate change is one of the greatest challenges of our times – and it cries out for leadership from all nations.

Labour in New Zealand provides that leadership.

It's not in our nation's nature to be a fast follower. New Zealand is better than that.

We didn't wait for others to lead us on votes for women, social security, and being nuclear free.

We proudly led the world on those, and we'll lead on sustainability too.

We now have a world leading emissions trading scheme.

We have biofuels in our fuel mix.

We are promoting renewable energy and reafforestation.

We have many measures for energy efficiency and conservation.

We are investing heavily in our public transport and rail systems.

In these and many other ways, we will get our greenhouse gas emissions down.

For the sake of our economy, we must show that we care and we will act.

In our most affluent export markets, consumers are making ethical decisions about what goods and services they will buy.

If New Zealand goods and services lack environmental integrity, we will suffer.

We have fantastic opportunities to capitalise on our country's clean and green brand – and with Labour's commitment to sustainability we will.

The fifth driver of growth is investment in New Zealand's infrastructure. This also has a role to play in navigating our economy through the effects of the current crisis.

Over nine years, we've doubled annual funding in roading.

Investment in public transport is fifteen times larger.

We've put up half a billion dollars for investment in the rail track.

We've bought back both the track and the rail service – and the major shareholding in Air New Zealand.

In Labour, we don't think public ownership is a sin! We believe there are many things which must be kept Kiwi, and that includes Kiwibank.

We've made huge commitments to invest in electricity transmission and generation. The next 3-4 years see plans overall for investment in renewable generation of \$3.5 to \$4 billion.

We're implementing a half billion dollar plan for super fast broadband – in a five year down payment on our ten year plan to speed up internet access radically.

We've spent three times as much on public health infrastructure in the last nine years as there was in the previous nine.

And billions more dollars have gone into capital works across our schools, justice, policing and other infrastructure.

Our budgets set out a big forward programme for New Zealand's physical infrastructure – at \$5.4\$ billion this year alone – 180 per cent above 1999 levels.

Now, taking into account the international financial crisis, Labour is developing an additional stimulus package for investment in infrastructure should conditions not improve.

It's incumbent on us to show leadership so that a financial crisis offshore doesn't lead to depression in New Zealand with widespread unemployment.

Labour is not prepared to stand by and see that happen. We will be prepared to bring forward spending on infrastructure and other initiatives to create real jobs and build the potential for future growth.

When growth is slowing, it's time to tune the growth engines, not slow them down or demolish them as our opponents are proposing.

So a key part of our plan to deal with downside risks to the economy is to develop a package which would:

bring forward planned infrastructure spending

fund new building and construction projects, and

support local authorities to bring forward catchment management initiatives in hill country to fight erosion.

I am releasing details today of the kinds of projects which could be brought forward.

They could include key rail and road projects, - like work on the North South junction north of Wellington. At the moment, tunnels there are too small to allow new sized containers to be carried by rail, so they have to be transferred to the road. This has to be fixed. We could also bring forward the projected rail link to Marsden Point.

The projects could also include

expanding our sewerage subsidy scheme to support currently unfunded local government proposals

bringing forward school property proposals which are presently in the unfunded queue.

further support for back country reafforestation.

Initiatives in all these areas are expected to be job rich and can be embarked on if New Zealand risks a hard landing from the present crises.

In addition to the kinds of projects I've already mentioned, in the next few days I will announce further proposals to stimulate the supply of affordable housing, both to help modest income earners buy their own home and to support greater continuity of employment in the house building sector.

Given the privilege of re-election, Labour in government will move to prepare a formal economic statement for release in December setting out the steps to be taken to reignite the economy, including steps along the lines I have indicated today.

While Labour will not be cutting overall public spending, we will reprioritise to ensure a focus on those areas which will be of the most assistance in the current economic and financial circumstances.

The sixth driver of our economic plan relates to boosting New Zealand's savings.

Over nine years in government, we've been building a substantial New Zealand Superannuation Fund, reintroduced a public service retirement savings scheme, and launched KiwiSaver.

More than 800,000 New Zealanders have chosen to invest in their future through KiwiSaver.

Under Labour, KiwiSaver will help Kiwis buy their first home and have a much more comfortable retirement.

Under Labour, KiwiSaver will boost our nation's savings and help deepen our capital markets.

It's widely acknowledged that two of the most pressing issues to address in the Kiwi economy are innovation and boosting savings.

Both are big investments in our future.

To trash those investments for inequitable and short term tax cuts, which do nothing for modest income families and make everyone in KiwiSaver worse off, would be a massive step backwards for New Zealand – and Labour in government will never let that happen.

In the 1970s a previous National Government destroyed Labour's superannuation scheme, depriving our country of the chance to build up substantial savings. Muldoon's mokopuna must not be allowed to do that again.

My focus today has been on the pathway we must follow to grow and invest in our economy during these very challenging international conditions.

I've discussed our six drivers of growth, with significant new steps which can be taken should current conditions not improve.

