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“Gone by Lunchtime”
Social Policy, Breakfast Radio
and the
2005 New Zealand Election Campaign

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requirements for the degree of Master of Philosophy
(Public Policy)

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Abstract

New Zealand's 2005 election was fought largely on ideological and social policy differences between the country's two largest political parties. The campaign was closely fought with opinion polls putting either the New Zealand Labour Party or the New Zealand National Party ahead at various times. Election campaigns are an important opportunity for policy debate as public interest in politics and the direction of policy is usually much higher than at other times. Parties attempt to convince voters that their policy programmes are sound and that their leaders are both capable and responsible. The media play an important role in allowing politicians to communicate their policies and personalities to the voter. In addition to direct political communication the media play an important role in debating politics and policy which becomes all the more important during an election campaign. Auckland has a saturated radio market with a large number of heterogeneous stations attempting to service niche demographics. Almost all of these have some news content. Using data collected from four Auckland breakfast radio shows this thesis attempts to explain the policy detail, ideology and personality-based appeals made by politicians on social policy in their attempt to sell their policy programme to the voter, while also exploring how this debate was covered by the breakfast radio shows. Both Labour and National Party politicians concentrated on policy detail and ideologically-based appeals when debating social policies. For both major parties those ideological appeals were, to some extent, contradictory to the targeting of their policies to middle-income voters. Meanwhile the analysis of this debate differed greatly from station to station, but on all stations examining social policies came second to reporting on the contest between two parties to gain the Treasury Benches.

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Introduction

New Zealand has had many close elections, at least in terms of percentages of the vote. Between 1954 and 2002 there were six elections where the difference between the dominant Labour and National parties was two percentage points or less. All of these close elections were wins for National, but because of the First Past the Post system of single plurality, National always won a disproportionate number of seats. 2005 marked the first truly close election result under proportional representation. Certainly the now multi-party environment meant that the smaller parties had to be considered, but with United and New Zealand First saying that they would support (or at least not oppose) the party with the biggest share of the seats, it was clear that whoever won the most votes would be in the best position to form a government. The final result showed Labour had won 41.1% of the vote and National 39.1%,¹ the first time Labour had won by a small margin since 1946. Apart from its closeness the 2005 general election was marked by the domination of the major parties and the ideological debate over social policy which occurred between them. Voters were asked to choose between two forms of fiscal loosening in order to improve social outcomes. It was a choice between universal tax cuts from National and targeted financial aid to working families.

The media play a crucial role in providing information on politics to voters. If voters are to make informed choices in an election they must have some knowledge of the political parties, their policies, their candidates and their ideologies. Elections mark the point when political debate is at its highest and politicians make the greatest effort to communicate with voters. Different media treat politics in different ways depending on how it delivers information to the consumer and the commercial realities of a particular medium. In 2005

¹ Chief Electoral Office. Website. *2005 General Election - Official Result*, Released on 1 October 2002, Viewed on 5 March 2006. <http://www.electionresults.govt.nz/>

the social policy debate occurred on a range of media that covered the campaign. Radio was just one of these media but the size of its audience and peculiarities of New Zealand's radio market make it an important medium to examine.

Radio has not received a large amount of examination by academics in New Zealand or elsewhere. The role of radio coverage in a modern New Zealand election campaign has not been examined. There has been some work in the United States on the voting patterns of talkback radio listeners² and work in the United Kingdom on media coverage of social policy.³ Such work is difficult to apply to the New Zealand context as New Zealand's constitutional environment is so different from the United States and New Zealand's media environment is so different from that of the United Kingdom. New Zealand's deregulated and saturated radio markets mean that radio has become balkanised with a growing number of stations competing for smaller and smaller niche demographics. This means that news radio has become part of the product marketed to a small niche rather than mass market news sources, such as television and newspaper that have to appeal to wide range of consumers. New Zealand radio markets have been discussed by writers such as Karen Neill and Morris W. Shanahan⁴ but there has never been a significant analysis of modern radio news in New Zealand, let alone social policy debate on radio.

This thesis will concentrate on the question of how social policy debated was by politicians on breakfast radio during the 2005 election campaign and how was this debate reported on by radio journalists. This thesis will look at the arguments made by

² Louis Bolce, Gerald De Maio and Douglas Muzzio. 'Dial-In Democracy: Talk Radio and the 1994 Election' in *Political Science Quarterly*, vol. 111, No. 3, 1996.

Richard C. Hofstetter, David Barker, James T. Smith, Gina M. Zari and Thomas A. Ingrassia. 'Information, Misinformation, and Political Talk Radio' in *Political Research Quarterly*, vol. 52, No. 2, June 1999.

³ Bob Franklin. *Social policy, the media and misrepresentation*, Routledge, London, 1999

⁴ Karen Neill and Morris W. Shanahan. 'The evolution of New Zealand radio' in *Media studies in Aotearoa/New Zealand* (Goode and Zuberi eds.), Pearson Education, Auckland, 2004.

Karen Neill and Morris W. Shanahan. *The great New Zealand radio experiment*, Thomson Learning/Dunmore Press, Southbank, 2005

politicians on breakfast radio and seek to explain how those messages and appeals were interpreted by breakfast radio news for its audiences. This work will look closely at the use of policy detail, personality and, particularly, ideology. We will assume that for the Labour and National the primary purpose of these debates was to seek electoral advantage through convincing voters of the superiority of one party over the other. These are many ways politicians could have done this depending on assumptions about how voters assess (or at least should assess) candidates. Breakfast radio news was chosen because the 6-9am time period is when radio has more listeners than at any other time of day.⁵

We begin to answer the question posed in this work by understanding three competing theories on campaign promises and their ramifications for election media coverage. Mandate theory suggests that governments are bound by their promises as elected representatives are merely delegates of the peoples will. Therefore under mandate theory it would be the details of party policies that are the most important aspect for assessing parties. Proponents of elite democracy see policy promises as secondary to the competency of leaders. To critics of mandate theory such as Murray Goot⁶ and democratic elitists such as William H. Riker,⁷ mandates restrict a leader's ability for good governance; the people should select those who are best able to lead and not be too concerned with policy detail. So such a view would emphasis media coverage on the personal qualities of the candidates. Finally, an ideological-based approach to examining policy programmes can be taken from Anthony Downs' view that voters are unable to fully examine every party's policy programme and due to this uncertainty use ideology to identify the party whose values are closest to their own.⁸ New Zealand has had a history of both mandate-based and elite-based government. The experiences of the 1980s and

⁵ Radio International radio survey figures for Auckland from 2004. Data provided by 95bFM.

⁶ Murray Goot. 'Whose Mandate? Policy Promises, Strong Bicameralism and Polled Opinion' in *Australian Journal of Political Science*, vol. 34, No. 3, November 1999.

⁷ William H. Riker. *Liberalism against populism : a confrontation between the theory of democracy and the theory of social choice*, W.H. Freeman, San Francisco, 1982

⁸ Anthony Downs. *An economic theory of democracy*, 1st ed. Harper, New York, 1957 pp. 98

1990s, changes to the electoral system and the decline in party membership have meant that in 2005 the major parties used limited policy platforms. These were campaign promises that were strong commitments but short on detail compared to the election manifestos of the 1960s and 1970s.

Politicians during the 2005 election campaign made appeals to voters based on all three of these perspectives on policy platforms. They made appeals to voters based on the detail of policy, their own personalities (often by making personal attacks at their opponents) and their ideological positions. We will look at these appeals and try to understand which of these appeals were the most used by politicians when promoting their particular party. At the same time journalists choose to concentrate their examination on similar aspects of campaigns. Journalists cover the issues surrounding policy detail, the personalities of the candidates and the possibilities for coalition formation after the election results are in. The media can also frame these coverage areas in particular ways. Generally this framing is in the substantive or 'policy' frame or the 'game' frame. Game framing is where coverage treats political coverage as a game or contest between competing teams. Such reporting is sometimes referred to as the 'horse race'. Substance framing reports on policies, their details and their meaning. We will look at how each of the four selected stations used these techniques in the 2005 campaign, which types of coverage tended to dominate and how this relates to the particular formats of the four stations.

Ideology is a complex term with various meanings. Social scientists sometimes differentiate between theoretical understandings of ideological and social policy objectives which relate to concept such as fairness, equity and equality. Because the emphasis on this study is on the arguments for a particular policy made during the election campaign, this study sees ideology less as an intellectual basis for a particular policy direction but as a set of values and assumptions made by the public large. The ideological debate between Labour and National (as heard on breakfast radio) tended to emphasise the method in which tax revenue should be used to boost social outcomes, through either tax cuts or targeted aid.

The Issues: Tax

In the 2005 election the defining issue was the debate between National's policy to raise income tax thresholds and Labour's policy to redistribute income tax to specific groups by increasing direct payments to working parents with young children. Tax is a social policy issue because the rate of taxation affects the incomes of individuals and therefore their standard of living. The manner in which taxation is applied affects the distribution of income in society. Changing the tax structure can lead to one group of citizens paying more of their income in taxation and another paying less. Generally lower taxation would also mean less money to fund government services which would also have an affect on some groups more than others. Different ideological perspectives favour setting tax and the provision of social services in different fashions in order to benefit one group or another, or to create an order based on particular judgement of the ideal society.⁹ The two tax policies will be considered separately.

Student loans

As of June 2005 there were 445,074 – almost one in ten – New Zealanders with a student loan.¹⁰ Both major parties had policies to reduce the cost of student loans. National promised to make student loan interest payments tax deductible in the same way that business can deduct interest payments on capital investments. Labour promised to stop charging interest on student loans entirely. In both party's promises the benefits would only go to those that resided in New Zealand. Student loans are a social policy issue because they directly effect the incomes of loan holders. The cost of borrowing affects

⁹ Grant Duncan. *Society and politics : New Zealand social policy*, Pearson Education New Zealand, Auckland, N.Z., 2004 pp. 5-15

¹⁰ Inland Revenue Department. Website. *Student Loan Scheme - Quarterly report - 1 April 2005 to 30 June 2005*, Released on 28 July 2005, Viewed on 12 March 2005. <http://www.ird.govt.nz/studentloans/reports/sl-report-quarterly-2005-06.html>

how long loan holders will spend paying off their loans and the incentive to gain tertiary education. This thesis will only examine the radio coverage of Labour's student loan policy as National's student loan policy was announced before the election campaign began.

Method

The breakfast shows of four Auckland radio stations were selected to be examined for this study. Each has its own distinct format and target audience. National Radio and NewsTalk ZB were selected because of their large audiences and the news-based formats of their breakfast programmes. National Radio is a state broadcaster operating to charter based on the principles of public service broadcasting. NewsTalk ZB meanwhile is a commercial broadcaster operating for profit. Both of these stations are national networks speaking to a national audience. The other two radio stations are regional and are music and youth focused. 95bFM is owned by the Auckland University Students Association. It operates in a semi-commercial manner that neither adheres entirely to public service principles nor bows directly to commercial pressures. Mai FM is owned by the Ngāti Whatua iwi but is run on completely commercial grounds and targets young urban Maori and Pacific people. All these stations produced their own news and treated news in different way from one another during the campaign.

The weekday breakfast programme of National Radio, NewsTalk ZB and Mai FM were recorded from their transmissions. The recording began on the morning after the Government announced the election date on 25 July and finished on 16 September, the day before the election itself. These recordings were digitized and encoded into the MP3 format. Recordings from same period of 95bFM's *Breakfast* programme were obtained directly from the station in MP3 format. After listening to these recordings, the debates over three social policies were selected for examination. This selection was based upon the level of coverage and the number of people affected. The debates selected were Labour's student loan policy, Labour's *Family Tax Relief (FTR)* extension of the *Working for Families (WFF)* package, and National's tax cut policy. These three social policies received the most coverage and were mentioned the most by journalists and politicians on

the news-based breakfast programmes. An opinion poll conducted in the first week of recording suggested that tax was considered to be the most important issue for 22.5% of voters, more than any other issue.¹¹ This priority continued throughout the campaign, and polling during the last week before the election suggested that more voters thought tax was the most important issue of campaign than any other issue.¹²

The tapes were examined for direct coverage of these policy areas. The emphasis was on the direct coverage of the three social policies. Coverage that made only brief mention of these policies in reporting other topics were discarded in favour of more specific coverage of the key social policies. Transcripts were made of the specific coverage. This coverage occurred mainly the on mornings following the policy announcements. These transcripts included stories from news bulletins, live interviews with politicians, and analysis/editorialisation by experts, journalists and the programme hosts. National Radio also used reports from journalists in the field to cover aspects of the selected social policies. This technique was not used by any other station.

The transcripts in this study have been written to portray the way things were said as accurately as possible. Extended passages are occasionally required to give context to the speaker points. Speakers such as Paul Holmes can occasionally speak at length to make a point and a longer transcripts have been provided when necessary. Speakers on radio do not conform to the rules of written English. This is especially true of those speaking from the top of their heads. Even experienced broadcasters such as Paul Holmes often talk in incomplete sentences. Politicians often pause for breaths in the middle of sentences rather than at the end. This is in order to not be interrupted by the interviewer. Commas are placed where speakers paused slightly whether the conventions of written English would

¹¹ New Zealand Herald. *Tax greatest concern to voters says poll*, Auckland, 29 July 2005.
http://www.nzherald.co.nz/section/story.cfm?c_id=1&objectid=10342971

¹² Ibid. *Poll: Labour could govern on its own*, 16 September 2005.
http://www.nzherald.co.nz/feature/story.cfm?c_id=1500936&objectid=10345819

place a comma at that point or not. Periods are placed at the end of a sentence or when a longer pause is made. This means that some sentences will begin with a conjunction. Unusually long pauses have been noted in brackets. Repeated words and non-words such as 'um' and 'er' have been included to give the reader a feel of how the speaker was talking. Corruptions of words such as 'gonna' and 'wanna' have been included for the same reason. Stuttering has been omitted. Tone is a difficult thing to explain in transcripts but unusual tones, laughter and noises have been noted in brackets. Aggressive or rising tones have been noted by exclamation marks.

Chapter One starts with an introduction to social policy and the competing theories on the relevance of electoral policy programmes. This includes an introduction to the New Zealand Labour and National's parties, their policies and the history of their policy programmes. Chapter Two seeks to understand the different kinds of radio station formats and the kinds of election coverage heard on breakfast radio in 2005. This includes an introduction to the four radio stations examined in this thesis. Chapter Three covers the nature of the 2005 election and the events of the campaign that did not directly involve the three social policy debates explored in this thesis. Chapter Four looks at the coverage of the three social policies on breakfast radio. There is a section on the arguments made by Labour and National politicians for each policy. The rest of the radio coverage of each policy is placed in a separate section. This separates the comments made by the politicians from the analysis of that debate. In Chapter Five we will apply Anthony Downs' vote-seeking model to seek to understand how the ideological appeals related to the policy based appeals heard on breakfast radio in the competition between Labour and National to capture a greater share of the vote.

Chapter 1: Policy and Election Campaigns

1.1 Introduction

Open competitive elections are the critical performance of the democratic tradition. Such elections do not guarantee that a society will be a liberal democracy, but a society without them cannot respectably refer to itself as democratic. In New Zealand's mixed-member proportional variation of the Westminster system, voters select separately the candidate they wish to represent their area and also the party they wish to be represented by in Parliament. It is the party vote that affects the total make up of the House of Representatives and thus the make up of the executive. Most New Zealanders understand this relatively new system and few would favour a political order that did not involve open competitive elections.¹³ Voters therefore understand *why* we vote, but a much more complex question is: What do we vote *for*? Does one vote for those representing the policies that the voter would like to be implemented? Or does one vote to elect the most capable individuals to make decisions on one's behalf? Put another way, is a party standing at the election the sum of its ideas or the sum of its members? In either case, the question that also has to be asked is, what is the role of ideology in electoral choice? The answer to these questions has a major effect on both how politicians campaign for office and how media should attempt to report on that campaign. Social policy is only one area a government must make decisions, but it was a major area of debate during the 2005 campaign. This chapter looks at competing theories on policy programmes, the role of ideology in policy programmes and gives an introduction to the major political parties and the history policy programmes in New Zealand.

¹³ Electoral Enrolment Centre. *Knowledge of MMP Falls - Commission*, Electoral Commission Press Release. Released on 9 July 2002. <http://www.scoop.co.nz/stories/PO0207/S00093.htm>

1.2 Defining social policy

There is no obvious definition of social policy. It is best seen as a sub-discipline of public policy which itself has many competing definitions. The common ground in these definitions is that public policy is the formation and application of government decisions. This includes the decision not to act as well as what governments choose to do; the decision not to make a policy is in itself a policy decision.¹⁴ Public policy as both an academic discipline and as a practice can be spilt into several subcategories for specific technical, ministerial or organisational simplicity. For instance, fiscal policy relates to government tax and expenditure while monetary policy relates to the control of the money supply in the economy. Social policy is not as simply defined. A simple definition would be that social policy relates to policy that is designed to have a direct bearing on the well-being of the population. While this definition seems almost limitless, it does exclude policy areas where improvements in living standards are a secondary goal. Cheyne, O'Brien and Belgrave made an even broader definition in their book *Social Policy in Aotearoa/New Zealand*:

Social policy is defined here as actions which affect the well-being of members of a society through shaping the distribution of and access to goods and resources in that society. In the process of the shaping of that distribution and access some groups and individuals will be advantaged while others will be disadvantaged.¹⁵

Their definition was made to in order to facilitate an understanding of social policy that includes actions in the market place as well as non-government organisations. This thesis

¹⁴ Claudia Scott. 'The Nature of Public Policy' in *New Zealand politics in transition* (Miller ed.) Oxford University Press, Auckland, 1997. pp. 247

¹⁵ Christine Cheyne, Mike O'Brien and Michael Belgrave. *Social policy in Aotearoa/New Zealand : a critical introduction*, Oxford University Press, Auckland, 1997 pp. 3

is attempting to understand social policy in the context in which it is debated during an election campaign. Therefore for the purposes of this study, social policy will be limited to discussion in the terms of the policy programmes of the New Zealand Labour Party and the New Zealand National Party. This still needs some explanation as social policy covers a range of ministerial responsibilities. Obvious social policy areas include welfare payments, superannuation, education, healthcare, and housing. Meanwhile defence, law and order, transport, energy, communications, labour and commerce are all examples of policy areas that largely fall outside the realm of social policy. This distinction is not perfect as aspects of these policy areas can be an important part of a social policy strategy. A failure of public transport could be a major problem for policy makers attempting to reduce unemployment or a sharp rise in the cost of energy can have a detrimental effect on the living conditions of low-income people. For this reason the social policy debates examined in this study will be those issues that had the heaviest media coverage during the 2005 campaign. It is the manner in which social policy discourse was made and presented on breakfast radio during the 2005 election campaign that is the key interest of this study. Therefore it is best to examine social policy as part of the overall campaign strategy used by the parties.

1.3 Mandate theory vs. elite democracy

Campaign policy is also referred to as party policy or as election programmes. Election programmes are the culmination of a party's press statements, speeches and published information such as election manifestos. Together they form the promises made by a party as to what it will do if that party is able to form a government after the election. The extent to which governments must keep those promises is a debate between the competing democratic theories of mandate and elite government. Mandate theory, or delegate theory as it sometimes called, has been supported in New Zealand by writers

such as Richard Mulgan¹⁶ and in the UK by Richard I. Hofferbert and Ian Budge.¹⁷ It supposes that a party must enact all the policies it promised to the electorate before an election and refrain from introducing policies it did not. Therefore upon being elected members of parliament must support their party's pre-election policies even if they strongly disagree with them.¹⁸ Critics of mandate theory such as Murray Goot argue that people vote for particular candidates and parties for complex reasons and an elected official cannot claim a mandate for any particular policy.¹⁹ Most people, it is argued, do not have the capacity or the interest to analyse finely a party's entire policy programme and even if they did, they probably would still disagree with some of its contents. The extreme alternative to mandate theory is the concept of elite democracy which is promoted by writers such as William H. Riker.²⁰ Elite theory supposes that a politician is a trustee rather than a delegate. It originates from British MP and political theorist Edmond Burke. In 1774 he advocated that Parliament should act as an educated elite working in the best interests of the people and should not be swayed by public opinion.²¹ To supporters of Burke, mandates and manifestos inappropriately tie the hands of government to act in a fashion that is in the best interests of the people. Modern representative democracy still has aspects of this elite position but in New Zealand there has been expectation that parties must make an attempt to fulfil their promises.

¹⁶ Richard Mulgan. 'The Concept of Mandate in New Zealand Politics' in *Political Science*, vol. 30, 1978. pp. 88-96. It should be noted that Mulgan has since moved away from his support of mandate theory. See: Richard Mulgan. 'The 'Mandate': A Response to Goot' in *Australian Journal of Political Science*, vol. 35, No. 2, 2000. pp. 317-322

¹⁷ Richard I. Hofferbert and Ian Budge. 'The Party Mandate and the Westminster Model: Election Programmes and Government Spending in Britain, 1948-85' in *British Journal of Political Science*, vol. 22, No. 2, April 1992.

¹⁸ Matthew Gibbons. 'Election Programmes' in *Political communications in New Zealand* (Hayward and Rudd eds.), Pearson Education, Auckland, N.Z., 2004. pp. 20-21

¹⁹ Murray Goot. 'Whose Mandate? Policy Promises, Strong Bicameralism and Polled Opinion' in *Australian Journal of Political Science*, vol. 34, No. 3, November 1999.

Murray Goot. 'Mulgan on Mandates' in *Australian Journal of Political Science*, vol. 35, No. 2, 2000.

²⁰ William H. Riker. *Liberalism against populism : a confrontation between the theory of democracy and the theory of social choice*, W.H. Freeman, San Francisco, 1982

²¹ Helena Catt. *Democracy in practice*, Routledge, London ; New York, 1999. pp. 89

It follows then that these theories would be of major importance in an election campaign. Both politicians, by running for office, and the media, by covering the campaign, must decide whether an MP is a delegate of the people or a trustee to act in the people's best interests. If a member is to be a delegate, the media and the politician must both work hard to inform and educate the public on the policies of each party. If parliamentarians are to be trustees of the people then a greater emphasis must be placed on the leadership qualities, philosophical views and qualifications of the candidates. Essentially it is a divide between personal or "presidential" styles of reporting and campaigning and those styles that put an emphasis on policy debate.

1.4 The place of ideology in electoral competition

Personality and policy are not the only factors that voters consider when choosing candidates. Ideology plays an important role in expressing difference and thereby providing a choice based on values regardless of the personal qualities of the candidates or the soundness of their policies. Like supporters of elite democracy, Anthony Downs argued in his book *An Economic Theory of Democracy*, that most voters do not have the time or the resources to fully evaluate every party's policy programme. Unlike democratic elitists, Downs argued that voters look to a party's ideology, not the candidates, when making their electoral choices. He believed that voters use ideologies as a short-cut to evaluating policies and that parties will associate themselves with ideologies that match the values of the largest number of voters. This extends from his view that political parties are primarily concerned with obtaining office and not implementing their view of a better society.²² Parties see ideology and, by extension, policy as merely tools to gain electoral advantage which can be adjusted to suit the political climate of the time. Downs also said that parties cannot change their ideologies

²² Anthony Downs. *An economic theory of democracy*, 1st ed. Harper, New York, 1957 pp. 96

too quickly as they need to maintain reliability, responsibility, and integrity in order to maintain voter support. That is, they must implement their promises and maintain relative ideological consistency if they are to continue to succeed in elections.²³

These concepts have their limits in the real world. Politicians will favour any ideas that will give them an electoral advantage, the commercial media will attempt to report the news in a fashion that will maximise their audience, and voters will expect politicians to both keep their promises and respond to new situations as they arise. Despite these realities it is important to understand these distinctions when examining political communications during an election campaign. These distinctions are especially important in the New Zealand context due to previous governments having concentrated on policy, personality and ideology to various extents, at various times. In Chapter Three there is a further examination of how these ideas are used as appeals by politicians to voters and Chapter Four will look at examples of these appeals when policy was debate during the 2005 campaign.

In New Zealand political parties have been associated with particular ideologies, however, as was demonstrated in the 1980s, these associations could be much more volatile than assumed by Downs.

1.5 The New Zealand Labour Party and the 'Third Way'

The New Zealand Labour Party was formed in 1916 as the political wing of the trade union movement. It was first elected to government in 1935 and set upon a process of developing a welfare state with strongly interventionist economic policies. It had little electoral success in the post war period and only managed six years in government between 1949-1984. When elected in 1984 it began a dramatic campaign of neo-liberal

²³ Ibid. pp. 103-107

reforms thereby rejecting its socially democratic and interventionist past. This was initially successful as the party was re-elected with an even larger majority in 1987. By 1990 the party dissipated much of its traditional support and lost the 1990 election in a landslide. At this time Labour lost some of its traditional left-wing interventionist members to Jim Anderton's breakaway New Labour Party and also its radical neo-liberal membership to the pressure group the Association of Consumers and Tax-payers (ACT), which became a political party in 1994. Arguably Labour had failed to maintain reliability, responsibility, and integrity. Labour spent much of the 1990s trying to shake off the somewhat contradictory perceptions that it was either strongly socialist or strongly neo-liberal.²⁴ Ideologically Labour had dramatically swapped sides, from socially democratic to neo-liberal. It had also shifted from an emphasis on mandated to elite policies, embarking on its reform programme without pre-approval from the electorate.

When the Labour-Alliance government was elected 1999. Labour embarked upon a policy programme that attempted to steer a middle course between the economic interference of the earlier years and the social problems they perceived to have been created by the neo-liberal experiment. This 'Third Way' had been adopted by many socially democratic parties in Germany, Sweden, the United States and, most notably, in the United Kingdom. Conceptually the Third Way was brought to prominence by Anthony Giddens' book *The Third Way*.²⁵ In it Giddens argued that a new individualism had emerged in which left wing groups had to accept some of the neo-liberal changes such as a freer international trading environment, private control of major industries, and a minimal welfare state. He argued that the left needed to combat inequality and improve social outcomes through education, fiscal discipline, civic participation and fostering 'responsible capitalism'.²⁶

²⁴ Raymond Miller. *Party politics in New Zealand*, Oxford University Press, Auckland, 2005 pp. 163

²⁵ Anthony Giddens. *The third way : the renewal of social democracy*, Polity Press, Cambridge, 1998

²⁶ Anthony Giddens. *The global third way debate*, Polity Press, Malden, 2001 pp. 9-13

The manner in which the current Labour-led Government has adopted the Third Way as described by Giddens has been explored by writers such as Raymond Miller,²⁷ Grant Duncan²⁸ and Paul Dalziel.²⁹ Dalziel was writing at the election of the Clark Government and listed the modification of the Employment Contracts Act 1991 (ECA), which had significantly reduced the powers of trade unions, greater capital investment, income distribution to working families, and control of credit for speculation as necessary requirements of a Third Way government. Arguably the current Government has implemented all but the last of these requirements. Duncan pointed to the replacement of ECA, the introduction of the state monopoly in accident insurance, the state savings fund for superannuation, paid parental leave and the limited attempts at alleviating inequalities as examples of Third Way policy by the Labour-led Government. Unlike the New Labour Government in the United Kingdom, New Zealand's Labour Government does not talk often about its approach as being 'Third Way'. The phrase was never mentioned on breakfast radio during the campaign. The ideological terms used by Labour candidates were more basic and tend to use terms like 'need' and 'targeting'.

1.6 The National Party alternative

Unlike with Labour, National Governments have had a less obvious ideological direction in their policy making. National was formed in 1936 as a coalition of the United and Reform parties in response to Labour's electoral victory in 1935. Historically its ideological position could be better described by what it opposed rather than what it promoted. Miller has described National as a hybrid conservative-liberal party with an ideology 'that is strongly anti-collectivist, anti-unionist, anti-interventionist, and anti-

²⁷ Raymond Miller. *Party politics in New Zealand*, Oxford University Press, Auckland, 2005 pp. 163-166

²⁸ Grant Duncan. *Society and politics : New Zealand social policy*, Pearson Education New Zealand, Auckland, N.Z., 2004 pp. 213-241

²⁹ Paul Dalziel. 'A Third Way for New Zealand?' in *The global third way debate* (Giddens ed.) Polity Press, Malden, 2001. 74-86.

welfare'.³⁰ Its values place importance in the rule of law, individual freedom, self-reliance, private property, limited government and economic competition. It was better able to adapt its policies than Labour in the post WWII era and was thus more successful at retaining office. During this time it followed a generally conservative programme of gradual change, maintaining and occasionally expanding the welfare state. By the late 1980s strongly liberalist members had joined the party wishing to further the neo-liberal programme that Labour was then introducing. Upon National's election in 1990 they continued monetarist reform into the areas that were left untouched by Labour. These reforms included freeing up the labour market through the ECA, market rents for state housing tenants, a 20% cut in social welfare payments, and the further sale of state assets. Arguably this radical period ended with the election of the National-New Zealand First coalition after the first MMP election in 1996. Today National remains a liberal-conservative hybrid party. On the liberal side it opposes Labour on issues such as tax, compliance costs for business (red tape) and personal freedom (such as anti-smoking legislation and school zoning). On the conservative side it opposes Labour with claims of 'social engineering'. Specifically, on issues such as prostitution law-reform and civil unions.

1.7 The Third Parties

This thesis is primarily concerned with the social policy debate between the Labour and National parties, but the importance of minor parties cannot be ignored because under MMP Labour and National need their support in order to form governments. The policy programmes of minor parties need to be carefully assessed as they are, by definition, the junior partner in coalition agreements. The amount of its programme a junior partner will be able to implement will always be limited by the bigger party. As of the 2005 election New Zealand had six minor or 'third' parties. The Progressives and the Green Party both

³⁰ Raymond Miller. *Party politics in New Zealand*, Oxford University Press, Auckland, 2005 pp.155

said they would support Labour over National. National had only the libertarian ACT Party's unconditional support. The centrist United Future Party said it would support the major party that won the most votes. The position of New Zealand First, the largest of the third parties, was less clear. It said it would not vote against a government in votes of confidence and supply. It appeared that New Zealand First would then abstain from helping either government form a majority. The lack of radio coverage on the opinions of the third parties on National's tax policy was a major weakness in the coverage of the campaign.

1.8 History of policy programmes in NZ

In New Zealand during the 1960s and 1970s manifestos played an important role in setting the agenda for incoming governments. At their peak, manifestos became large volumes often containing hundreds of pages.³¹ This was due to the mass membership structures of the major parties where the membership had large control over policy formation³² and a belief in mandate based theories of governance. First-Past-the-Post governments had few constitutional restraints with no upper house or other such mechanisms to check the power of the executive.³³ It can be said that the relatively short three-year cycle was one of the few constraints on executive power. In this environment it was believed that governments must adhere to their manifestos in order to provide some level of democratic control on a government between elections.³⁴ It probably cannot be said that this was a constitutional convention, but there was an expectation among the public, politicians and party members that a government would implement its election manifesto.

³¹ Matthew Gibbons. 'Election Programmes' in *Political communications in New Zealand* (Hayward and Rudd eds.), Pearson Education, Auckland, N.Z., 2004. pp. 24.

³² Raymond Miller. *Party politics in New Zealand*, Oxford University Press, Auckland, 2005 pp. 69-70.

³³ Geoffrey Palmer. *Unbridled power : an interpretation of New Zealand's constitution & government*, 2nd ed. Oxford University Press, Auckland, 1987

During the 1980s, mandate theory began to lose favour among academics and politicians as elite theories of responsible government became more popular.³⁵ At the same time, the membership of major parties was in serious decline and parliamentarians began to take a greater control of their party's policy. By continuing the economic reforms of the period between 1987-1993, both Labour and National acted against the promises they had made before being elected. This alienated a large portion of the electorate and helped motivate those calling for electoral reform. The development of the mixed-member-proportional-representation system means that single parties now have little chance of winning a majority in the house. The combination of these factors has meant that policy platforms have become much shorter in length. There is little point in a detailed policy programme if it has to be renegotiated as part of a post election coalition or support agreement. Labour did not release its 2005 manifesto until 4 November, almost two months after the election. If this becomes a precedent, then manifestos will be guides to government policy once the election and coalition negotiations are completed, thus ending any pretence that elections could still be seen as referenda on manifestos.

1.9 Professionalisation of party policy making

The declining importance of manifestos is but one sign that policy platforms have become much more fluid in recent elections. Parties have learnt that they cannot ignore their promises for fear of being scorned by the voters. Nor can they set out an exact plan for fear of it being undermined by a coalition partner. Policy programmes are still important but vagueness has become almost essential. With policy making now largely in the hands of the parliamentary wings of New Zealand's political parties, there is more opportunity for policy to be made much faster than it was during the days of mass membership. It is

³⁴ R. G. Mulgan. *Politics in New Zealand*, 2nd ed. Auckland University Press, Auckland, N.Z., 1997 pp. 257-258.

important to note that this is not how government policy is made between elections. Such policy continues to be made in New Zealand by a public service that has a tradition of political neutrality. Under the direction of a responsible minister officials collect data, design policy frameworks, implement cabinet decisions and make recommendations back to the minister. Politically controversial decisions are left up to the minister who also assumes responsibility for mistakes made by officials working under his or her cabinet portfolio. Modern political parties make up for their comparative lack of volunteer membership with research units and professional policy analysts, the services of which do not match the overall abilities of the state apparatus but are an example of the trend toward professional top-down policy making. This is opposed to the bottom-up policy-making of the mass party era. Despite the professionalisation of policy-making it still takes skill to make political capital from policy differences and to shape public opinion in favour of particular policies.

1.10 Ad-hoc decision making

With fewer people in the decision making process there is much greater opportunity for ad-hoc policy making during the campaign. Ad-hoc policy making can be divided into two broad categories: On-the-spot and mid-campaign. Mid-campaign policy making is when a party decides to change one of its policies or create a new policy during the campaign period. This is usually an organised event constructed to gain the maximum policy exposure although done quickly due to time constraints of the campaign period. On-the-spot policy making is when an individual politician announces a policy or makes statements about a policy that have not been agreed to by the party leadership. Such policy making is difficult to detect unless contradictory statements are made as parties rarely admit to ill discipline or a lack of unity. The National Party appears to have made

³⁵ Matthew Gibbons. 'Election Programmes' in *Political communications in New Zealand* (Hayward and Rudd eds.), Pearson Education, Auckland, N.Z., 2004. pp. 21.

both on-the-spot and mid-campaign ad-hoc decisions during the 2005 campaign. National's finance spokesperson John Key appears to have made an on-the-spot policy statement after the release of his party's housing policy. An example of mid-campaign policy making can be seen in National's decision to remove 5c from litre petrol excise as a stop gap measure before the implementation of personal tax cuts. Labour was not immune to mid-campaign policy making either. Its extension of the *Working for Families* programme was only made (or so the party claims) after the Treasury's *2005 Pre-Election Economic and Financial Update* reported that Crown revenue would be higher than expected. Mid-campaign policy making and even on-the-spot policy making can be effective in responding to events that occur during the campaign, but it is doubtful that such brisk policy making can be rigorously undertaken. It is also possible that voters would rather policy making be active as opposed to reactive, although that would be difficult to test. It is the role of the media to spot ad-hoc policy making and critically test its design.

