Minor parties and employment relations at the 2023 election

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Abstract

After three years of the first single-party majority government of the Mixed Member Proportional (MMP) era, the 2023 general election in Aotearoa New Zealand will result in a return to the historical norm: a government containing a major party with one or more minor political parties in a formal coalition, or a minority government relying on minor parties for support. Thus, the employment relations policies, the priorities and the power of these minor parties becomes important for assessing the likely trajectory of employment relations policy (ER) in the coming three years. Indeed, recent polling suggests that minor parties will have an unusually large degree of influence. At the time of writing, opinion polls suggest that the combined support for the minor parties is at levels not seen since 2002, with support for the two major parties correspondingly low. This article analyses the positions of the various minor parties likely to be in parliament after the election and speculates on how these parties might seek to influence the employment relations agenda of the next government.

Keywords: employment relations policy; public policy; New Zealand elections; MMP; political parties; coalition government

Introduction

The October 2020 General Election in Aotearoa New Zealand resulted in a first for government formation since the introduction of the Mixed Member Proportional (MMP) electoral system in 1996: a single-party majority government. The Labour Party won the party vote and governed, initially, with 65 MPs in a parliament of 120 (over time, this reduced to 62 MPs from a parliament of 119). Predictably, polling indicates that this feat will not be repeated, and that the 2023 election will deliver a government where a major party again requires the support of at least one minor party to survive confidence and supply (budget) votes in parliament (Hancock, 2023) and to progress its agenda. Indeed, current polling challenges the sharp distinction historically made between “major” and “minor” parties. A (non-exhaustive) ‘poll of polls’ in September 2023 put support for National and Labour on 35 per cent and 27 per cent respectively, with their historical allies ACT and the Greens on 13 per cent and 12 per cent respectively (Hancock, 2023). This combined support for minor parties in pre-election polling is at levels not seen since 2002 (Campbell, 2023). Given the likely importance of minor parties in the 54th Parliament, this article examines the minor parties most likely to be elected and their employment relations (ER) policies and track records.

The 2023 General Election in New Zealand will see five political parties hoping to retain their parliamentary representation: the New Zealand Labour Party, the New Zealand National Party, the Green Party of Aotearoa New Zealand, ACT New Zealand, and Te Pāti Māori (formerly

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The Māori Party). Polls indicate they will all be successful with commentators expecting Te Pāti Māori to win at least one electorate (Los’e, 2023) and the other parties all polling well above the five per cent party vote threshold (Hancock, 2023). There are multiple other parties registered with the Electoral Commission, but the only one with a realistic chance of winning seats at October’s election is New Zealand First. New Zealand First was not returned to parliament following the 2020 election but less than a month out from the 2023 election, they are polling at or above five per cent, and have an experienced campaigner in leader, Winston Peters (Hancock, 2023).

As we noted in a previous article on this topic (Skilling & Molineaux, 2011), the influence of a minor party’s policies on government policy depends not just on each party’s representation levels, but on a range of other factors relating to the degree of power they have, and the priority that they place on ER policy within their broader policy agenda. In practice, these factors include: the options available to the major party (that is, the extent to which they are reliant on the support of one particular party); the ideological and policy congruence between the major and minor parties in policy direction; the nature of the relationship negotiated between the major and minor parties (for example, minor parties may have other channels of influence if they are in a formal coalition arrangement, perhaps with ministerial positions, compared to if they retain more independence by offering support on a supply and confidence basis); and the strategic decisions that major and minor parties make on which policies they are willing to compromise in order to reach agreement (Molineaux & Skilling, 2014). Strategic trade-offs may result in a well-publicised policy being sidelined (Skilling and Molineaux, 2011).

Political Context: 2020 - 2023

The 2017-2020 Government was a formal coalition between the Labour Party and the populist-conservative New Zealand First Party. The Labour Party also had a cooperation agreement with the Green Party (Molineaux & Skilling, 2020). It was the first time under MMP that a government was formed by a party that did not command the largest share of the party vote. Prior to the Covid-19 pandemic hitting New Zealand in March 2020, the 2020 election looked likely be very close (Mills et al., 2021). However, the government’s handling of the pandemic in 2020 caused a significant number of National voters to support Labour (Mills et al., 2021). Opinion polls and research from the New Zealand Election Study demonstrates that voters in 2020 were not swayed by Labour’s policies but, rather, by trust in then-Prime Minister Jacinda Ardern to lead the country’s Covid response (Van Veen et al., 2021; Cooke & Malpass, 2020).