There is of course another plan on the market – it's got five points:

tinkering with tax cuts – except at the upper end where people would get heaps, and at the lower end where people actually get less.

introducing national testing in schools – for no educational benefit

further deregulation – as if no lesson had been learned from what's happened offshore.

a broadband plan which favours the largest telco and is anti-competitive

cuts to public spending – except on prisons where they want to build them for geriatrics they'll never release.

Nobody could see that hopeless set of slogans as a road to recovery for New Zealand.

In contrast, Labour offers vision and substance, backed by nine years of experience which equips us to face the current international crisis.

Just as we've led New Zealand to respond to

the challenge of terrorism – post September 11, and

the challenge of climate change,

Now we will apply all the knowledge, skills, and judgement we have to leading New Zealand back to robust growth and government finances of the kind we have enjoyed under Labour before the current international crises struck.

In the coming days, Michael Cullen will release more detail of Labour's economic policy. He will focus primarily on the measures needed for long term growth, but will also address some of the short term issues associated with the current crisis, such as measures to reduce the risk to companies concerned about their provisional tax commitments.

I want to take this opportunity to acknowledge the phenomenal job Michael Cullen has done as both my deputy and as Minister of Finance these past nine years. The fact that New Zealand is better placed than many nations during the current international crisis is due in no small part to his work as steward of our economy.

Shortly I will release more policy initiatives for health and housing, and other policy will be released by ministers during the campaign.

But underpinning everything we will do is our focus on the future; on growth and investment; on opportunity, security, and fairness.

We will take strong and decisive action to guarantee New Zealand's future – as we always have.

Our vision for New Zealand is an inclusive one.

We seek reconciliation over the wrongs of the past through the Treaty settlement process and we seek to work with Maori as Treaty partners.

We work hard for a 21st century New Zealand inclusive of all ethnicities, faiths, and beliefs.

We have a strong commitment to our nation's natural heritage and we will act to protect and conserve it.

Last week's Crown acquisition of the 78,000 hectare St James pastoral lease near Hamner Springs has been a highlight for me. That incredible area is now preserved for the people of New Zealand and our visitors to enjoy for all time.

We will continue our work to promote New Zealand's unique culture and historical heritage and the incredible talent of our creative people. As I speak new films are being made, music composed, and books written supported by the investments our Labour Government is prepared to make.

In government over nine years, people haven't always agreed with everything we've done.

But I believe we've earned respect:

for getting things done

for taking the tough decisions

for sticking to our principles

for not just saying whatever we think people want to hear

That's why I've said this election's about trust.

Who do we trust the future of our family, our economy, our public services, and our country with?

Who has the experience, the judgement, the skills, and the contacts to lead New Zealand through challenging times?

Leadership is about long term vision and commitment.

Leadership is about an ability to stay the course; to be resolute, steadfast, and utterly determined.

Leadership is about love of country and dedication to the common good.

That's the kind of leadership I and the New Zealand Labour Party offer New Zealand – as we have in our past, as we do in the present, and as we will in the future.

With your support, with your commitment, we will continue to serve the people of New Zealand in government for a fourth term.

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Gordon Campbell: On The Crisis

<u> – What Crisis? – Over Ukraine</u>

Is Russian leader Vladimir Putin going to invade Ukraine, or is he just bluffing (for now), much as China was a few months ago? A lot of people (including Australia's Defence Minister) were pretty sure that China was about to invade Taiwan. Except it didn't. (For now.) Despite all the sabre rattling and the invasion prep, only Putin knows what he is going to do tomorrow, next week, or some-time in the future about Ukraine...

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Government: New Scheme To Keep Key Sectors Going Through Omicron

A new close contact exemption scheme will help keep critical supply chains running though Omicron, COVID-19

Response Minister Chris Hipkins and Associate Minister of Health Dr Ayesha Verrall announced today... More>>



Government: PM's Statement - House Speech

Mr Speaker I move that this House express its confidence in the Government and commend its programme for 2022 as set out in the Prime Minister's statement. And Mr Speaker it is with confidence in our plan that I stand before you – resolute in the job ahead of us... More>>



Government: Prime Minister's Waitangi Day Speech And Prayer

While this year's speech comes in a different form, and we're not all able to come together on the Treaty grounds kanohi kitea, this day remains of great importance to us as a nation... More>>

ALSO:

- Greens Marama Davidson Waitangi Day Speech
- Governor-General Governor-General's Waitangi Day Address



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Te Pāti Māori: File For Divorce From The Crown

Te Pāti Māori are calling to remove the British royal family as head of state, and move Aotearoa to a Te Tiriti o Waitangi based nation. "The only way this nation can work is when Māori assert their rights to self-management... More>>



Government: Booster Interval Reduced To Three Months

A million more New Zealanders over 18 will be eligible for their booster from this Friday, COVID-19 Response

Minister Chris Hipkins announced today. "Cabinet has considered advice from the Director-General of Health and the COVID-19 Vaccine Technical Advisory Group... More>>

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- Police starting to evict protestors from grounds of parliament
- PM asks protestors to "move on" from parliament
- Protestors' vehicles to be ticketed; protest risk of super-spreader
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