Not every decision made by government is controversial and only a small number of issues can ignite the public imagination at any one time. In any democratic parliament the opposition has the opportunity to attack the government on any issue at almost any time, but does not always have the opportunity to gain political advantage from such attacks. This has a lot to do with the intricacies of public opinion, but it also happens because the media can only cover so many political disputes at once. Even during a campaign where a number of issues are debated (be they policy related or otherwise) only a few topics can be "hot" at any one time. Different news media reach audiences in different demographics and are drawn to different issues due to their particular formats. That is to day different media reach groups due to cleavages such as age, culture, language, education and income. Public opinion cannot be seen as a monolith. It is shaped by many factors in which the collective media hold much, but by no means all, responsibility. What the public thinks on any issue at any one time is difficult to judge. Political polls are the best indicators of public opinion but they are often flawed and, in the case of the 2005 election campaign, contradictory. 'The media' itself is not a monolith. Media today are almost as diverse as the public or more accurately publics they serve. While this thesis does not attempt to understand or analyse public opinion, it does acknowledge public opinion is

complex, dynamic and sometimes contradictory. There are cleavages in society, as there are cleavages of opinion. With technological progress and deregulation New Zealand, as elsewhere, has seen a large increase in media outlets. These outlets find themselves catering to smaller and smaller niches in order to compete. The Auckland radio market is a good example of this media saturation. This thesis is interested in how policy is announced and debated by politicians as reported by competing media sources each targeting a particular audience. We begin to understand these issues by exploring the radio format and specifics of the Auckland market.

Chapter 2: The Role of Radio

2.1 The medium of radio

Radio is everywhere. It takes up much of our lives or, more accurately, it is present during much of our lives. It wakes us in the morning and its sounds can be heard in our shops, workplaces, homes and, almost universally, in our vehicles. It is fast and reliable. Its technical simplicity allows people to distribute information about unexpected events faster than newspapers ever could and arguably faster than even television or the internet. Writing, formatting and printing newspapers can be done much faster than in the past due to technological development, but this process will always be slower than an announcer reading a statement. Similarly television, with its reliance on pictures, requires crews of people in the field to cover an event. Even the major 24 hour television news services avoid screening anything more than a brief announcement until they have pictures from the scene. The internet is still an evolving as a news medium. It is a unique medium in that it can present information in the fashion of all the other mediums of mass communication. The still image, the moving image, radio and the written word all co-exist on the internet and many on-line news sources will provide all information in all four modes. But despite its flexibility the internet fails as a news source in the same manner as television and printed pages. Unlike radio, all these media require the visual attention of the consumer. As American broadcaster and academic Adam Clayton Powell III wrote, 'with the possible exception of scuba diving, just about anything we can do can be done listening to radio. And is'.³⁶ The speed and accessibility of radio makes it one of the best delivery mechanisms for news and information. Civil Defence recommends that everyone keep a battery powered radio in the event of an emergency.

Despite the power and continued popularity of radio, it is a medium that has been long ignored by academics and other news media, and has become something of a Cinderella medium. Much more academic thought and empirical research has gone into visual media such as television and emerging technologies such as the internet rather than the older, aural only technology of radio. Since the birth of television, radio has received little attention from academics or researchers. This can somewhat be explained by the cultural dominance of television and the rapid growth of the internet over the last decade. One area of radio that has been explored in some depth is the use of international radio for ideological purposes, especially during the Second World War and the Cold War.³⁷ Such work is useful for understanding radio communication in terms of an international ideological debate but such studies are done far from the context of a modern New Zealand election campaign. Much of the limited academic research that has been done on domestic radio in recent years has centred on talkback radio, or talk radio as it is known in the United States. Talkback has received some attention by some who see it as providing an outlet to those who had previously been excluded from mass media and elite discourses. Post modernists such as Catharine Lumby have argued that reasoned debate is not meaningful for many people and the emotional appeals made in talkback broadcasts are more important to them:

Rational, measured debate is praised for its contribution to public understanding, while emotive, uneducated and volatile talk is condemned for obfuscating the real issues. But if we really want to understand why talk shows, radio talkback and tabloid current affairs have become so popular, then we need to accept that reasoned, educated speech isn't the only kind of

³⁶ Adam Clayton Powell III. 'You are What You Hear' in *Radio: the forgotten medium* (Pease and Dennis eds.), Transaction Publishers, New Brunswick, 1995. pp. 76

³⁷ Philo C. Wasburn. *Broadcasting propaganda : international radio broadcasting and the construction of political reality*, Praeger, Westport, 1992.

Tim Crook. *International radio journalism : history, theory and practice*, Routledge, London, 1998.

language which is meaningful. We need to say there are many ways of talking and communicating, and that the speech of experts and elites can seem as ignorant, inappropriate and meaningless to some people as the emotional rantings of a talkshow guest can seem to highbrow, educated commentators.³⁸

Critics of talkback tend to perceive it as a format that promotes ill-informed opinions while failing to adhere to the journalistic principles of balance and objectivity. One study found that those who actively listen to talkback radio are both more informed and more misinformed than those who do not. That is, talkback listeners had both more accurate knowledge and more inaccurate knowledge of politics and current events than those who did not listen to talkback radio. The study also found that those who listened to conservative talkback hosts were more misinformed than those who listened to moderate talkback hosts.³⁹ Academic interest in talkback in the United States grew in part out of a simultaneous surge in popularity for conservative talkback programmes and an electoral swing towards the Republican Party, most notably at the 1994 congressional elections.⁴⁰ The radio programming used in this thesis can not be accurately described as talkback but both the bFM's *Breakfast* programme and NewsTalkZB's *Paul Holmes Breakfast* do have a limited amount of talkback content. This is in the sense that both programmes occasionally bring callers to air and ask them their thoughts on issues being discussed on the show. While National doesn't bring callers to air, it does selectively read out emails sent to the station by people commenting on the news. This can be seen as a limited form of talkback as the station tries to read out a range of opinions expressed to the station, but it allows the station to filter-out the extreme or bizarre opinions that often feature on

³⁸ Catharine Lumby. *Gotcha : life in a tabloid world*, Allen & Unwin, St. Leonards, Australia, 1999 pp. 202

³⁹ Richard C. Hofstetter, David Barker, James T. Smith, Gina M. Zari and Thomas A. Ingrassia. 'Information, Misinformation, and Political Talk Radio' in *Political Research Quarterly*, vol. 52, No. 2, June 1999. pp. 353, 368

⁴⁰ Louis Bolce, Gerald De Maio and Douglas Muzzio. 'Dial-In Democracy: Talk Radio and the 1994 Election' in *Political Science Quarterly*, vol. 111, No. 3, 1996. pp. 457

talkback stations. It is not the purpose of this thesis fully to explore talkback radio but it is one form of news radio and it will be explored if any talkback content relates to the social policy debates being examined here.

There has been barely, if any, examination of breakfast radio in New Zealand. Radio news is similarly lacking in empirical analysis. This is probably due to the lack of interest in radio broadcasting overall. Karen Neill and Morris W. Shanahan released *The Great Radio Experiment* in 2005 and this is the first major work on the New Zealand radio industry in some time.⁴¹ It deals largely with radio broadcasting from an industry and broadcasting policy perspective. The book does little examination of radio as a public discourse. There has been writing on the development of Maori broadcasting,⁴² a topic that will not be explored here. There have been memoirs by and biographies of various broadcasting personalities as well as studies and histories of New Zealand broadcasting in general. A good example of the latter is Patrick Day's two volume *A History of Broadcasting in New Zealand*. The first volume *The Radio Years* details broadcasting before the introduction of television.⁴³ The second volume explores broadcasting from the beginning of television and it is the story of television in New Zealand that dominates the book.⁴⁴ Obviously the history of radio cannot be totally separated from the history of television; radio broadcasting changed and became something different due to television. It is that very change that makes radio now both largely ignored by researchers and still ever present in our daily lives.

⁴¹ Karen Neill and Morris W. Shanahan. *The great New Zealand radio experiment*, Thomson Learning/Dunmore Press, Southbank, 2005

⁴² Waitangi Tribunal. *The radio spectrum management and development final report*. Report. 1999

⁴³ Patrick Day. *The radio years : a history of broadcasting in New Zealand*, Vol 1, Auckland University Press, Auckland, 1994a.

⁴⁴ Patrick Day. *Voice and vision : a history of broadcasting in New Zealand*, Vol 2, Auckland University Press, Auckland, N.Z., 1994b

It would be overly simplistic to say the time before television was the 'golden age of radio'. If the benchmarks of excellence in a radio market were abundance, a large audience, choice, access, lack of censorship and relatively high levels of local content, then New Zealand's radio market is today the best it has ever been. It is true that radio is now no longer the dominant household cultural purveyor. As the piano gave way to the radio, radio gave way to the television as the cultural centre of the living room. The simultaneous development of television and portable transistor radios meant that radio listening became a secondary activity; something to be enjoyed while enjoying something else.⁴⁵ Radio no longer supplies the game shows, dramas, or comedies that were common during the full programming days of radio before the advent of television. Radio has now become a medium largely of music, personalities, news and talkback. Arguably that is what radio is best suited to providing.

While television may have ended full service radio programming, technological development and deregulation has allowed for a wider variety of options in a smaller field of programming formats. It was the deregulation of the 1980s and 1990s that led to New Zealand now having one of the most saturated radio markets in the world. For example the Auckland region has around 40 radio stations for a population for no more than 1.3 million, Greater London meanwhile has around 20 stations for a population of at least 7.2 million. In Australia, Sydney has 12 stations for its four million citizens.⁴⁶ Music is the most common format on New Zealand stations today, but there are more options for music than there ever has been before. This is especially true in the large Auckland market. There are several radio stations supplying news, music and information to

⁴⁵ Andrew Crisell. *An introductory history of British broadcasting*, 2nd ed. Routledge, London ; New York, 2002. pp. 138, 139.

⁴⁶ Karen Neill. 'Getting Radio Friendly: The Rise of New Zealand Music on Commercial Radio' Neill and Shanahan eds.), Thomson Learning/Dunmore Press, Southbank, 2005. pp. 154

specific minority groups. Across the country, iwi owned and operated radio stations have become common in both non-profit and commercial formats.

2.2 Public service broadcasting

Public service broadcasting is when a broadcaster operates free from commercial and political pressures. Usually this occurs when the state funds but does not control a broadcaster. Such operations have different values to commercial broadcasters which affect their output. New Zealand's only true public service broadcaster is state-owned Radio New Zealand. In *The Decline and Fall of Public Service Broadcasting*, Michael Tracey, with help from other British and American academics, outlines his own eight principles for public service broadcasting.⁴⁷ These principles concentrate on the need to make quality programming that aims for universally appealing while also serving the needs of minorities and the public sphere. Unlike with commercial broadcasters, public service broadcasters should make no attempt to 'dumb down' their production in order to expand their audiences. Public service broadcasters must attempt to set standards for other broadcasters to follow. In news production this usually means having a strong news focus that adheres to principles of balance and objectivity.

Tracey's eight principles are little different from the eight principles developed in 1986 by the United Kingdom's Broadcasting Unit. In the British interpretation of the main principles the commitment to education is replaced with a universality of payment principle.⁴⁸ Public service broadcasters offer a different kind of product that would not normally be available in a purely commercial environment. A full list of Tracey's eight principles are listed and explained in the New Zealand context in the Appendix.

⁴⁷ Michael Tracey. *The decline and fall of public service broadcasting*, Clarendon Press, New York, 1998. pp. 26-32

⁴⁸ UK Broadcasting Research Unit. *The Public Service Idea in British Broadcasting: Main Principles*. 1986. Taken from Paul Smith. *Revolution in the air!*, Longman, Auckland, 1996. pp. 31.

2.3 Radio news forms and framing

Whereas television news in New Zealand is a national battle for ratings between two commercial broadcasts in a 6pm and late evening time slot, radio is a more complex news market. The multi-layering of radio formats, niches and transmission areas mean that it would be too simplistic to see news radio as a simple battle for ratings. For most stations it is just one part of the programme, even during the flagship breakfast timeslot. News is usually featured in the highest rating programmes of the day, normally the breakfast and afternoon programmes that catch commuters on their way to and from work. Editorial style changes dramatically from station to station depending on the station format and the target audience. Much has been written on television news but little on the varying formats of radio news.⁴⁹ This section will look at the make up of radio news in terms of policy discourse and use some theories of television news to see how applicable they are to New Zealand news radio.

2.3.1 News forms

News on radio can be divided into three major categories: bulletins, interviews and analysis/editorialisation. The news-on-the-hour 'bulletins' are the most obvious category. Almost all radio stations broadcast news bulletins which greatly vary in quantity from one station format to another. Single sentence story bulletins make up the most token of news efforts whereas the most substantial bulletins will contain clips from interviews and reports from journalists in the field. Clips from interviews are often played as sound bites. Comments from politicians, relevant special interest groups or experts are often included

⁴⁹ Jeffrey Scheuer. *The sound bite society : television and the American mind*, Four Walls Eight Windows, New York, 1999

Joe Atkinson. 'Television' in *Political communications in New Zealand* (Hayward and Rudd eds.), Pearson Education, Auckland, 2004.

Paul Smith. *Revolution in the air!*, Longman, Auckland, 1996

when policies are covered in bulletins. While the format for the radio news bulletin is almost universal – beginning on the hour, single announcer, even tone of voice – the overall packaging of the news service varies dramatically from format to format. Music-based stations usually have new reports hourly or half-hourly during their breakfast shows and again during the late afternoon ‘drive-time’ show with little in-between. The amount of discussion of the news, as we will see, depends on the age of the target audience and that audiences perceived level of interest and attitude towards current affairs generally. Commercial news and talkback stations such as NewsTalk ZB tend to have longer news reports hourly with shorter ‘headline’ news at the half hour. National Radio has a bulletin on the hour every hour around the clock and in addition half hourly reports are broadcast during the flagship *Morning Report* and *Checkpoint* programmes. In terms of policy information, bulletins provide the basic outline of policy proposals usually with minimal detail and historical context. This provides the basic framework for understanding policy information with detail to be, theoretically at least, filled in by interviews and analysis. Longer reports on one topic by journalists ‘in the field’ are normal in television news but are rare on commercial radio. Such reporting is occasionally practised by National Radio and were used to cover some of the social policies examined in this work.

Interviews are simply when an announcer conducts a conversation with another person. The interviewee can be in any location, be it in the studio or across the globe. The interview can be pre-recorded or live and does not imply any level of news value or quality. Announcers interview everyone from rock stars to eye witnesses to prime ministers. Expert interviews give stories context and are usually more relaxed than the often adversarial political interview. Sometimes another journalist will be interviewed by the announcer; this is the technique commonly employed by National Radio. By being interviewed rather than speaking directly to the listener, the reporter appears as an expert rather than stating a position directly to the audience. The information has the appearance of being impartial rather than opinionated. NewsTalk ZB, on the hand, often interviews highly opinionated commentators in order to heighten emotional responses from the audience. ZB also uses talkback which could also be construed as a form of interview, although there is little talkback on the breakfast programme. The interview is probably the most important method of broadcast news presentation in terms of policy discourse as

it is the best opportunity for a political actor to state a case for or against a policy proposal.

If bulletins provide the outline of policy information, and interviews provide the detail, then it is analysis that provides the conclusions. This can come in many forms but it can generally be described as when an announcer either speaks directly to the audience or makes an off-hand comment to another announcer about a given news topic. This is where the news values and ideological positions of individual stations become the most apparent. Due to its public service principles National Radio avoids editorialisation and any obvious ideological leanings. As noted above, the public broadcaster tries to minimise personalised analysis. However, as we will see, this gives news editor Katherine Ryan the tendency to analyse the political advantage gained from a policy position rather than the policy detail. This allows Ryan to avoid the possibility of sounding partisan by commenting on the merits of a policy which could make her sound like she was supporting a particular viewpoint. Paul Holmes on NewsTalk ZB's *Paul Holmes Breakfast* often speaks directly to the audience with his own views and interpretations as well as trading banter with his other announcers. Meanwhile on 95bFM's *Breakfast* there is little of Holmes's direct editorialisation. Like ZB, news at 95bFM is also a subject of banter in the studio, although 95bFM's banter often expresses the opposite ideological position of the banter on ZB. The announcers on Mai FM make no mention of politics or even of current affairs at all.

2.3.2 Framing

Two main editorial styles or 'framing' can be identified when politics is reported on.⁵⁰ Stories that place an emphasis on the details of the policy being debated are referred to be

⁵⁰ Many authors have written on the framing of political news. One of the best discussions on framing can be found in: Joseph N. Cappella and Kathleen Hall Jamieson. *Spiral of cynicism : the press and the public good*, Oxford University Press, New York, 1997

in the 'policy' or 'substance' frame. Meanwhile stories that discuss the policy debate in terms of a competition between the actors involved are known as being in the 'game' or 'strategy' frame. The game frame is a journalistic style that often sees political debate as merely a battle of wills between those who debate policy initiatives. Such reporting often uses metaphors from sport or war to describe policy competition. Describing politics as a form of gladiatorial combat increases its entertainment value as competition is believed to be inherently entertaining, whereas policy detail is regularly perceived to turn off audiences. Such reporting has been perceived as dangerous as it reduces the amount of policy detail that is reported and so voters have less information to base their choices on. American studies have found that game-framed stories are most common when complex policies such as welfare reform are being discussed.⁵¹ Meanwhile a study of newspaper stories during New Zealand election campaigns from 1947-2002 found that game-framed stories in the press had increased only at the same rate of substantive policy stories and that policy based stories were better spread throughout the campaign now the release of the manifestos is of lesser importance.⁵² The problem of game framing is particularly acute during an election campaign as there is a sharp increase in the amount of policy information and as the level of political reporting goes up story deadlines get shorter and time constraints on journalists become more severe. Heavy reporting on opinion polls compounds the problem as this adds to the 'horse-race' mentality where the object of reports becomes 'who is going to win', rather than 'what will they do if they win?' While these stories eat away at policy detail, game-framed stories do have their place. This has become especially true in the MMP environment where it cannot be taken for granted that individual party policy programmes will be government policy. The game frame in this case is necessary to communicate to the voter how and what policies will be accepted by

⁵¹ Regina G. Lawrence. 'Game-Framing the Issues: Tracking the Strategy Frame in Public Policy News' in *Political Communication*, vol. 17, No. 2, 2000. pp. 109.

⁵² Sarah Sharp. 'Newspapers' in *Political communications in New Zealand* (Hayward and Rudd eds.), Pearson Education, Auckland, 2004. pp. 117-118.

various likely coalition arrangements. This thesis will later see how social policy discourse was framed on the breakfast radio shows investigated in this work.

2.3.3 Packaging

In addition to framing it is also important to understand how news is packaged – that is to say how the news is arranged for listeners so that they can and indeed want to keep listening. News, interviews and features on commercial stations tend to be highly packaged with station IDs and promotional ‘stings’ to keep the listener ‘stimulated’ and listening through commercial breaks. Essentially, packaging is the aural equivalent of the branding that is used with physical goods and the rationalisation that it comes with. Joe Atkinson has used Bob Franklin’s concept of ‘McJournalism’⁵³ to understand how TV One news has become a highly packaged product since the advent of a competitive television market. Atkinson believes that TVNZ has achieved rationality in its news through several processes:

...efficiency in television news is realisable by popularising the news agenda to highlight entertainment values while reducing news production costs with computer technologies that formularise and monitor news-work performance. Control is achieved through elaborately scripted forms of interaction designed to foster loyalties in news audiences. Predictability is attained by formatting, packaging and segmenting news for easy accessibility and research. Calculability is made possible by the use of ratings and focus groups to target lucrative audience demographics.⁵⁴

⁵³ McJournalism itself is a development on George Ritzer’s idea of ‘McDonaldisation’ where rationality penetrates into every aspect of social life by the perceived need for greater and greater efficiency, calculability, predictability and control. For more see: George Ritzer. *The McDonaldisation of society*, Revised New Century ed. Pine Forge Press, Thousand Oaks, 2004.

⁵⁴ Joe Atkinson. ‘Television’ in *Political communications in New Zealand* (Hayward and Rudd eds.), Pearson Education, Auckland, 2004. pp. 139

It is almost undeniable that commercial radio in New Zealand has taken on these techniques as much as commercial television. The digitalisation of newsrooms and the national networking of commercial stations has reduced and centralised radio journalists.⁵⁵ The interaction between Paul Holmes and the other announcers of NewsTalk ZB do exhibit some the 'para-social interaction' Atkinson has identified in TV One News. That is to say, the announcers on the *Paul Holmes Breakfast* are 'downplaying the authority of the [on air] presenters to make them "more like us" and thus less aloof and more [audience]-friendly'.⁵⁶ Predictability is evident by constant promos for items coming up and the general repetitiveness of the commercial format where news items are slotted around commercial breaks. The calculability of audience figures are vital to any commercial operation as advertising revenues are directly tied to ratings.

Atkinson and Franklin believe that, as with McDonalds, such rationalisation creates a product that is recognisable, efficient and easy to consume but ultimately lacking in quality. It is also important to remember that the heavy level of packaging and advertising lowers the level of news output. Undoubtedly National Radio has more interviews than ZB but the pace of the two shows is roughly the same. The interviews and bulletins of the two stations are roughly the same length. Assuming the quality of information delivery of the two stations is the same, then National Radio listeners will have more information than ZB listeners in total, but because the coverage of individual topics is about the same, ZB listeners will probably receive no less information on specific issues than those tuned to the public broadcaster. The breakfast shows on Mai and 95bFM are both highly packaged but as music stations they are not expected to provide as much information as the news programmes. Their audiences will have less detail than either of the news

⁵⁵ Paul Norris and Margie Comrie. 'Changes in Radio News 1994-2004' in *The great New Zealand radio experiment* (Neill and Shanahan eds.), Thomson Learning/Dunmore Press, Southbank, 2005. pp. 185-190

⁵⁶ Joe Atkinson. 'Television' in *Political communications in New Zealand* (Hayward and Rudd eds.), Pearson Education, Auckland, 2004. pp. 142

programmes but each station has a different demographic and a different style in which it interprets the news.

2.4 Three types of election coverage: policy, personality and coalition formation

While there are three distinct form of appeal made by politicians, there are also three distinct forms campaign news coverage. Policy based news coverage usually is the most common news form. This is partially due to the news media's overall bias towards recent events. New details and information are usually seen as necessary by news editors in order for the story to be considered news worthy. In order to capitalise on this bias, policy releases have become events with co-ordinated press releases, speeches and photo opportunities. Media interviews are just one part of a co-ordinated policy announcement. Policy stories, like other kinds of stories, can be framed using either game or substantive framing. Policy announcements usually start a policy debate but that debate can still be expressed by journalists and commentators who interpret the 'event' in a cynical strategic manner. The following is an example of a policy bulletin from National Radio that is told in the game frame:

Humphrey: The Labour Party's \$400 million a year boost to its *Working for Families* package has heated up the election tax debate. Labour had argued that tax cuts were not affordable but has changed tack by extending its own programme of targeted tax relief. Our political editor Katherine Ryan.

Ryan: With the National Party due to announce its across the board tax cuts package on Monday Labour has got in first. Updated budget figures show the surplus again running ahead of predictions and Labour appears to have given up on the affordability argument now saying that

they can give more tax relief to those who most need it by targeting. National is playing down suggestions it may amend its long awaited its tax cut policy as a result and says the final details of the package to rolled out over three years have been settled on the basis of the revised budget figures. Its announcement on Monday will further fuel what is the central issue of the election campaign. From Parliament, Katherine Ryan.⁵⁷

The theme of this story is not the policy itself but its possible impact on the result of the election. Despite being the lead story, the listener is not told who would benefit from the policy change or the merits of the policy compared to tax cuts. Stories with such details would have to be longer and risk concentrating on one group or another. The sense of pace and urgency that almost all breakfast shows have means that bulletins are often reduced down to little more than headlines. Detailed policy evaluation is either left up to newspapers or the 'magazine' format programmes in the middle of the day such as National Radio's *Nine-till-Noon* or 95bFM's *WIRE* programmes which have fewer listeners.

Personality-based stories cover the personal qualities or attributes of the individual candidates. This type of examination broadly extends from the trivial – when the candidate's fashion sense or personal life is examined – to the substantive – when a candidate's qualifications, competence or integrity are questioned. Such personality driven coverage has become dominant in the United States. This dominance is partly due to that country's weak party labels and 'primary' system for candidate selection and because of these things it is necessary to individually fund-raise to purchase expensive

⁵⁷ Katherine Ryan. Bulletin *Morning Report*, National Radio, 19 August 2005 7:00am This news bulletin needs to be assessed carefully as there was no *Morning Report* programme that day owing to industrial action at the station. There were news reports but there were none of the usual interviews. The lack of staff may have contributed to the lack of detail in the story, although the total news bulletin was longer than normal.

media time.⁵⁸ New Zealand has a strong tradition of party discipline probably made stronger by the introduction of MMP. Despite this, presidential style campaigns and coverage that emphasize personality have been perceived to be emerging in New Zealand.⁵⁹ In a study of newspaper reports on the 2002 election campaign, Janine Haywood and Chris Rudd found that coverage did emphasise the party leaders, but not excessively so, with around a third of coverage centred around the party leaders.⁶⁰ In the 2005 campaign both Labour leader Helen Clark and National leader Don Brash had their personal qualities examined. More superficial aspects such as personal demeanour were examined but both leaders had serious questions asked of their integrity during the campaign. For the Prime Minister it was whether she should take responsibility for the dangerous driving preformed by her police escorts in order for her to catch a flight to Wellington. For the National Party leader it was whether he lied about knowing that Exclusive Brethren religious sect was distributing anti-Green Party pamphlets. Media coverage of the motorcade issue was probably milder and less intense than the Exclusive Brethren issue as the trial of the police officers involved was expected and was an historical incident. The Brethren issue came late in the campaign and thus was short but intense. On 8 September, 95bFM news editor Noelle McCarthy devoted the entire of her regular Thursday morning interview with Brash to the Brethren issue.⁶¹ In that interview McCarthy managed to get Brash to admit that he had known the Exclusive Brethren were going to distribute pamphlets criticising the Green Party, despite assurances he had made

⁵⁸ The role of the media in the movement from party to candidate-centred politics was explored by Martian P. Wattenberg in the 1980s. In the United States the trend continues today. When campaigns are fought and financed individually, policy platforms also become individualised and thus less cohesive. In such an environment it is not surprising that personality driven coverage dominates. For more information see: Martin P. Wattenberg. 'From Parties to Candidates: Examining the Role of the Media' in *The Public Opinion Quarterly*, vol. 46, No. 2 (Summer), 1982. pp. 216-227.

Ronald B. Rapoport. 'Partisanship Change in a Candidate-Centered Era' in *The Journal of Politics*, vol. 59, No. 1, 1997. pp. 185-199.

⁵⁹ Raymond Miller. *Party politics in New Zealand*, Oxford University Press, Auckland, 2005pp. 70.

⁶⁰ Janine Hayward and Chris Rudd. "Read all about it!": Newspaper Coverage of the General Election' in *New Zealand Votes: The General Election of 2002* (Rudd ed.) Victoria University Press, Wellington, 2003. pp. 256-258.

⁶¹ Don Brash. Interview by Noelle McCarthy, *Breakfast*, 95bFM, Auckland, 8 September 2005 8:37am

on *The Paul Holmes Breakfast* that he did not know who was behind the mail out.⁶² Ultimately examinations of personality are done to assess the competency of politicians regardless of how serious or trivial that examination may be.

Stories that emphasise possible coalition arrangements have emerged with the adoption of the MMP electoral system. This type of story has an inescapable amount of game framing. Political alliances and compromise is a crucial part of the MMP system and affects which policy promises are implemented. Voters need to know the likelihood of a particular policy being implemented and the likelihood of a particular party being involved in the make up of the government. MMP allows for various forms of strategic voting and voters need to have the information to be able to vote in any of the complicated ways that MMP allows. In this transcript from the *Paul Holmes Breakfast*, Holmes questions Brash about the National Party's strategy for coalition partners:

Holmes: Ah, let's talk about potential coalition partners. Suddenly you and Peter Dunne seem to be finding each other very attractive.

Brash: [Laughs] Well there are three parties on the centre right. Any one of whom, or indeed any combination of whom, we could talk to after the election. All the minor parties, on both the left and the right, are sort of hovering around the margin of error, at this point. We've said consistently we'll talk to any one of those who share our values and our objectives.

Holmes: Right, so they're not the preferred coalition partner?

Brash: Look we'd be happy to say talk to the three which, on the face of it, are centre right.

⁶² Don Brash. Interview by Paul Holmes, *The Paul Holmes Breakfast*, NewsTalk ZB, 6 September 2005 7:42am

Holmes: Right. Has a deal been done with United?

Brash: Nope.

Holmes: Are you abandoning ACT?

Brash: We're not abandoning anybody. We're happy to let the voters make a choice and we'll talk to, which, which of those three, ah, are available after the election.

Holmes: But the reality is you're probably gonna need one of those parties. Will you consider withdrawing your candidates in Tauranga or Epsom?

Brash: No we're not thinking of withdrawing our candidates anywhere. We think we've got very good candidates in all electorates including Tauranga and Epsom. Ah fundamentally it's the voters themselves to choose.⁶³

The questions are very much in the game frame, but voters need to be able to consider which smaller parties National is likely to choose as its coalition partners and if any arrangements will be made in specific electorates. Differing coalition arrangements affect both roles of specific candidates and whose policies will be implemented. Such understanding then is important to voter knowledge of the overall policy debate, although policy detail also needs to be communicated to gain meaning from such government formations. The public must trust in the competency of their leaders. By assessing the professional qualities of the candidates the public, especially those inclined towards theories of elite government, can make choices based upon who is most able to perform in

government. All three types of story were common on breakfast radio during the 2005 campaign and were usually told in the game frame. Policy details were there in stories but were often secondary to the ultimate question of who was going to win.

2.5 The four stations

The remainder of this chapter will be spent exploring the four specific radio stations examined in this thesis. Each station has its own broadcasting style, system of funding, editorial tone and target audience. The breakfast show is the flagship programme of all four stations yet all four breakfast programmes are very different from one another. All four use a similar formula for their bulletins, but each have their own unique approaches to other kinds of news.

2.5.1 95bFM: Other radio stations are shit

95bFM is still the official student radio station for the University of Auckland. Radio Bosom, as it was born, began its life with a three day illegal transmission from a boat in the Waitemata Harbour. Further illegal transmissions occurred in 1972 and the first legal broadcasts began in 1974, but only for the student orientation weeks at the beginning of each semester. During the 1980s the broadcasting warrant was extended to expand broadcast hours and other universities developed their own stations. Like other student stations in New Zealand and other countries, bFM avoided conforming to the conventions of either public service or commercial broadcasting. Professional modes of address were shunned and programming was often made at the whim of individual hosts. During the early years, equipment was rudimentary and funding limited. From 1982 four of the six student stations operating at the time were permitted to broadcast four minutes an hour of

⁶³ Ibid.

advertising. At that time commercial broadcasters were permitted 18 minutes an hour of advertising.⁶⁴

The commitment to local music has always been particularly important to both the station's philosophy and to its audience. In 1984 the station increased its New Zealand music quota to 25%. This was at a time when commercial stations were playing less than 5%.⁶⁵ The alternative nature of 95bFM's broadcasting made it popular among students and certain segments of the youth market, although it must be pointed out that its audience extends far beyond those on campus. In 2004 the station was most popular in the 25-39 year old age group, with over double the listeners in that age group than listeners 18-24, the age group most likely to be at university.⁶⁶ It also has proven itself as a training ground for broadcasting talent. Well known broadcasters such as Marcus Lush, Jeremy Wells, Mickey Havoc and Jacquie Brown all have at one time volunteered at the station. All commercials are written on site and must adhere to the overall broadcasting style of the station. Today bFM is run with a team of 13 fulltime staff members, none of whom are students. The full time staff are supported by volunteers who are mainly students in their first years at university and have a high rate of turn over. Hosts are almost universally unpaid volunteers of which some, but not all, are students. This allows the station to be manned 24 hours a day, avoiding the late night automation of many other Auckland radio stations. The station is solely owned by the Auckland University Students Association and is expected to return a dividend to its shareholder, but is not expected to be entirely commercial either. In fact, commercialism is widely considered to be anathema to the station's values; all the station's broadcasting, be it announcing, programming or advertising, is done in a manner that is intended to make the station 'cooler' and less 'commercial' than for-profit broadcasters. This self-conscious elitism

⁶⁴ Patrick Day. *Voice and vision : a history of broadcasting in New Zealand*, Vol 2, Auckland University Press, Auckland, N.Z., 1994b pp. 290

⁶⁵ Ibid.

⁶⁶ Radio International radio survey figures from 2004. Data provided by 95bFM.

has made the station popular with young musicians, artists and other trend-setters. The station's mission statement sets out its goal as follows:

95bFM's mission is to be the innovator, leader and indicator of contemporary music and lifestyles. In support of this we are committed to:

- Consulting with and developing contribution from students and encouraging student listenership.
- Supporting New Zealand music and art forms.
- Remaining uncompromised by commercial pressures.
- Striving for excellence in radio presentation.
- Providing quality customer service.
- Remaining financially secure.
- Developing our people.⁶⁷

The station must then operate on the tightrope that broadcasters with public service obligations do. An attempt is made to circumvent this problem by relying partly on volunteer labour and raising funds using the "b Card" listener subscription. A b Card is required to win prizes from the station and can be used to receive discounts at some retail outlets. The \$30 annual subscription can also be seen as an attempt by the station to conform to some of the principles of public service broadcasting, specifically that at least part of the funding should come directly from the user.

Despite this, the station did not fair well in 2005. Increased competition from non-profit low-powered stations for the alternative radio market and a change to Camilla Martin as

Breakfast host both drove ratings down. This was a fact that the station made fun of when promoting the new host. Posters appeared around central Auckland with a domineering monochrome image of Martin above the words 'Get used to it'. In April 2005 ratings fell to 1.5% of the audience from 2.5% the previous November. The station did not purchase information for the November 2005 round and so it was thrown into the "other" category in Research International's ratings system. Despite bFM and George FM (which rated at 2.5% in April 2005) being included in the "other" category, that segment fell to 14.5% in November 2005 from 17% in April of that year.⁶⁸ Despite alternative revenue streams from the b Card and New Zealand on Air it is unlikely that that station was profitable with such low ratings. Early in the campaign the host of the *Breakfast* programme was changed to programme director Jason 'Rockpig' Hall with Martin becoming a roving reporter. Shortly after the election, former creative director Wallace Chapman became the permanent *Breakfast* host and long time general manager Aaron Carson resigned and was replaced by Helen Mobberley.

