

# New numbers, new deals

The Hugo Group, Feb 24 2016



# A good start for Bill English

- 31% as preferred PM vs 36% for John Key
  - Key was falling; English ranked zero in November
- 46% support for National is a fall, but from a very high level (consistently 50%-plus late last year)
- At 7% support, Andrew Little is polling worse than David Cunliffe in his latter stages
  - And far below David Shearer
- At 30% support, Labour is still only just ‘in the zone’
- No sign of TOP

# The electoral arithmetic – Maori seats

- Mana- Maori deal is National's best option for a return to power without NZ First
- Contingent on:
  - Nats remaining around 47%
  - Maori Party winning more than one Maori electorate seat
- Mana – really possibility Hone Harawira gave away a lot for very little
  - Kelvin Davis will be very hard to beat in Te Tai Tokerau

# How many Maori seats **could** the Maori Party win?

- Waiariki (held by Flavell);
- Winnable on paper:
  - Te Hauauru (Howie Tamati),
  - Tamaki Makaurau (less likely without Willie Jackson)
- Winnable if Mana gets in behind Maori:
  - Ikaroa-Rawhiti (Marama Fox)

# The electoral arithmetic – how Maori Party ‘success’ might not be enough

Party	Parliamentary seats – 123 seats, 62 votes for majority
National	56
Maori	3
United Future	1
Act	1
<b>TOTAL SEATS – current govt</b>	<b>61 – one short</b>
+ NZ First	13
<b>TOTAL SEATS – current govt + NZ First</b>	<b>74 – no need for minor party hangers-on</b>
Labour	36
Green	13
<b>TOTAL SEATS – Labour-Green</b>	<b>49</b>
+ NZ First	13
<b>TOTAL SEATS – Labour-Green</b>	<b>62 – bare majority</b>

# Implications

- Potential for up to 3 overhang seats (122-seat Parliament)
  - Would require **62 votes** for a parliamentary majority
- NZ First's position as king-maker remains entrenched
- English would rather not work with NZ First – but may have no choice
- Little on NZ First – successfully defensive - Waitakere man?
  - What do we think?
  - Little has ruled out Maori-Mana – “not in my contemplation”
- Peters has always gone with the largest party
- How much internal turmoil for NZ First if and when Shane Jones arrives on the political scene?

# January Colmar Brunton extrapolated to govt formation

	With United Future	Without United Future
National	56	56
Act	1	1
United Future	1	0
Maori	1	1
<b>TOTAL SEATS – centre-right</b>	<b>59 (3 seats short of majority)</b>	<b>58 (4 seats short)</b>
Labour	36	36
Green	13	13
Mana	1	1
<b>TOTAL SEATS – Lab-Green</b>	<b>50</b>	<b>50</b>
NZ First	13	13
<b>TOTAL SEATS – Lab/Gr/Mana/NZF</b>	<b>63 (2-seat majority)</b>	<b>63 (3-seat majority)</b>
<b>TOTAL PARLIAMENT SEATS</b>	<b>122</b>	<b>121</b>

# Policy issues: Urban development

- 4 significant developments:
  - Urban Development Authorities – discussion paper issued, legislation eventually, SHA-style fast track powers
  - ‘no’ to Auckland Council on fuel tax
    - PPPs, asset sales, congestion charging preferred
  - Boards of inquiry for two key Auckland road projects
    - \$2.2 billion in total – complete Western Ring Route with Northern Corridor; East-West Link between SH20 and Mt Wellington
  - \$1 billion housing infrastructure fund – progress after stalling?



# Policy issues: water

- Swimmable, not wadeable
- Key-type politics, albeit rather late
- Aspirational rather than minimum standards
- Spikes Green and Labour guns to some extent
- Rest of the package changes very little of what was already announced in Nov 2015
- \$100m in new funds available for clean-up projects
  - Bids open now

# Policy issues: media plays

- ComCom declines Sky-Vodafone merger;
  - Exclusive ‘must watch’ sports rights the issue
  - Judicial review? – no sign of it yet
- March 15 – NZME/Fairfax merger decision
  - Sky-Vodafone not a guide – different issues
  - NZME looks well enough capitalised to survive a ‘no’
  - Fairfax probably not + Aussie owner keen to quit
  - Could surprise