By the time of the 2020 election, the elimination strategy appeared to be working and New Zealanders were living normal lives, albeit behind closed borders. Against this backdrop, Labour received 50 per cent of the party vote, allowing it to govern alone, with 65 seats in parliament. The centre-right National Party, meanwhile, had a disastrous result in 2020, winning a little over 25 per cent of the vote. The three minor parties that made it back into parliament increased their representation: the Green Party of Aotearoa New Zealand won 10 seats, up from eight in 2017; ACT New Zealand also increased its position in parliament to 10 seats (up from one) and Te Pāti Māori returned to parliament with two seats after a term with no representation, winning one electorate and one list seat. New Zealand First, the kingmaker in 2017, was not returned to parliament (Electoral Commission, 2020).

One of the original promises and appeals of MMP was that it would constrain the major parties’ capacity to unilaterally enact radical change. Following a radical realignment of the major parties and a succession of broken promises by both major parties in the decade after 1984
MMP was designed and supported by the public in referenda (1992, 1993). As a modified form of proportional representation, MMP promised to reduce the ‘elected dictatorship’ tendencies of previous governments by requiring major parties to negotiate and compromise with other parties, thus diffusing power between multiple parties and slowing down the policy process (Vowles, 2000). The flipside is that voters cannot be sure what set of policies a new government will enact, as this depends on the negotiations between all parties in the governing arrangements. During the 2017-2020 term, for example, New Zealand First described itself as a ‘handbrake’ on Labour, with evidence that it blocked a number of Labour’s priority policies, including in the area of ER (Bracewell-Worrall, 2018; Trevett, 2020).

The parliamentary term since 2020 has been the first opportunity since MMP was introduced in 1996 to assess whether a single-party government, unencumbered by the need to negotiate with other parties, would take the opportunity to pursue a programme of rapid and significant policy change. However, as noted by political scientist Raymond Miller (2001), while Labour is “widely perceived to be a party of radical reform”, its two major reform periods were short and “for long periods of its history Labour has been a largely conservative force in New Zealand politics” (p. 226). Engaging in a form of “anticipatory surrender” (Connolly, 1974), Labour has sought to appease centrist voters and sector groups during this parliamentary term by ruling out several redistributive policies that it had been working on for years, such as a wealth tax and income insurance scheme, disappointing activists and voters on the left (Dexter, 2023; Ensor, 2023a). Journalist John Campbell (2023) has written that this focus on appeasing the centre by Labour (and by National) had led to uninspiring politics that is no longer compelling to voters. Commentator Matthew Hooton (2023) argues that the decline in support for National and Labour in recent polls reflects a collapse of “[v]oter confidence in the increasingly lazy, cynical and arrogant duopoly that has governed New Zealand for nearly 100 years”. Minor parties offering a more radical prognosis for change (especially ACT and the Greens) have seen their vote share rise as a result of this widespread rejection of centrist and managerial politics (Campbell, 2023).

The relative strength of the minor parties in mid-2023 gives rise to a number of scenarios with interesting implications for the power dynamics of the next government. Polling in mid-September suggests that National and ACT may receive enough votes to form a government, though the calculation changes a little if New Zealand First pass the five per cent threshold and return to parliament. The libertarian ACT Party was a partner for National between 2008-2017, initially with five MPs, reduced to one in 2011 and 2014. National, during this period, had a supersized majority having negotiated arrangements with more minor parties than necessary – not only with ACT but also the Māori Party and the (now defunct) United Future. This enabled National to pass legislation even if one of its partners opposed it, thus reducing the leverage any of the parties held over National’s decision-making (Skilling & Molineaux, 2011). In 2023, should it become the lead government party, National may need just one partner (ACT) and has ruled out working with Te Pāti Māori (Radio New Zealand, 2023a). On current polling, ACT will have more than its existing 10 MPs. With this level of representation, ACT may not be willing just to settle for a few Ministerial posts or policy wins: it may demand significant policy control or veto (Vance, 2023). Recent polling put New Zealand First at or above five per cent which complicates matters for National if it means that it requires more than ACT’s votes to secure a majority.

Polling suggests that a third-term Labour government is an unlikely prospect. From receiving 50 per cent at the 2020 election, Labour support has fallen to the mid-20s (Hancock, 2023). As Van Veen et al. (2021) noted, 2020 was very much a Covid election, and analysis of voter
sentiment even at the time emphasised that “Labour cannot take its new voters for granted”. If New Zealand First does not return to parliament, a Labour-led government would likely require the support of the Green Party as well as that of Te Pāti Māori. While both of these minor parties are more naturally aligned with Labour than with National including, (as we will discuss below), in the realm of employment relations policy, they have had little power in the most recent parliamentary term, since Labour was able to govern alone. With their votes not needed by Labour to pass legislation since 2020, the Greens have sought influence outside of formal arrangements. Co-leaders Marama Davidson and James Shaw both held ministerial posts (formally known as “co-operation agreement ministers” [DPMC, 2023]), and Eugenie Sage and Julie-Anne Genter held positions as Chair and Deputy Chair respectively of select committees. While claiming that their input and pressure had influenced some things delivered by the government (Greens, 2023a), the party had little power when Labour adopted positions that it disagreed with. Te Pāti Māori have also expressed frustration with some of Labour’s decisions (Radio New Zealand, 2023c, July 13). The power dynamics would be radically different in any potential left-leaning government after the 2023 election. The rise in recent polls of New Zealand First complicates matters, in terms of which bloc they may support, and what policy concessions they will extract for that support.