The station's most notable news programme is the *WIRE* programme which broadcasts from 12-2pm Mondays through Thursdays. That programme has a interview-based news and current affairs format with some music as well. News editor Noelle McCarthy reads the news on the hour at eight, nine and ten o'clock in the morning with afternoon news read by volunteers during the 4-7pm *Drive* show. Single sentence 'headline' stories are read on the half hour from seven-thirty. McCarthy also has regular interviews with Helen Clark and Don Brash on Mondays and Thursdays respectively. News is written either by McCarthy herself or by volunteers largely using online news sources. News 'vollies', as they are refereed to, are usually young students with limited training. The station's limited resources and elitist youth culture are key factors in the station's extreme swings in editorial tone. Tabloid stories and modes of address are often used in conjunction with

⁶⁷ 95bFM. Website. *About*, Viewed on 4 February 2006. <http://www.95bfm.com/default,about.sm#>

traditional journalistic styles and practices on other stories. In the past McCarthy had often asked teasing or personal questions in the same interview where she has doggedly questioned the interviewee on political or policy questions, however during the campaign she tended to stick to harder questions about policy, personality and coalition formation. Unlike National Radio and Mai FM, the crew of 95bFM did not hide their political preferences. None of the *Breakfast* team explicitly advocated a vote for the Labour Party but they did occasionally state a preference for Labour's policies. They were certainly not as open with their opinions as those on Paul Holmes' team. If political preferences on a policy were mentioned it would normally come out after an interview with one of the party leaders.

Relatively open support for Labour policies did not stop McCarthy from asking difficult questions of the Prime Minister⁶⁹ and Hall openly criticising Labour's student loans in an interview with Don Brash.⁷⁰ While 95bFM made a commitment to balance during the campaign, the hosts were freer with their own opinions on politics than those of National Radio, Mai FM but no where near as much as the hosts of NewsTalk ZB.

Personality plays a large role in the *Breakfast* programme. Like *The Paul Holmes Breakfast* programme, the individual opinions and personalities of the hosts are vitally important to the tone of the broadcast. Unlike *Holmes* or *Morning Report* 95bFM's *Breakfast* is not intended as solely a news programme. It is a music based programme with some news content. The station's independence of ownership and alternative culture may make *Breakfast* differ in tone and address but the programme's format is little different from the breakfast programmes of other music themed stations. Unlike Mai FM

⁶⁸ Radios on the Web (Research International). Website. *Auckland*, Viewed on 5 February 2005.
http://www.radios.co.nz/radio_research/survey_area_results/Auckland/auckland.htm

⁶⁹ One example is the difficult questions that McCarthy asked Clark about the role of journalists in the EPMU and their support for Labour: Helen Clark. Interview by Noelle McCarthy, *Breakfast*, 95bFM, Auckland, 12 September 2005 8:55am

⁷⁰ Don Brash. Ibid. by Jason Hall, 28 July 2005 8:20am

the news coverage is far from token. News of the day is debated by the hosts albeit often in a sardonic fashion. During the last week of the campaign the programme ran a call-in poll on the Member of Parliament 'you'd most like to do'. This exchange between McCarthy and Martin during a news story on the government's broadband internet strategy announcement is typical of the station's tendency to personalise and trivialise politics and, by extension, policy.

McCarthy: Labour has added cheaper and faster high-speed internet to its list of election promises. Today they're announcing a policy that aims [breaks out of news reading tone and into a slight giggle] for a \$1 a day access - even for porn Camilla.

Martin: [Astonished] They're scraping the bottom of the barrel.

McCarthy: And now promises to get tough on Telecom. [Pause] Yeah work pays for your internet don't they? [Pause] Yeah there's a lot of people out there who don't get that perk Camilla and \$1 a day internet would mean a lot for them.

Martin: [Makes an angry cat noise] Go away. Go away.

McCarthy: [Laughs] The policy suggests a regulatory view of Telecom that would bring New Zealand's regime in line with many other countries. [Pause] Are you trying to put me off? [Pause] I'm a professional!

[Martin and *Breakfast* producer Katie Fisher can be heard laughing]

McCarthy: I'm bitter because I don't have Whoosh.

Martin: You don't have Whoosh. You want to borrow my Whoosh sometime Noelle? I've got a place you can put your Whoosh. My Whoosh!

McCarthy: [Laughs] Ooooh. Let's Whoosh past that one.
Communications Minister David Cunliffe says that...⁷¹

This exchange gives a good impression of the news style of the station. News and politics are things that are considered to be important but not taken too seriously. Unlike NewsTalk ZB, news is not segmented into serious and fun segments. Fun and serious can overlap and blend together in one news story. Unlike Mai, the world outside the station and its music is recognised and talked about, but like Mai and (occasionally) ZB, the personalities of the presenters are allowed to overshadow the news content.

2.5.2 National Radio: The voice of New Zealand

National Radio is one of the two state-owned radio stations left in New Zealand. National Radio and classical music station Concert FM are the only remaining broadcasts by the state owned company Radio New Zealand. Radio New Zealand is almost as old as New Zealand broadcasting itself. Arguably, the station can trace its origin to the New Zealand Broadcasting Board of 1931-1936. That organisation marked the beginnings of public radio in New Zealand. Its structures have changed several times over the years. The first major change followed the election of the first Labour government, which saw the nationalisation of the private commercial stations and the organisation of broadcasting into a government department. The national radio broadcaster has had many guises as various governments tinkered with broadcasting policy. After the nationalisation of all radio broadcasters in 1937, public radio consisted of a number of stations across the country under the directorship of educationalist James Shelley. Private stations were under separate control of popular religious broadcaster Colin Scrimgeour. There was from the beginning an attitude that both commercial and public radio broadcasting should be available to the listener, although for almost 30 years commercial broadcasters would be

solely government owned. It is in this way that New Zealand broadcasting policy was different from the wholly public service model of the United Kingdom, the wholly-commercial system of the United States, or even Australia's model of mixed-ownership. It would not be until 1996 that the government would sell the last of its commercial stations.

Radio in New Zealand was not, in the beginning, a source of news. Until the creation of the NZBC in 1961, no controversial topics were allowed to be explored and all political news was drafted in the Prime Minister's office. It took some time before the voices of truly independent journalists were heard in New Zealand.⁷² Radio news was separated from television in 1975 with the break up of the NZBC. In 1964 National Radio, as we know it today, was created by the networking of the non-commercial YA stations into one 'National Programme' originating in Wellington. National Radio is New Zealand's sole public service broadcaster. Its parent organisation Radio New Zealand is an independent Crown entity funded directly by the Government. National Radio has independent editorial control, raises no revenue from advertising, and as such it is theoretically free from both political and commercial influences. It has a charter which is reviewed every five years. This extract from the RNZ charter underlines the broadcaster's commitment to the principles of public service broadcasting:

- (1) The functions of the public radio company shall be to provide innovative, comprehensive, and independent broadcasting services of a high standard and, without limiting the generality of the foregoing, to provide –

⁷¹ Noelle McCarthy and Camilla Martin. Bulletin Ibid. 12 September 2005 8:08am

⁷² Patrick Day. 'Broadcasting' in *Political communications in New Zealand* (Hayward and Rudd eds.), Pearson Education, Auckland, N.Z., 2004. pp. 99.

- (a) Programmes which contribute toward intellectual, scientific, cultural, spiritual, and ethical development, promote informed debate, and stimulate critical thought; and
- (b) A range of New Zealand programmes, including information, special interest, and entertainment programmes, and programmes which reflect New Zealand's cultural diversity, including Maori language and culture; and
- (c) Programmes which provide for varied interests and a full range of age groups within the community, including information, educational, special interest, and entertainment programmes; and
- (d) Programmes which encourage and promote the musical, dramatic, and other performing arts, including programmes featuring New Zealand and international composers, performers, and artists; and
- (e) A nationwide service providing programming of the highest quality to as many New Zealanders as possible, thereby engendering a sense of citizenship and national identity; and
- (f) Comprehensive, independent, impartial, and balanced national news services and current affairs, including items with a regional perspective; and
- (g) Comprehensive, independent, impartial, and balanced international news services and current affairs; and
- (h) An international radio service to the South Pacific (Radio New Zealand International), which may include a range of programmes in English and Pacific languages; and

- (i) Archiving of programmes which are likely to be of historical interest in New Zealand.⁷³

National Radio's morning news programme is *Morning Report*, hosted by Geoff Robinson and Sean Plunket. During the show, news, sport and national weather are read on the hour and half hour by Nicola Wright. The programme is a truly national one with weather and traffic problems read for the whole country (as contrasted with NewsTalk ZB, for instance, where such information is regionalised). What is somewhat surprising about the National broadcaster is that it has less regional staff than its main commercial rival. It has only 16 non-national staff and only five outside the main centres.⁷⁴

The news production at the station has been fraught since the sale of the commercial stations (including ZB) in 1995. The entire news production at Radio NZ was thrown into doubt in 1999. One of Radio New Zealand's board members suggested that the entire news production be outsourced to Independent Radio News, an independent commercial radio news provider that was later bought by NewsTalk ZB's owner The Radio Network (TRN). The station accused the board of not understanding the principles of public broadcasting and it is claimed that Chief Executive Sharon Crosbie said she believed a commercial service would reduce news to a 'diet of tits, bums and Oscar news'.⁷⁵ The outsourcing plan was dropped, although tension continued at the station. A dispute broke out between Crosbie and managing news editor Lynne Snowdown. It would see Snowdown away from her desk for 18 months. Budgets were also becoming tight at the station and had to be increased in the 2003 Government Budget. Even with the departure of Crosbie in December 2003, it appears that morale is still poor at the station. In an interview with the *Listener*, departing *Nine till Noon* host Lynda Clark had this to say:

⁷³ Radio New Zealand. Website. *Radio New Zealand Charter*, Viewed on 5 February 2005.
<http://www.radionz.co.nz/about/charter>

⁷⁴ Paul Norris and Margie Comrie. 'Changes in Radio News 1994-2004' in *The great New Zealand radio experiment* (Neill and Shanahan eds.), Thomson Learning/Dunmore Press, Southbank, 2005. pp. 181

⁷⁵ *Ibid.* pp. 178

I felt from day one that I never fitted in to Radio New Zealand's culture. I leave almost four years later with still that sense of being a misfit. I don't understand the culture. I don't understand why so many people there seem to be so unhappy. I just don't get it. I am not an unhappy person and I've found it very challenging to maintain optimism and, interestingly, a change of chief executive has not changed the culture one little bit. It is bigger than anybody.⁷⁶

Despite its reputation for poor management, *Morning Report* is probably the most popular morning radio show in the country, although it would be difficult to say this with any amount of certainty. Due to the diversified market, the network would, at best, still only capture a minority of the total radio audience at any one time. National Radio is intentionally excluded from Research International's radio survey and the state broadcaster does not release figures for individual programmes. Attempts made by the author to obtain such information through the Minister of Broadcasting were ignored by the station. The station's lack of advertising, almost complete transmission coverage of the country and degree of editorial objectivity are its strongest assets in maintaining a strong audience. Radio New Zealand claims that 'one in five people aged 15 and over continue to listen to either National Radio and/or Concert FM each week' and that 86% of the audience is satisfied with National Radio's performance and only 2% are dissatisfied.⁷⁷ The same data also suggest that National Radio listeners tend to be, if not older New Zealanders, at least middle aged with 43% of the audience having listened for more than 20 years and a further 17% having listened for 10-20 years.⁷⁸

⁷⁶ Joanne Black, 'A new morning' in *The New Zealand Listener*, Vol. 202, No. 3429, 28 January - 3 February 2006, pp. 17

⁷⁷ Radio New Zealand, *Annual Report 2004/2005*, Report, 2005

http://www.radionz.co.nz/_data/assets/pdf_file/142640/rnz_2004_2005_ar_.pdf pp. 8 & 16

⁷⁸ *Ibid.* Report, pp. 8

Trouble appears to have continued through the 2005 election campaign. *Morning Report* was not aired three mornings during the election campaign due to industrial action by staff at the station. Sean Plunket was reprimanded and temporarily removed from the air after two interviews on the Exclusive Brethren pamphlet scandal where he aggressively questioned Greens co-leader Jeanette Fitzsimons and proceeded to lightly question National MP Gerry Brownlee on the same topic.⁷⁹ After the programme finished, he is believed to have had an altercation with the head of news Don Rood, which led to his suspension.⁸⁰ This was a fact that was not lost on other stations. Noelle McCarthy on 95bFM pointed out, in an interview with the Prime Minister, that Don Rood is Labour delegate in the Engineers Manufactures and Printers Union and that he may not have been happy with Plunket's treatment of a coalition partner for Labour.⁸¹ National MP Murray McCully issued a press release accusing the station of left-wing leanings for disciplining Plunket after what McCully called 'a fairly standard interview'.⁸² The two interviews did not represent the balance National Radio listeners and management expect from their interviewers and were an unusual example of inconsistency at the station.

It is uncertain whether Plunket's interviews would have been acceptable to any of the other stations covered in this study, but it is certain that, out of these four stations, National Radio has the highest standards of objectivity and balance. Unlike ZB, the news is not highly packaged and as there are no commercials so the total amount of news is much higher. The news is covered in a largely po-faced manner. Joking and banter is present but minimal compared with the breakfast shows on the other three stations examined. In contrast with the other three stations, the hosts put little personality into the

⁷⁹ Jeanette Fitzsimons and Gerry Brownlee. Interview by Sean Plunket, *Morning Report*, National Radio, 7 September 2005 7:08am

⁸⁰ New Zealand Herald. *Radio host in hot water*, Auckland, 8 September 2005.

http://www.nzherald.co.nz/organisation/story.cfm?o_id=289&ObjectID=10344597

⁸¹ Helen Clark. Interview by Noelle McCarthy, *Breakfast*, 95bFM, Auckland, 12 September 2005 8:55am

broadcast, never talk about themselves and try to keep an even tone. Unlike the hosts of the 95bFM or ZB programmes, they do not editorialise. Analysis is given by ‘experts’ including political editor Katherine Ryan and, as we have seen, her reporting is done predominantly in the game frame and is almost devoid of policy detail. Opinion interviews and stories with a lot of policy detail are covered in the *Nine-till-Noon* programme. That programme has a more relaxed tone and thus has longer interviews where more of the nuances and ramifications of policies can be explored. *Morning Report* might have the largest amount of news, but it still suffers the morning radio trap of trying to condense as much news as possible into a three hour programme.

2.5.3 Keep up with NewsTalk ZB

While Radio New Zealand can trace its roots back to the 1930s, ZB can trace its roots back to almost the beginning of radio transmission itself. It started life in September 1923 as 1YB, only the second station in Auckland to receive a broadcasting licence.⁸² However, after 82 years and several changes of organisation, ownership, frequency, band and branding, it is easy to see how the station can be compared to Captain Cook’s axe -- a legendary axe that supposedly once belonged to the explorer despite having had several new heads and many new handles since it was in his ownership. The most recent transformation came in 1995 when the station was sold by Radio New Zealand, along with all of the state broadcaster’s other commercial stations, to a consortium of owners known as The Radio Network (TRN). In taking over the state broadcaster’s local stations, TRN also took many of National Radio’s regional newsrooms which placed NewsTalk ZB in a better stead for provincial news coverage.⁸⁴ In 1996 TRN purchased the Prospect

⁸² Hon Murray McCully. www.mccully.co.nz 9 September 2005, New Zealand National Party Press Release. Released on 12 September 2005. <http://www.scoop.co.nz/stories/PA0509/S00278.htm>

⁸³ Patrick Day. *The radio years : a history of broadcasting in New Zealand*, Vol 1, Auckland University Press, Auckland, 1994a pp. 52

⁸⁴ Paul Norris and Margie Comrie. ‘Changes in Radio News 1994-2004’ in *The great New Zealand radio experiment* (Neill and Shanahan eds.), Thomson Learning/Dunmore Press, Southbank, 2005. pp. 177

group of stations which included radio news provider IRN. Slowly IRN was merged into the NewsTalk ZB's own news services. In 2004 it had 24 staff in its Auckland office and a further 22 in other centres and regions.⁸⁵

Branded as a news and talkback station since 1987, NewsTalk ZB has probably competed more with talkback based Radio Pacific than it has with National Radio. Talkback takes up most of the station's transmissions but the flagship show *The Paul Holmes Breakfast* largely eschews talkback for interviews and editorialisation by Holmes. There is an interesting debate on the democratic value of talkback⁸⁶, but as there is very little on the *Paul Holmes Breakfast* it will not be widely explored here. Like the other stations, bulletins are read out on the hour and on the half hour during the breakfast show. Sport news is often as long as the main bulletin and read by a separate announcer. In addition to commercials and sponsored segments, ZB hosts read out commercials as if they were news reports or the hosts' own opinion. While it would be difficult to confuse these advertisements with news, this constitutes an unwelcome blurring of the line between advertising and news.

The projection of personality plays a strong role in the breakfast programme and all of ZB's programmes. Host Paul Holmes, bulletin-reader Bernadine Oliver-Kerby and sports reporter Andrew Saville, spend several minutes at the beginning of the programme every morning joking with each other and talking about a range of non-news topics. This can be seen as para-social activity and could also be seen to reduce the authority of the broadcast. While bulletins conform to the basic principles of balance and objectivity, Holmes is reasonable free with his opinions and his right-wing leanings. He is also quick to criticise other broadcasters of political bias in his own political analyses. This transcript

⁸⁵ Ibid. pp. 181

⁸⁶ Louis Bolce, Gerald De Maio and Douglas Muzzio. 'Dial-In Democracy: Talk Radio and the 1994 Election' in *Political Science Quarterly*, vol. 111, No. 3, 1996.

comes from the Friday morning after National's tax cut policy announcement on 22 August. Holmes was despairing at what he perceived to be National's failure to properly promote the tax policy and not get caught up in other debates.

Holmes: Point number two: Then National Radio had a foreign policy debate which would have been the usual rampant left wing National Radio claptrap. And the Nats have to pull Lockwood Smith out it because they knew Phil Goff would slaughter him. Gerry Brownlee had to do it.⁸⁷

Holmes' critical promotion of the National Party will be further explored in chapters four and five. Holmes' political leanings are not as strong as those of some of ZB's other hosts, most notably the socially conservative Leighton Smith, and are probably no stronger than those of the generally left leaning breakfast hosts on 95bFM. Ultimately, the leanings and personal views of Holmes are part of the overall packaging and branding of the programme. It is impossible to say if the audience agrees with him or not, but Holmes is open about his views and the ways in which he interprets the news.

2.5.4 Mai FM: Auckland's hottest music

Mai differs the most from the other three stations compared in this study. Mai is a youth oriented commercial station playing commercial hip-hop and R&B music, mainly from the United States but with some local music as well. Owned by the Ngāti Whatua iwi, the station targets urban Maori and Pacific youth. Mai began in July 1992 and has become the highest rating commercial music station in Auckland. It has become something of a mini-network as it now also operates on the 96.7MHz frequency in Rotorua where it is number

Diana Owen. 'Talk Radio and Evaluations of President Clinton' in *Political Communication*, vol. 14, No. 3, 1 July 1997.

⁸⁷ Paul Holmes. Analysis *The Paul Holmes Breakfast*, NewsTalk ZB, 26 August 2005 7:35am

two in share of listening and third in the cumulative total of listeners.⁸⁸ Out of the stations listed in audience surveys, it is second in Auckland only to NewsTalk ZB. ZB is a station it has beaten in previous surveys,⁸⁹ but the two cannot realistically be seen as competitors as their contents are so different. More recently Mai's audience share has taken a hit from CanWest's station Flava which began in 2004. Flava plays more hip-hop than the more pop based Mai FM, but they both target young Maori and Pacific as their key demographics. Mai has received praise in the industry for its commercial success through successful marketing and for serving its demographic well.⁹⁰ It has also received praise from the government for its promotion of Te Reo Maori,⁹¹ although that promotion could be seen, like its news broadcasting, as little more than token. Reading out the time and signing happy birthday in Maori is a far cry from the full bilingual services of many Maori radio stations and Maori Television.

News on the station is minimal. Mai FM has the shortest news bulletins of the four stations examined in this study. There are no interviews and no analysis. In fact the station's hosts never refer to events outside themselves, the music they play, celebrity gossip or the station's own promotions. In the seven and a half weeks of recording, the only current event mentioned by someone other than the bulletin reader was to the assault on students and teachers at Onehunga Boys High by gang members. The only reference to the election was a joking mention by host Robert Rakete that he was going to vote for the 'party' party and suggesting that politicians should be tested for performance enhancing drugs.⁹² As on 95bFM and ZB, personality plays a large role and the station is highly packaged with stings, promotions and regular features like the 'slack joke' and birthday

⁸⁸ Radios on the Web (Research International). Website. *Rotorua*, Viewed on 5 February 2005. http://www.radios.co.nz/radio_research/survey_area_results/Rotorua/rotorua.htm

⁸⁹ Eriks Celmins and Dean Buchanan. 'Commercial Radio in Australia: Any lessons to Learn from Across the Tasman?' Neill and Shanahan eds.), Thomson Learning/Dunmore Press, Southbank, 2005. pp. 177

⁹⁰ Ibid. pp. 177

⁹¹ Te Puni Kōkiri (Ministry of Maori Development). Website. *Case Study: Mai Media Limited*, Viewed on 8 February. <http://governance.tpk.govt.nz/share/maimedia.aspx>

calls taking most of the time not filled by music or commercials. News is read in a professional manner by Susan Edmonds on the hour with sentence-long reminders of the news on the half hour. Political news receives no special treatment. News reports are written on site, but the lack of sound bites suggests that they are largely written from second-hand sources. Mai represents by far the weakest news provider of the four stations and what little reporting it made on social policy during the election will be referred to when relevant.

⁹² Robert Rakete. Analysis (banter) *Mai FM Breakfast*, Mai FM, Auckland, 16 September 2005 7:02am

Chapter 3: The Nature of the 2005 Election Campaign

3.1 Introduction

The 2005 election campaign was fought largely but not exclusively on social policy. Labour had lost much of the lead in the polls it enjoyed during the first four years since the Labour/Alliance coalition government came to power in 1999.⁹³ In 2004 National overtook Labour in polls during debates over race relations, specifically over perceptions of Maori privilege through 'race-based' funding.⁹⁴ Meanwhile some Maori who had been traditional supporters of Labour were moving to the new Maori Party over the Government's removal of the right to take customary rights claims over the foreshore and seabed to the Maori Land Court. In 2005 the foreshore and seabed issue remained, but race relations had fallen out of news stories. With Labour ahead in the polls, National made an attempt to make welfare an issue in the election year. The polls did not respond until May, when the Budget was released. The Budget proved to be disastrous for Labour which had underestimated the demand for tax cuts among voters. A week after the Budget, National announced that it, if elected, it would cut personal tax rates by Christmas.⁹⁵ The polls responded, and the gap between the two major parties closed. This connection between National's revival in the polls and tax issues can be seen as the beginning of a policy debate where voters were presented with a distinct ideological choice.

This thesis seeks to understand how four Auckland breakfast radio stations presented party social policy information and the debates that surrounded those policies. These were

⁹³ TNS. Website. 3 News TNS Poll, Released on 3 November 2005, Viewed on 5 February 2006.
<http://www.tns-global.co.nz/corporate/Doc/0/0Q1871C9Q8IKBFELRJDJ7N20B5/PollNov032005.pdf>

⁹⁴ Don Brash. *Nationhood*. Speech to Orewa Rotary Club, Orewa. Made on 27 January 2004.
<http://www.scoop.co.nz/stories/PA0401/S00220.htm>

important debates, listened to by tens, if not hundreds, of thousands of Auckland voters, but the election campaign did not happen entirely on radio. Campaigns and debates are still played out in meetings held in churches and school halls. Politicians discussed issues with voters in shopping malls and on the streets around the country. Individual voters discussed their views with their families at the breakfast table, with their colleagues around the water cooler and with their friends at the pub. These events can be of as much importance to a voter as any televised debate, radio interview, newspaper column or internet blog. But it is those media that announce, explain and analyse policy information; the media are conduits through which voters are informed about political debates. Meanwhile social policy is not the only important area of debate. The three policy issues described in this work were the biggest issues covered during the campaign, not because they were the only social policies disputed between the parties (which they were not), but because they were the biggest reported by the media and would affect a very large number of people. Other social policy issues and other policy areas were debated on breakfast radio but these did not receive the same amount of coverage as the three examined here, nor would they have the same effect on the welfare of as many people.

This chapter looks at the events of the 2005 election campaign and seeks to explain the context of the three debates explained in Chapter Four. It will examine the other social policy debates that occurred during the campaign as well as examine the different kinds of appeals that politicians make to voters and explore the strategies that Labour and National used to promote their policies.

⁹⁵ New Zealand Herald. *National Eyes Tax Cuts*, Auckland, 22 May 2005.

3.2 Brash's second Orewa speech as a failed attempt to set the agenda for the election year

On 25 January 2005, the Leader of the Opposition, Dr Don Brash, gave his second speech to the Rotary Club of Orewa. His earlier speech, a year previously, was on the topic of race relations and had set the agenda for race relations policy in the following year. The speech precipitated a rejuvenation for National in the polls and by May 2004 the party had moved ahead of Labour in party vote polling for only the second time since the Labour led governments took office in 1999.⁹⁶ The revival was short lived. By January 2005 National was again trailing Labour in the polls. Brash hoped to repeat the success of the previous year, but some in the media were not predicting a repeat performance.⁹⁷ The theme of the speech was welfare reform. Brash's concern was the number of people on sickness and invalids benefits and those on the Domestic Purposes Benefit (DPB) while New Zealand was in the middle of a labour shortage. In his speech Brash advocated 90 day trial periods for new employees and the return to a work-for-the-dole scheme.⁹⁸ More controversially he advocated many changes to the DPB system. Brash proposed a return to adoption as an option for teenage mothers, that mothers with school age children be required to work or train and an end to automatic extension of entitlements for those on the DPB who have more children.⁹⁹ The theme was one of personal responsibility and political values espoused were values that are traditionally attributed to the National Party: A belief in self-reliance, a minimal welfare system and a belief that the poor were

⁹⁶ TNS. Website. *3 News TNS Poll*, Released on 3 November 2005, Viewed on 5 February 2006. <http://www.tns-global.co.nz/corporate/Doc/0/0Q1871C9Q8IKBFELRJDJ7N20B5/PollNov032005.pdf>
Colmar Brunton. Website. *Poll November 2005*, Viewed on 4 February 2005.

http://nz.colmarbrunton.com/default.asp?articleID=475&Topic_ID=85&domain=
⁹⁷ New Zealand Herald. *John Armstrong: Welfare reform to get the old Brash magic*, Auckland, 22 January 2005. http://www.nzherald.co.nz/author/story.cfm?a_id=3&ObjectID=10007505

⁹⁸ Don Brash. *Welfare Dependency: Whatever Happened to Personal Responsibility?* Speech to Orewa Rotary Club, Orewa. Made on 25 January 2005. http://www.national.org.nz/files/Don_Brash_-_Orewa_Speech_2005.pdf

⁹⁹ Ibid.

ultimately responsible for their own situation. 'Ripping off the system just seems to be taken for granted by too many people, and the majority with more traditional attitudes to self-reliance end up paying for it all'.¹⁰⁰

The speech can be seen as an attempt by Brash to align himself with the more conservative views inside the National Party and to move himself away from the neo-liberals with whom he had previously been associated, while also attempting to instil an us-versus-them mentality among potential National voters against welfare recipients. If the speech was an attempt to lift National's poll rating and set the agenda for social policy debate in the election year, it was a failure. The polls did not respond and some of the details relating to the DPB were dropped as policy before the campaign.¹⁰¹ National's welfare spokesperson Katherine Rich refused to support the contents of the speech and was removed from her portfolio by Brash.

3.3 The Budget and tax cuts a successful attempt by National to set the agenda for the election campaign

By the time of the May budget, Labour was still seven points ahead of National in the April polling.¹⁰² Given National's relative resurgence and the upcoming election there was some expectation that Labour would announce some form of tax relief in the budget. This expectation was heightened by Labour Party President Mike Williams' assertion that there was a 'deep dark secret' in the budget¹⁰³ and Australia's decision to move income tax thresholds in its federal budget announced in April. When the budget was announced

¹⁰⁰ Ibid.

¹⁰¹ New Zealand Herald. *Nats soften line on DPB levels*, Auckland, 27 June 2005. http://www.nzherald.co.nz/author/story.cfm?a_id=161&objectid=10332840

¹⁰² Colmar Brunton. Website. Poll November 2005, Viewed on 4 February 2005. http://nz.colmarbrunton.com/default.asp?articleID=475&Topic_ID=85&domain=

¹⁰³ New Zealand Herald. *Budget's deep, dark tax secret*, Auckland, 18 May 2005. http://www.nzherald.co.nz/section/story.cfm?c_id=1&objectid=10126124

on 19 May no deep dark secret seemed to appear. The budget made slight changes to asset depreciation rules for business and the indexing of income tax thresholds to inflation from 2008. Most of the spending announcements had been made in the preceding weeks as part of the 'no surprises/boring budget' policy followed by Finance Minister Michael Cullen. The major Working for Families package had been announced in the previous budget and the 2005 budget made appropriations for that package. The budget was undoubtedly a fiscally conservative one:

...the tight capacity constraints in New Zealand, militate against large scale fiscal expansion, whether by revenue reduction or larger expenditure increases than those planned in this budget. That is particularly so if such reductions or increases are structural in nature and therefore continue to resonate through the long-term fiscal forecasts. As always, too much jam now is likely to lead to only crumbs later.¹⁰⁴

One of the few major announcements from the budget was the KiwiSaver Scheme. The scheme is a voluntary savings scheme for those saving for retirement or a first home. The scheme will run through the PAYE income tax collection system, although savings will be placed with private fund managers. The government will contribute a one off grant of \$1,000 for a retirement fund and up to \$5,000 for a home saving fund. National promised to scrap the package. As National's finance spokesperson John Key put it, National would 'not [be] implementing the KiwiSaver scheme, because it won't work, [it] is poorly designed and is unfair. It is better to put working people in the financial position where they can save'.¹⁰⁵ KiwiSaver was not a controversial policy decision in the sense

National Business Review. Website. NBR Newsroom Blog, Released on 26 October 2005, Viewed on 2 February 2006. <http://www.nbr.co.nz/blog/2005/05/mike-williams.html>

¹⁰⁴ Michael Cullen. *Budget Speech 2005*. Speech to Parliament, Wellington. Made on 19 May 2005. <http://www.treasury.govt.nz/budget2005/speech/spch05.pdf>

¹⁰⁵ John Key. *Getting ahead with National*, New Zealand National Party Press Release. Released on 19 August 2005. <http://www.scoop.co.nz/stories/PA0508/S00511.htm>

that it was not a major topic of discussion on breakfast radio during the campaign. New Zealand's low rate of saving was perceived by both Labour and National to be a problem. This policy was Labour's attempt at taking steps towards alleviating that problem. National promised to scrap it because it believed that it is a 'scheme that fails to address the fundamental reason why a large number of Kiwis don't save - they don't earn enough and they are overtaxed!'.¹⁰⁶ Should National have won the election they would have easily been able to end a scheme that was not yet in place and put the estimated cost of \$22 million¹⁰⁷ towards tax cuts in the belief that New Zealand would save more if they had more cash in hand.

If public opinion is the arbiter of success in the public debate of policy, at least in the short term, then the government failed to 'sell' the budget to voters. By June polling, Labour and National were statistically tied at 41% and 43% respectively.¹⁰⁸ The Budget was political miss-read by the Government. Labour took a fiscally cautious approach by avoiding spending large amounts on tax cuts or other spending. Cullen believed that with the economy at full capacity any added fiscal stimulus, such as tax cuts, would be inflationary. A spend-up was not considered prudent and as Labour was well ahead in the polls, the Government could have possibly thought that major spending was unnecessary. Labour had worked hard to be perceived as sound economic managers and over-promising in an election year could damage that reputation. Media speculation over tax cuts was fuelled by Mike Williams' assertion of a 'deep dark secret', so when the minimal changes were revealed, disappointment, at least in the news media, was allowed to set in. We cannot assume that the general public response to the budget was the same

¹⁰⁶ John Key. *Getting back on top of the OECD tables*. Speech to Auckland Branch of Financial Planners & Insurers Association, Auckland. Made on 17 August 2005.

<http://www.scoop.co.nz/stories/PA0508/S00441.htm>

¹⁰⁷ Hon Steve Maharey. *A hand up to home ownership*, New Zealand Government Press Release. Released on 19 May 2005. <http://www.scoop.co.nz/stories/PA0505/S00452.htm>

¹⁰⁸ Colmar Brunton. Website. Poll November 2005, Viewed on 4 February 2005.
http://nz.colmarbrunton.com/default.asp?articleID=475&Topic_ID=85&domain=

as the media's, but it still gave National exactly what it lacked: an opportunity to create point of difference with Labour that affected the day-to-day finances of voters. Tax cuts might appeal to the large number of voters who did not feel particularly aggrieved by anti-smoking legislation, prostitution law reform, civil-unions, or race-relations. All of these were points of opposition on which National was attempting to capitalise. For its election promises Labour banked, literally, on the \$1.9 billion left aside in the budget for out-year spending. Much of that money would be used to fund policies announced during the election campaign.¹⁰⁹

3.4 When is the campaign? The lack of an official campaign period

It is not exactly clear when the campaign period actually occurs. Campaigns mark the peak of political debate in the three year electoral cycle. During this time, press and public scrutiny of politicians, their parties and their policies is at its highest point. The campaign period is when politicians work their hardest to gain the attention of news media, which in turn places a greater emphasis on politics. Obviously the campaign period ends on the day before election day but it is far from clear when it begins. There are many options for choosing a date from which it could be said the campaign had started. These include when major policy debates began or when policy debate became compressed in the media. More practical options include when party organisations launch their campaigns, when the election date is announced, or when electoral spending limits are initiated. Don Brash attempted to set the social policy agenda from January but the intervening eight months is too long to be accurately called a campaign. The 19 May budget announcement set the stage for the policy decisions made by the opposition parties, the responses by Labour, and the way in which the media interpreted those policies. Officially each party begins its campaign with a campaign launch which serves

¹⁰⁹ Trevor Mallard and Bill English. Radio Interview by Paul Holmes, *The Paul Holmes Breakfast*, NewsTalk ZB, 27 July 2005 7:15am

both as rallying point for members of the party organisation and as a platform to grab media attention. New Zealand First kicked-off its campaign on 31 July. The Green Party launched its campaign on the 14 August but Labour and National didn't launch their campaigns until the 21st. While these dates may mark the beginning of the campaign for the party organisations, party billboards were already up and many major policies had already been released by those times. Spending by parties and candidates is limited during campaigns by the Electoral Act 1993. These limits begin three months before the day of the election. This is a largely arbitrary time period and had no real bearing on the start of campaigning.

Regardless of how they are covered by the media or interpreted by voters, policy announcements are the fuel with which campaigns are powered. Due to the number of policies announced during campaigns, topics are debated in compressed periods of time. Debates are often brief and intense as new policies are released within days of each other. It follows then that one place to acknowledge the start of the campaign would be the point at which policy debate became constrained in the media. Policies did not start to stream out from the parties until July. It could be argued that the first major issue that had a constrained media debate was the announcement of National's child care policy. Although 'compressed' debate is a significant feature of campaigns it is too subjective a concept to be able to easily use it to mark the start point of the campaign period.

For much of 2005 there had been speculation about when the election would be announced. Prime Minister Helen Clark had held the 2002 election several months early due to the collapse of Labour's junior coalition partner the Alliance, and also to capitalise on Labour's strength in the polls. There had been speculation that Labour would choose to go to the polls early again.¹¹⁰ After the May budget, the gap between the two main

¹¹⁰ ACT Party. *The Letter - May 16 2005*, ACT Party Press Release. Released on 16 May 2005. <http://www.scoop.co.nz/stories/PA0505/S00363.htm>

parties closed and an early date seemed less and less likely. It was well reported that the last possible date the election could be held legally was 24 September, although the polling date was not announced until seven and a half weeks before the actual date of 17 September. From that time onward the parties, news media and the public all had certainty as to when the election would be and could plan accordingly. So for the purposes of this study, the campaign is considered to be the 53 days from when election date was announced on 25 July until polling day on 17 September. Initially, due to the vague start point for the campaign period, a semi-arbitrary six week recording period was planned but many social policies were being announced before it was even known when election was to be held. It was then decided to begin recording from the day after the election was announced. This start point unfortunately excludes the major parties' child care policies and National's student loan policy announcement. These policies will be acknowledged but will be considered to be outside the 'campaign' as defined here.

3.5 Three types of appeal to voter: policy, personality, and ideology

In the simplest sense an appeal to voters is when a politician, usually in an interview, gives a reason for voters to cast their vote for that politician's party. When interpreting the 2005 breakfast radio election coverage, three distinct types of appeal to voters appear: policy, personality and ideology. Appeals based on policy are the most common form of appeal to voters. Between elections governments try to reassure the electorate by explaining the reasons for and benefits from new policies. An opposition must try to explain the problems with a government's policies and offer alternatives. During campaigns, voters must choose between competing policy alternatives. By making appeals based on policy, politicians attempt to convince voters that their proposed course of action is superior to that of their opponents' by virtue of design quality or other practical consideration. The differences between policy goals are often ideological although politicians do not always differentiate their policies by ideological statements. It seems that when interviewed on breakfast radio, both Labour and National politicians initially preferred not to make obviously ideological comments on their policies. However, politicians did make ideological statements when they were asked about why a particular policy was chosen over another or when they were asked about what the overall

tone of all the policies were. It also depended on the degree to which an interviewer gave a politician the opportunity to make broad ideological statements. Don Brash said this in his last interview with Paul Holmes before the election.

Holmes: Why are tax cuts so important to you?

Brash: Tax cuts do two things Paul. The first thing is of course they give people more money in their pocket and that's part of what tax cuts deliver. But the second thing that is equally and arguably even more important: They give people an incentive to help themselves and their families. The core of our tax reduction package is that 85% of tax payers, 85% of tax payers, will pay a tax rate of no more than 19% income tax. And that means that on the extra dollar of income you earn you get to keep more than four dollars out of five. The average wage in New Zealand currently is just a bit over 40,000 bucks. At the moment you face a 33% tax rate at the average wage in New Zealand, we're cutting that to 19%. And that changes the incentives people have to get ahead from their own efforts and this really what the National Party is about. It's about aspiration. It's about achievement. It's about looking after yourself and your family. And, and, ah, we wanna send signals that encourage that kind of behaviour.¹¹¹

Personality appeals are often made by making negative comments about the abilities of a competitor. In an interview on 95bFM's *Breakfast* programme, Helen Clark made an appeal based on personality when she suggested that National's leaders do not communicate with each other or even agree on major issues and thereby inferring that they would make poor team around a cabinet table.

¹¹¹ Don Brash. Interview by Paul Holmes, *The Paul Holmes Breakfast*, NewsTalk ZB, 15 September 2005 7:45am

McCarthy: [National MP] Gerry Brownlee put out quite an interesting press release where he said that this ministry, the Ministry of Maori Development, spends all tax payers' money on surfing. What was that about?

Clark: I've not the slightest idea. It's obviously complete drivel. I mean the problem he and Dr Brash have got is that they don't agree on anything. I mean Gerry Brownlee last week said 'oh well getting rid of the Maori seat is not a bottom-line issue' and then twice at the weekend Dr Brash said 'well it is a bottom-line issue' and then he said he wasn't aware what Mr Brownlee had said and then he said 'oh we'll just see what happens over election'. I mean you get about four positions in, you know, forty hours from these people.¹¹²

While there were some ideological underpinnings to the student loan debate, the arguments made by both Labour and National were appeals that were almost entirely made on policy grounds. We will explore the student loan debate more in Chapter Four and Five but this transcript from an interview with education spokespeople Bill English lays out a policy based argument for his party's student loan policy:

Plunket: One of the things, Bill English, that the students are pointing out is that a recent survey shows the 7% interest that we charge in New Zealand is among the highest in the developed world for student loans. Would National look at lowering that rate of interest as well its other rebate?

English: Ah we are not proposing that. The effective interest rate is currently about three and a half percent 'cos the rest of it is written off. And that's why I'm talking about the fairness. Struggling families out there don't believe that they should pay all the interest on students loans.

It's time to give them some money back. The students have had offers from all the main parties, they had the same in the last election. It's time to reward the rest of New Zealand out of surplus that's got far too large. With these students and the repayment time, ah, many of them aren't aware they will have to wait in Trevor's, Trevor Mallard's example seven years to get the benefits of interest free loans. We can give them lower taxes from the day they earn a dollar, at nineteen cents in the dollar and many of them will be better off with our lower tax plan than they will be interest free loans.¹¹³

While the comments about 'fairness' for working families could be construed as ideological – i.e. that money should be spent on tax cuts first and student support second – English is making practical arguments for distributing money in a certain way to benefit students. That is to say he is arguing against money from general taxation being effectively spent on those with student loans not necessarily because of a philosophical preference against it but because he believes new graduates will be better off from lower taxes. Appeals never really fit perfectly into one category or another and politicians can sometimes make multiple kinds of appeals in the same sound bite. However these categories work well to understand broadly the kinds of ways politicians try to make themselves more attractive to voters.

3.6 Child care vs. early childhood education

One social policy issue that was debated outside the recording period was child care. National announced its child care policy on 6 July. National promised to make one-third of the cost of child care for pre-schoolers tax deductible up to \$5,000 per child.¹¹⁴ Labour

¹¹² Helen Clark. Interview by Noelle McCarthy, *Breakfast*, 95bFM, Auckland, 29 August 2005 8:55am

¹¹³ Trevor Mallard and Bill English. Interview by Sean Plunket, *Morning Report*, National Radio, 27 July 2005 8:09am

¹¹⁴ New Zealand National Party. Website. Childcare Policy, Released on 6 July 2005, Viewed on 25 January 2006. <http://www.national.org.nz/Article.aspx?ArticleId=4660>

meanwhile had already promised 20 hours free early childhood education for three and four year olds at publicly owned child care centres.¹¹⁵ Later in the campaign Labour said it would extend those 20 hours to include any ‘licensed teacher-led service in New Zealand from July 2007’.¹¹⁶ Both parties believed there was a need to improve access to early childhood education. The policy instruments for early childhood education chosen by the two largest parties are good examples of their ideological values. Flexibility, choice and belief in the private sector underlined National’s faith in tax credits. To National, the Labour Party plan was limited and did not allow for the range of services that working parents needed. National’s plan would have subsidised, via tax deductions, most forms of care including nannies and other care arrangements that were not strictly educational. Labour believed this would mean funding low-quality education, while its policy benefited ‘everyone, not just working parents – the focus is on quality education, not simply child minding’.¹¹⁷ Labour placed emphasis on providing services based on need, with early childhood education being a universal need and a public good. National saw the cost of child care being a barrier to employment. In its view parents must be able to choose what pre-school education was best for their children. These values would be repeated throughout the campaign and in many policy areas.

3.7 Important aspects of the election other than social policy

During an election campaign politics takes up much more of general news reports. As we have seen, social policy is just one of the areas debated or examined by the media during a campaign. Social policy was the dominant policy area in the 2005 election but there were several other issues that could have affected voter choice and neither were the three specific social policies examined in this study the only social policy issues that were

¹¹⁵ Trevor Mallard. *Labour’s Vision for Early Childhood Education*. Speech to Early Childhood Council Conference, Wellington. Made on 13 May 2005. <http://www.scoop.co.nz/stories/PA0505/S00333.htm>

¹¹⁶ Helen Clark and Trevor Mallard. *Free early childhood education to be extended*, New Zealand Labour Party Press Release. Released on 22 August 2005. <http://www.scoop.co.nz/stories/PA0508/S00541.htm>

discussed by the parties or the media. As mentioned above, both the major party leaders had their integrity questioned by breakfast radio and the media generally over events that did not concern policy but were still issues that could have affected how voters perceive their leaders. Race relations was another policy area that was hotly debated during the campaign. That policy debate began in 2004 with social policy concerns, but by the time of the campaign the debate had moved on to other areas. Unusually for a New Zealand election campaign, foreign policy was debated and that debate received some substantial attention in the media, including breakfast radio. There were also three electorate races that received quite a lot of attention because of both the personalities involved and the strategic implications of those races. It must also be remembered there were major events during the campaign period that were outside the scope of the electoral competition that local political news had to compete with.

After a brief look at the race relations debate in the 2005 campaign, it might be easy to construe it as a social policy issue. One of National's concerns was their perception that too much government funding was race based. Central to this view was the Labour's *Closing the Gaps* policy to reduce the difference between Maori and non-Maori in socio-economic wellbeing indicators. That policy slogan had already been dropped in 2002 and the Government also made attempts to end funding schemes that could be perceived as being based on ethnicity. By the time of the campaign the nature of the debate had changed. The key issues in race relations during the campaign were time limits for the lodging of Treaty claims, the retention of the Maori seats in Parliament and the Foreshore and Seabed Act. These concerns were more constitutional and legal rather than having a direct impact on the direct social well-being of individuals. It is also important to note that there were essentially two race relations debates occurring; one debate between National and Labour and another between Labour and the Maori Party. In fact it could almost be said that there was another separate election campaign between Labour and the

¹¹⁷ Ibid.

Maori Party for the Maori seats. For National the race-relations debate about government adhering to the principles of liberalism and equality. 'One law for all' was National's slogan of that part of the campaign and had been used for several years already. For Labour and Maori Party the election was about which party could better represent Maori interests. The competition between Dr Pita Sharples and John Tamihere for the seat for the Auckland Maori seat of Tamaki Makaurau was well covered. Overall the competition for the Maori vote was not ignored by the media but the lack of stories on the Maori vote on iwi-owned Mai FM was conspicuous. A comparative study of campaign news between mainstream¹¹⁸ and Maori media outlets would shed light on how that debate was covered.

Foreign policy has not traditionally been an election campaign issue in New Zealand. The National Party did not initiate the debate. In May 2004 the government released details of a meeting between Brash, National's foreign affairs spokesperson Dr Lockwood Smith and several US Senators. In that meeting Brash was alleged to have said 'if the National Party was in government today, we would get rid of the nuclear propulsion section today, by lunchtime, even'.¹¹⁹ This was generally misquoted as 'gone by lunchtime'. It seemed from late July 2005 that the Labour Party had begun a campaign to remind voters of Brash's policy inclinations. By that time the party was using mobile billboards with quotations from Brash that suggested he approved of privatising schools and supported the 2003 American invasion of Iraq, as well as one billboard with the lunchtime quote.¹²⁰ On 21 July, cabinet member Trevor Mallard suggested to reporters that American interests were funding National's campaign and helping to write its policy, a claim that

¹¹⁸ Brash was heavily criticised during the campaign for using the word mainstream, inferring that he believed Maori, the unemployed and gays were not mainstream New Zealanders. Here the word mainstream is only used to mean media outlets that appeal to a mass audience and do not target any particular ethnic group.

¹¹⁹ New Zealand Herald. *Government releases 'lunchtime' report*, Auckland, 15 May 2004.

¹²⁰ Phil Goff posed with the billboard for the newspaper and television cameras on 24 July. The image was published with the article. Ibid. *Mallard regrets Brash remark but sticks firmly to his guns*, 25 July 2005.

proved to be unsubstantiated.¹²¹ Mallard may have been laying the ground work for Foreign Minister Phil Goff's accusation on 1 August that in the 2004 meeting Lockwood Smith had asked the US Senators for American help in changing New Zealand public opinion on the nuclear issue.¹²² National maintained that Goff's assertions were out of context and that the National Party would not change the current anti-nuclear legislation without a referendum. While this debate was largely confined in the media (including breakfast radio) to the first weeks of the campaign, the 'gone by lunchtime' line began to be used in other contexts and became a catch phrase for the 2005 campaign.

The three important electorate races at the 2005 election were for the seats of Epsom, Tauranga and Tamaki Makaurau. In the seat of Epsom, Rodney Hide was attempting to unseat National MP Richard Worth. Hide's ACT Party had been polling well below the 5% threshold for party vote seat allocation and Hide would have to win the Epsom seat if ACT was to remain in Parliament. ACT had been hurt by the legal battle to remove its list MP Donna Awatere Huata and her subsequent conviction for fraud as well as a perceived move to the right by National under Brash's leadership. Hide ran a strong campaign on the argument that Worth would be elected on National's Party list regardless of the outcome in Epsom and that a split vote between National and ACT would result in an even stronger result for the Right. The contest for the seat of Tauranga was fought by Bob Clarkson, the National candidate and popular property developer, against New Zealand First leader Winston Peters who had held the seat for 21 years. New Zealand First had been polling around the 5% threshold and it was considered important although not ultimately crucial to the party returning to Parliament. In the last two weeks of the campaign that race was marred by allegations of sexual harassment against Clarkson by one of his former employees. Meanwhile the race for the Auckland Maori seat of Tamaki Makaurau was strongly covered because of the closeness of the competition between

¹²¹ Ibid.

controversial Labour MP John Tamihere and Maori Party co-leader Dr Pita Sharples. Both were outspoken and popular leaders. Tamihere took himself off the Labour list in order to avoid Sharples using the same argument Hide was using in Epsom, a move which saw him leaving Parliament after his defeat to Sharples. These races were important as they could have affected the outcome of the election and the possibilities for coalition formation. It also must be remembered that the larger than life personalities involved in those races made game-framed and personality-based stories irresistible to the media and, probably, the public as well.

In addition to the events of the campaign, whatever the relevance, there were many major news stories that deserve a mention in this study if only because they drained media time away from the campaign. The aftermath of Hurricane Katrina in the United States got a large amount of coverage in the last two to three weeks of the campaign. The in-flight repairs to the Space Shuttle Discovery also took up news time over several mornings. This was especially true on the *Paul Holmes Breakfast*. The death of former Prime Minister David Lange and the Israeli withdrawal from Gaza was also widely reported during the campaign period. Lange's death was responded to by current politicians but coverage seemed to be outside the normal scope of the ongoing campaigning. It is important to remember that even during a campaign, political events and debates compete with other news, especially international news, for space on the airwaves.

3.8 The healthcare debate

Healthcare was a social policy issue during the 2005 campaign but not a central one. Out of the four radio stations only National Radio covered health policy the morning after Labour released its healthcare policy. While it was not believed that healthcare was an

¹²² Stuff.co.nz (NZPA). *US nuke law claim raised in Parliament*, 2 August 2005. <http://www.stuff.co.nz/stuff/0,2106,3365132a10,00.html>

important enough issue in 2005 for it to warrant extensive discussion in this thesis, the healthcare debate did reveal important ideological differences between the two parties even if the policy differences were relatively minor. National's key appeal to voters with healthcare policy could largely be considered an appeal of personality as they argued that healthcare had been mismanaged by Labour. National believed that Labour's increase in health spending was misspent as it had little effect on outcomes, especially to the lack of change to the lengths of elective surgery waiting lists. In a speech on National's healthcare policy, Don Brash said 'in spite of greatly increased funding, New Zealanders are forced to wait for surgery or treatment in life-threatening situations well beyond acceptable times'.¹²³ Labour's emphasis had been on primary health care and building up health infrastructure. Health funding was increased 50% from 1999.¹²⁴ Large amounts had been spent on human infrastructure including a \$380 million settlement for nurses pay claims.¹²⁵ National believed large amounts of money were wasted in the health sector and that funding could be cut without cutting services. National's health spokesperson Dr Paul Hutchison made that point clear in an interview on *Morning Report*:

Robinson: So you can tell me categorically can you that you can decrease health cost without cutting services?

Hutchison: I believe that we can indeed do that. We can manage it [health spending] much more efficiently [than Labour] and we've got a variety of mechanisms that we'll use to do that.¹²⁶

¹²³ Don Brash. *National's better path for health*. Speech to Chalmers Rest Home, New Plymouth. Made on 6 September 2005. <http://www.national.org.nz/Article.aspx?ArticleID=5137>

¹²⁴ New Zealand Labour Party. *Labour commitment to well funded public health*, New Zealand Labour Party Press Release. Released on 1 September 2005. <http://www.scoop.co.nz/stories/PA0509/S00016.htm>

¹²⁵ New Zealand Herald. *Top nurses take \$7000 rise*, Auckland, 23 February 2002.

¹²⁶ Paul Hutchison and Annette King. Interview by Geoff Robinson, *Morning Report*, National Radio, 2 September 2005 8:15am

The ideological difference between the two parties can be seen in their difference over the extension of primary healthcare funding to working people between 25 and 64 years old. Labour planned to make such an extension, arguing that if hospital services were universally free then why should some miss out on subsidised healthcare when such care could avoid them needing hospital services later on? National meanwhile argued that targeting of health spending was more prudent when 25 to 64 year olds were the most likely to be able to pay to see a doctor. Labour believed that funding should be distributed based on health need. All those who were sick should be treated not based on their ability to pay but on their medical requirements. The targeting of primary healthcare subsidies to the young, old or poor was considered to simply be a stop gap measure until the funds were available for a return to full provision. National on the other hand saw no need to extend the current provisions beyond those who already receive subsidies to those who were better able to pay to see a doctor. For National, tax cuts would be a much better way to spend the cost of extending the programme. These issues did not get a massive amount of coverage in the media despite polls saying that healthcare was the second most important issue.¹²⁷

3.9 National's housing policy

National's housing policy was quietly released onto its website on 5 September. National made no effort to promote the policy and did not even issue a press release about it. In the policy statement on the National Party website, the party promised to 'ensure there is equity between private rentals and state home rentals'.¹²⁸ This means that National intended to return to the policy of charging state house tenants market rents. Market rents were introduced by the previous National government in 1993. Groups such as the Child

¹²⁷ New Zealand Herald. *Poll: Labour could govern on its own*, Auckland, 16 September 2005. http://www.nzherald.co.nz/feature/story.cfm?c_id=1500936&objectid=10345819

Poverty Action Group (CPAG) have accused that policy of causing large increases in child poverty through higher rents. CPAG also argued that increases in diseases such as TB and meningococcal meningitis were due to overcrowding caused by the higher rents.¹²⁹

The policy received almost no coverage on breakfast radio. The only mention of the housing policy on breakfast radio was in a ZB interview with Holmes. In that interview Brash said that the waiting list for state housing was created by the price for state houses being less than the market rate.¹³⁰ Holmes was more interested in the fact National was not promoting the policy and did not question Brash about the possible social outcomes of that policy. In a long interview with Linda Clark on National Radios *Nine-till-Noon* programme, Brash was questioned about the possible social outcomes of the policy. In that interview Brash showed that he had little no or understanding of the effect market rents had on Housing New Zealand tenants:

L. Clark: Do you know what the impact of that policy was in the '90s?

Brash: I'm not sure what you mean by that.

L. Clark: Well, do you know what the social impact of that policy was in the '90s? Pretty straightforward question.

Brash: I don't have a comprehensive study there, but I know that it got many people into affordable housing.

¹²⁸ New Zealand National Party. Website. *Housing*, Released on 5 September 2005, Viewed on 28 February 2005. <http://www.national.org.nz/Article.aspx?ArticleID=5118>

¹²⁹ Alan Johnson. *Room for Improvement: Current New Zealand housing policies and their implications for our children*. Report. Child Poverty Action Group. 2003
<http://www.cpag.org.nz/resources/publications/res1115625926.pdf>

¹³⁰ Don Brash. Interview by Paul Holmes, *The Paul Holmes Breakfast*, NewsTalk ZB, 6 September 2005 7:42am

L. Clark: The Child Poverty Action Group, which was formed essentially on the back of that policy, says that when market rents came in last time under a National government, the level of child poverty in this country was tripled.

Brash: I certainly don't regard that group as an objective group assessing anyone's policy. Certainly not the National Party's policy.¹³¹

Brash went on to say that he had not studied the policy in any detail. Brash was not questioned on breakfast radio on this topic or any topic in the detail that Linda Clark did with Brash on her mid-morning programme.

The fast spaced nature of breakfast radio means that most interviews during the campaign were under six minutes long. The week of National's housing release there were three other major news stories competing for coverage. Hurricane Katrina, New Zealand First's choice of coalition partner and the Exclusive Brethren pamphlets were all covered that week. This is a good example of the limitations of breakfast radio in examining social policy during news heavy periods.

3.10 Labour's policy-a-week strategy and National's reliance on the tax cut message.

Labour and National had two very different campaign strategies in terms of releasing and promoting policy information. Labour had a strategy, openly admitted by its leader,¹³² to roll out large amounts of policy on a comprehensive platform. Announcements seem to have been made along weekly themes with all the policies in a certain area being released

¹³¹ Don Brash. Interview by Linda Clark, *Nine-till-Noon*, National Radio, 10 September 2005 10:00am

¹³² Helen Clark. Interview by Noelle McCarthy, *Breakfast*, 95bFM, Auckland, 22 August 2005 8:57am

in the same week. For instance, the last week of August was health week with policies for health, school dentistry, women's issues and veterans' affairs all being released at that time. National's campaign was less structured, with a greater reliance on the tax cut message. There was barely an interview on breakfast radio where Brash did not mention the tax policy.

The format of Labour's policy programme and the style in which the party promoted it should be seen in the context of Labour's recent history. Labour was still sensitive to the perception that it went against its election promises after the 1987 election campaign. At every election since the 1999 campaign, Labour released what it called a pledge card. The credit card sized piece of plastic listed a small number of policy promises to be enacted by Labour should it become the government. In the 2005 campaign there were seven promises on the pledge card which also were prominently displayed on the party's website and were the theme of an A2 sized fold-out flyer titled *Working together, sharing a vision. Labour's policies for the future*. The flyer expanded on the seven promises and the policy area of each pledge. The seven promises were:

1. No interest on students for New Zealand based graduates
2. 7,500 extra cataract operations and 10,000 extra major joint operations in the next term.
3. Final date for lodging historical Treaty claims by 1 September 2008, and commit to finish all settlements by 2020.
4. Increase maximum rates rebate to \$500 and increase income eligibility thresholds.

5. \$1,000 kick start for everyone joining KiwiSaver and up to \$10,000 as a grant for couples (\$5,000 for single people) saving to buy their first home.
6. 5,000 extra Modern Apprentices.
7. 250 extra community police on the streets.¹³³

These promises could be seen as the backbone of Labour's policy programme. Given the nature of post-MMP policy negotiations and the history of the fourth Labour government, it seems the party had taken the strategy of making a small number of seemingly achievable goals in a range of policy areas. This way Labour could be seen to repair its trust with the electorate by implementing its policy promises while keeping its message simple to voters. Several of these pledges could be seen as social policy initiatives although it was only the first pledge that was significantly controversial on breakfast radio. The announcement of Labour's policy to no longer charge interest on student loans came just one day after the Prime Minister announced the election date on 25 July. As will be explained in later chapters, the student loan policy would be one of Labour's key election policies and trigger the wider ideological debate.

Commentators on both National Radio and NewsTalk ZB picked up on the difference in policy strategy between Labour and National. In a Paul Holmes interview with *Listener* political columnist Jane Clifton, that difference in policy strategy was discussed.¹³⁴ In Clifton's opinion the tax cut message was the most important to National and that they had not sold it effectively. On National Radio, its political editor had this to say about limited range of National's appeals based on policy:

¹³³ New Zealand Labour Party. *Working together, sharing a vision. Labour's policies for the future (campaign pamphlet)*. Report. 2005e Delivered to New Zealand homes August 2005.

¹³⁴ Jane Clifton and Paul Holmes. Analysis *The Paul Holmes Breakfast*, NewsTalk ZB, 26 August 2005 7:20am

Ryan: Well you see National's running the policy if you like in the first half of the campaign but it's revived policy. Ok so the tax cut came out but after a very very long build up. They had another go this week at Maori and Treaty policy, but that was the big hit 18 months ago. If you look at Labour it is very quietly rolling out quiet significant sizable policy which it is setting up to be as the contrast to tax cuts. Even a \$100 million on the dental, ah, programme the other day. So it is actually sort of under the radar rolling out quiet a bit of stuff and just sort hammering way on this theme of 'you want the spending or you want your tax cuts?'¹³⁵

This analysis also succinctly explains the ideological difference between Labour and National. Ryan is arguing that Labour's counter argument to tax cuts is to have a wide range of policies and promote them all. It must be also remembered that that debate took place in a closely fought campaign that was dominated by the two largest parties.

3.11 Closeness of the campaign and the low polling of the small parties

One of the important features of the 2005 campaign was the swing of public support away from the minor parties towards Labour and National. In the 2002 election the two largest and oldest parties won 62% of the party vote. By the first week of August 2005 polls were suggesting the two largest parties could capture as much 86% of the party vote.¹³⁶ The swing to the large parties was both a result of the closeness of the campaign and a sign of the difficulty junior coalition partners and government supporters have maintaining popularity. The 2002 election was dominated heavily by Labour. Labour was significantly ahead of National throughout the campaign but support had dropped significantly by the time of the election date. The government could have been hurt by a

¹³⁵ Katherine Ryan and Sean Plunket. Analysis *Morning Report*, National Radio, 2 September 2005 8:10am

¹³⁶ TNS. Website. *3 News TNS Poll*, Released on 3 November 2005, Viewed on 5 February 2006.

<http://www.tns-global.co.nz/corporate/Doc/0/0Q1871C9Q8IKBFELRJ7N20B5/PollNov032005.pdf>

scandal involving the possible importation of genetically modified corn as their poll rating dropped after a book on the alleged incident was released. It is equally probable that many voters were shopping around; Labour was popular enough so National was not in a position to win. Some who would have ordinarily voted for Labour could have turned to smaller parties to avoid it having an outright majority; meanwhile National voters unhappy with their party's performance could have made a protest vote for a smaller party. Some National voters may have even voted for Labour in order to minimise and effect the Greens could have had on the government. In a study of electoral behaviour in the 2002 election, Blais, Loewen, and Bodet found that there was a significant amount of strategic voting with at least 12% of voters casting a strategic ballot.¹³⁷

This 'shopping around' by voters did not appear to occur in the party vote of 2005. There was some strategic voting in electorates such as Epsom or Tauranga where the success of particular candidates could have had a disproportionate effect on the make-up of Parliament. It will not be until the New Zealand Election Survey releases its analysis of the election will we get a full idea of what kind of voter behaviour occurred in 2005. However, it is likely that, with the difference between the main parties so small, voters were brought back into one of the two large camps. National had returned to pre-1999 levels of popularity and was a serious challenge to the governing coalition. The protest vote against either major party was evaporated by the heat of ideological difference. It is even possible that the tight race and the promise by New Zealand First and United Future to support (or at least not oppose) the party with the largest number of votes may have made voters more likely to choose a major party. On breakfast radio, the game-framed stories on the smaller parties were largely centred on their chances of parliamentary survival or on their possible choices of coalition partner. In terms of policy debate, the

¹³⁷ André Blais, Peter Loewen and Marc-André Bodet. 'Strategic Voting' in *Voters' veto : the 2002 election in New Zealand and the consolidation of minority government* (Vowles, Aimer, Banducci, Karp and Miller eds.), Auckland University Press, Auckland, 2004. pp. 68

main question asked of smaller parties was their willingness to support Labour or National's policy commitments.

3.12 Minor party social policy

The media attention and, judging by the polling, the public's interest was centred on the social policies of the two biggest parties but the smaller parties had social policies as well. ACT called for greater and faster tax cuts than National was promising. The Greens and the Progressives made social policies that were meant to fill-the-gaps of Labour's policies on the left. The Greens called for Labour to extend its *Working for Families* package to beneficiaries and for the introduction of a universal student allowance. Progressives called for the reduction of company taxes to 30% and an increase in the drinking age to 20. Both left wing parties had a student debt write-off scheme for those who stayed in New Zealand. United Future and New Zealand First positioned themselves in between the two major parties as they both claimed to have no preference of coalition partner. United Future gave an alternative tax cut plan that included income splitting for couples. According to United Future such income splitting is meant to deliver tax cuts disproportionately to families and thus can be seen as a compromise between the tax plans of National and Labour. Income splitting however would only benefit two parent families; a point not heard on breakfast radio, but nor was United Future's tax plan. The Maori Party had little in the way of firm social policy although they did join the chorus for some form of tax cut.

New Zealand First called for more subsidies for senior citizens and for GST to be removed from petrol. The latter plan was heavily criticised by both the major parties. The increase in energy prices had been a worldwide problem in 2005 and New Zealand First believed that the government was collecting more revenue from GST due to the price

rise.¹³⁸ Labour strongly disputed this saying that if people spent more on petrol they will spend less elsewhere thus leaving GST revenue unchanged.¹³⁹ National late in the election promised to temporarily remove the most recent 5c per litre excise tax rise until their tax cuts were implemented. The Greens were strongly against any policy that would reduce the cost of fossil fuels. Both United Future and the Progressives said they would refuse to support any government that wished to decriminalise marijuana. All the smaller parties made social policy announcements but with the campaign so strongly dominated by the larger parties, breakfast news interest in the minor parties seems to have been centred on their willingness to accept the policies of either Labour or National.

3.13 Conclusion

Modern New Zealand election campaign are complex events. This complexity has increased with the adoption of MMP. The range of political parties, the Maori seats, and possibilities for strategic voting add depth to campaigns beyond the debates over policy, personality and ideology. Even with a complex election there were other news stories that needed to be covered during the campaign. In spite of the complexities, the 2005 election was characterised by the low polling of the minor parties and the domination of the tax policy debate. The next chapter looks at the arguments made by politicians when discussing the three selected social policies and how those policies, and the debates over those policies, were analysed by the selected breakfast radio stations.

¹³⁸ New Zealand First Party. *GST On Petrol Must Go - Peters*, New Zealand First Party Press Release. Released on 26 August 2005. <http://www.scoop.co.nz/stories/PA0508/S00687.htm>

¹³⁹ New Zealand Government. *Cullen Releases Reports On Petrol*, New Zealand Government Press Release. Released on 8 September 2005. <http://www.scoop.co.nz/stories/PA0509/S00302.htm>

Chapter 4: The Nature of Social Policy Discourse on Breakfast Radio

4.1 Social policy issues and when they occurred.

Of the three policy initiatives explored in this chapter, two were from Labour and one was from National. They were announced at different times and all were major factors in each party's campaign strategy. Labour's announcement of their policy to remove interest from student loans was unexpected by news media. The debate on that issue was largely based around the cost, and as to whether the policy would cause an increase or decrease in total student debt. From this point on National began to accuse Labour of bribing specific voters to shore up support among groups that could swing to National, specifically students and middle income voters. The stations examined tended to see the plan as a major policy that would be a major improvement to Labour's chances of re-election. While Paul Holmes disagreed with the policy, he saw it a major political blow to National's chances of winning the election. Labour's announcement that it was going to extend its *Working for Families* package came on 18 August. This made the election campaign about two different forms of tax cut: Universal tax cuts from National and redistributive financial aid to working parents from Labour. The details of National's long awaited tax cut policy were released on the following Monday only to have it over shadowed various non-policy debates in that week. That announcement changed the nature of the debate. From the time of the tax cut policy announcement, more kinds of appeals were used including a sharp rise in personalisation by John Key and Michael Cullen. This chapter will look at how these specific policies were explained by party leaders on breakfast radio and look at how that debate was reported on by journalists on breakfast radio.

4.2 First issue: Labour's student loan policy

On 21 July National announced its student loan policy. National said that it 'will introduce measures to ease the repayment burden on those with student loans by making

the interest payments on student debt tax deductible'.¹⁴⁰ In National's policy statement, they put student loans as one of their key concerns for the economy:

We recognise that student loans, like compliance costs, the RMA, and poor infrastructure, are among the list of issues which this country must address if we want to get ahead. National intends to encourage excellence and to assist the investment in advanced skills and knowledge.¹⁴¹

The change was, as National argued, to make interest on student loans tax deductible in the same way that businesses can make interest on their loans tax deductible – if tertiary education is as necessary to entering the job market as tools are to a tradesperson, then why shouldn't students also be allowed to deduct the interest from the loans for their education as the trades person can on the loan for their equipment? On 28 July, in an interview on 95bFM, Brash put the argument for his party's policy in exactly those terms:

Brash: Well what we've said is, look, when a plumber borrows to buy money, borrows to buy a van and tools he can deduct the interest on that loan because he's borrowing to generate income. We think the analogy with the student is exactly the same. A student borrows to get a qualification. A degree or a diploma or whatever and on the assumption that that will generate additional income for the student after he graduates or she graduates. Now, ah, for the same reason we've said ah, just as the plumber can deduct on the interest on the loan that he or she takes out, the student should be able to deduct the interest on the loan that he or she takes out to buy that qualification. So we've said let the student deduct interest or let the graduate deduct the interest against their own income and I think that's a sensible thing to do and it's consistent with what we do with plumbers and other people who borrow to generate income. Ah, but the key issue is generating higher growth and higher living standards

¹⁴⁰ New Zealand National Party. Website. *National's 2005 Student Loan Policy*, Released on 21 July 2005, Viewed on 10 February 2006. <http://www.national.org.nz/Article.aspx?ArticleID=4742>

¹⁴¹ Ibid.

and er, of course one of the other things in our arsenal will be reduced tax rates.¹⁴²

Under National's plan a student with a student loan of \$30,000 earning \$45,000 a year would have had up to \$693 deducted from their loan principal (not refunded directly to them) for a year's interest repayments.¹⁴³ The implied attitude of the National Party was that student loans were like any other kind of loan and should be treated as such.

Labour's policy challenged that assumption. It announced on 26 July (the day after the election date was announced) that if it were re-elected it would stop charging interest on loans from April 2006. As the system stood, those out of university and employed were charged 7% interest per year on their student loans, but if a person's compulsory payments (10c for every dollar earned) did not cover the interest charges, then the interest was written off until it did so. Those with large loans and small incomes effectively paid a lower interest rate than the 7% others were charged. Those studying or on a very low income were only charged interest at the rate of the CPI, thus keeping their loans static in real terms over time. Under Labour's new policy no interest at all would be charged on those living in New Zealand. This means that in real terms inflation would, in time, reduce the amount of debt owed so, as National pointed out,¹⁴⁴ there would be incentive for students to borrow the most allowed and invest it to profit from the interest earned. Labour argued that only the wealthy could afford to do this.