Employment Relations (ER) Policies 2020-2023

The coalition government led by Labour from 2017-2020 introduced legislation that reversed many of the previous National-led governments ER changes. As we noted previously (Molineaux & Skilling, 2020), the Green Party supported the Employment Relations Amendment Act (2018) introduced by Labour, and early work on the Fair Pay Agreements Bill, consistently arguing for “the strongest measures” (Manch, 2020). It was widely held, however, that the other coalition member – New Zealand First – was limiting what the government was able to achieve. When then-Prime Minister Ardern was asked if this was the case, she diplomatically replied that “consensus does take time” (Tibshraeny, 2019).

Labour’s outright majority after the 2020 elections led some to hope – and others to fear – that the new government would initiate significant reforms in ER and more broadly. While some changes have been introduced, reforms have not been radical. While in opposition, Labour worked on an ambitious Future of Work plan but, after six years in government, very little of that plan has been implemented. Proposals for a Social Unemployment Insurance (SUI) scheme were floated but then scrapped in early 2023 (Robertson, 2022; Hipkins, 2023). A programme of work “to address the issue of workers being misclassified as contractors [and thus denied important labour rights]” was likewise progressed but then indefinitely suspended (MBIE, 2022; Macfie, 2023), while the Fair Pay Agreements Act (2022) was passed so late in the electoral cycle that its provisions may well be reversed before any such agreements actually take effect.

The government has, however, overseen changes relevant to workers and workplace relations over the last three years (Labour, 2023). The minimum wage as an hourly rate has been increased from $18.90 at the 2020 election to $22.70 as of April 2023, and sick leave entitlements were increased in 2021 (Wood, 2021). Legislation was passed to offer greater protections to migrant workers (New Zealand Parliament, 2023a) and a Bill was introduced to “strengthen the role of worker representation in health and safety issues” (Wood, 2022; New Zealand Parliament, 2022e, December 5). Ongoing support for businesses impacted by Covid lockdowns, continued spending on large infrastructure projects, and the worker shortages
associated with migration restrictions have all contributed to unemployment remaining low, especially in industries such as construction.

Since the 2020 election, the government has introduced three major pieces of ER legislation to parliament. The Holidays (Increasing Sick Leave) Amendment Act increased a full-time worker’s sick leave entitlement from five days per year to 10 days. It was presented as a recognition of what had been learned during the Covid pandemic: that being able to take time off when one is sick is good for the worker, for their colleagues, and for the business (Michael Wood, in New Zealand Parliament, 2020b, December 1). The Fair Pay Agreements Act 2022 was presented as a particularly significant piece of legislation: a recognition that “the critical work and contribution of Kiwis performing some of the most essential work in our country has been systematically undervalued” (Wood, in New Zealand Parliament, 2022a, April 5). Fair Pay Agreements were said to create “a new, modern, sector-based bargaining system that supports fair, safe, and productive workplaces” by enabling “good-faith bargaining to occur at the sector or occupational level, and [establishing] a minimum floor for conditions in that area” (Wood, in New Zealand Parliament, 2022a). The Screen Industry Workers Act 2022 guaranteed that determinations of whether screen industry workers are employees (a status that carries certain important rights, including “the right to bargain collectively and the right to challenge unfair dismissals”) or contractors are to be made (by courts if necessary) on the basis of the “real relationship” between worker and employer. It, thus, overturned the so-called Hobbit Law, introduced by National, that stripped film workers from asserting their right to be viewed as an employee (Iain Lees-Galloway, in New Zealand Parliament, 2020a, March 4).

The position of the three minor parties in parliament since 2020 on these three pieces of legislation are summarised in Table 1 and, where possible, discussed in the sections below summarising the ER policy positions of each minor party.