As part of Labour's proposal there was an amnesty for those who had overdue debt. The penalties placed on the loans of such people would be wiped if they signed up to a

¹⁴² Don Brash. Interview by Jason Hall, *Breakfast*, 95bFM, Auckland, 28 July 2005 8:20am

¹⁴³ New Zealand National Party. Website. *National's 2005 Student Loan Policy*, Released on 21 July 2005, Viewed on 10 February 2006. <http://www.national.org.nz/Article.aspx?ArticleID=4742>

¹⁴⁴ John Key. Interview by Paul Holmes, *The Paul Holmes Breakfast*, NewsTalk ZB, 28 July 2005 7:20am

repayment plan or returned to New Zealand permanently. This was to address any concerns that student loans were causing graduates to move overseas.¹⁴⁵

As part of a 1999 election campaign promise, Labour had removed base interest charges on those who were studying or not earning income. Labour claimed that there was no major uptake in borrowing after that policy was implemented and therefore it shouldn't be assumed that there would be a large uptake in borrowing if all interest charges were removed.¹⁴⁶ The reality was somewhat more complex. Loan take-up rates increased from 50% of student in 1999 to 60% in 2003.¹⁴⁷ There were two important factors that moderated that figure. Over that time period there was a big increase in the number of part-time students who have a lower propensity to borrow than full time students. Also enrolments at the tertiary education provider Te Wānanga o Aotearoa increased rapidly over this time period and its students also had a very low take-up of loans.¹⁴⁸ The increase in the take-up rate of full time university students would have been much higher. Given these factors, Labour's claim that there was no major uptake in borrowing should be taken with a certain amount of scepticism.

4.2.1 The National Party's response

National response to Labour's student loan policy centred on their doubt about the stated cost of the policy and take up of loans, as well as the economic principles being employed. Don Brash was audibly shocked by Labour's policy. Broadcast media has the advantage of being able to express the tone of politicians when they are interviewed. Such

¹⁴⁵ New Zealand Government. *Loan interest scrapped for students who stay in NZ*, New Zealand Government Press Release. Released on 26 July 2005. <http://www.scoop.co.nz/stories/PA0507/S00553.htm>

¹⁴⁶ Helen Clark. Interview by Noelle McCarthy, *Breakfast*, 95bFM, Auckland, 1 August 2005 9:23am

¹⁴⁷ Ibid.

¹⁴⁸ New Zealand Government. *Interest free student loan costings*, New Zealand Government Press Release. Released on 19 December 2005. <http://www.scoop.co.nz/stories/PA0512/S00277.htm>

emotion may not be helpful as part of a reasoned debate about policy but it does add interest to a broadcast:

Brash: Well I must say that's about the most cynical election bribe I've ever seen in my entire life! I'm astounded by it. It's only, what, couple of months ago since the finance Minister said there's no money left in the kitty; he couldn't provide any tax relief. And we see a policy which we estimate will cost at least half a billion dollars a year and will lead government debt to expand because of course anyone in tertiary education who doesn't have a loan will suddenly decide, look, interest free money is too good to turn down.¹⁴⁹

The transcript above lists all of National's main criticisms of the policy: that it will cost more than Labour claimed, that it will cause an increase in borrowing, and that it was a 'bribe' to students. In that same interview Brash said, 'I think the, the, whole, er, policy has been premised on the fact that most people with student loans go overseas. Now of course that's absolute nonsense'.¹⁵⁰ Despite this claim, National's website gave the brain-drain as the main reason for its policy of tax deductions on interest. This inconsistency was not noticed by the breakfast radio journalists recorded in the tapes and is a good example of how evidence can be used selectively to try and convince voters of a particular policy.

The debate around the cost was linked how many take-up the loans package. Labour initially put the cost at \$100 million in the first year, rising in subsequent years to \$300 million annually.¹⁵¹ Breakfast radio reported this figure on the first morning after the policy was announced, other estimates came later but were not reported by the breakfast radio stations recorded. In an interview with Holmes on ZB, National's Finance

¹⁴⁹ Don Brash. Interview by Jason Hall, *Breakfast*, 95bFM, Auckland, 28 July 2005 8:20am

¹⁵⁰ Ibid.

¹⁵¹ Bernadine Oliver-Kerby. Bulletin *The Paul Holmes Breakfast*, NewsTalk ZB, 27 July 2005 7:00am

Spokesperson John Key argued that both loan take up rates and amount borrowed would rise considerably. He likened the policy to giving everyone in the country an interest free credit card. Key said that he believed the increase in borrowing would mean the reduction in repayment times would be minimal. In making that argument he was ignoring the intervening increase in student standards of living that extra borrowing would create. In fact he was critical of any improvement to living standards when he suggested that loan money would be used for the 'flat beer allowance'.¹⁵² Key's argument seems to be based on the assumption that a student loan is like any other kind of loan and should have interest charged.

In his interview with Paul Holmes on the following Tuesday, Brash referred to cost estimates from the Westpac and National banks which predicted that the cost of the policy would be closer to \$1.1 billion dollars a year and that student debt could rise to \$11 billion over the next ten years.¹⁵³ Labour disputed this and attacked the banks for having conflicts of interest,¹⁵⁴ but by this time breakfast radio seemed to have moved on to other news. The arguments about the cost of the policy resurfaced in the last week of the campaign as Chief Ombudsman John Belgrave ordered the Government to release Treasury estimates on the cost of the policy. When the policy was released Labour had denied that their policy had been costed by Treasury. Mallard claimed on *Morning Report* that the policy was developed by the party as a Labour party policy and not led Treasury as a government policy usually is.¹⁵⁵ The National Party Research Unit and *The New Zealand Herald* both applied for the costings under the Official Information Act and were refused the information by the Government. The matter was referred to the Ombudsman

¹⁵² John Key. Interview by Paul Holmes, Ibid. 28 July 2005 7:20am

¹⁵³ Don Brash. Ibid. 2 August 2005 7:40am

¹⁵⁴ NBR. Website. *Westpac defends analysis*, Released on 2 August 2005, Viewed on 12 February 2005. http://www.nbr.co.nz/home/column_article.asp?id=12538&cid=4&cname=Business%2BToday
New Zealand Government. *Westpac's dodgy analysis driven by selfishness*, New Zealand Government Press Release. Released on 1 August 2005. <http://www.scoop.co.nz/stories/PA0508/S00021.htm>

who, on 14 September, ordered that the costings be released to the public on the grounds that the Government had no good reason to withhold them. The papers showed that the Treasury initially estimated that the cost would be \$390 million a year in 2008/9, heading up to \$924 million by 2019.¹⁵⁶ Labour claimed those costing made unrealistic assumptions as Treasury had assumed a take-up rate of 95% and large increases in university fees.¹⁵⁷ Cabinet had disagreed with those assumptions and asked for a second estimate where the \$300 million figure used in the policy announcement was obtained. John Key said on National Radio that the costing 'show this policy is unaffordable, will add \$10 billion worth of debt, cost hundreds and hundreds of millions of dollars to run and, frankly, no wonder they wanted to kept them hidden'.¹⁵⁸

4.2.2 Labour's Voices

Labour politicians did not make a lot of points for their party's student loans policy on breakfast radio. They seemed to be trying to let an 'interest-free student loans policy' speak for itself. When interviewed by National Radio on the morning following the announcement, Mallard did not try to overly sell the merits of the policy and chose to politely defend questions about the cost and the timing of the decision to make it party policy. Mallard did not push through interviewer Sean Plunket's questions and start to promote the benefits of the policy even though he had the opportunity. When challenged on National Radio by Plunket and National's education spokesperson Bill English on the possibility of a massive up take in borrowing, Mallard made this comment:

¹⁵⁵ Trevor Mallard and Bill English. Interview by Sean Plunket, *Morning Report*, National Radio, 27 July 2005 8:09am

¹⁵⁶ New Zealand Herald. *Treasury costs student loan plan at \$924m*, Auckland, 15 September 2005. http://www.nzherald.co.nz/event/story.cfm?c_id=1500891&ObjectID=10345648

¹⁵⁷ Sean Plunket and Geoff Robinson. Report *Morning Report*, National Radio, 15 September 2005 7:08am This was unusual as it was a bulletin-like piece of news read by the two interviewers with clips from pre recorded interviews with Cullen and Key.

¹⁵⁸ Ibid.

Mallard: There could well be some people who borrow as a result of this who wouldn't have otherwise borrowed but remember already, um, as a result of the quite tight arrangements there's not a lot of flexibility in the system for extra borrowing. For example as far as fees are concerned, previously, ah under, under National you could borrow the money and go to Bali even if your parents had paid. Under this arrangement the money goes straight to the universities. Under, under National your minimum drawdown was \$800 on the living costs. Now you can get not more than \$150 a week. So there's, so there's a lot of tightening going on to make sure you can't have the extravagant borrowing that went on in the past.¹⁵⁹

In a very similar interview on ZB the same morning, Holmes gave Mallard a wider berth to explain the policy than Plunket did on National Radio:

Holmes: Spell out what it does.

Mallard: What it does from the first of April next year is effectively stop interest being charged on student loans so for people who are currently studying, um, and for people who have stopped studying in the past and still have a loan. Associated with this is an amnesty so that people who have overdue debt, people who, and there are people both within New Zealand and overseas, if they sign up with the Inland Revenue department to a repayment schedule, um, the old interest won't be forgiven but the penalties will be. Ah, and clearly if people come back to New Zealand who are currently overseas um, enter into proper arrangements then ah, then their penalties will be waived as well. So it's quite a big incentive. I think actually it's going to be really good for the economy as well as good for individuals, for people to stay in New Zealand for longer. Ah and come back and get their lives sorted out.¹⁶⁰

¹⁵⁹ Trevor Mallard and Bill English. Interview by Sean Plunket, Ibid. 27 July 2005 8:09am

¹⁶⁰ Trevor Mallard and Bill English. Radio Interview by Paul Holmes, *The Paul Holmes Breakfast*, NewsTalk ZB, 27 July 2005 7:15am

The key to the argument about take-up, and therefore cost, was the differing views on the potential behaviour of students should the policy be implemented. National strongly believed that almost all students would borrow as much as they possibly could since there was an incentive to do so. Labour believed that borrowing was still borrowing even if it was interest free and that students would avoid getting themselves into debt if they could avoid it.¹⁶¹

In her breakfast radio interviews, the Prime Minister was even more straight forward in her approach to the policy. In her view something had to be done to ease the debt burden of students and former students. She batted away questions by Noelle McCarthy on the affordability of the policy:

McCarthy: It is a worry though that making it easier for students, to, to borrow will mean that they will get more merrily into debt.

Clark: Nah, I'm not really interested in these sort of straw-man arguments that you put just to push them over. Everyone knows that the student debt issue is a pressing one which has been on the minds of students, their families, their grandparents, in fact it's commonly identified as one of the top issues in education that has to be dealt with. Now how you deal with it other than by a very important policy like this I would not know. So people can't just both say A it's problem and then B don't anything about it.¹⁶²

By saying that there was no other way to deal with student debt, Clark denied the student loan plans of the United Future and Progressive parties, who had policies of wiping a

¹⁶¹ Helen Clark. Interview by Noelle McCarthy, *Breakfast*, 95bFM, Auckland, 1 August 2005 9:23am

¹⁶² Ibid.

certain amount of debt after working in New Zealand for a particular period of time. She disregarded that tax cuts could be a solution to relieving student debt.

Neither Labour nor National made the argument that they were both trying to make tertiary education more affordable by cutting the cost of borrowing. They didn't argue that people would consider a tertiary education if they did not have to pay so much back in the form of interest payments. The next section looks at how each radio station covered Labour's student loan policy and the debates mentioned above.

4.2.3 The way in which radio covered Labour's student loan policy

4.2.3.1 NewsTalk ZB: The sceptical response

NewsTalk ZB's bulletins were quite similar to those of the other three stations. Over three 'top story' bulletins ZB mentioned the popularity of the policy among student groups and unions, disappointment from tertiary providers and the disapproval by the Auckland Chamber of Commerce and the National Party. In terms of the policy detail, only the first story gave details of the savings one loan holder could expect to achieve. Labour had given several individual examples of savings in press releases issued as part of the announcement but the example used in the ZB bulletin was not one of them.¹⁶³ The other two stories used did not include policy detail, but could be said to be balanced as they reported on the groups that were supporting or disapproving of the policy. The 7am story was a good example of this:

Oliver-Kerby: Labour's interest free loan scheme for students is drawing a chorus of approval from a wide body of student and training organisations. The scheme will apply to all people with student loans living in New Zealand from April next year. There'll also be an amnesty

¹⁶³ Bernadine Oliver-Kerby. Bulletin *The Paul Holmes Breakfast*, NewsTalk ZB, 27 July 2005 6:00am

for those living overseas. Any penalties accrued will be wiped if they return to New Zealand in 2006 and sign up for repayments. The policy will cost 100 million dollars in the first year eventually rising to 300 million a year. Among those giving it a big tick are The Nurses Association, medical associations, teachers' unions, tertiary educators and most student groups. One not impressed, and perhaps not surprisingly, is the group National On Campus. Lower North Island chairman Alex Mitchell says it's an election year bribe and will mean student debt will skyrocket.

Mitchell [sound bite]: "Realistically, every student is going to borrow as much as they possibly can, um, there's, and there's going to be no incentive to repay."

Oliver-Kerby: Alex Mitchell says National's tax rebate scheme for students has better incentives and costs less.¹⁶⁴

Holmes interviewed both Labour's Trevor Mallard and National's Bill English one after the other. Holmes had some minimal interest in the details of the policy; he gave Mallard an opportunity to explain the policy and asked where the money came from as it wasn't in the budget. Holmes' key interest was the 'game'. His opening question to Mallard was on why the policy wasn't in the budget. Mallard explained something had to be left for the campaign. The follow up questions were distinctly game-framed.

Holmes: Something you can unashamedly, ah, you can be open about it, something you unashamedly save for a campaign?

Mallard: Oh absolutely.

¹⁶⁴ Ibid. 7:00am

Holmes: Right. Or was it something you decided at a late stage to do because of the bad poll?¹⁶⁵

When speaking to English, Holmes largely let English explain his criticisms of Labour's policy with little interruption, only butting in to make game-framed questions and statements like, 'you're calling it an election bribe and it probably is but hell, it's a campaign Bill' and 'students like it though Bill'. He does pose one policy-oriented but somewhat easy question to English: 'It seems to me they've written off debt interest on \$7 billion worth of borrowings, haven't they?'¹⁶⁶

Despite his cynical tone Holmes did cover all the bases in these interviews. He let both Mallard and English explain and criticise the policy, asked the relevant questions about cost and the game-framed question about what the policy was supposed to achieve politically. The interview with John Key the next day was not at all balanced. Labour had no right of reply and Holmes asked only questions about criticisms of Labour's policy. This let Key explain his views without being challenged. This lack of balance continued during the programme's analysis of the student loans policy. During the regular banter in the first hour of the programme, the hosts showed their disapproval of the policy and some fairly prejudiced, albeit joking views on students:

Oliver-Kerby: Ah well, you know, I guess you can put Labour up in the space shuttle if we're talking about student loans... Look they've come a step closer to buying the student vote. It's all bribes isn't it? This is what we are calling it now. Ah, they're wiping the ah, the interest on student loans from April next year; students jumping for joy, I don't know if tax payers will be. 300 million...

¹⁶⁵ Trevor Mallard and Bill English. Radio Interview by Paul Holmes, Ibid. 7:15am

¹⁶⁶ Ibid.

Holmes: Yeah

Oliver-Kerby: ...is ah, what it's going to cost.

Saville: Student loans are grog money.

Oliver-Kerby: Well they are aren't they?

Saville: Have you got one? No

Holmes: No

Oliver-Kerby: Except...

Saville: Never had one.

Oliver-Kerby: Well, well, no, no, no, they're not really 'cos you look at all the doctors who've got like, \$100,000 loans, and, no, I do think feel [inaudible]

Saville: They're just go for the expensive grog.

Oliver-Kerby: To a certain extent.

Holmes: Well I think it would be an understatement to say that Labour's come close to getting the students...¹⁶⁷

¹⁶⁷ Paul Holmes, Bernadine Oliver-Kerby and Andrew Saville. Analysis (Banter) *The Paul Homes Breakfast*, Ibid. 6:20am

By demonstrating such attitudes, it is clear that the station does not target students and was unafraid of offending people with student loans. By agreeing with National's accusations of bribes, there was a certain amount of ideological, if not political, leaning in their statements. Such attitudes were reflected more bluntly by callers when Holmes brought them on air in what he called '30 second talkback'. One caller named Robert was typical of the other callers' attitudes:

Robert: Hi. I'm furious about this. I think the average sensible Kiwi is going to see right through this. And I'm sure there's going to be a huge backlash against the Labour Party for it. And I really think that Helen is only really interested in being Prime Minister and to hell with the rest of New Zealand.¹⁶⁸

Only one out of the five callers that Holmes brought to the air thought the policy was a good idea. Also that morning, Holmes talked at length, directly to the audience, editorializing about the policy. He questioned the policy and showed his disapproval but also praised Labour's political strategy.

4.2.3.2 National Radio's coverage of the student loan policy

National radio's bulletins took a slightly different tack on the policy announcement by giving the views of the smaller parties on Labour's policies. Whereas ZB had three different stories on the student loans policy announcement, National Radio used almost the exact same story for all of its bulletins during *Morning Report*. Like ZB they ran balanced bulletins in much the same style: Those for and those against. The bulletins did

¹⁶⁸ 'Robert'. Interview (Talkback) by Paul Holmes, *The Paul Holmes Breakfast*, Ibid. 7:53am

not give any examples of how certain people would save money under Labour's policy, instead National Radio's bulletins reported on the disapproval of University Vice-Chancellors Committee Chairman Stuart McCutcheon, who believed the policy would be at the cost of university funding.¹⁶⁹ In one sound bite he made the point that Australia had twice the per student tertiary funding of New Zealand. On the whole, National Radio's bulletins were little different from those of NewsTalk ZB.

In addition to the bulletins, *Morning Report* included a report from a 'journalist in the field' on what the policy was and how it was being received by students. This included clips from students and loan holders, all of whom were positive about the prospect of not having to pay interest on their loans. One 18 year old student said he had enrolled to vote because of the policy. This report explained the policy in more detail than the bulletins and mentioned Labour's claim that the policy would be of benefit to those with large loans and small incomes. The example of this was a first year teacher with a \$31,000 student loan. The report spent some time on the concerns of those in the education sector that money was being spent on student loans and not university funding.¹⁷⁰ Interestingly, the report did not include the comments of National or any other group outside the education sector that opposed the policy.

National Radio's interview with Trevor Mallard and Bill English was not dissimilar from the interview conducted with them on *The Paul Holmes Breakfast*. Sean Plunket asked much the same questions of Mallard and English and interviewed them one after the other as Holmes did. Plunket asked about cost, where the money had come from and when the policy was decided upon. Where Plunket's line of questioning differed from those asked by Holmes was in a question about the effect on universities:

¹⁶⁹ Nicola Wright. Bulletin *Morning Report*, National Radio, 27 July 2005 7:00am

¹⁷⁰ Karen Brown. Report from the field Ibid. 7:08am

Plunket: Is it also possible therefore, that having more people borrow money will not encourage universities to be as, ah, economic as they might in terms of setting course fees, or running their institutions tightly?¹⁷¹

Mallard responded by saying that Labour was committed to keeping fees at their current levels or at least only small increases. Like Holmes, Plunket referred to Mallard's claims a few days before of American influence in National's policies. Unlike in Holmes' interview the two politicians were able to speak and respond to each other during the interview, adding drama to the interview and making it more adversarial.

While Plunket asked questions around tertiary education policy, he did not ask Mallard to outline the student loan policy generally. Nor were his questions any less game-framed than those asked by Holmes. His last questions to Bill English used a poker metaphor that is typical of game-framed political coverage:

Plunket: I guess now Bill English, ah, you, you've played your card on this. Labour have played their card. It would appear from the reaction that we're that ah, they got an Ace and perhaps you played a Jack or a Queen. Does this increase pressure on National to come out with another spending area or another policy which you can gazump Labour on, get back the initiative in this campaign?¹⁷²

It was in the tone of the two broadcasts where the two news stations differed from one another in the reporting Labour's student loans policy. In terms of the amount of policy detail, the extent to which coverage was game-framed, and treatment of politicians, the two stations were roughly the same. The willingness of NewsTalk ZB hosts to deride the

¹⁷¹ Trevor Mallard and Bill English. Interview by Sean Plunket, Ibid. 8:09am

¹⁷² Ibid.

policy is what sets it apart. In this case, National Radio made a greater effort to show the opinions of students and education providers. NewsTalk ZB reported on those who weren't politicians who supported Labour's policy, but tended to have them in the abstract rather than put their voices to air. Voices against the policy on ZB also came from regular commercially sponsored commentators such as Tim Preston from ASB Securities and Roger Kerr who tended to have a business focused point of view. Roger Kerr is the Executive Director of the Business Roundtable and had a regular segment on *The Paul Holmes Breakfast* which is sponsored by Asia Pacific Risk Management and Elders Finance. Kerr has been a promoter of free market economic policies in his position as head of the Business Roundtable. By solely using experts' voices from the financial industry ZB's analysis lacked balance. There were no opinions of academics or left wing groups to balance the views of the industry experts and Holmes made little effort to challenge his experts either. National Radio avoided such packaged and commercially sponsored features so it had more flexibility in how it told its stories, allowing for better control of balance and objectivity.

4.2.3.3 95bFM: Mixed feelings

95bFM made little comment on the student loans policy on the morning after Labour made its announcement. This may seem odd for a student radio station but 95bFM generally covers very little in the way of student issues. In fact, the policy was not referred to at all the day after the policy was announced except in the following news report which was read three times:

McCarthy: On the heels of National's student tax rebate Labour has come out swinging. They say they'll scrape all interest on student loans. Labour's touting the scheme by saying it'll cut student debt by thousands of dollars and reduce the time it takes to pay them off. Most of the

smaller parties in Parliament support the plan but ACT and National are calling it plain irresponsible. Don Brash was particularly vehement labelling the policy as nothing more than an election bribe and one that'll cause an explosion in student debt.¹⁷³

The only other times the policy was referenced was in the interviews with the leaders on the following Thursday and Monday. The first interview was done by programme director and new *Breakfast* host Jason Hall. His lack of experience in political interviewing is evident from questions such as this:

Hall: Er, we ah, we know you're on the campaign trail and a busy man and your hours are very expensive. So we won't keep you too long. Now, um, the first thing, er, of course student interest loan, kafooffle [sic]. What a crazy idea is that?¹⁷⁴

Hall did not hide his disapproval of the policy and gave Brash a rather easy interview as Hall failed to play devil's advocate with him. This allowed Brash to open up on his promise of tax cuts and his own student loan policy. This was the first and last time Hall preformed a political interview during the campaign. From then on all of 95bFM's political interviews were done by News Editor Noelle McCarthy. When interviewing Helen Clark on the following Monday, McCarthy questioned the Prime Minister on whether the loans policy would become Government policy if Labour were re-elected, and whether debt would increase because of the reduced cost of borrowing. McCarthy was the first out of the breakfast interviewers recorded to ask about the Westpac cost estimate and suggested she had more understanding of the views of students than the hosts of ZB:

¹⁷³ Noelle McCarthy. Bulletin *Breakfast*, 95bFM, Auckland, 27 July 2005 8:00am

¹⁷⁴ Don Brash. Interview by Jason Hall, Ibid. 28 July 2005 8:20am

McCarthy: Mmmm. It's certainly popular among students, everyone up here is partying like its 1999. Um, yourself and Michael Cullen have worked out the cost as estimated to be 300 million, after the first year. Um, Westpac's chief economist says if every student borrows as much as they can it'll end being closer to 1 billion.¹⁷⁵

On the next Thursday she continued to question Brash about the loan policy, long after other radio stations had stopped reporting on the policy. Brash's irritation at Labour's policy was obvious:

Brash: [Labour's student loans policy is] very bad economics. You give anybody interest free money and what's their natural inclination, to borrow more.

McCarthy: Well but the national union of students disagrees with that because they say that economists who've got that argument don't understand what it's like living as a student. Their simply not in a position to be able to take out a...

Brash: Noelle this Labour government proposal will give students not a single additional dime, until their loans are repaid! Not one, unless they borrow more. If they borrow more of course they get more money to live on. They don't get any cash in the hand under the Labour scheme. The interest is waved if it goes ahead and that means the loan is repaid over 9 years instead of ten and a half or whatever the thing is. But they get no more money in the hand.¹⁷⁶

Brash was not being accurate. Under Labour's plan students would save large sums of money over the long term. The exact amount depended on the size of their loan and the

¹⁷⁵ Helen Clark. Ibid. by Noelle McCarthy, 1 August 2005 9:23am

speed at which they were paying it off. National's policy was not that different from Labour's, as it was effectively also an interest rate cut, but not as big a cut as Labour's. McCarthy pushed Brash and he responded tersely. Once Brash was off the air McCarthy said this to Hall:

McCarthy: I think its sour grapes this whole student loans pledge thing. I think Labour are actually doing a very good thing even though I did give Helen [Clark] a bit of a hard time about it.¹⁷⁷

McCarthy here showed her approval for the policy. This was the extent of 95bFM's analysis of the policy.

McCarthy and Hall disagreed with each other on this issue, and were both open about their views. Despite the smaller amount of coverage, 95bFM's news was little different from the two news stations in terms of framing or coverage area. Student loans were not a story that could be covered in terms of personality or coalition formation, as every party, except National and ACT, supported the policy. It is important to remember that most of the interviews and analysis on 95bFM were aired during the *WIRE* programme, from 12-2pm Mondays to Thursdays. Unlike the news stations, *Breakfast's* bulletins were shorter and had no clips, but otherwise followed the same formula. This was a sign of 95bFM's lack of news resources but also its lesser focus on news. Music and music interviews were also important to the station, even if the policy could have had major ramification for many of its listeners.

¹⁷⁶ Don Brash. Ibid. 4 August 2005 8:40am

¹⁷⁷ Ibid.

4.2.3.4 The Mai FM response:

Typical of its news coverage, the bulletins of Mai FM were the station's only coverage of the policy announcement. As usual, there was no mention of the policy or politics by the host of Mai FM's *Breakfast* show. In this case, the student loan bulletins were longer than those on bFM and referred to the same woman that ZB had used for student loan savings. This is the 7am lead story:

Edmonds: Graduates with student loans will save tens of thousands of dollars if Labour's new tertiary education policy is put in place. A number of case studies were outlined at the launch of the policy which would see interest on loans wiped from April for graduates who stay in the country if Labour retains the treasury benches. One involved a young Wellington house surgeon who earns \$60,000 but has a big loan. Aisha Verril says she is not a member of the Labour Party but says the policy is a Godsend.¹⁷⁸

The 8am bulletin was shorter and included references to National and ACT accusations of bribing the students for their votes. Despite not having any clips, the bulletins of Mai FM were as good as the news stations in term of policy details and included more information than the bulletins of 95bFM. Without interviews or analysis there is little that can be said about Mai FM's interpretation of the policy announcement. The bulletins of the four stations were so similar in formula and output, a listener who only listened to bulletins would get much the same idea of the policy regardless of which station he or she heard.

¹⁷⁸ Susan Edmonds. Bulletin *Mai FM Breakfast*, Mai FM, Auckland, 27 July 2005 7:00am

4.2.4 The good policy versus the popular one

The policies of Labour and National were both intended to reduce the debt burden on those who have student loans. This could have been done in other ways such as increasing funding for universities and dropping fees. This would cut the amount future students would need to borrow. Another option would be to adopt the plan that several of the minor parties were promoting where new graduates would have a portion of debt wiped for working in New Zealand for a number of years. The views of those in the education sector were interesting as no politician was heard on breakfast radio advocating an increase in funding for universities. There was no real discussion of tertiary education policy on breakfast radio. The student loan policy was then the only issue that was heard to differentiate Labour from National in the area of tertiary education. All the parties heard on breakfast radio put emphases on what would be better for students and former students financially rather than on what would increase quality at tertiary institutions.

4.3 Second Issue: Family Tax Relief

The Public Finances Act 1989 requires governments to release a 'Pre-Election Fiscal Update' between 20-30 days before an election. This document is designed to give political parties and voters a clear understanding of the Crown's fiscal position before an election. This allows parties to make realistic policy promises and prevents incoming governments receiving unexpected bad news about the Crown's fiscal position. The 2005 Pre-EFU was released by the Finance Minister on 18 August 2005. It showed that government revenue was substantially higher than was predicted in the Budget.

Tax revenue was \$541 million higher in the 2005 June year than forecast in the *Budget Update*. Over the forecast period total tax revenue is forecast to be \$731 million higher than in the *Budget Update* in the 2006 June year,

\$1,001 million higher in the 2007 June year, \$334 million higher in the 2008 June year and \$229 million higher in the 2009 June year.¹⁷⁹

When announcing the Pre-EFU, Cullen also announced an extension to its *Working for Families (WFF)* package. The *WFF* package had been introduced in the 2004 Budget and come into effect in 2005. The Labour Party said that unforeseen revenue found in the Pre-EFU was going to be used to pay for the new scheme.¹⁸⁰ The original scheme was designed as income support for working parents with children who were school age or younger. The scheme had four payments with amounts depending on the number and age of the children, the hours worked and the total household income of a family. Other payments included accommodation supplements and childcare subsidies. As the scheme stood, income assistance to a family with three children under 13 years old ended when household income hit \$59,799 a year.¹⁸¹

The aim of the original *Working For Families* package was to alleviate the child poverty that arose after the benefit cuts of the early 1990s. However, poverty interest groups such as the Child Poverty Action Group (CPAG) were highly disappointed with the original package because of its emphasis on work. CPAG claimed that the package did little to alleviate the poverty of 175,000 children.¹⁸² They argue that the 'In Work Payment' for families with working parents unfairly discriminated against the children of beneficiaries. They would prefer that policies were more focused the poverty of children and not

¹⁷⁹ Michael Cullen. *Pre-Election Economic & Fiscal Update 2005*. Report. Ministry of Finance. 2005b <http://www.treasury.govt.nz/forecasts/prefu/2005/pdfs/prefu05.pdf>

¹⁸⁰ Scoop.co.nz. Website. *Post Pre-EFU The Tax Cut Competition Heats Up*, Released on 18 August 2005, Viewed on 16 February 2005. <http://www.scoop.co.nz/stories/HL0508/S00125.htm>

¹⁸¹ Working for Families. Website. *Increasing Family Assistance*, Viewed on 16 February 2005. <http://www.workingforfamilies.govt.nz/family-assistance/>

¹⁸² Susan St John and David Craig. *Cut Price Kids: Does the 2004 'Working for Families' Budget Work for Children?* Report. Child Poverty Action Group. 2004 <http://www.cpag.org.nz/resources/publications/res1122872052.pdf> pp. 8

parents.¹⁸³ The pressure group took the Crown to the Human Rights Tribunal on the grounds that the In Work Payment and the Child Tax Credit (which had existed since 1996) were discriminatory. On 15 September 2005 (two days before the election) the Tribunal ruled that the incorporated pressure group could legally challenge the Government's policy on the grounds of a human rights violation.¹⁸⁴ At the time of writing the Crown was appealing the decision.

The new policy, known as *Family Tax Relief* (it will be referred to here as *FTR*), was simply an extension of the original *Working for Families* package to those with higher incomes and an increase for some of those already receiving it. The cut-off point for a three-child family would be increased to \$93,760 under the policy.¹⁸⁵ In its policy statements Labour said that the extension would mean 'a family with two children, and an income of \$65,000 will receive \$64 a week in tax relief from April next year, rising to \$84 by April 2007'.¹⁸⁶ This would also mean that families with incomes under \$35,000 would effectively be paying no income tax at all from 1 April 2006.¹⁸⁷ The abatement rate for income was lowered from 30% to 20% meaning that increases in income had a lesser effect on the reduction in support payments. In a press release Labour used this diagram to explain the increased rates. The release included scenarios as well as questions and answers on the new policy:

¹⁸³ Ibid. Report. pp. 26

¹⁸⁴ R D C Hindle, P J Davies and S Perese. *Child Poverty Action Group Inc. v The Attorney-General*. Report. Human Rights Review Tribunal. 2005

<http://www.cpag.org.nz/resources/submissions/res1133128814.pdf>

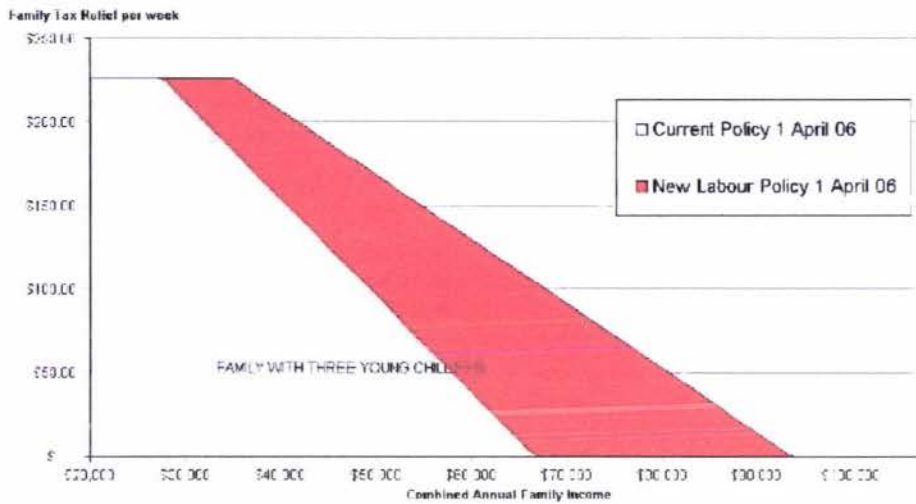
¹⁸⁵ Working for Families. Website. *Increasing Family Assistance*, Viewed on 16 February 2005.

<http://www.workingforfamilies.govt.nz/family-assistance/>

¹⁸⁶ New Zealand Labour Party. Website. *Tax relief for thousands more working families*, Released on 18 August 2005, Viewed on 6 February 2005.

<http://www.labour.org.nz/policy/families/2005policy/taxrelief/index.html>

¹⁸⁷ Ibid.



Source: Labour Party Press Release¹⁸⁸

Apart from targeting, the key difference between Labour's *Family Tax Relief* and National's tax cuts was the delivery mechanism.

4.3.1 Labour spin: tax relief for working families, aid to struggling families.

Labour said in the announcement that the extension of the scheme would 'make a measurable difference to working families by providing tax relief at the time they need it the most – when they have dependent children'.¹⁸⁹ The morning after the policy was 19 August. Finance Minister Michael Cullen and National's Finance Spokesperson John Key were interviewed by Paul Holmes on NewsTalk ZB. The appeal made by Finance Minister Michael Cullen's is almost purely one of policy. He calmly stated the basic

¹⁸⁸ New Zealand Labour Party. *Family Tax Relief: Q and A, Scenarios*, New Zealand Labour Party Press Release. Released on 18 August 2005. <http://www.scoop.co.nz/stories/PA0508/S00477.htm>

¹⁸⁹ New Zealand Labour Party. Website. *Tax relief for thousands more working families*, Released on 18 August 2005, Viewed on 6 February 2005. <http://www.labour.org.nz/policy/families/2005policy/taxrelief/index.html>

outline of the policy and the reason the Government was able to introduce it and in doing so waved away Holmes' question about 'bribes'.

Holmes: It's another, straight-up, good ol' fashioned election bribe isn't?

Cullen: No, ah, what has happened is that we've got an extra 1.6 billion over the coming four years, warning of spending too much of that too early. Ah, and we've made it clear [in] last year's Budget if we could extend *Working for Families* so the targeted tax relief got more into the middle income areas, we would do so. We've got the opportunity, we're now announcing we're doing it.¹⁹⁰

In this interview Cullen managed to appear to both answer Holmes' questions and talk about the details of the policy without sounding like he was dominating the interview by talking over Holmes or being evasive. This is sometimes described as staying-on-message. Cullen refused to let Holmes draw him into a debate about bribes. When Holmes attacked Cullen for providing a tax cut when Cullen had previously said one was unaffordable, Cullen used the question to attack his political opponent's policy:

Holmes: In fact it's a tax cut isn't it? And having vowed we couldn't have tax cuts, this is a tax cut. Call it a tax relief whatever...

Cullen: It's a tax relief, it's a tax cut of, approximately 1.6 billion over four years. I mean John Key's problem is, his party's already promised twice that before they make Monday's announcement [on their tax cut policy].¹⁹¹

¹⁹⁰ Michael Cullen and John Key. Interview by Paul Holmes, *The Paul Holmes Breakfast*, NewsTalk ZB, 19 August 2005 7:15am

¹⁹¹ Ibid.

When asked why the Government would not simply cut taxes Cullen began to make more ideological statements. Such appeals were not couched in language that suggested a traditional left-wing ideology. Cullen did not use words like 'redistribution' or 'poverty'. The word that was most commonly used by Cullen and other Labour politicians is 'need'.

Holmes: Why not simply lower the taxes?

Cullen: Then you buy about \$3 to \$4 a week across the board for those people who are finding the stress they greatest. Those working families. That would do very, very little indeed. They might get 6 or 8 bucks a week if both of them were in paid employment. I don't need another 3 or \$4 a week, you don't need it, John Key doesn't need it.¹⁹²

By saying that John Key doesn't need a \$3 tax cut, Cullen was making an appeal based on a value-based belief that it is better to redistribute tax revenue to the less fortunate while still using the language of a policy based appeal. Cullen went on to explain that only families with children were eligible for the scheme and would encourage people to start families. When asked who doesn't get any benefit from the policy, Cullen responded that superannuitants are only marginally affected, young graduates and single people will be helped with the student loan policy and that beneficiaries had already been dealt with by the original *Working for Families* package. That point was important given CPAG's criticism of the lack of support for beneficiaries in *Working for Families*. The concentration, Cullen argued, was on about 170,000 working families.

Morning Report was not aired on the morning of 19 August due to industrial action and so there were no interviews on the policy that morning. On 22 August, Helen Clark spoke to Paul Holmes in their regular Monday morning interview. The Labour's tax relief

¹⁹² Ibid.

package was one of the issues they talked about. In that interview Holmes asked two questions of the Prime Minister on the topic and both were about ‘bribes’ to voters. Despite this, Clark managed to set out both how the policy was going to be paid for and why Labour had chosen it. The latter was very similar to Cullen’s ideological appeal of a couple of days earlier. Here she was trying to neutralise the effect of the word ‘bribe’ by suggesting that National’s tax cuts were as much bribes as Labour’s tax relief:

Clark: I mean if you’re going to use that phrase [bribes] about Labour’s Family Tax Relief I hope you’ll be using it with bells on about, ah, a tax package due to be announced later today. I mean what we have is a better than expected revenue forecast and on that basis we can do more for families. And I’m very proud of doing more for families. I think the most important job in society today is bringing up the next generation of kiwis, but families do struggle on incomes which might be great if you’re single person but ah, try to live with three four five people off it and the money evaporates.¹⁹³

On the same Monday Clark spoke to Noelle McCarthy in her regular Monday morning interview on 95bFM. The opening question for Clark was on what she would be trying to get across to the audience during the television debate that night. The Prime Minister responded with a strong personality-based appeal on the basis of her experience in Parliament and government over Dr Brash.¹⁹⁴

On the *Family Tax Relief* McCarthy took a different tack to Holmes by asking about who would be affected and who wouldn’t. Clark responded by saying, like Cullen, that priorities had to be made and that working families were the Labour’s top priority. She argued, like she had on ZB earlier that morning, that single people with an annual income of \$50,000 to \$60,000 were much better off than those supporting a family with the same

¹⁹³ Helen Clark. Ibid. 22 August 2005 7:40am

¹⁹⁴ Helen Clark. Interview by Noelle McCarthy, *Breakfast*, 95bFM, Auckland, 22 August 2005 8:57am

income and that it was in the public interest for the government to support child raising. Clark went on to attack National arguing that that party was promising spending cuts of \$1.3 billion a year, and that National would increase government borrowing which would increase interest rates.¹⁹⁵ When probed on why those without children should subsidise those who choose to have many, Clark's response was an appeal based on policy with a distinct ideological tone. She argued that families needed to be supported for long term social and economic survival but also her party had policy in more areas than National. McCarthy followed up with a question on whether the election was a choice between big or small government. Clark's response was strongly ideological:

Clark: Well it's a choice between very small government, er, with what we call the strategic deficit, where you, ah, you tax cuts so you've gotta cut spending and the general result is misery. New Zealand's been down that path before and it's been a long haul to dig out of it. Or it's between responsible government, [that] says 'hey there's things governments have got to do'. People expect governments to run a good public health system, education, look after families, look after older people, do the basics.¹⁹⁶

Here Clark raised her belief that, with its promise of tax cuts, National would try to create a government deficit where the only politically acceptable option available to balance the budget would be spending cuts. This accusation was strongly denied by National. They claimed that there was a big enough surplus in the Budget to allow for their tax cut policy without cutting services.

Labour was working in a tight time frame to discuss this policy. With the strike on the Friday at National Radio there was a considerably smaller breakfast radio audience to speak to before National's tax cut policy announcement on the Monday. The key

¹⁹⁵ Ibid.

arguments made by Cullen and Clark were need and affordability. They did their best to explain that this policy was only affordable because of the increases in the estimates of forecasted government revenue. The argument about need is an interesting one. Groups like CPAG and the Green Party believed that the greatest need was those children living in poverty and not those in the households of middle income earners. National argued that this plan was not based on need but a cynical ploy by Labour to improve support among middle income voters.

4.3.2 National: 'Why should everyone else get nothing?'

Between the time of the *Family Tax Relief* package announcement and the announcement of National's tax plan, there was only one interview with a National Party MP on the breakfast radio shows used in this study. With the National Radio strike on the morning of 19 August, National had little opportunity to rebut Labour's policy on breakfast radio. The emphasis would switch to National's tax policy anyway once the announcement was made. Paul Holmes spoke to John Key immediately after talking to Michael Cullen on the policy. Some of the rhetoric that Bill English used to describe Labour's student loan package was used again by John Key to describe the *Family Tax Relief* package. Holmes first asked Key how he 'counters' Cullen's argument that targeted tax relief gives larger sums of money to those who need it, rather than giving small amounts universally. Key's argument was a good example of a politician using the game frame against an opponent.

Key: Well I think we should be honest here. What this is about is a massive vote bribe to a selected group paid for by the majority who fall outside the group. So they can claim all the, sort of, high ground they want but the reality is um, they've gone away to their polling group and said 'how do we give them a lot of money, target it and make everyone else pay for it?' Um, that's not to say that those families don't deserve it,

¹⁹⁶ Ibid.

um we've argued for quite sometime that they do. Um, but our real argument is two fold. Firstly one: Why should everyone else get nothing? I mean we've had really six years of inflation doing a lot damage to people in terms of moving them into higher tax brackets therefore losing more of their income. And secondly you have to understand what this is. I mean, ah, Michael will want to argue it is tax relief. In effect it's a welfare package. And so the reason that's important is that the way it works is they deliver all the money upfront and for every dollar of paid income they take a chunk off you. And so in effect what that means is that for every extra dollar you earn, for most New Zealanders they'll face a tax rate of that extra dollar of roughly around about 60 to 80c in the dollar. The point is really this, which is that, for a lot of people under *Working for Families* with these kinds of tax rates, they'll really say, 'is it worth me doing any more? Is it worth me getting any more skilled?' The answer is they won't.¹⁹⁷

In one sense Key showed here that politicians can be just as guiltily as journalists of seeing politics in cynical, strategic terms. Of course from Key's perspective, it is his opponents that were cynical and strategic, not his party. In another sense this appeal is ideological. Key sees Labour's policy as an affront to his values of equality and small government. This was National's key argument against Labour's ideological argument in favour of needs based redistribution: the targeting is for Labour's political advantage rather than purely on need. Key's second argument is a policy based argument around the delivery mechanism for the tax relief. Key's concern is the effective marginal tax rate created by the package. By decreasing income support with the increase in income the effect of pay increases becomes minimised. This was the major criticism made by the Organisation of Economic Cooperation and Development. The organisation largely supported New Zealand's return to large scale income support for families, which they

¹⁹⁷ Michael Cullen and John Key. Interview by Paul Holmes, *The Paul Holmes Breakfast*, NewsTalk ZB, 19 August 2005 7:15am

pointed out had been extremely low by international standards.¹⁹⁸ However the effective marginal tax rate was a major concern of the organisation.¹⁹⁹

Holmes then pointed out to Key that 75% of New Zealanders would receive a large amount of money in the hand by this scheme and that ‘politically, means something’.²⁰⁰ He asked Key if National can beat this and Key simply replied ‘yes’. Holmes went on to talk about company taxes and Key pointed out that most of the extra revenue found in the Pre-EFU was from company taxes. He talked about the consumption of debt in recent years and the slight decrease in GST revenue found in the *Update*. Key did not make any appeals around those statements but Holmes cut him off after a few seconds anyway. Key’s final point is that voters should wait until Monday so that they could see the two packages side by side before they made their decision on who to vote for.

Key’s even tone when discussing policy is not apparent in transcripts. Like Cullen, he was very calm in expressing his point of view. Key had none of the rising tones that Brash used when making the same points. Both Cullen and Key carefully used ideological and policy-based appeals to make their arguments. National’s announcement of tax cuts took the debate from a one of Labour’s tax policy in isolation, to one that compared the two offerings.

¹⁹⁸ OECD. *Economic Survey Of New Zealand 2005: Raising Female Labour Force Participation*. Report. OECD. 2005b <http://www.oecd.org/dataoecd/48/44/35077980.pdf> pp. 8

¹⁹⁹ OECD. *Economic Survey of New Zealand, 2005*. Report. OECD. 2005a <http://www.oecd.org/dataoecd/45/47/35064055.pdf> pp. 2

²⁰⁰ Michael Cullen and John Key. Interview by Paul Holmes, *The Paul Holmes Breakfast*, NewsTalk ZB, 19 August 2005 7:15am

4.3.3 The radio response to Labour's *Family Tax Relief* scheme: bulletins and analysis

A proper comparison between the news coverage NewsTalk ZB and National Radio is not possible due to the industrial action at the state broadcaster. National Radio did broadcast a bulletin (featured in Chapter 2.4) at 7am that morning that featured Katherine Ryan who reported the *FTR* story completely in the game frame. The story only told of the revised Budget figures, that there would be targeting, and that National was 'playing down' suggestions that it would amend its tax policy, to be released on Monday, because of Labour's move.²⁰¹ The bulletin had no details of specifically who would benefit from the policy or by how much. Nor did the bulletin mention any supporters or detractors of the policy outside the National Party.

The bulletins on the morning after the policy was announced were all different from one another, addressing different perspectives on the policy. The 6am bulletin had the policy as the top story. It had a clip from a bank economist saying that, from a macroeconomic perspective the policy had the same effect as a tax cut. The story mentioned that National thought it was welfare. The story also explained the ideological difference between the two parties as a choice between 'helping a sector of the community get leg up and providing relief for the broader community'.²⁰² The 6.30am *FTR* story was the third story in the bulletin and said that the policy was being touted as the difference between someone owning a home and renting. The story also had clips from Salvation Army Social Policy Director Major Campbell Roberts.²⁰³ The 7am story gave a specific example of how much a family would gain under the policy, a clip from Campbell Roberts about the need for saving, and a warning from the Business Roundtable that

²⁰¹ Katherine Ryan. Bulletin *Morning Report*, National Radio, 19 August 2005 7:00am

²⁰² Bernadine Oliver-Kerby. Bulletin *The Paul Holmes Breakfast*, NewsTalk ZB, 19 August 2005 6:00am

²⁰³ Ibid. 6:30am

‘economic growth and redistribution of wealth don’t go hand in hand’.²⁰⁴ The 7:30am bulletin explained the story using clips of Holmes’ interview with Michael Cullen and John Key.²⁰⁵ The 8am story changed the emphasis to National’s tax cuts and what they were going to be. This included a clip from Tim Preston claiming that tax cuts would be revenue positive.²⁰⁶ In all, the ZB bulletins gave a large amount of information on what the policy was, how the government said to it was finding it, and the reservations of right wing critics of the policy. The main thing lacking from the ZB bulletins was the criticism of the policy from left wing groups such as the Green Party or CPAG.

The choice of experts used by NewsTalk ZB again had a bearing on the overall tone of the analysis. Roger Kerr’s spoke about Labour’s policy and National coming tax announcement in his segment. When he spoke about the *FTR* policy, he gave much the same details about the extra revenue and the expansion of the policy that was heard in the bulletins and by Cullen in the interview. Kerr made the point that Labour should be careful about spending that extra revenue as it largely came from company tax which could be lost in an economic downturn. He also said that National will have to show that their policies are affordable and won’t cause a rise in interest rates. He went on to say that he did not believe that (what he guessed to be) National’s tax plan would cause a rise in interest rates.²⁰⁷ His analysis of Labour and National’s policies can said to be balanced as they addressed negative and positive points in both policies but his final comments belied his ideological point of view.

Kerr: What the Labour government is saying is that they will determine where the money is needed in the economy and where the money is needed in households. I guess what National is saying is ah, we’ll give the money and decide yourself how you’ll spend it.

²⁰⁴ Ibid. 7:00am

²⁰⁵ Ibid. 7:30am

²⁰⁶ Bernadine Oliver-Kerby. Bulletin *The Paul Holmes Breakfast*, NewsTalk ZB, 19 August 2005 8:00am

²⁰⁷ Roger Kerr. Analysis Ibid. 22 August 2005 6:45am

Holmes: I s'pose it all comes down really, to how you view the role of the state.²⁰⁸

Tim Preston is the Managing Director of ASB Securities and was interviewed for his analysis after interview of Cullen and Key on 19 August. His tone was aggressive and the language he used when opposing Labour's tax policy was blunt. He referred to the *FTR* package as 'bullshit' and said New Zealand has been 'hoodwinked on this whole tax issue'.²⁰⁹ He made the claim that a tax cut in Hong Kong had been revenue positive. That is to say, that the cut in taxes caused an increase in government revenue because of the increase in economic output that had resulted from the cut. He guessed, incorrectly, that National would bring out a tax policy with a company tax rate of 30% and a top income tax rate of 30% with a threshold of \$30,000. The tone of voice he used when addressing Labour's policy was scathing:

Preston: It [Preston's guess that the tax cuts] will cost them something like 2 billion but it will be tax neutral at worst, it'll get them more tax. And if, if the voters out there buy the fact that, ah, Labour is targeting people to have two children earn under 30,000 or go to ah, go and ah, university and get a tax free loan! It is just rubbish!²¹⁰

He went on to say that tax cuts will be great for the New Zealand consumer and that Labour was 'buying' votes. He finished by saying that the cost of what he guessed to be National's tax policy would be \$2 billion, but would eventually lead to an extra \$500 million in tax revenue. The idea that tax cuts would be revenue positive was not made on breakfast radio during the campaign by any representative of National. Nor was it made by anyone else other than Preston. As the head of a finance organisation, Preston cannot

²⁰⁸ Ibid.

²⁰⁹ Tim Preston. Ibid. 7:26am

²¹⁰ Ibid.

be described an objective observer. That in itself is not troublesome as the views of business must be heard but there was no real attempt to balance those views with competing opinions.

On 19 August the 95bFM *Breakfast* programme was transmitted live from the Odeon Lounge, a bar in Auckland's suburb of Mt Eden. It was a special event for the station that involved local bands playing live in the bar. When reading the bulletins, McCarthy had to shout over the din of patrons in the bar. The 8am story on *FTR* was short and told that the Government had made a \$480 million extension to the *Working for Families* package to include 60,000 families. She ended the bulletin by saying 'the move has been criticised by the opposition, however, who say the Government is just extending the welfare driftnet'.²¹¹ McCarthy in this report did misrepresent Labour's policy by suggesting that it would take effect immediately. 'Middle income families will be waking up richer this morning thanks to Labour and Michael Cullen'.²¹² Apart from the brief news bulletins there was no other coverage of the *Family Tax Relief* policy until McCarthy's next regular interview with the Prime Minister on Monday 22 August which is described above. Don Brash would not have his right of reply on 95bFM until his next regular interview on Thursday 25 August, well after his tax cut announcement.

Mai FM's first bulletin at 6am concentrated on the criticism around marginal tax rates by Price Waterhouse Coopers tax partner John Shewan.²¹³ The 7am bulletin was almost a direct copy of NewsTalk ZB's 6.30am bulletin.²¹⁴ The 8am bulletin also mentioned the figure of 60,000 extra families to be included into the *Working for Families* scheme. As usual the bulletins were much shorter than those of NewsTalk ZB and National Radio. The policy stories were also of a much lower priority than on the other stations. The *FTR*

²¹¹ Noelle McCarthy. Bulletin *Breakfast*, 95bFM, Auckland, 19 August 2005 8:00am

²¹² Ibid.

²¹³ Susan Edmonds. Bulletin *Mai FM Breakfast*, Mai FM, 19 August 2005 6:00am

²¹⁴ Ibid. 7:00am

announcement was the fourth story in the 8am bulletin.²¹⁵ In almost all the bulletins of the stations it was the top story.

Overall, the coverage of the *Family Tax Relief* policy on breakfast radio was compressed. The strike at National Radio meant that, of the four stations examined, only NewsTalk ZB had a significant amount of coverage on *Family Tax Relief* policy announcement. Labour's announcement of the policy came late in the week, and by Monday the political news focus had switched to covering National's tax announcement and the television debate that would be screened that night. From Monday 22 August breakfast radio would see the two tax policies as policy alternatives competing for votes.

4.4 Third Issue: Tax Cuts.

Unlike Labour's two major social policy announcements, National's tax cut policy was no surprise. It was the most anticipated policy announcement of the campaign as far as breakfast radio was concerned. National had promised tax cuts from June and on breakfast radio National's politicians had made every effort to mention their commitment to tax cuts. It was National's most important policy and it was promoted above all others. National had promised to release its policy when the election date was announced.²¹⁶ The party reneged on this promise when the election date was announced on 25 July. On 2 August Brash claimed on ZB that he had been surprised that Clark announced the election when she did, and that the public would have at least four weeks to examine his party's tax policy.²¹⁷ Many details of the tax policy had been released before the full announcement, which came on Monday 22 August, four days after Labour's *Family Tax*

²¹⁵ Ibid. 8:00am

²¹⁶ The New Zealand Herald. *Parties battle over tax and interest rates*, Auckland, 8 June 2005. http://www.nzherald.co.nz/feature/story.cfm?c_id=561&ObjectID=10329628

²¹⁷ Don Brash. Interview by Paul Holmes, *The Paul Holmes Breakfast*, NewsTalk ZB, 2 August 2005 7:40am

Relief announcement. The parts of the policy, such as the reduction in company tax to 30% and income tax rebates on items such as child care costs and student loan interest, were already known. Details such as the income tax rates, thresholds and the timeframe for implementation were kept secret until the announcement. National did not give its tax policy a title. The closest thing to a name being given to the policy is the 'fair tax plan' name which was used by Brash in the announcement speech and on the party website, but was not mentioned by National politicians on the radio.²¹⁸ These were the main points from Brash's speech announcing the policy:

- The 15% tax rate, which now applies to income below \$9,500 will extend to \$12,500.
- For income between \$12,500 and \$50,000, the tax rate will be 19%.
- The withholding tax rate for secondary employment will be 19%.
- Income between \$50,000 and \$100,000 will be taxed at 33%.
- Income above \$100,000 will continue to be taxed at 39%.
- The lower statutory rate of withholding tax applied to interest and other investment income will be reduced from 19.5% to 18%.

The New Zealand Herald. *Election: Veteran versus 'amateur'*, Auckland, 26 July 2005.
http://www.nzherald.co.nz/section/story.cfm?c_id=1&objectid=10337627

²¹⁸ Don Brash. *Brash - Getting ahead with National*. Speech to Sky City Convention Centre, Auckland. Made on 22 August 2005. <http://www.scoop.co.nz/stories/PA0508/S00547.htm>

- The threshold for abatement of WFF payments will be \$30,000 from April 2006, and to keep the effective tax rate on extra income low, the abatement rate will be 20%.
- The company tax rate will be reduced to 30% in April 2008.
- The personal tax reductions will be implemented in two stages in April 2006 and April 2007.²¹⁹

Essentially this policy would move the income thresholds from \$33,000 for the 33% rate, and \$60,000 for 39% rate. The rates themselves stay the same under National's plan. The statistic that, under National's policy, 85% of workers would pay a tax rate of 19 cents in the dollar was heard repeatedly in coverage on NewsTalk ZB. It is important to note that that claim was not made by the party. It originated from Price Waterhouse Coopers' tax expert John Shewan who made the claim when being interviewed by Paul Holmes. When asked about that figure Brash said hadn't heard it but he did not dispute it either.²²⁰

In terms of the *Working for Families* package, National's policy said that it would not implement the *Family Tax Relief* extension, although like in the *FTR* plan, National did promise to reduce abatement rates to 20% and make a slight increase in the threshold. What wasn't in Brash's main points was his party's plan to remove the \$10 per child per week increase in family assistance rates scheduled for April 2007. This was what Brash said in his speech about this cancellation:

We believe that the combination of the extended threshold and the lower abatement rate on WFF payments, together with the underlying tax

²¹⁹ Ibid.

reductions, is a sufficient level of income support for families. National will therefore not introduce the scheduled extra \$10 per child payment in 2007. Instead of waiting until 2007, working families will receive a tax cut in April 2006, and most will be better off than under Labour's package.²²¹

What Brash didn't note, is that family support payment was the part of the *Working for Families* that was provided to families of both working parents and beneficiaries. Brash said that most working families would be better off with a tax cut rather than receiving a \$10 increase. Families on benefits who would receive nothing from tax cuts would also be disadvantaged from the cancellation of the \$10 increase. Cullen would use this as part of his argument that tax cuts were aimed at the wealthy at the expense of the poor.

Brash claimed that the policy amounted to '\$3.9 billion in revenue foregone by the third year'.²²² The announcement changed the nature of the policy debate on radio between Labour and National politicians. Arguments on breakfast radio became about the affordability of the tax policy, the effect on future spending, which tax policy was best for lower and middle income families, and whose facts and figures were accurate and whose were not. Ideological arguments and statements became more common and stronger language was used to make them. At the same time both Key and Cullen brought more policy areas into their debate on tax and made more appeals based on personality. There was more emotion in their voices as their appeals became more impassioned. These interviews between Cullen and Key in the last week of August were far more heated and personal than those between English and Mallard a month previously. Clark did not have much of an opportunity to criticise the tax policy on breakfast radio as she was not interviewed until the following Monday. Brash used much of the same language as Key

²²⁰ Don Brash. Interview by Paul Holmes, *The Paul Holmes Breakfast*, NewsTalk ZB, 23 August 2005 7:40am

²²¹ Don Brash. *Brash - Getting ahead with National*. Speech to Sky City Convention Centre, Auckland. Made on 22 August 2005. <http://www.scoop.co.nz/stories/PA0508/S00547.htm>

when promoting the tax policy, but the events of that week meant that the tax policy became only one of several other issues on which he was questioned. The next two sections of this chapter look at how National's tax policy was debated by candidates in political interviews on breakfast radio. The sections following that will examine how that policy was covered by journalists on breakfast radio other than with the interviews mentioned above.

4.4.1 Labour: Insane, amateurish, unworkable

Labour's arguments on breakfast radio against National's tax cuts were multi-faceted and involved appeals based on policy, personality and ideology. Michael Cullen's first argument was that National's tax cut would mean giving money to the wealthy at the expense of the poor. When interviewed on NewsTalk ZB on the morning after the tax announcement Cullen sounded tense and exasperated. The interview had been scheduled for 7:15am but due to miscommunication Cullen was not interviewed until 8:20am. This was over an hour after Holmes had interviewed Key. Holmes asked Cullen why he had said the previous day that National's tax policy was insane, amateurish and unworkable. Cullen's response was distinctly ideological and referred to the cancellation of the \$10 increase in family support as evidence of National funding tax cuts through cutting support for the poor.

Cullen: [National] end up giving much more to people on higher income than those on low incomes. And the worst feature buried right in the middle, is the last round of family support increases, ten bucks a week per child is cancelled so the very poorest families are actually gonna be clearly worse off under this package.²²³

²²² Ibid.

²²³ Michael Cullen. Interview by Paul Holmes, *The Paul Homes Breakfast*, NewsTalk ZB, 23 August 2005 8:15am

Then Holmes asked Cullen why the policy was unworkable. Cullen said this was because there was not the votes for such a tax cut. He claimed New Zealand First would not vote for it and Act would not be returned to Parliament. He said ‘there is no chance of a centre right majority which actually votes for these tax cuts’.²²⁴ This was not an argument that was made often by politicians on breakfast radio during the campaign. Arguments about possible coalition arrangements and deals were much more often heard by commentators and rarely heard as an attack by politicians. National’s chances of getting other parties to support its tax plan was an issue that National politicians were not asked about on breakfast radio. Nor, unsurprisingly, did National politicians mention this voluntarily.

The second important argument made by Cullen in the ZB interview was that the tax cuts would involve cuts to public services because new spending would have to be limited to \$750 million dollars. This was strongly disputed by Key. They seem to have had different assumptions when calculating the costs of National’s policies. When Holmes mentioned the 85% figure Cullen dismissed the financial gain from National’s tax cuts as minimal and immediately turned the question around to the possibility of spending cuts. This questioned National’s assertion that there would not be a cut in health services, thus linking the idea of small gains with big cuts in spending:

Holmes: John Shewan is saying this morning, 85% of workers are now gonna be on the 19 cents tax rate.

Cullen: Ah, two-thirds of all tax payers will get less than about \$10 a week out of this package. And the price on the other side is that there’s going to have to be savage constraints on government spending which will lead to real cuts in services. I mean the fact of the matter is quite simple. The net new spending now being allowed by National for next

²²⁴ Ibid.

year's Budget is 750 million which is about what I was thinking will be the likely requirement for the health vote alone in next year's budget!²²⁵

Holmes pushed the point that National said it could pay for the necessary increases in spending. Cullen made the point that state sector wages would have to be held static as there would be no room for increases. Holmes kept on this point which led Cullen to his criticism that National would borrow more to fund its tax cuts. He contradicted Key and Brash by saying that National would borrow to fund the tax cuts and not for capital expenditure (being infrastructure such as roads). This was a policy related appeal as an increase in government debt could cause an increase in interest rates.

Holmes: He's adamant they can pay for those required increases [in state sector wages]

Cullen: They can only pay for them, first of all, if they have this savage constraint on public spending and secondly they are planned to borrow an extra three and quarter billion dollars, and it's not for capital expenditure. Ah, what Mr Key announced on Friday is a reduction of \$630 million in spending on the roads over the next four years. So now there's borrowing more for tax cuts, so that is ludicrous economic policy!²²⁶

Cullen also attacked the competency of National by suggesting that their policy was ludicrous. For the rest of the interview Cullen's attacks became both very personal and highly ideological. Before the campaign, one of the criticisms that National had often made against Labour was that its policies were acts of 'social engineering'. This accusation was used to attack civil unions, prostitution law reform, the banning of

²²⁵ Ibid.

²²⁶ Ibid.

smoking in bars and the *Working For Families* package.²²⁷ Cullen turned this label around by saying that National's plan was to advantage the rich over the poor.

Cullen: It's [National's tax policy] social engineering designed to give people on higher incomes more and much more than those on lower incomes.²²⁸

Cullen also used the game-framed argument that National's tax plan was pitched at those on upper incomes rather than those on middle and lower incomes because 'that's their market'. By doing this he was inferring that National's policies were only for the rich and not for the rest of New Zealand. This tried to set up an 'us verses them' mentality between low and middle against the high income earners, who are not traditional Labour voters anyway. This appeal to middle income earners was repeatedly attempted by both Labour and National. Cullen finished the interview with a strong personality appeal against Brash, claiming the Leader of the Opposition still had a strong neo-liberal agenda. Cullen claimed that National was trying to cut revenue in order to create conditions that required a cut in social spending. This was the 'strategic deficit' that Clark had also referred to:

Cullen: [National's tax policy will] reduce revenue so you've got to drive a reduction in the size of the state, because Dr Brash has for years argued this. I mean Dr Brash went into politics because he believes fundamentally we've all been going in the wrong direction since Ruth Richardson ceased to be Minister of Finance.²²⁹

²²⁷ Don Brash. *The National Party and Older New Zealanders*. Speech to Grey Power New Zealand, Grand Tiara Hotel, Rotorua. Made on 12 April 2005. <http://www.scoop.co.nz/stories/PA0504/S00242.htm>

²²⁸ Michael Cullen. Interview by Paul Holmes, *The Paul Homes Breakfast*, NewsTalk ZB, 23 August 2005 8:15am

²²⁹ Ibid.

Cullen was claimer and less aggressive in his interview with Sean Plunket on *Morning Report* the same morning. In this interview the emphasis was immediately on Cullen's calculation of \$750 million as the net new spending available under National's policy. Plunket asked Cullen what his response was to Key's claim that he had National's new spending figures wrong. In this interview Cullen calmly outlined his calculations. Note that he included the tax rebates, which Key claimed at least the student portion of which would be paid for out of existing allocations and not new spending:

Cullen: OK let's just run through the numbers, they're pretty simple. The net new spending allowance for next year in the Budget is 1.9 billion. Everybody knows that number now I think. National's release on Friday takes 600 off, that's 1.3. Out of that they then pay for their tax rebates... They then allow for so-called unspecified savings of 300 leaving their net new spending is 750 million.²³⁰

As in the ZB interview, Cullen mentioned that \$750 million was what he was planning to spend on health in the 2006 Budget. Cullen also made the claim that, because National was not taking into account the extra revenue found in the *Pre-EFU*, it would have not spent as much as Labour would on roading. On the face it, this claim made little sense. A press release was issued from Labour the day before claiming that National's documents showed it was not planning to fund road as much as it had promised and that was still less than Labour had committed to spending. However, this press release still did not mention that Labour's promise had to do with the discovery of additional revenue.²³¹

Cullen was equally as strong on his claim that National would have to cut social services because of their tax cuts. Like Holmes, Plunket pushed Cullen on National's assertion

²³⁰ Michael Cullen and John Key. Interview by Sean Plunket, *Morning Report*, National Radio, 23 August 2005 7:20am

that ‘not one teacher, not one nurse’ would lose their job. Cullen said National can’t make that promise as district health boards would have to start cutting services from the next calendar year if they only had the kind of funding that Cullen believed National would be able to provide.

Plunket questioned Cullen on his claim that poverty would be increased without the \$10 increase in family support. Plunket shows here that he had little understanding of the *Working for Families* policy. He may have been playing devil’s advocate, but his tone and his use of the word ‘obviously’ suggest that he did not understand that family support payments were for both working parents and beneficiaries:

Plunket: On to your claim that the plan to cancel the \$10 a week rise in family support for 2007 is going to push children into poverty. Um, despite that obviously, the families of those children will still be receiving thousands of more dollars under National’s policy, maybe not as much as...

Cullen. No they wont. No, no, no, actually no. We are talking about first of all, kids whose parents are on benefits. Ah, they’re the kids who, a large proportion of whom, live in poverty in the past [sic]. We already reduced that. *Working for families* continues to reduce that. Taking away for a two child family that 20 bucks a week from 1 April 2007, is gonna be crucial in terms of whether they’re above or below the poverty line. But equally, all two child families up to 45,000 are better off under Labour, and some over 45 are better off under Labour. All three child families are better Labour’s proposals up to \$60,000 a year. Above that the difference is very small until you get above \$80,000 a year.²³²

²³¹ Pete Hodgson. *National halves transport spending to fund tax cut*, New Zealand Labour Party Press Release. Released on 22 August 2005. <http://www.scoop.co.nz/stories/PA0508/S00569.htm>

²³² Michael Cullen and John Key. Interview by Sean Plunket, *Morning Report*, National Radio, 23 August 2005 7:20am

Cullen corrected Plunket on his assertion, but quickly avoided talk of beneficiaries. He made the point that National would hurt poor families and moved on to talk about support for middle income voters, avoiding discussion about the needs of those on the bottom end of the economic spectrum and concentrated on the middle group of voters.

Towards the end of the interview, Plunket asked Cullen if National's tax cuts had forced Labour to be more generous with its spending promises. This was a game-framed question with policy implications. Cullen responded by saying that he had said the Government would address issues in *WFF*, such as the abatement rate and support for middle income earners, should fiscal conditions allow it. He said Treasury had said that more cash was available and therefore the Government was going to fulfil that promise. This did not answer the question Cullen was posed. By answering the question the way he did, Cullen tried to make the Government sound active, opposed to reactive in its decision making – that is, not affected by the actions of the opposition parties. Plunket did not pursue the question and ended the interview, like Holmes, with questions about personality.

The next interviews with Helen Clark on NewsTalk ZB and 95bFM were not until the following Monday (29 August). By this time, news on the breakfast radio stations examined had moved on from concentrating on the tax cut policy. In his first interview with the Prime Minister since National's tax announcement, Holmes did not ask one question on National's tax plan. He chose instead to ask about emails leaked from Brash's office, assets sales, the campaign for the seat of Tauranga and police recruiting.²³³ McCarthy did not ask the Prime Minister any questions about tax cuts on *Breakfast's* 29 August programme. Clark did say, however, that National was returning to issues of race

²³³ Helen Clark. Interview by Paul Holmes, *The Paul Holmes Breakfast*, NewsTalk ZB, 29 August 2005 7:40am

because ‘they banked everything on tax cuts and that hasn’t worked for them’.²³⁴ This was another example of a politician using the game-frame to attack an opponent.

In terms of breakfast radio, Labour’s opposition was done entirely by Michael Cullen. The miscommunication over the time of his interview on ZB (it would have been immediately after the interview on National Radio) was costly for Cullen. The glitch gave John Key more air time and meant that Cullen could not immediately respond to Key’s claims. Cullen used every kind of appeal to oppose National’s plan. He attacked National on policy grounds by mentioning the possibility of borrowing and spending cuts, he attacked the distribution of the tax cuts on ideological grounds, and he attacked the personalities of John Key and Don Brash for what he perceived to be their ideological beliefs. Cullen even made the claim that National could never have enough support in the house to implement the cuts. Key’s defence of his party’s policy was somewhat less complex but just as heated as Cullen’s attacks.