Table 1: Minor Parties’ Positions on ER legislation 2020-2023

<table>
<thead>
<tr>
<th></th>
<th>ER policy closest to which major party</th>
<th>Current Number of MPs</th>
<th>Holidays (Increasing Sick Leave) Amendment Bill</th>
<th>Fair Pay Agreements Bill</th>
<th>Screen Industry Workers Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACT Party</td>
<td>National</td>
<td>10</td>
<td>Oppose</td>
<td>Oppose</td>
<td>Oppose</td>
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<tr>
<td>Green Party</td>
<td>Labour</td>
<td>10</td>
<td>Support</td>
<td>Support</td>
<td>Support</td>
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<tr>
<td>Te Pāti Māori</td>
<td>Labour</td>
<td>2</td>
<td>Support</td>
<td>Support</td>
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Party profiles

ACT Party

The ACT (or Association of Consumers and Taxpayers) Party was formed in 1993 as a classical liberal party with a focus on small government. The party’s core values draw on a libertarian commitment to “expanded personal freedom and responsibility” and to the central idea of individuals as “owners of their own lives [who] must be free to act according to their own judgments so long as they accept and respect the like freedom of others” (ACT, 2022a). The party’s increased popular support at the 2020 election and since has come after adopting issues central to several niche groups: gun owners unhappy with legislation introduced in response to the Christchurch terror attack; the farming sector wanting a reduction in regulation, especially around environmental issues and climate policies; and those opposed to ‘race-based’ policies, including the establishment of organisations tasked with improving outcomes for Māori, such as the Māori Health Agency (Te Aka Whai Ora).

After three successive elections (2011, 2014, 2017) where the party won a declining share of the party vote (its party vote at the 2017 election was 0.50 per cent) and received only one seat in parliament (due to its hold on the Epsom seat), ACT’s popularity increased dramatically in 2020. In the context of an historically poor result for the National Party, ACT’s party vote in 2020 was 7.58 per cent, giving the party 10 MPs (Electoral Commission, 2011; 2014; 2017; 2020). This stronger representation in parliament generates a range of flow-on effects, including increased resources, speaking rights in debates, and places on select committees. There are currently two National MPs and one ACT MP – Chris Baillie – on the Education and Workforce Select Committee, as well as three Labour and one Green Party MPs (New Zealand Parliament, 2023b, October 12). The party’s newly strengthened position and the stability of its leadership (David Seymour became leader of the ACT Party in October 2014; and in contrast, over that period of time, there have been six leaders of the National Party) have afforded them greater legitimacy and prominence in the eyes of the public and the media, with Seymour sometimes referred to as the “de facto leader of the opposition” (McCready, 2021). Indeed, ACT have argued that “under MMP, the position Leader of the Opposition is obsolete and undemocratic” (van Velden, in Daalder, 2021).

This change in fortune has implications for its influence within the centre-right bloc. After the 2017 election, National had 56 times more MPs than ACT. Three years later, with National reduced from 56 to 33 MPs, that ratio was reduced to a little over three. Polling during 2023 has been volatile for ACT. On Radio New Zealand’s averaging of three major polls, ACT was polling at 10.9 per cent in late September but had been as high as 13.4 per cent a month previous. What seems certain is that, if National and ACT are able to form a government after the 2023 election, ACT MPs will make up a significant proportion of the members of that government. Under those conditions, the party would be in a position to insist on high-ranking roles for many of its members, and significant input into the policy programme of that government. Given this possibility, it is important to understand ACT’s position on ER issues, and the priority that it would give to ER as a policy area.

ACT’s position on ER flows from its core principles and values. Its commitment to “reducing the role of government and increasing the role of free markets” is related to the core principle that “[v]oluntary choice and agreement should be the way in which people deal with each other in everyday life and in the economic marketplace” (ACT, 2022a). As a result, “[e]mployment should be by private contract between employee and employer, and membership of any
association of either employees or employers should be entirely voluntary” (ACT, 2022a). These broad principles inform a unitarist ER policy orientation, based on government leaving workers and their employers alone to negotiate terms and conditions, that ACT assumes will be mutually acceptable (see Baillie, in New Zealand Parliament, 2022c, August 23). In legislative practice, these principles led ACT to oppose every ER proposal made by Labour. In its ‘Real Change Budget’, ACT set out its ER agenda: “Reintroduce 90-day trials, place a moratorium on new minimum wage hikes, scrap social insurance scheme and Fair Pay Agreements” (ACT, 2022b). The party has said it will stop contractors, such as Uber drivers, from claiming they are employees by amending the Employment Relations Act (Radio New Zealand, 2023b, June 22), and its commitment to “reducing employment costs” for business extended to opposing the introduction of Matariki as a new public holiday.

In their contributions to the parliamentary debates on the three major pieces of ER legislation introduced by Labour (See Table 1 above), ACT explicitly rejects the Labour-Greens conception of ER as a realm of power asymmetries and irreducible conflict. Rather, it presents its preferred policies as generating mutually beneficial outcomes, arguing that reducing the regulatory burdens on employers is also good for workers. It argues, for example, that 90-day trial does not create precarity for marginalised workers, but rather it provides opportunities, since such trials “allow firms to hire new workers, especially those from unconventional backgrounds” (ACT, 2022b). Meanwhile, initiatives designed to enhance the position of workers are seen as mostly counter-productive. New Zealand’s relatively high minimum wage, for example, is described as a barrier that “makes it harder for businesses to hire young and lower-skilled New Zealanders” (ACT, 2022b).