4.4.2 National: ‘Not one teacher. Not one nurse’

John Key’s interviews on NewsTalk ZB and National Radio on the morning of 23 August were very different from one another. Because Cullen failed to get in touch with NewsTalk ZB, Key had a much longer interview with Paul Holmes than he would have otherwise. The interview with Plunket came immediately after a National Radio report on Labour and National’s tax policies and on voter responses to them. This means that Key did not have to explain his policy as well as he might have otherwise. It also meant that Plunket’s questions were heavily centred on Cullen’s calculations of future spending available under National’s plan. ZB had no such report and so it is not surprising then that Holmes gave Key the opportunity to talk about the effect of cuts themselves. Holmes opened by asking Key what the policy was trying to achieve, other than win the election

²³⁴ Helen Clark. Interview by Noelle McCarthy, *Breakfast*, 95bFM, Auckland, 29 August 2005 8:55am

for National. Key's response was an ideological appeal saying the cuts would 'return money to those who earn it' and that the policy was designed to deliver the 'right' incentives.²³⁵ Key went on to describe what new tax brackets will be under the new policy, something he did not do in the interview on *Morning Report*.

Key's biggest argument for the tax cuts was, as he put it, the incentive to work created by National's tax plan. Key argued that, unlike the *WFF* package, National's tax cuts would provide an incentive for people to work and earn more through lower marginal tax rates. Key argued that in Australia the effect of incentives to work had more of an effect on improving social outcomes than lower taxes themselves. This argument both supported National's plan and criticised the *WFF* and *FTR* on the grounds of the high marginal tax rates caused by those policies.

Key: The Government's delivered largely a welfare package. We've actually delivered a package of all the right incentives.²³⁶

It is important to note Key's argument about who will benefit from the tax plan. Like Labour, he claimed that his party's policy was targeted at middle income families. He claimed that National's provisions to working families were often only slightly less than under *FTR*. This was the same appeal to middle income voters Cullen used in his interviews. Here Key linked this appeal to middle income voters with his criticisms of the size of Labour's Budget surplus, the brain-drain and his ideological position about incentive. Notice that Key again claimed that his tax plan targets middle income families and did not say anything in response to Holmes' assertion about ideology:

²³⁵ John Key. Interview by Paul Holmes, *The Paul Holmes Breakfast*, NewsTalk ZB, 23 August 2005 7:15am

²³⁶ Ibid.

Holmes: But why not target, as Dr Cullen has done? You might have an ideological problem with the way he's targeting but gosh, for lower and middle income families with a couple a kids, um you know. His um, hand backs, as they are, are really quite significant.

Key: Our's are, either the same or larger. Um, for some families... its slightly less, but where it's slightly less it means we're giving say a nine thousand dollar transfer to that family and Labour might be giving them \$9,500. So we are targeting enormously the families that need it, but what we're saying here is that why should the Government be rich, have so much money to can go and waste on all sorts hare brain ideas, while everyone other New Zealander has to go without, I mean that's just bad policy in my view and it's one of the reasons we're losing so many people to Australia.²³⁷

One aspect of National's tax policy that was not mentioned in bulletins was the effect on superannuation. In contrast to earlier elections, superannuation and older age affairs generally were not major issues of contention between the major parties. There was certainly no real debate on them on breakfast radio. The lack of emphasis on older New Zealanders by either Labour or National was one reason superannuitant pressure group Grey Power recommended that its members vote for one of the minor parties.²³⁸ Superannuation is calculated as a percentage of average after tax income. If National were to drop taxes, they would have had to lift superannuation accordingly. Holmes did ask Key about the effect on superannuation. Key said that National would not only maintain the current formula for superannuation, but it would also legislate a temporary increase in super payments until tax the changes came into effect. The reason he gave was that it would be 'unfair that New Zealand superannuitants should have to wait, while all tax

²³⁷ Ibid.

payers are getting a tax cut'.²³⁹ Holmes finished the interview by asking about the personal comments made by Michael Cullen about Key.

Key's interview on National Radio was quite different with much more emphasis on Cullen's claims that only \$750 million a year would be available for future spending under National. Before Key came on, National Radio played a report with *vox pop* clips of voter responses to tax plans of National and Labour. The last clip came from a nurse who said she doubted that National could give such large tax cuts without cutting nursing jobs. When Plunket brought Key to air immediately after the clip, he was quick to deny any cuts in nursing jobs:

Key: Let me just respond to the last person that you had on that said we'll be cutting nurses and teachers, that's absolutely and totally incorrect. Not one nurse, not one teacher will be going under National. In fact we'll be hiring more teachers and nurses over time... and I've got to be quite frank with you Sean, we will be doing a tremendous job in those areas!²⁴⁰

Key spent far more of his time defending the tax policy in the National Radio interview than he did in the interview on ZB. While Cullen was relaxed in his National Radio interview and tense in the ZB interview, Key was the opposite. It would be exaggerating to say that Key sounded exasperated on *Morning Report* but his tones were higher and his attitude was more defensive than in other interviews. When Plunket's suggested the

²³⁸ Grey Power New Zealand. Grey Power urges members to use MMP as intended, Grey Power New Zealand Press Release. Released on 14 September 2005.

<http://www.scoop.co.nz/stories/PO0509/S00174.htm>

²³⁹ John Key. Interview by Paul Holmes, *The Paul Holmes Breakfast*, NewsTalk ZB, 23 August 2005 7:15am

²⁴⁰ Michael Cullen and John Key. Interview by Sean Plunket, *Morning Report*, National Radio, 23 August 2005 7:20am

figure of \$750 million Key reacted strongly and claimed he did not understand how Cullen calculated such figures:

Plunket: Well where does [Cullen] get the net new spending allowed by National being 750 million, 'cos that's what he's putting out in statements today.

Key: Yes well they're totally incorrect! He's either A, subtracting some other things off that which I don't know what they are or as we made quite clear when we released off of our documents on Friday... if we've made other promises, they are not coming from the new Budget spending area, they'll be coming from the existing portfolio, so yes, in for instance in ah, education, where we have our student loan deduction, that will be paid for by cutting what has been the very excessive waste, which, by the way, Labour are cutting as well!²⁴¹

Key emphasised that the funding for many of National's new policies, like the student loan policy, would come from the existing portfolios and not new spending. Key made the assumption that that National can increase cost-effectiveness of government spending by enough to be able to pay for his policies. Plunket did not question him on that assumption and instead, like Holmes, questioned Key on difference between National and Labour's policies in terms of the amount of financial support given to middle income families. Key defended any differences by saying they never claimed that their policy was universally more beneficial than Labour's. Here he took the opportunity to show National's ideological, and to a lesser extent policy based, opposition to the *Working for Families* package:

Key: Dr Brash never said that nobody would be worse off. What he said was that we do not like the delivery mechanism of *Working for*

²⁴¹ Ibid.

Families. And we'd like to, over time, work to a more simple system that doesn't recycle the cash and make us take the tax off people that we then give back them through a welfare payment.²⁴²

Two weeks later on 6 September, Key was interviewed by Geoff Robinson on *Morning Report* after Cullen suggested that National's tax cuts would cost \$7.2 billion over four years. Cullen was not interviewed about this claim but National Radio did play some of his and Clark's comments on the matter from a press conference the day before. In the interview Key disputed the figure and, unlike in other interviews, explained why he disputed Cullen's figure. Key said that Cullen was assuming that National would spend as much as Labour had planned to spend over the next four years.²⁴³ Key said that National would not spend as much as Labour had planned and therefore there would be room in the surplus for the tax cuts. Robinson also asked if there was room in National's plan for additional spending as part of a coalition deal. Key responded by saying that there not much room and that some negotiation would have to occur. He went on to say that in a coalition New Zealand First's main request would be an increase in superannuation which National was already planning on as part of the tax cuts. When Robinson suggests that National was trying to bribe votes with tax cuts, Key countered by saying that National was trying to create the right incentives to work.²⁴⁴

Brash's first interview on breakfast radio after the tax policy announcement was with Paul Holmes on 23 August. It was the morning after the announcement but Holmes had already interviewed Key on the tax policy before talking with Brash. Holmes started by asking Brash about the television debate the night before and the latest polling before asking him about tax. Brash successfully changed the conversation to tax before Holmes had asked a question on the tax plan. Like Key, Brash placed emphasis on the incentive to

²⁴² Ibid.

²⁴³ John Key. Ibid. by Geoff Robinson, 6 September 2005 7:15am

²⁴⁴ Ibid.

work that National was trying to create with the policy. He criticised the delivery mechanism used in the *WFF* package, although he also said that National was not unhappy with the level of support that the Labour-led Government had provided with the scheme.²⁴⁵ Holmes asked Brash about the borrowing needed to fund the plan:

Holmes: What borrowing do you have to do to pay for it [the tax cuts]?

Brash: We are basically saying that we pay – we, we don't do any borrowing at all to finance the tax cuts. I think that's important. We're going to continue to run surpluses of about two to two and a half percent of GDP. Now that is roughly the size of surpluses that Labour ran for the first four years of the last six years. So we're still running surpluses. And those surplus will be enough to contribute to the super fund and cover part of the cost of capital expenditure. But we're also saying that we don't have to pay all our capital expenditure from current revenue.²⁴⁶

This disputed Cullen's claim that borrowing would be for more than capital expenditure. Holmes went on to ask Brash about superannuation to which Brash made the same claims Key had half an hour earlier. Holmes finished the interview by asking Brash his views on the motorcade trial. This gave Brash the opportunity to make personality appeals against Clark by saying she should have taken responsibility for the dangerous driving by her police escorts.

By Thursday 25 August other issues were beginning to push out coverage of National's tax policy from breakfast radio news. First, there had been coverage of Brash's comments that he did not want to shout at Helen Clark during a television debate because she was a

²⁴⁵ Don Brash. Interview by Paul Holmes, *The Paul Holmes Breakfast*, NewsTalk ZB, 23 August 2005 7:40am

²⁴⁶ Ibid.

woman. Second was the confusion over National's forestry policy. The National Party forestry spokesman Brian Connell had said on 24 August that National would lift the ban on logging native timber on the West Coast. National Conversation Spokesperson Nick Smith contradicted Connell on the amount of logging that was to be allowed. The next morning Brash clarified National's position by saying there would be no new logging on the West Coast.²⁴⁷ When Brash spoke to Noelle McCarthy on 25 August, she spent more time on these issues than she did the tax cuts. McCarthy started her questioning by asking him about his comments after the television debate. Brash tried to avoid the topic and change the subject to the tax policy:

Brash: The real issue is a tax issue, not whether I can speak frankly to women.

McCarthy: Alright we'll talk about that. The focus on Tuesday was on personal tax cuts rather than dropping company tax rates and lots of people were a bit surprised about that. Can you tell us why?

Brash: We said both. We said personal tax cuts and a reduction in the company tax rate to put it on a par with Australia.

McCarthy: But that won't happen until 2008. Will it?

Brash: That's correct. Of course it'll never happen at all with Labour. Labour's made it very clear they won't ever reduce it. And this is in fact a U-turn from what Michael Cullen said back when he first comes to office in the year 2000. In the year 2000 he is on record of saying there would not be a reduction of the company tax rate during the first term of office but they would be reducing it when fiscal conditions allowed. Well

²⁴⁷ The New Zealand Herald. *National's logging chopped by Brash*, Auckland, 26 August 2005. http://www.nzherald.co.nz/section/story.cfm?c_id=1&objectid=10342534

if we haven't got fiscal conditions allowing a reduction in the company rate with a seven and a half billion dollar surplus, when on earth do we have those conditions?²⁴⁸

This was the entire discussion on tax in the interview. His criticism of Labour's company tax policy is centred on personality as his emphasis on Cullen's honesty. There was no discussion of social policy outcomes from tax cuts or the effect on future spending. After Brash makes his point on company tax, McCarthy changes the subject to the confusion over National's forestry policy.

Brash spoke about tax cuts in almost every breakfast radio interview he took part in during the campaign. Before the announcement he could only refer to the policy generally – which usually meant ideologically – only pointing out the parts of the policy National had already announced. From the full announcement onward he could make more related appeals because he was able to use the exact numbers from the policy. However, from the tax announcement onward the campaign also became more difficult for Brash especially in the last two weeks where he was heavily questioned on the role of the Exclusive Brethren in National's campaign and on how honest Brash had been when he answered those questions. The week of the policy announcement was the only time Brash had an opportunity to promote his party tax policy on breakfast radio without distraction from other issues. Even then he was only partially successful in doing so.

4.4.3 The increase in personalisation

The announcement of National's tax policy marked the start of an increase in personality-based attacks by Key and Cullen aimed at one another. Both used strong language to attack the intelligence, moral value, and competence of the other while debating

²⁴⁸ Don Brash. Interview by Noelle McCarthy, *Breakfast*, 95bFM, Auckland, 25 August 2005 8:37am

National's tax policy. Cullen accused Key of promoting a tax policy that would help Key and his wealthy friends while hurting the poor. Key described Cullen as desperate and accused him, hypocritically, for making disparaging personal remarks:

Key: Well whenever Michael Cullen gets personal and, ah, recently he has been getting very personal, what that shows you is that he's under tremendous pressure and that he hasn't got anything intelligent to actually say.²⁴⁹

Key told Sean Plunket on 23 August that he had grown up with a solo mother in and state house and 'made some money'. He said that was the 'New Zealand dream' and that if Cullen did not think that was the New Zealand dream then Cullen should tell voters what his version of the New Zealand dream was.²⁵⁰ In the responding interview Plunket questioned Cullen about the remarks Cullen had made about Key the previous day. Cullen used the question to paint Key as mean spirited in his policy making.

Plunket: Finally the issue of personality. John Key says he's not embarrassed about homing from a state home to owning his own, and being the child of a solo mother. What's wrong with that sort of aspiration...

Cullen: Nothing, nothing at all.

Plunket: ...and why do you attack him for having achieved that.

Cullen: Because he then gives himself a big tax cut and takes money away from kids who are below the poverty line. You see I come from a

²⁴⁹ John Key. Interview by Paul Holmes, *The Paul Holmes Breakfast*, NewsTalk ZB, 28 July 2005 7:20am

²⁵⁰ Michael Cullen and John Key. Interview by Sean Plunket, *Morning Report*, National Radio, 23 August 2005 7:20am

working class family too. And I made my way up in the world too. But I don't turn around and spit on the people that I came from in terms of the people in need.²⁵¹

In the interview on ZB the same day Cullen used a similar metaphor to describe Key:

Cullen: I also come from a working class background. I remember my roots. I remember how you help people up the ladder, not step on their heads so you can get up higher.²⁵²

The personalisation was what made the debate about National's tax policy different from the previous two policy debates examined. In those debates policy-based and ideological appeals were far more common with few attacks on personality. The personal attacks Cullen and Key make against one other also get more aggressive and disparaging. This increase in personal attacks was not commented on by commentators on breakfast radio. They tended to concentrate on policy, ideology and voter responses, including polls.

4.4.4 Breakfast radio analysis of National's tax cut policy: 'No one can understand that crap!'

The interviews with the candidates only made up part of the coverage of the tax policy. Bulletins, 'expert' analysis, editorialisation, and reports from the field were also used to cover National's tax policy. The following sections will look at these forms of coverage. Direct coverage and analysis of National's tax policy was largely limited to the day after the announcement, but analysis on the news-based stations was heavy on this day. Holmes devoted almost his entire programme of 23 August to analysis National's tax plan. The build up of coverage on the tax policy began on the day of the announcement.

²⁵¹ Ibid.

On Friday 19 August breakfast radio reported on Labour's tax *Family Tax Relief* package. This started the speculation among radio commentators about what National's tax plan would be and what effect it would have on the election. Bulletins on all four stations examined carried stories about National's tax announcement that day. By the next day however, the two music stations aired only minimal coverage that reported little more than Cullen's criticisms.

4.4.4.1 National Radio: 'Tax cuts from National, tax relief from Labour. The choice is clear'²⁵³

National Radio had a wide range of coverage on the tax policy announcement. Apart from the interviews with Key and Cullen, National Radio also jointly interviewed John Shewan and independent economist Gareth Morgan on their views on the policy. In addition to these interviews and the bulletins, there was a report-from-the-field about the tax announcement itself (with comments from Labour and National politicians) and another report giving the views on the tax policy of members of the public who also explained what they stood to gain from the two policies. The other mention came from the business news segment, where a clip of John Shewan was played where he criticised the speed at which National planned to drop the company tax rate.

The first report on the tax announcement was comparatively short for National Radio at only four minutes long. It started with host Geoff Robinson explaining what the new income thresholds would be and gives the timetable for the company tax rate drop. It then went to reporter-in-the-field Jane Patterson who explained clips from Cullen and Brash. The clip from Brash had him denying that tax cuts were targeted at the rich: 'That would be totally unjustified. Much of the benefit goes to low and middle income New

²⁵² Michael Cullen. Interview by Paul Holmes, *The Paul Homes Breakfast*, NewsTalk ZB, 23 August 2005 8:15am

²⁵³ Geoff Robinson. Programme Opener *Morning Report*, National Radio, 22 August 2005 7:00am

Zealanders and that's entirely appropriate, but there is some tax relief for all tax payers'.²⁵⁴ The clip from Cullen meanwhile, was from him arguing that the tax package was unaffordable without significant borrowing. 'We don't forecast rising debt. This programme from National, from a former Governor of the Reserve Bank, forecasts rising debt to pay for it. If he'd been the Governor of the Reserve Bank and Labour government had done this, he'd have stuck interest rates through the roof in response'.²⁵⁵ This coverage was policy originated and seemed just to report on what politicians thought about the package. The report ended by saying that Act was the only party that supported National's tax plan and briefly mentioned the criticisms of Winston Peters and the United Future Party.

The second report that morning was from Jane O'Loughlin who reported on the views of particular voters on their view on National and Labour's tax policies and what that would mean for them. The first clip came from a woman named Emily Jones from Queenstown who told of her two children and that she has a combined household income of \$98,000.

Jones: [Sound bite] Yeah, we're [financially] OK. I did look on the National Party's website, and I can see that we'll in fact save over \$3,000 a year, this after April 2007! So you know, that's pretty enticing!²⁵⁶

O'Loughlin spoke of people having to use National and Labour's online calculators to see what financial benefits they would get from each party's tax policy. She went on to explain what the thresholds would be under National's plan and then played clips from Roger Evans, the manager of an engineering company in Hamilton. He said that he was particularly happy with National's plan to cut company taxes and that most companies

²⁵⁴ Jane Patterson. Report Ibid. 23 August 2005 6:37am

²⁵⁵ Ibid.

²⁵⁶ Emily Jones. Clip from a report from the field Ibid. 7:08am

had done well in recent years. He also made the ideological point that ‘the big issue though is, you know, how much money has been going in the general direction of Wellington; it’s nice to have control of it ourselves’.²⁵⁷ O’Loughlin went on to say that voters will be choosing between National’s tax cuts and Labour’s ‘enhanced tax relief programme for working families’.²⁵⁸ She explained that under Labour’s scheme some working families will be effectively paying no tax at all from 2007. The next clip was from a woman who said she traditionally voted for National but was initially swayed by the *FTR* package. She said that National’s tax package provided with roughly the same amount of money and that she would start looking at other policies. The final clip was from a nurse named Serena Stayce who had no children and as such stood to gain much more from National’s plan than Labour’s. Despite this she was distrustful of National’s policy as she didn’t believe National would not have to cut the number nurses because of its plan.²⁵⁹

This report made the assumption that all voters were self-interested. There was a commitment to explaining the policy and the political ramifications of that policy. However, all the voters that were heard in the report were voting on what Labour and National were able to provide financially for themselves personally. None of the voters made claims around their own social group. Stayce’s interest in the jobs of nurses was limited to the odds of her own job being lost. From the clips played there was no suggestion that these voters (or any other voters) would be considering policies that did not affect them as directly, such as environmental policy or provisions against poverty. Nor was there any commentary on the personal characteristics of the candidates. The suggestion was made that the election would be one or lost on the tax policy. O’Loughlin ended the report by saying that ‘tax has become the major battlefield for the election, but

²⁵⁷ Roger Evans. *Ibid.*

²⁵⁸ Jane O’Loughlin. *Report Ibid.*

²⁵⁹ *Ibid.*

it remains to be seen whether National's package will give the edge over Labour in the polls'.²⁶⁰ Minor parties were completely ignored by this report.

The interview with Gareth Morgan and John Shewan was played almost an hour after the interviews with Key and Cullen. This was an interview of 'experts' rather than an interview of political analysis. Robinson asked Gareth Morgan why he was against National's tax policy when he had helped National write it. Morgan said that he had made sure National's calculations were correct and said that they were correct. He explained that he was concerned with both National and Labour's tax policies.

Morgan: I'm very wary about both parties' presentations from a macro point of view because we've got an economy that's at full capacity, we've got inflation that's top of the [Reserve Bank target] band, we're outta people in the work force, and here are both these turkeys spending money like crazy. Now they're backing on the economy shrinking and making it up. I don't actually think that's gonna happen.²⁶¹

Morgan's concern was that interest rates would have to rise because both tax plans would be inflationary. Shewan said that the amount borrowing National would have to do would depend on their ability to control government spending. He said that if they are able to contain spending then the effect on interest rates would be minimal. Robinson asked if providing more tax relief to the wealthy would cause more saving when the poor would have to spend it. Morgan said that the lack of saving affected all New Zealanders and there would be no major difference. He made the point that there were not only rich and poor, most New Zealanders were middle income earners. He went on to say that older couples, gay couples, singles, and people unable to have children will be better served

²⁶⁰ Ibid.

²⁶¹ John Shewan and Gareth Morgan. Interview by Geoff Robinson, Ibid. 8:07am

under National and that couples with many children and families on low wages will be better served by Labour. Shewan agreed with Key and Brash that Labour's effective marginal tax rates would stifle incentive to work and lock people into welfare dependency. Morgan finished the interview by agreeing with this and said that *WFF* needs to be designed to lower the marginal tax rates that policy created.²⁶²

The bulletins on *Morning Report* on 23 August used two different kinds of coverage. The longer stories in the on-the-hour bulletins at 6, 7 and 8am covered the comments by National and Labour politicians. This in contrast to the shorter on-the-half-hour stories which covered the opinions of non-politicians such as experts and individual voters. The 6 and 7am stories were almost the same as each other. They explained the thresholds and the timetable for the drop in company taxes. They had a clip from Brash denying the policy was designed for the rich and one from Cullen claiming the cuts would require cuts in health services from the next year. The 8am bulletin was similar to the other two but used clips from the interviews from Key and Cullen aired earlier in the programme. The 6.30 and 7.30am stories used clips from the report mentioned above to cover some voters' views on National's policy. The 8.30 bulletin had a clip from John McDermott who said that both Labour and National's policies would be slightly inflationary and that voters would decide on election day whether the Government's surplus should be spent on priorities or given back to workers.

Between the interviews, bulletins and reports, National Radio had a large amount of coverage on National tax policy. Apart from the interviews of Key and Cullen, that coverage was largely on the policy and not the ideological or personal aspects of the policy announcement. The station made an effort to air the views of politicians, middle-income voters, business advocates and economists. The only group that could be considered to have been missed out were the minor parties whose opinions were only

very briefly mentioned. While National Radio's coverage was extensive, it was also short lived. NewsTalk ZB approached its coverage somewhat differently but its coverage was equally compressed.

4.4.4.2 NewsTalk ZB: 'Amateur! Amateur! Amateur!'

Like National Radio, NewsTalk ZB's coverage of the National tax policy was mainly on the morning after the announcement. The vast majority of the coverage was on 23 August but Holmes did bring up the announcement and the tax cuts generally until the election date. The coverage by ZB did not include any reports-from-the-field and was heavy centred on political opinion and commentary. Apart from ZB's bulletins and the interviews with Key and Cullen, there was only analysis from Holmes and interviews with commentators.

The bulletins on ZB did not concentrate on the tax cut itself. The 6 and 6.30am bulletins did not even mention the income tax cuts directly. They did report on the television leaders' debate which screened the night before. Those bulletins mentioned that tax was the key issue of the TV debates but not what the policy actually was.²⁶³ Even in the 7.00am bulletin the tax issue was secondary to the television debates. That bulletin did not even cover the tax policy directly. Instead it reported on the comments of BNZ Chief Economist Tony Alexander. The story was distinctly game-framed, 'the big war chest of fiscal surpluses has turned the election campaign into a game of one-upmanship'.²⁶⁴ The clip from Alexander, he said that without the fiscal surplus the election would be boring

²⁶² Ibid.

²⁶³ Bernadine Oliver-Kerby. Bulletin *The Paul Holmes Breakfast*, NewsTalk ZB, 23 August 2005 6:00am
Bernadine Oliver-Kerby. Bulletin *The Paul Holmes Breakfast*, NewsTalk ZB, 23 August 2005 6:30am

²⁶⁴ Bernadine Oliver-Kerby. Bulletin *The Paul Holmes Breakfast*, NewsTalk ZB, 23 August 2005 7:00am

and the policies of both parties involve fiscal loosening. The story ended with the reader noting that Alexander said both tax policies would be inflationary.²⁶⁵

The 7.30am bulletin was the first to explain the proposed thresholds. That story used clips from the interview with Key where he stressed the incentive to work created by the policy. The 7.30am bulletin also had a story that played comments from Newmarket Business Association General Manager Cameron Brewer who said that tax cuts would be beneficial to retailers.²⁶⁶ The story in the 8am bulletin was the first on ZB that dealt with the debate over the amount of funds available for out-year spending. It acknowledged Cullen's claims that spending would have to be cut to pay for National's tax policy. It also used a clip from Brash's interview that morning where he said that spending would rise under National but not as fast as it would under Labour.²⁶⁷ The 8.30 bulletin concentrated on Cullen's criticisms around spending cuts and used a clip from the interview with him that had been aired only a few minutes earlier.²⁶⁸

While the bulletins may have been more interested in the gladiatorial competition on the television debates, the interest of Paul Holmes himself was squarely on the promotion of the tax policy. The first commentary interview on the morning of 23 August was with John Shewan. Holmes made little effort to debate with Shewan in this interview and let him freely give his views on National and Labour's tax policies. Here Shewan made the comment that it would be positive that 85% would be paying a tax rate of 19%. His arguments were strongly ideological and criticised the *Working for Families* scheme because he said it puts more people into welfare. He was critical of its redistribution:

²⁶⁵ Ibid.

²⁶⁶ Ibid. 7:30am

²⁶⁷ Ibid. 8:00am

²⁶⁸ Ibid. 8:30am

Shewan: A bit of a surprise that the 39% rate is left intact. And even under National's package it does mean people at the upper incomes levels, around the 100,000 will be paying substantial multiples of tax relative to people on lower incomes... so there are some equity issues here.²⁶⁹

Shewan also pointed out, negatively, that many people would be paying negative tax under both Labour and National's packages. Holmes ended by asking him about the company tax and Shewan responses by saying he was disappointed with the delay in dropping the company tax rate otherwise revenue will move to Australia. This interview was less conversational than the interview Shewan did on National Radio the same morning. His statements were ideological and Holmes, like Robinson, made little attempt to argue with Shewan.²⁷⁰

At 7:50am Holmes read out text message sent to the station that morning on National's tax policy and on the previous night's television debate. All of these messages supported National's tax policy. One text sender said that he was disappointed with National keeping the top tax rate and other said that both Labour and National's packages were insufficient when he could double his wage by working in Australia. Despite Holmes and others on ZB claiming that Helen Clark had won the election debate, only a minority of the messages read out said the Prime Minister won the debate. 95bFM and ZB both read out text messages from listeners but 95bFM's breakfast hosts only rarely ask for people to send in their views on political issues. National Radio reads out email and faxes from listeners but not text messages. The readers' letters read on National Radio on the morning of 23 August were roughly evenly split between supporting and opposing National's tax plan.

²⁶⁹ John Shewan. Interview *The Paul Home Breakfast*, Ibid. 7:25am

²⁷⁰ Ibid.

Interestingly Holmes did not make a long editorial comment on the tax cut on 23 August. The following day's political discussion was not on the tax cut but on Brash's comment that he didn't believe he shouldn't shout at Helen Clark because she is a woman. The day after had little political coverage but did mention the uncertainty over National's forestry policy. On 26 August Holmes returned to the tax policy to editorialise about his disappointment at National's ability to sell the tax policy to voters. In an interview with *Listener* columnist Jan Clifton, both he and Clifton said that National had let other issues cloud the tax cut message. They were highly critical of National strategy. Holmes' complaint that the media were discussing Brash's comments about shouting at woman is odd considering that Holmes devoted his programme of 24 August to the topic. To blame National for his own editorial decisions is somewhat bizarre. Clifton and Holmes were also critical of how National debated tax policy with Labour:

Holmes: What is amazing about the way their dealing with their tax policy is that they come out with this extraordinary policy in which 85% of New Zealand workers will now be paying 18 cents [sic] in the dollar tax. And I don't see numbers everywhere. Instead of the just numbers and the tax mantra, the, the bullet points being hammered all week, I see none of it. No you're right, they're being defensive about it.

Clifton: No, they can't. They need to just bulldoze in with those really telling numbers and they're not doing it. They're spending a lot time debating with Michael Cullen, um, you know, what it to most of us, arcane stuff about how much money really in the kitty and...

Holmes: Absolutely! No one can understand that crap.

Clifton: Yeah no. It's very important that somebody debate it somewhere but not for our general consumption. We need to be able to

trust both of them, that you know, there is a lot of, dosh floating around. I think we've that point, you know. [Laughs]²⁷¹

While Clifton was careful not to sound like an active supporter of National, Holmes made points that make him sound like he was a supporter of the party. The discussion was game-framed and was even scornful of any detailed discussion of National's policy. It also begged the question that if they could not debate the details and effects of policies, then how could National show that they can be trusted to be competent? Clifton's statement seemed especially unfair when journalists and Government politicians raised questions about the affordability of National's policies. Holmes mentioned that he believed the 'only bright hope' for National that week was John Key, yet his analysis of Key was shallow. Holmes said he wore nice ties. Holmes went on to say how well Labour was executing its campaign. Clifton finished the interview by saying that it was the 'what's in it for me election' and that election would be decided on what the policies provided people. This echoed the same, albeit less explicit, assumption that was made in the coverage on National Radio.

Holmes went on to editorialise at length on the failure of National to capitalise on their tax policy. He spoke directly and rapidly to the audience for almost four minutes. Holmes' analysis was not dead pan. It was impassioned and used the military metaphors typical of game-framed journalism. He put the failure he perceived down to Brash letting himself be drawn into a debate about his comments on shouting at women and the confusion generated by National's forestry policy. Apart from this, Holmes criticised National's ability to 'sell' their tax and accused them of incompetence. There was no criticism of the policy itself or its ideological underpinnings. Essentially Holmes complained that good product was being marketed badly. Below is an edited transcript of Holmes' editorial.

²⁷¹ Jane Clifton and Paul Holmes. Analysis *The Paul Holmes Breakfast*, Ibid. 26 August 2005 7:20am

Holmes: In the week in which the Nats launch trump card, their wide ranging tax policy, which is actually a beauty, they've been getting publicity about everything but the tax policy. The debate became, this [television] debate on Monday night became about Dr Brash's attitude to women and then as the week goes on we're discussing whether Dr Brash is a feminist for God's sake! And now it's about logs on the West Coast and Lockwood being stood down from a radio debate and the week's gone! It's gone! Point number four: Where is the attack?! Where is the National Party's sense of attack?! They must attack! Launch the offensive general! The Vietcong are on the outskirts of Saigon and they're led by a woman. Oh we can't attack them. We must attack! Let's go... And instead of hammering home the message, instead of reciting the mantra, instead of hammering home the numbers, how people, 85% of workers will get a tax cut, under the National proposal, 85% of workers will be paying 18 cents in the dollar tax. Instead of hammering that, they allow themselves to be drawn into some sort of vague academic discussion about whether we can afford it. We looked at the press release that came out Monday, there it was. Confusing, long winded. The good new's hidden in the verbiage. Unless you poured over that press release for an hour you could not understand it. Amateur! Amateur! Amateur! Amateur!... Numbers please. That's all we want is the numbers. What are the cuts? Why are they good for the community? It is not rocket science, people want the tax cuts but they want to know their vote still helps the community... Memo to the Nats: Hello? Hello?! You might not have read, you might not have heard it but there's an election campaign on. You've got just days to get professional or its cheerio everyone. It will be all over. Maybe this weekend, god, you never know, we might see some full page adds in the newspapers with very clear numbers in bullet points explaining the tax reductions they're promising. But maybe that's too obvious. Maybe that's too simple. Maybe that's too professional so to speak. Maybe that's too political!²⁷²

²⁷² Paul Holmes. Ibid. 7:35am

Holmes displayed a high level of cynicism in this editorial. He saw voters a simply self-interest with no interest in macro-economic effects or the details of policy. By saying that the debate over affordability was ‘academic’, Holmes rejected any debate that tried to explain the policy in any greater detail than the most basic information. Through this editorial he showed where his ideological and policy preferences rested and that he had no real interest in detailed examination of policy programmes.

The other point that needs to be made about this editorial is that it gave the impression that Holmes was filling time before the next commercial break. Unlike 95bFM and Mai FM, NewsTalk ZB does not play music which could be used to fill in extra time. National Radio is tightly structured and must have additional news content on hand in case of technical problems or an interview falls through. ZB does not seem to do this. Holmes was occasionally left, as he was in the above transcript, with 5 minutes to fill with his own opinions before the next commercial break.

4.4.4.3 The music stations: not much at all

Mai FM’s coverage of the tax announcement was minimal. There were only two identical bulletins on the National’s tax policy on the morning of 23 August. The 6am and 7am bulletins carried the same story on the tax cut. The story opened by quoting Michael Cullen’s prediction that interest rates would rise under National’s tax plan. The story spelled out what the new income thresholds would be but made no mention of any other details. The reduction in the company tax rate was not mentioned. The story ended by saying Cullen was surprised at the size of the package and that he had said it was unaffordable.²⁷³ Mai’s 8am bulletin made no mention of the tax cut at all and instead

²⁷³ Susan Edmonds. Bulletin *Mai FM Breakfast*, Mai FM, 23 August 2005 6:00am
 Susan Edmonds. Bulletin *Mai FM Breakfast*, Mai FM, 23 August 2005 7:00am

reported on Brash's comments about not wanting to shout at a woman.²⁷⁴ As usual, there was no mention of the tax policy on Mai FM outside the bulletins. The coverage of National's tax cut policy on Mai FM was particularly poor. Even when compared with Mai's previous policy coverage, the tax cut coverage was minimal.

95bFM's coverage was also unusually limited. There was no real discussion of the tax policy outside the bulletins and regular interviews. The same story was used for all the bulletins on the morning after the policy announcement. 95bFM's story was unbalanced as it only told Michael Cullen's point of view on National tax plan. Unlike Mai FM, 95bFM did not even explain what the new income tax thresholds would be. The story reported that Cullen had said the tax policy was a 'bribe of insane size'.²⁷⁵ The story concentrated on Cullen's personality attacks on Key and Brash:

Fisher: He [Cullen] says it is the last throw of the dice by an elderly gentleman who can never remember his own policies. He also had a go at John Key, National's Finance Spokesperson, questioning how multi-millionaires like him and Brash can award themselves a \$92 weekly cut while more children live in poverty.²⁷⁶

The story ended by quoting Cullen's statement that it was not possible to award such tax cuts without massive cuts to healthcare and education. Like Mai FM, 95bFM did not cover National's tax policy anymore than any other policy announcement. In fact there was less coverage on 95bFM of National's policy than there was of the *Family Tax Relief* package. The disinterest in the policy was also reflected in the lack of any studio discussion on the policy.