In debates surrounding the Fair Pay Agreements Act, ACT MP Chris Baillie (in New Zealand Parliament, 2022d, October 18) argued that, while the interests of workers and employers are fundamentally aligned, division between the two groups had been created by Labour’s supposed habit of “pitting one section of society against another: employers against employees”. Positioning Labour as “the most divisive Government in New Zealand’s history” (in New Zealand Parliament, 2022d), Baillie argued that workers should see their employer not as an enemy but as an inspiration (employers were, simply, he said, “once hard-working employees who had a great work ethic and a vision”) and even as their benefactors (employers are presented as “those New Zealanders who strive to get ahead through their own effort, and who are prepared to take risks to provide work for those who want it” ) (in New Zealand Parliament, 2022d, emphasis added). Under these conditions of what Baillie presented as politically constructed division, “employees, as human nature dictates, will often take what they can get”, including, presumably, as many sick days as possible regardless of whether or not they were sick (in New Zealand Parliament, 2021a, May 5).

As a result, any initiative that offered protections or rights to workers was represented simply as enabling employees’ self-interested tendencies and as imposing an “extra burden” on the business owners who create the jobs in the first place (in New Zealand Parliament, 2021a). As ACT leader David Seymour (in New Zealand Parliament, 2020b, May 19) put it, strengthening the rights and entitlements for workers amounts to an attempt “to increase the regulation and costs put on people who choose to employ”. Beyond these claims of additional costs for business, ACT portrayed Fair Pay Agreements and their associated collective agreements as a paternalistic affront to democracy and freedom, with Baillie arguing (in New Zealand Parliament, 2022a) that “workers prefer to be treated like adults who are more than capable of working out their own conditions for employment”. Elsewhere, Baillie appeared to argue against all employment regulation, insisting that government should “leave [workers] alone
and treat them like adults, not children who need babysitting” (in New Zealand Parliament, 2022c, August 23).

Employment relations policy does not feature prominently on the list of policy priorities set out on ACT’s website in September 2023. Among eight key promises (including “slashing wasteful government spending” and “ending divisive race-based policies”), the only one relevant to ER is “policing red tape and regulation” (ACT, 2023a) on which ACT suggests that it will “revolutionise how government regulates New Zealand to improve productivity, increase wages for workers, and lower prices” (ACT, 2023b). However, its stated ER position is a natural expression of the party’s core principles and its very raison d’etre. While little detail is offered, ACT’s ER promises align with its stated preference for ER to be a realm of voluntary contracts with minimal oversight and regulation. As Seymour says, “ACT has a vision of a society where businesses can simply get on with doing what they’re good at, spending their time and energy on productive activity rather than costly compliance” (ACT, 2023b). Combined with National’s commitment to reverse many of the ER policies introduced by Labour, ACT’s position is likely to support significant change in policy settings if they and National are in a position to govern together.

In the context of National rejecting some of ACT’s policies on the campaign trail, and in an apparent attempt to assert their presence and their power, ACT floated the prospect of offering National their support on a ‘confidence-only’ basis. Under this novel arrangement, ACT would undertake to support National on confidence votes in parliament but would require National to seek ACT’s support for “all government spending, on a case-by-case basis, including the Budget”. National dismissed ACT’s proposal (Radio New Zealand, 2023e, September 11) and it remains to be seen whether it helps or hinders ACT’s popularity, given that many people who vote for ACT want to see a stable National-ACT government. Polling suggesting that National and ACT together might not garner the majority of seats needed to govern have further complicated matters. While ACT has softened its earlier stance of refusing to work with New Zealand First, the two parties have continued to spar, with Seymour describing Winston Peters in a televised debate as “an arsonist showing up dressed as a fireman, saying, ‘I am here to help’” (McConnell, 2023b, September 22).

Green Party

The Green Party of Aotearoa New Zealand is, like green parties in Europe, a party of post-material values that sits comfortably on the left of the political spectrum (Sharlamanov, 2023). Their environmental policy is accompanied by a focus on social justice and reducing inequality and ER policy is viewed through a lens of unequal power relations. Standing against the neoliberal logic that one’s outcomes in life should reflect their performance in a competitive market, the Greens’ vision is of a society where “everyone has a life of dignity, regardless of their level of involvement in paid work”, a society that “works for everyone – employees, employers, contractors, people who are self-employed, people who are unable to participate in paid work, and people in unpaid caring roles” (Green Party, 2023b). The Greens view ER in the context of their broader perspective on society and the economy: as a realm of asymmetrical power relations, where powerful actors (the rich, the business owners, capitalists) exert power and control over those with less power. Hence, employment relationships exist between, on the one hand, employers who use their power to maximise profits and minimise costs and, on the other, employees who have little power in the labour market except for their ability to withhold their labour. From this perspective, the objective of ER policy is to correct this power
imbalance by creating “equitable and beneficial relationships” between “employers, working people and unions” (Green Party, 2023b).

The Greens’ reading of history is that the deregulation of ER over the last 30 years has led to an accumulation of wealth for “the 1 per cent”, while “the disposable incomes of the poorest 10 percent have flat-lined, basically, since the 1980s” (Logie, in New Zealand Parliament, 2022a, April 5). Explicitly rejecting the notion of wealth “trickling down” from business owners to workers, MP Jan Logie argues that wealth has rather “funnelled and been pulled up to the wealthiest, to the point when 50 percent of the collective wealth in this country is less than 1 percent of the wealth held by the top 1 percent” (Logie, in New Zealand Parliament, 2022a). Logie said looking after workers delivers better results not just for workers but also for firms and the economy overall: “strong unions and collective bargaining frameworks are the best tools for delivering decent pay, stable jobs, and safe workplaces. And they are our best tool for reducing inequality as well as, not at all magically, improving performance and productivity” (in New Zealand Parliament, 2022a). On the question of increasing sick leave entitlements, for example, Logie argued that if sick leave was not available when workers needed it, then “you’re not getting the job done, because that person is actually sick, or you’re losing great staff because they can’t sustain their health or their kids’ health and your limited provision of sick leave” (in New Zealand Parliament, 2021a). As such, increased sick leave is not “a cost” as some business owners would argue, but rather an investment in a productive workplace.

The Greens have been supportive of Labour’s ER proposals since 2020 (see Table 1), except that they would prefer for the changes to go further. Speaking to the Fair Pay Agreements Bill, for example, Logie (in New Zealand Parliament, 2022a) said that while “the Greens are so pleased to be supporting this bill” there were also “some things that we will be looking at in select committee that we want to explore and maybe see if we can strengthen” including how contractors are treated, and the range of issues considered mandatory in agreements. At the second reading, she said that the Greens “would like to see [the right to strike] back in there, but we are happy to support this bill” (Logie, in New Zealand Parliament, 2022d, October 18). Debating the proposed extension to sick leave entitlements, Logie stated that “the Greens do not believe it goes far enough” citing concerns around provisions “enabling employers to require proof even after one day off work, without reasonable grounds”, support for those taking sick leave on grounds of mental health and the amount of sick leave that can be carried over (Logie, in New Zealand Parliament, 2021b, May 19). Green Party policy includes instituting minimum levels of pay and conditions that all employers have to meet, an insistence on “the right to fair treatment at work”, expecting employers to “promote skills development and learning opportunities”, and enhancing workers’ ability to join together in unions (Green Party, 2023b).

In parliamentary debates, the Green Party rejected ACT’s unitarist assumption of equality between workers and employers. For the Greens, the employment relationship is logically and empirically asymmetrical. As Logie put it, “the level of inequality and struggle experienced by so many working people in this country is unjust and unfair and caused by the way we have set up our labour market to provide flexibility for the employer not the employee, and that values employers at the expense of employees” (in New Zealand Parliament, 2022d, October 18 [emphasis added]). For Logie, the rhetoric of “freedom” and “flexibility” for business serves to mask a more brutal reality of abuses of power, such as an historical situation in the screen industry, having said in New Zealand Parliament, (2022b), “entire casts [were] fired for approaching the producer to try and negotiate collective conditions”. As Bourdieu (2003) notes,
the term “flexibility” is often used under neoliberalism to hide the reality of “the inflexible demands of one-sided employment contracts” (p.58). To use Berlin’s (2017) analysis of “two concepts of liberty”, the Green Party views freedom not through the lens of freedom from external coercion, but through the lens of freedom to achieve desired ends. As such, for Logie (in New Zealand Parliament, 2022b), meaningful freedom requires people having “the opportunity to have decent conditions, and that requires an ability to bargain collectively for many people”.

The Green Party are coming into this year’s election after a parliamentary term where their ability to influence government policy was significantly limited by Labour’s unprecedented (under MMP) position of strength. Since Labour was able to pass legislation without needing the support of the Greens or any other party, the Greens have only been able to progress their policy priorities through offering ideas. In previous years we have discussed the dangers for minor parties when they are seen as too tightly tied to a larger party (Molineaux & Skilling, 2014). In 2023, the danger for the Greens is that they might be seen as an irrelevance, having been in parliament but not formally in government. Eager to demonstrate the difference that they have been able to make by working constructively with Labour to push the government further than it would otherwise have gone, the Greens’ website, as of mid-2023, featured sections such as ‘Budget Wins’ (Green Party, 2022) and ‘Our Achievements’ (Green Party, 2023a).