²⁷⁴ Susan Edmonds. Bulletin *Mai FM Breakfast*, Mai FM, 23 August 2005 8:00am

²⁷⁵ Katie Fisher. Bulletin *Breakfast*, 95bFM, Auckland, 23 August 2005 8:00am

²⁷⁶ *Ibid.*

4.5 Conclusion

Despite these three policies being the most important social policies of the campaign, the coverage of each policy on breakfast radio lasted little more than a day for each. Even National's tax cuts, which were anticipated throughout the campaign, barely had any direct coverage after 23 August. Mentions were made by major party politicians but the coverage was no longer directly on the policies themselves. There was little effort made by any station to examine quality of National or Labour's tax proposals. Instead the stations let politicians try and defend their policies and their opponents attack them. For Paul Holmes the game was of the greatest importance and he didn't like how National was playing it. Much the same questions were asked of National and Labour politicians interviews on National Radio as NewsTalk ZB. Noelle McCarthy's questions on 95bFM were a little different from those of Plunket or Holmes. This was because she tended ask questions on a broad range of topics in one interview even when major policies were being announced. National Radio made a greater effort to explain policy detail objectively, that is, without the voice explaining the policy making judgements about it.

Despite the overall emphasis by radio journalists on the game, politicians did make an effort to explain their policies. The student loan debate was conducted almost entirely with policy based appeals by Bill English and Trevor Mallard. English made a noticeable effort to avoid the game-framed questions asked by Plunket and Holmes and keep his interviews on the topic of policy detail and ideology. Brash was more emotional than English in his criticisms of Labour's student loan policy as if offended his orthodox views on debt, but still kept his appeals largely policy oriented. With the equally surprising announcement of the *Family Tax Relief* package, appeals became more ideologically focused with more accusations of 'bribes'. At the same time commentators on breakfast radio began accusing one or both sides of trying to win votes through financial hands out. This showed a high level of cynicism, which was not necessarily misplaced but could still have been dangerous if it prevented them from assessing policy or politicians in greater detail. Ideological and personality-based appeals hit their peak with National tax announcement which was debated as an alternative to Labour's redistributive package.

Some of the personality-based focus could be explained by personal animosity between Cullen and Key, but they both claimed that their difference was ideological, although neither used that word. What then was the ideological difference between Labour and National? The next chapter will try to define and understand what were National and Labour's ideological assumptions in the arguments their candidates made when debating policy.

Chapter 5: The Role of Ideology

5.1 Introduction

Ideology is a major way voters understand and differentiate between parties. It provides the philosophical labels that mark the principles used and assumptions made by politicians when developing and implementing policy. Ideology is often seen as a negative term and is not normally used by modern politicians when communicating with voters. Yet ideology is inescapable as even the most seemingly practical policy makes assumptions about the role of the state and appropriate distribution of resources in society. This chapter does not try to make a deep analysis of the historical and intellectual underpinnings of the ideologies used by Labour and National. Instead this chapter looks at the role of ideology in the statements made during the debates examined above. These debates are not seen as academic debates made for purpose of intellectual enlightenment, but as appeals to voters for electoral advantage. This chapter will begin by looking at Anthony Downs' vote seeking model for ideological competition in a two party system. From there we will look at the nature of the ideological appeals made between the major parties when discussing the policies examined in this study and how these can be examined with Downs' model.

5.2 Downs' vote seeking model

In his 1957 book *An Economic Theory of Democracy*, Downs argued that the ideological views of an electorate can usually be mapped on a bell curve with the majority of voters lying in between the views of extremists which are relatively unpopular.²⁷⁷ In a two party system, parties would have an incentive to move to the centre in order to maximise their

potential vote. However, in doing so they must still maintain their reliability, creditability and integrity. They could not plausibly swap ideologies as voters must still be able to differentiate one party's ideology from another. Extremists would vote for the party that was closest to their views as it would be the lesser of two evils. The problem with this model is that it sees ideology as one dimensional, simply going from left to right. This is not adequate as it does not explain views on issues like religion, environmental conservation, or race relations which cannot easily be mapped on a left-right scale. For the most part the Labour and National fought the 2005 election with competing alternatives for tax cuts – one universal and one redistributive – and polls suggested that that tax was the most important issue for voters.²⁷⁸ Debates around economic policies, especially taxation, can be placed on a left-right scale and so Downs' model is appropriate for understanding the 2005 election campaign.

Downs' model does also assume a two-party system of representation. New Zealand now has eight political parties in Parliament, but it once had a strongly two-party system. In the first three elections after the Second World War the combined vote of Labour and National was over 90% of the total votes cast.²⁷⁹ This combined total slowly dropped over time with the formation of other parties and the introduction of the MMP electoral system. In 2002 the combined share of the vote gained by the two parties was only 62%.²⁸⁰ Throughout the 2005 campaign the major parties had an even greater share of the vote in polling²⁸¹ and on election day the two major parties gained 80% of the final vote,

²⁷⁷ Anthony Downs. *An economic theory of democracy*, 1st ed. Harper, New York, 1957

²⁷⁸ New Zealand Herald. *Poll: Labour could govern on its own*, Auckland, 16 September 2005.
http://www.nzherald.co.nz/feature/story.cfm?c_id=1500936&objectid=10345819

²⁷⁹ Raymond Miller. *Party politics in New Zealand*, Oxford University Press, Auckland, 2005 pp. 37

²⁸⁰ Chief Electoral Office. Website. *2002 General Election - Official Result*, Released on 10 August 2002, Viewed on 5 March 2006. <http://www-ref.electionresults.org.nz/>

²⁸¹ TNS. Website. *3 News TNS Poll*, Released on 3 November 2005, Viewed on 5 February 2006.
<http://www.tns-global.co.nz/corporate/Doc/0/0Q1871C9Q8IKBFELRJDJ7N20B5/PollNov032005.pdf>

as much as in some pre-MMP elections.²⁸² This was not a return to a First Past the Post election (coalition partners would still be required), but it was a major electoral swing to the major parties. Because it was largely a two party race, the 2005 election campaign can be explored using Downs' two party model.

As we have seen in Chapter Four there was an attempt by both Labour and National to appeal to middle-income voters. If voters were essentially self-interested – as both National Radio and NewsTalk ZB believed – then we can assume that middle income voters would favour centrist policies and ideologies that benefited themselves the most. Therefore Labour and National's appeals to middle income voters were an attempt to maximise their vote by capturing the ideological 'centre'. The next part of this chapter will look at ideological appeals made debating Labour's student loan, the *FTR* package and National's tax cut plan, and how ideology was used and the extent to which this correlates with the appeals by Labour and National to middle income voters.

5.3 Aid to students vs. orthodox ideas of debt

As noted in the previous Chapter, Labour's student loan policy was not debated using personal appeals, and the arguments made for and against the policy were largely ideologically and policy detail oriented. Labour's announcement marked the beginning of National's accusations of Labour 'bribing' selected sections of the electorate in order to maximise their vote. Meanwhile Clark's argument for the policy was that something had to be done to ease the debt burden of students and that interest free loans was the only solution.²⁸³ This argument was more practical rather than ideological, despite ignoring other policy options. In one sense National's argument was gamed. That is, it concentrated on Labour's strategy and not policy. Nevertheless, by using accusation of

²⁸² Chief Electoral Office. Website. *2005 General Election - Official Result*, Released on 1 October 2002, Viewed on 5 March 2006. <http://www.electionresults.govt.nz/>

²⁸³ Helen Clark. Interview by Noelle McCarthy, *Breakfast*, 95bFM, Auckland, 1 August 2005 9:23am

bribes, Bill English tried to make a point about equality. His argument was that it is unfair for the rest of New Zealand's tax payers to bear the burden of the cost of interest free loans to students. English was making the ideological argument that it is fairer to provide tax cuts to all than to target students with financial relief:

English: I think it [Labour student loan policy] increases pressure on the issue of who is going to pay for it through their taxes. This is not, it might be interest free for student and that will be attractive but it's not free to the other one and half million New Zealanders who are paying for it, and that's why we favour tax relief. Because there is sufficient room in the surplus to be able to allow New Zealander's to keep more of their own money so they can make their own choice with it.²⁸⁴

National also made another ideological argument against Labour's policy on the grounds of their view on the role of debt. National saw student loans as being governed by the same principles as any other loan. Part charges for tertiary education were introduced in the late 1980s, the argument being that higher education was both a public and private good. The benefit of such an education would go partly to the student through higher wages and partly to society as whole through the use of the expertise gained. To maintain equal opportunity for tertiary education, collateral-free loans were made available. To National these loans were already unusual in that they were unsecured and had no fixed repayment time. The best way to reduce the debt burden would be to make interest payments tax deductible in the same way business can deduct the payments they make on loans for capital goods.

Labour meanwhile saw loans as a necessary evil. Third Way thinking sees education as a method to creating a 'knowledge economy' and a high-skill, high-wage workforce.²⁸⁵

²⁸⁴ Trevor Mallard and Bill English. Radio Interview by Paul Holmes, *The Paul Holmes Breakfast*, NewsTalk ZB, 27 July 2005 7:15am

²⁸⁵ Anthony Giddens. *The third way and its critics*, Polity Press, Malden, 2000 pp. 74

Tertiary education would ideally be fully funded to maximise opportunity, but fiscal restraint must be maintained. So from Labour's point of view student loans were nothing more than a method of making tertiary education available to more people. Therefore there was nothing inappropriate about Labour making loans interest free. Any benefit gained by those taking out loans and investing the money they would have otherwise had used would be an inequality that was the price to pay for greater affordability overall. Labour decided to stop charging interest instead of reducing fees because, according to Mallard, Labour wanted to provide assistance to both past and future students.

5.4 Tax cuts vs. redistribution

The ideological debate between Labour's *Family Tax Package* and National's tax policy was over the most appropriate use of the government surplus. Both parties claimed that their policies were economically sound and the other's were not. Labour claimed that it was targeting those families in need with its *Family Tax Relief* package. Like with the student loan policy, National said Labour was bribing a certain segment of the electorate that could have swung to National. In addition to this National said Labour was putting more New Zealanders on welfare. On its tax cuts National said would create the right incentives for work and provide hard working New Zealanders with more of their own money to spend or save. Labour said this was a hand out to the rich while the poorest were kept in poverty. Put simply, these competing ideological arguments showed Labour's preference to combat poverty and National's preference to those who succeed and create wealth by their own efforts. These ideological views are diametrically opposed, yet Labour and National both sort to gain the vote of the same group of middle income voters.

While it accused Labour of 'bribing' through targeting, National also said it was targeting middle income voters by increasing the thresholds instead of cutting the top tax rate of 39%. This would seem to go against National's support for individual effort and incentive to succeed. Labour meanwhile said it had a policy that was targeted at those that needed tax relief the most. The Greens and CPAG claimed that the most needy in terms of deprivation were those on benefits and thus living in poverty, a view supported by

researchers on social conditions.²⁸⁶ Despite this, Labour decided middle income parents with young children were the most needy.

These contradictions between the ideology and policy in the Labour and National's tax plans can be explained with the Downs' vote seeker model. Both parties were trying to capture the centre by appealing to middle income voters and targeted their policies accordingly. In order to maintain their creditability, reliability, and integrity both parties had to keep the rhetoric of their ideologies leaning in one direction or another and to some extent their policies as well. Low wage families would get some extra relief with the *FTR* package and high wage individuals would get some tax cut from National's plan. This way those on the left could still feel Labour was supporting their views while it targeted middle-income voters and those on the right could still feel that National supported its views while it targeted those in the middle as well. Ideological appeals allowed the two parties to differentiate themselves and maintain votes from their traditional supporters who shared their particular values. It was the targeting of the policies and the appeals made about those policies that were designed to capture voters from the centre that may or may not be convinced with either ideological position.

²⁸⁶ Christine Cheyne, Mike O'Brien and Michael Belgrave. *Social policy in Aotearoa/New Zealand : a critical introduction*, Oxford University Press, Auckland, 1997 pp. 186-187

Conclusion

The extent of policy debate a listener would have heard on breakfast radio depends greatly on the type of station they listened to. All the stations examined in this study had some social policy news coverage, yet that coverage varied greatly from station to station. What made the experience of policy debate different between the stations was not the voices of the politicians themselves, that is if they were heard at all. None of the Labour or National politicians made any noticeable effort to change their appeals to cater to the particular audience of a specific station. Their appeals to voters were much the same on NewsTalk ZB, National Radio and 95bFM. This is partly because different interviewers asked much the same questions of the candidates. Nor was it the bulletins that set the stations apart. Apart from their length, the different stations' bulletins were much the same in the information they provided. It was the varying styles and quantities of news analysis that made the experiences so diverse. Because of its commitment to public service broadcasting, National Radio reported on the social policy debate in a po-faced way that was both balanced and objective. Because of their commercial focus, the other three stations were only limited by the expectations of their audiences. The many different styles mean that each station had its own way of treating politics and policy generally. In the case of the commercial stations, those styles were designed presumably in order to capture the share of the radio audience that approved of that particular treatment.

While the format and content of the analysis varied between the stations, the framing of the analysis was heavily on the 'game' of the campaign. Such debate is important but during the 2005 campaign this was to the detriment of other kinds of analysis. Although, despite the attention to the game by radio journalists, Labour and National politicians were still able to make complex appeals to voters while debating their social policies.

C.1 How policy was debated by politicians

Labour and National used a range of appeals to voters when their candidates debated social policy with one another on breakfast radio. Both Labour and National candidates made real efforts to explain the detail of their policies to radio audiences. Labour and National were essentially offering competing forms of financial aid. This aid had two different delivery mechanisms and came from two different ideological positions. One involved interest free student loans and direct financial aid to working families, the other involved income tax cuts with allowances for greater deductions for student loan interest and child care payments. Both sides claimed that the other's cost calculations were wrong. Labour denied it was spending any more than the extra revenue found in the *Pre-EFU* despite claims that the extra revenue was largely from corporate taxation and therefore could be lost in an economic downturn. National claimed that it would not have to borrow to fund its tax cut policy but this was dependant on National improving the cost effectiveness of state spending. Both tax packages were targeted at middle income voters and appeals on breakfast radio were firmly aimed that those on moderate wages. Such targeting was designed to capture the political centre and was not entirely consistent with the ideological appeals made by either Labour or National candidates.

The debate over the student loan policy between Bill English and Trevor Mallard was markedly different to the debate about tax between Michael Cullen and John Key. English and Mallard were far more congenial in their treatment of one another and both refrained from making personal attacks. English made a particular effort to deflect gamed questioned put to him by interviewers and to point out the ideological and policy differences between the two parties. Mallard was relatively open about the political opportunism in making student loans interest free. When asked why Labour did not increase funding for universities and drop fees, Mallard said they wanted to do something that would help those who already had loans as well as future students. Mallard argued that interest-free loans would cut repayment times and thus improve the financial condition of many New Zealanders and their families. Arguably greater investment in universities would both improve education outcomes and reduce the debt burden of future

students, yet neither side made tertiary education itself an issue during the campaign. English said interest free loans were a bribe to students and former students, yet his party's policy was also effectively a smaller interest rate cut combined with an income tax cut. Both parties were primarily interested in winning electoral support by providing financial aid to those with student loans and not to the improvement of educational services.

The debate over the detail of the tax policies was heavily centred on the affordability of National's tax plan and whether they would have to cut spending on social services in order to pay for such cuts. This meant that the debate pushed into other policy areas and the debate over tax became less about social outcomes provided directly from fiscal assistance and more about future social provision in health care and education. Cullen and Key spent a lot of time contradicting the other's figures on National's tax policy. There was a present, but not often expressed, assumption from National that the Labour-led Government wasted large amounts of money and that such wastage would not occur under a National-led Government. National politicians were heard on breakfast radio referring to their intention to cut wastage in large spending areas such as education and health. This assumption had a major effect on budgeting for their policies as Key claimed that some policies, like their student loans policy, would be able to be paid for out of existing provisions because wastage could be cut in those areas.²⁸⁷ This assumption may have been part of the reason for the conflicting spending figures given by Labour and National. Cullen had challenged National assumption about waste, saying there was little fat in the system. In a news conference before the release of National's tax policy, Cullen presented the audience with a slide showing Cullen's calculations as to the cost of National's spending promises to date. These included the student loan deduction despite

²⁸⁷ Michael Cullen and John Key. Interview by Sean Plunket, *Morning Report*, National Radio, 23 August 2005 7:20am

Key's assertion that it would be included in existing funds.²⁸⁸ It seems from this that Cullen had calculated National's spending figures as if all promises were new spending. This explanation for the discrepancy in the figures was not used by either journalists or politicians on radio during the campaign.

When discussing policy there were, for the most part, not a large amount of personality-based appeals made by politicians of either major party. Cullen and Key did start attacking one another's personality more vigorously after National tax policy announcement. These attacks were as much a slight on each others' ideology as their competence and it must be pointed out that both men only made such attacks when questioned by interviewers about comments to other journalists the previous day.

The ideological appeals made by Labour and National on breakfast radio were not to any particular social class, or ethnic group. The ideological debate was not about advocating for and appealing to a specific social group. Both parties made appeals designed to target people as individuals and both parties directed voters to online calculators to determine how much money they would gain from their policies. Labour did not make comments about the 'working class' or the 'middle class'. Instead it spoke of about the necessity of improving families and providing social services. Supporting families were considered important because of declining birth rates and the cost of raising a children. Clark accused National of attempting to reduce the role of the state through cutting revenue. She said party believed that governments need to provide healthcare, care for families and care for the elderly. The government should, as she put it, 'do the basics'.²⁸⁹ These appeals emphasised an active role for the state in providing for the welfare of its citizens and that those in need should be given first priority of state support. National took issue with the suggestion that it would not do the basics, but it did believe that state should have a much

²⁸⁸ Scoop.co.nz. Website. *Post Pre-EFU The Tax Cut Competition Heats Up*, Released on 18 August 2005, Viewed on 16 February 2005. <http://www.scoop.co.nz/stories/HL0508/S00125.htm>

more limited role in providing for its people. The ideological appeals of the National Party concentrated on incentive and universality. National stressed their value in self-reliance, aspiration and creating systems have gave people the incentive to 'get ahead'.²⁹⁰ It derided Labour's policies as bribery because some people gained benefit from them and some people did not. National said it preferred tax cuts because all working New Zealanders would benefit from them. Why, as Key put it, should 'everyone else get nothing?'²⁹¹ Descriptions of these values were used on breakfast radio by politicians and journalists alike to differentiate Labour and National.

Despite the promotion of this ideological difference between the two parties, they both targeted their policy appeals to middle income voters. They were not seen as a specific social group but as a collection of individuals that had an income that put them roughly on the edges of *WFF* and/or the 33% tax rate. Labour said that those in middle incomes were the most needy. This ignored the plight of those in poverty. When promoting the *FTR* package Cullen even claimed that beneficiaries had already been 'dealt with' in the *WFF*,²⁹² despite claims to the contrary made by pressure groups. Cullen attacked National for harming the poor to serve the rich and gave National's plan to cancel the \$10 increase in family support as an example. When he was challenged on this he said that those people harmed will be beneficiaries, but quickly changed the subject to which middle-income voters would be better off under Labour and under National. Labour's preferential treatment of those in work is consistent with Third Way principles on welfare but is a little inconsistent with its claims on radio of need based targeting. Labour wanted to

²⁸⁹ Helen Clark. Interview by Noelle McCarthy, *Breakfast*, 95bFM, Auckland, 22 August 2005 8:57am

²⁹⁰ Don Brash. Interview by Paul Holmes, *The Paul Holmes Breakfast*, NewsTalk ZB, 15 September 2005 7:45am

²⁹¹ New Zealand on Air. Website. *Our Role*, Viewed on 14 January 2006.

http://www.nzonair.govt.nz/about_us_detail.php?pid=202&sid=200&hid=201

²⁹² Michael Cullen and John Key. Interview by Paul Holmes, *The Paul Holmes Breakfast*, NewsTalk ZB, 19 August 2005 7:15am

portray an image of caring and social responsibility but heavily targeted its policies and the policy-based appeals to those in the middle who could swing to National.

Like Labour, National's stated principles were at odds with its policies. National claimed it believed in incentive and aspiration yet it did not plan on dropping the top tax rate, flattening the tax structure or ending the *WFF* scheme. In fact Brash said National was happy with the level of support given in with *WFF*, it was only the welfare-style delivery mechanism and the *FTR* extension National did not like. Key said National was targeting families with their tax cuts. National's tax cut were squarely aimed that those who earned less than \$50,000 as they got the biggest drop in taxes, from 33% to 19%. The boost in incomes for those earning over \$100,000 would be limited by the fact National would maintain the top tax rate. National's politicians made appeals based on equality and independence but, like Labour, it was willing to limit these principles in order to gain as many votes as possible from those in the middle who could have supported Labour.

C.2 How policy was interpreted by breakfast radio

How much a listener heard of these appeals and what they were told they meant, depended on which radio station they listened to. The four stations covered news in a manor in which they expected their audiences to want to hear it. For National Radio, this meant adhering to its charter and attempting to report on the campaign in a way that was not biased towards any particular party or ideology. On NewsTalk ZB that was leaning towards lower taxes and business friendly policies. For 95bFM this meant covering policy news in a fashion that flipped between serious and sarcastic or anti-authoritarian. For Mai FM this meant not talking about politics at all. It was the interpretation of the social policy debate presented to the listener that was very different from station to station.

The four stations examined in this study did have some things in common in the way they covered social policy. Most important was the greater interest in the outcome of the election than in the policies themselves. The bulletins of all four stations used the same format and were on the whole largely balanced and objective, even if the stories on the two music stations were significantly shorter than those on the news stations. There was a

tendency for bulletins to concentrate on events rather than debates. This drew attention to policy announcements, but did not necessarily lead to analysis of the policy itself. On NewsTalk ZB voices (other than Labour's) advocating left-wing positions were only heard in bulletins. The questions asked in the interviews on National Radio and NewsTalk ZB were very similar. Sean Plunket and Paul Holmes were interested in much the same issues as each other when they interviewed English and Mallard on student loans and Key and Cullen on tax cuts. Both interviewers used a lot of game-framed questions and were less interested in the policy than voter responses to them.

Regardless of the format and interpretations, all the stations were reactive to the actions of the major parties. The vast majority of the policy news coverage was on the day after the policy announcements. The reporting of social policy was done in response to the actions of politicians and independent coverage of the policies or their related issues. There was a constant need for a new event or action by the parties for the journalists to be able cover old issues. This meant that both parties had to time their announcements according to when they would gain the most media coverage. The media were responsive to the election timetable set by the major political parties for announcing their key policies. The media's need to react undermined the possibility of more sustained policy analysis.

Paul Holmes' greatest interest in the campaign was the game. He was open about his approval of National's tax policy and his objections to Labour's student loan policy. His interest was not on the details of these policies but what they would mean for the election result. When editorialising about the policies he sounded as if he was a disgruntled supporter of National. He supported their policies, but spent much more time analysing the strategy and political skills of National than he did their policies. He was highly critical of National's 'selling' of the tax policy and praised Labour's campaigning. While he was not objective he was relatively open about his biases. The choice of experts on NewsTalk ZB added to its right of centre leanings. *The Paul Holmes Breakfast's* use of sponsored business commentators such as Roger Kerr, Tim Preston and John Shewan meant that when it came to discussing social policies business friendly views dominated. Other than Labour politicians, there were no interviews with left leaning

experts to balance those of the business advocates. The views of the few callers and text senders aired by the breakfast show were devoutly and over whelming in support of National and their policies. NewsTalk ZB's *Paul Holmes Breakfast* covered the social policy debate in a manner that was strongly, but not uncritically, pro-National.

While ZB leaned obviously to the right, National Radio maintained an appearance of objectivity and balance. By using reports-from-the-field it could present several sides to views on the policies without resorting to single opinions from 'experts'. This adherence to objectivity also meant that it was as equally guilty of game framing as NewsTalk ZB. Coverage by Political Editor Catherine Ryan was always highly game-framed. Keeping political coverage game-framed allows for the maintenance of objectivity but at the cost of in-depth analysis of policy detail, which would result in favouring one side or another.

When conducting interviews Plunket made no real attempt by to get the politicians to make personal attacks against each other for entertainment value, but, like Holmes, he made little attempt to establish who was right when Key and Cullen were contradicting each other. National Radio tended to be more interested in the views of the minor parties than ZB, although it was not particularly interested in their policies and treated them as little more than a complication in future coalition formation. It is impossible to say how much the low morale and history of poor management at the station affected the quality of its election coverage but the industrial action at the station did mean that National Radio failed to adequately cover Labour's *FTR* announcement. Overall National Radio's *Morning Report* presented more objective and balanced coverage of the election than NewsTalk ZB but made no greater effort to analysis the content of Labour and National's social policies.

For a station that has little news funding, a youth focus and a music oriented format, 95bFM did well to cover the election debate as much as did. However, this was largely due to the regular interviews with Clark and Brash. The value of these interviews had its limits. Because of the lack of any other news analysis, McCarthy had to cover a large number of topics in an interview that was usually only a few minutes long. Her questions covered policy, personality and coalition formation but without other kinds of coverage

the interviews lacked context, especially as the bulletin stories on social policy were so short. Despite a tendency by the hosts of *Breakfast* to discuss politics, albeit often flippantly, there was no real discussion of social policy, let alone analysis of policy detail. 95bFM made a small effort to cover social policy but the audience was only presented with the most basic of information on Labour and National's policies, ideologies and personalities.

Mai FM made no real effort to cover the election campaign let alone the social policy debate. The hosts of the breakfast programme made no substantive discussion of the campaign and social policy was equally ignored. With no political interviews there was no opportunity for politicians to advocate directly for their policies. Some of its bulletins were longer and more detailed than those of 95bFM, but without any other kinds of news coverage there could be no real debate of social policy. Several of the news reports on Mai FM were directly copied from those of NewsTalk ZB, but this somewhat understandable due to its limited news resources. There was simply not enough political news presented on Mai FM's breakfast programme to make any kind of judgement on National or Labour's social policies.

A key reason radio is not the dominant news medium today is because it is Balkanised. With the audience share split between so many stations there can not be the mass experience of television or the early days of radio. Unlike television, the target demographics of radio stations must be smaller and more specific. Public broadcasters like National Radio try to avoid this targeting by attempting to service the society as a whole but this simply provides an alternative that will still only appeal to a section of the community. For the most part listeners in Auckland were able to select between a range of different news styles and choose a breakfast radio programme that presented news based on a particular set of news values. However, regardless of the news values employed, the breakfast radio show format was too reductive and too focused on the 'game' to make a strong analysis of policy detail.

A voter who was trying to select their candidates based on the policy detail would have got only a limited understanding of the quality of Labour and National's social policies

from news-based breakfast radio. They would have got an idea on what politicians thought of the policies on offer but only a basic outline of what the policies actually were. A voter who listened to 95bFM or Mai FM would simply not have got enough information to make a sound judgement based on policy. Voters trying to examine candidates based on their personal qualities would have gained very little from the debates over social policy. The coverage of personality was largely isolated from the coverage of social policy and the comments about personality were largely about the ideological views of specific candidates. There was a large amount of coverage on ideology and voters could have looked to ideology for their cues on policy. However, the ideological appeals exaggerated the difference in policy, so people who used ideology to make their electoral choices would still have had to appreciate how the policies were targeted to middle-income voters. Ultimately a voter would have not only had to use a range of techniques for selecting a candidate, but also listened to a range of radio stations, or even other media, in order gain an adequate appreciation of the social policy debate during the 2005 election.

Appendix

Tracey's eight principles for public service broadcasting

1. *Universality of Availability.* Tracey argues that in the past public service broadcasters have made an attempt to make transmission available to as much of the listening public as possible. Because audiences are viewed more as citizens rather than consumers, every effort must be made not to disfranchise people by accident of geography. National Radio can be received on the AM almost everywhere in the country and 85% of New Zealanders can receive the station on FM.²⁹³

2. *Universality of Appeal.* Public service broadcasters have a duty to make programmes that appeal to a wide variety of people. Commercial broadcasters set programming to attract advertisers. Inevitably this means programming becomes targeted to both the young (whose spending habits are still impressionable) and those wealthy enough to have disposable income. Commercial stations therefore often fail to provide programmes that appeal to older people and the poor. Both are groups that are over represented segments of the television audience due to their lack mobility. A public service broadcaster must attempt to provide services to all groups in its society. This is a task that is increasingly difficult for a single transmission broadcaster such as National Radio.²⁹⁴ Commercial stations have

²⁹³ Radio New Zealand. *Annual Report 2004/2005*. Report. 2005

http://www.radionz.co.nz/_data/assets/pdf_file/142640/rnz_2004_2005_ar_.pdf pp. 10

²⁹⁴ Not forgetting that Radio New Zealand also provides Concert FM, a public service network that plays mainly classical music and also other "highbrow" music rarely, if ever, heard on commercial stations. In this sense it can be seen as a public service broadcaster but not a 'full service' public broadcaster like National Radio. In addition to that, RNZ broadcasts its shortwave station Radio New Zealand International into the Pacific. That station provides New Zealand and Pacific news and programming to Pacific Island nations and New Zealanders abroad.

become increasingly fragmented with stations serving smaller and smaller niches. Providing something for everyone on one station runs the risk of appearing token when specific groups are starting to expect an entire station to represent their interests and views.

3. *Provisions for minorities, especially those disadvantaged by physical or social circumstance.* Provision for minorities can be seen as an extension of universal appeal. Minority groups often get ignored by commercial broadcasters due to either their lack of appeal to advertisers and as such can be made “invisible” in the public mind by broadcasts that exemplify the dominant culture. This is particularly important for minority language groups. National Radio provides some programming in Te Reo Maori as well as Maori based news in English. This role could be seen as of decreasing importance due to the vast increase in the numbers of both commercial and non-commercial stations owned and operated by Maori.
4. *Serving the public sphere.* Tracey interprets this in the context of American commercial/cultural dominance. He argues that foreign markets have become so important to commercial producers of broadcast media that there is a tendency to produce programmes with universal appeal rather than products that illustrate what is unique to the American experience. In New Zealand’s situation the problem is reversed. Here the tendency is for local production to subsist under a flood of American cultural hegemony due to a common language and competitive disadvantage due to American economies of scale. The role of public service broadcasters here is to promote our own national identity through locally made programming. The problem is acute for television due to high production costs of ‘quality’ drama. In radio the amount of local music is the tendentious issue. The last five years has seen a dramatic increase in the amount of local music on both

commercial and non-commercial New Zealand radio. This is largely due to voluntary quotas imposed by the country's largest radio and music television broadcasters.²⁹⁵ Serving the public sphere could also be interpreted to mean serving public life. This essentially would mean keeping the audience in touch with the debates in civil and political society. To do this would also mean informing the public on policy choices, especially during an election campaign.

5. *Commitment to the education of the public.* Public broadcasters make commitments to the education of the public at every level. This does not simply mean children's programming. It means that broadcasters provide audience members with information that improves them as persons rather than trivialise or sensationalise information in order to simply titillate.
6. *Public broadcasting should be distanced from all vested interests.* This means that public service broadcasters must avoid both commercial and political pressures. Commercial pressures are usually overcome by direct payments by audience members. In the United Kingdom this has meant an enforced licence fee is used to fund the publicly owned BBC. In the United States the privately owned PBS television and NPR radio networks are funded by voluntary donations. This means the American public broadcasters are prone to free rider behaviour and as such are often short of funding. New Zealand used both a licence fee and advertising to fund programming. This was until 2000 when the licence fee was abolished and the funding body NZ on Air became funded from general taxation. Radio New Zealand is funded sufficiently enough for it to have no advertising. In most mature democracies, broadcasters, state owned or otherwise, are free from political influence in making programming and editorial decisions and New Zealand is no

²⁹⁵ Karen Neill, 'Getting Radio Friendly: The Rise of New Zealand Music on Commercial Radio' Neill and Shanahan eds.), Thomson Learning/Dunmore Press, Southbank, 2005. 153

exception. Long gone are the days when news was written in the Prime Minister's office and political interviewers would have to submit a list of question before gaining access to a politician. The international freedom of speech advocacy group Reporters sans Frontières placed New Zealand 12th in their 2005 worldwide survey of press freedom. The organisation put New Zealand well ahead of the United Kingdom (24th), Australia (31st) and the United States (44th). Ireland at 1st equal was the only English speaking country to be placed ahead of New Zealand.²⁹⁶

7. *Broadcasting should be structured as to encourage competition in good programming rather than competition for numbers.* This is a contentious principle. Tracey argues that the source of revenue is of paramount importance when attempting to create structures in which high quality programming can be made. He believes that when governmental or commercial interests play a role in the financing of programming, the programme maker's eye is inevitably drawn away from the goal of making a quality product. This in itself is not a satisfactory explanation for public broadcasters airing programmes of superior quality. Commercial broadcasters can, and do, air programmes of great quality but this is often expensive and difficult for small markets like New Zealand, especially on television. Cultural elitists sometimes see what is quality being mutually exclusive from what is popular. Public service broadcasters do provide culture that is perceived to be 'highbrow' that is not normally profitable for commercial broadcasters. However this is only one part of programming and if a public broadcaster solely broadcast high culture it would not be living up to the principle of universal appeal. A more constructive argument for the need for public service broadcasters in order to make quality programming is the need for commercial

²⁹⁶ Reporters sans Frontières (Reporters without Borders). Website. *Worldwide Press Freedom Index 2005*, Viewed on 12th January 2006. http://www.rsf.org/article.php3?id_article=15334

broadcasters to expand their markets. Committed media consumers tend to stay loyal to their information and entertainment sources regardless of the quality. Therefore commercial broadcasters have an incentive to lower the quality of their programmes in order to bring in consumers who wouldn't ordinarily watch or listen. This means that commercial broadcasters have a tendency to aim their programmes to the lowest-common-denominator. Public service broadcasters have no such incentive and therefore are freer to make high quality programming.

8. *The rules of broadcasting should liberate rather than restrict the programmer.*²⁹⁷ This can be seen as a warning to public service broadcasters that they should avoid the dichotomy of elite high culture opposed to crude sensationalised popular culture. Elite debate, music and drama are important for any society, but any public broadcaster that ignores even parts of the society it serves can not be truly said to be doing a public service. The true test of a public service broadcaster is not to balance the education of the public with entertainment but to combine them. Commercial broadcasters operate in an environment where the number of young and wealthy people tuned in is the ultimate arbitrator of success. By treating the audience as citizens as opposed to consumers, public broadcasters must be answerable to public opinion as well as the ratings. The public must feel that they can relate to their broadcaster and interpret its communications. Elites must be served by public broadcasters because elite debate is essential to healthy civil and political society and such debate does not occur on commercial stations. Where many public broadcasters fail is in the field of experimentation. The problem is that innovation is often associated with tabloidisation and when this arises the public broadcaster can become the most conservative on the airwaves. Tracey puts it this way, 'Perhaps above all else... leadership should be helped to

²⁹⁷ Michael Tracey. *The decline and fall of public service broadcasting*, Clarendon Press, New York, 1998. pp. 26-32

understand that experiment, innovation, quarrel, and mistake are likely to come from the younger programme-maker, without whom the system is in danger of institutional arteriosclerosis'.²⁹⁸

²⁹⁸ Ibid. pp. 32.

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