In practice, Labour’s lack of transformative policy change over the past three years has created space for the Greens to argue to left-leaning voters that a genuinely progressive government requires a strong Green Party presence. As Campbell (2023) notes, Labour and National’s battle for the centre ground appears to be losing its appeal, creating more space for minor parties able to articulate a coherent and compelling political vision. Current polling puts the Green Party on around 12 per cent support (15 seats) comfortably above its 2020 performance (though the Greens have historically polled better than their eventual result.) What current polls show with almost total certainty is that if Labour is to form a government after the 2023 election, it will require the support of the Green Party, and most likely Te Pāti Māori as well (Hancock, 2023). History suggests that MMP elections are often very tight; while polls at the time of writing (early September) do not predict a centre-left government will be elected in October, it is still worth considering what sort of influence Labour’s potential partner parties would seek to exert if they were part of a government that was reliant on their involvement.

The Greens have partnered with National before (2008) to promote specific policies (home insulation, energy efficiency measures), but they see National’s current stance on race relations, climate change and taxation as an anathema (Dexter, 2023). An historical ally of Labour, the Greens have felt disrespected and taken for granted by Labour, and have expressed their frustration at some of Labour’s decisions in this term. Co-leader James Shaw was particularly scathing about Prime Minister Hipkins ruling out a capital gains or wealth tax (Radio New Zealand, 2023c, July 13), and at Labour’s decision to shelve or gut climate change policies (Dexter, 2023). The Greens’ leaders have suggested that the party might “refuse to join a coalition with Labour if it will not put a wealth tax back on the table” (Radio New Zealand, 2023c) and explicitly stated a desire to “finally shake off the shackles of visionless government” (Dexter, 2023). The area of ER policy is one where the Green Party is in broad agreement with Labour, with the caveat that they consistently want change to go further. During the election campaign, the Greens have been emphasising their desire to “ensure the full five weeks [of annual leave] is available for everyone by the end of 2025”, with co-leader Marama
Davidson stating that “Aotearoa is not currently working for all working people” (Ensor, 2023b, July 12).

Looking to the future, the party’s co-leaders have discussed the option of not forming a coalition government with Labour unless there is more movement on policies important to the Greens, stating that “sitting on the crossbenches is a possibility for us, we have always said that” (Quinlivan & Ensor, 2023). Shaw said that this was ultimately an issue for “voters to decide”, and also a question for “party members because they are the ones who actually get to decide whether or not we go into Government or not” (Quinlivan & Ensor, 2023).

*Te Pāti Māori*

Te Pāti Māori (previously the Māori Party) was formed in 2004 as a break-away from the Labour Party in protest over the (now repealed) Seabed and Foreshore Act (2004). Since its inception, the party has existed to “progress a Māori worldview on policy decisions” (Molineaux & Skilling, 2014, p.45) and while it claims to be neither left nor right (Neilson, 2022) many of its policy positions are leftwing: for example, increasing taxation on the wealthy and raising the minimum wage (Te Pāti Māori, 2021a). The Māori Party was in governing relationships with National-led governments for three terms (2008-2017), supporting the government in confidence and supply votes while voting against much of National’s legislation, including many of its ER policies (Skilling & Molineaux, 2017). Their exit from parliament in 2017 is commonly seen as a voter backlash against its support for these National-led governments. Te Pāti Māori returned to parliament in 2020 with two MPs and with a new leadership team: Rawiri Waititi, who won the seat of Waiairiki and then took over the co-leadership from John Tamihere, and Debbie Ngarewa-Packer, who entered parliament as a list MP. More naturally aligned with the left of politics than with the right on economic and ER issues, Te Pāti Māori’s first term back in parliament has seen them situated similarly to the Greens: often voting with Labour, but not needed to form a government.

As Table 1 (above) shows, Te Pāti Māori supported Labour on ER policy issues over the last three years. While the Māori Party of 2008-2017 was often criticised for its support of National and for its supposed privileging of the interests of “tribal elites” (Edwards, 2017), Te Pāti Māori, since 2020, has represented the interests of those with the least: “We have an economy and social security system that is broken, and that have never worked for Māori. No one should suffer the injustices of poverty, inequality, and a lack of life opportunities” (Te Pāti Māori, 2021b). They seek to reform the welfare system, but also incorporate income and employment matters, in a policy platform that aligns naturally with Labour and the Greens. The party committed, in 2021, to raising “the minimum wage to $25 per hour and [to] an annual increase to keep up with cost-of-living increases”, to “pay equity for Māori nurses and teachers”, to the elimination of “starting-off / youth rate wages” and to ensuring “multi-employer collective bargaining and collective bargaining for contractors” (Te Pāti Māori, 2021b). As the smallest of the minor parties in the current parliament, the party has had limited resources and exposure, and ER policy not especially prominent in its agenda. It is, however, an area in which its commitment to a left-leaning progressivism aligned with the pursuit of mana motuhake (self-determination) come together.

Te Pāti Māori’s return to parliament after the election seems reliant on their winning an electorate seat. Even a Labour campaign strategist has acknowledged that Te Pāti Māori are the favourites to win two electorates, stating they would be “tough to beat in Waiairiki – held by co-leader Rawiri Waititi – and Te Tai Hauāuru, where the other leader, Debbie Ngarewa-
Ngarewa-Packer’s chances are boosted by the decision of Labour MP and speaker Adrian Rurawhe not to contest the seat and to stand only as a list candidate. Te Pāti Māori also has hopes that Meka Whaitiri – who defected from the Labour Party in May 2023 (Harawira, 2023) – will win the seat of Ikaroa Rāwhiti that she won in 2020 as a Labour candidate. It remains unclear whether the voters of that electorate will feel a greater loyalty to Whaitiri or to the Labour Party (McConnell, 2023a).

The party’s options after the election appear limited, with National stating that it will not work with Te Pāti Māori, describing them as “radical and separatist” (Radio New Zealand, 2023a, May 10). Hipkins, meanwhile, has explicitly said that “Labour could work with the Greens and Te Pāti Māori” after the election, contrasting their shared values with a right bloc that he said would be “divisive and chaotic” (Radio New Zealand, 2023d). For their part, Te Pāti Māori has remained non-committal about supporting Labour or entering into any type of governing arrangement. As with the Greens, the party has attacked Hipkins’ announcements around potential tax changes, saying that the Labour leader “is effectively ending coalition discussions before they have even met” (Radio New Zealand, 2023c). Like the Greens, Te Pāti Māori have warned Labour not to take its support for granted, telling Hipkins that “he won’t be calling the shots on tax policy” after the election, and listing a capital gains tax as a bottom line (Neilson, 2023).

**New Zealand First**

At present, the New Zealand First election website lists only one ER policy: a work-for-the-dole scheme (New Zealand First, 2023). Its position was closer to Labour than to National in the parliamentary term after 2017 and in the lead up to that election (Skilling & Molineaux, 2017), but it used its power to weaken some of Labour’s policy proposals. New Zealand First presents itself as voice of moderation and common sense in ER policy claiming that it is a “centrist party” that modifies the extremes of the two major parties (see Molineaux & Skilling, 2020, p. 24). As ER does not appear to be a high priority for the party in its election campaign, there is little information on which to base a more comprehensive review.

Polling around the five per cent threshold, leader Winston Peters has made overtures to those disaffected by New Zealand’s Covid response, visiting the parliamentary occupation in 2022 and making comments about vaccine side-effects that have been warmly greeted by anti-vaccine and anti-mandate groups (Mitchell & Kenny, 2023). He has promised to provide compensation to people who lost their jobs due to vaccine mandates, and to the vaccine injured, even though Accident Compensation already provides cover for such injuries (Pearse, 2023b). Peters has also been campaigning on the party’s opposition to Māori representation within co-governance arrangements (Greive, 2023). Peters is tapping into what appears to be significant social and ideological cleavages, leveraging off his well-known brand as an anti-elite, ‘common sense’ politician.

Peters has ruled out working with a Labour government (New Zealand First, 2023) and Labour also ruled out working with New Zealand First, putting pressure on National to do likewise (Dunne, 2023). Christopher Luxon (leader of the National Party) resisted making a definitive call for a lengthy period, but when polling suggested that National might need New Zealand First to form a majority, he announced that, while his “strong preference “was for “two party coalition government between National and ACT” (1News, 2023), he would nevertheless negotiate with New Zealand First if necessary. Complicating possible right-wing government arrangements, however, the ACT Party has ruled out being in a Cabinet with New Zealand
First; although, at the time of writing, it has not clarified its bottom lines on any other governing arrangements that New Zealand First might be a part of (Pearse, 2023a). If New Zealand First are needed for the formation of a centre-right government, its self-identification as a centrist party that moderates the extremes of the two major parties may make it harder for ACT to progress its ‘real change’ agenda.

Conclusions

The outcome of the 2023 General Election in New Zealand will certainly result in a government where a major party requires minor party support. Whatever the eventual governing arrangement, the influence that minor parties can have within that arrangement will depend on more than just the number of MPs elected: policy priorities, strategic trade-offs, the degree of leverage and whether New Zealand First is part of the mix will be crucial in determining the direction of any policy change in the 54th Parliament.

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