

# Don Brash

Rt Hon John Key  
Prime Minister  
Parliament Buildings  
Wellington

12 May 2011

Dear John

It was with a very heavy heart that I felt obliged to resign my membership of the National Party and to seek the leadership of the ACT Party.

I reached my decision after watching with mounting dismay the performance of your Government.

You made great play of your ambition for New Zealand, and your determination to close the trans-Tasman wage gap and staunch the flow of our best young minds to more successful countries.

Yet you have done almost nothing to fulfill that ambition, and now appear to have given up on that goal.

I have not.

## **Why are you continuing Labour's wasteful spending?**

In Opposition, we both railed against the Clark Government's squandering of our people's hard-earned resources:

- the waiving of interest on student loans, which Bill English rightly called "an election year bribe on an unprecedented scale"
- the way the high marginal tax rates of Working for Families create an incentive *not* to work harder
- the exorbitant cost of KiwiSaver subsidies

- the unaffordable move from subsidizing doctors' visits for the poor and chronically ill to subsidizing higher earners' visits as well.

Yet your Government has done almost nothing to wind back this spending. Two and a half years on, the ratio of government spending to the size of the economy is higher now than it ever was under Labour.

As a result, the Government is borrowing over \$300 million a week. That's \$300 added to the debt of every New Zealand family, every week.

That is totally irresponsible. *It's what Labour voters voted for, not National voters.*

### **Why are you stopping young people from working?**

In Opposition, National opposed getting rid of the minimum youth wage. One member, I recall, went so far as to suggest this was the route to communism.

You knew the worldwide pattern, as I did – that most employers will not hire teenagers if they're forced to pay them the same as adults.

Yet in Government, you actually voted against a bill to bring back youth rates. You deprived another 12,000 young people of the chance to get a foot on the job ladder. Instead of allowing them to work for \$10 an hour, you consigned them to the dole for \$4.50.

*That's what Labour voters voted for, not National voters.*

### **Why did you change your position so completely on the Emissions Trading Scheme?**

In Opposition, we both hammered Labour for seeking to be world leaders in combating greenhouse gas emissions. We argued on behalf of our farmers – the lifeblood of this nation – that instead we should be fast followers.

Yet in Government, you've introduced the world's first all-sectors, all-gases Emissions Trading Scheme, sending farmers the message to turn wealth-generating farm land into idle forests.

*That's what Green voters voted for, not National voters.*

## **Why are you ignoring reality on superannuation?**

In Opposition, I argued the crucial need to gradually raise the age of eligibility for New Zealand Superannuation, so that it will still be there when people need it.

Every informed observer agrees with me on this. Many other developed countries, including Australia, have already bitten the bullet and announced plans to raise the age of eligibility.

Yet you have promised to resign as Prime Minister rather than face up to this need to secure New Zealanders' future.

This is just as irresponsible as Labour's interest-free student loans or middle-class welfare. You are condemning older workers to a sudden shock, or younger workers to intolerably high taxes.

*That's what New Zealand First voters voted for, not National voters.*

## **Why are you widening, not closing, the trans-Tasman wage gap?**

In Opposition, we both expressed grave concern about the widening wage gap between New Zealand and Australia.

You gave an excellent speech just before the 2008 election committing any government which you led to bridging that gap.

After the election, you agreed to set up a Taskforce to advise how best to achieve that goal by 2025. You appointed me as chairman of that Taskforce.

Yet to date, you've dismissed virtually every recommendation the Taskforce has made. I've asked several times if we could meet and discuss our two reports. Each time you've declined to meet me.

From time to time, you've reaffirmed your commitment to the goal. But there's not the slightest sign that you're taking it seriously.

Now you've abolished the Taskforce. And of course, the gap continues to grow.

*Nobody voted for that – certainly not National voters.*

## **Why did you abandon National's commitment to equal citizenship?**

In Opposition, successive leaders of the National Party have argued for treating all New Zealanders as equal before the law, and for abolishing separate Maori electorates.

Most of your voters would have assumed that a National Government would take those policies seriously.

Yet in Government, you have:

- retained the privileged position of Maori under various statutes
- ratified the UN Declaration on the Rights of Indigenous People (which even Helen Clark refused to do)
- created an unelected Maori Advisory Board for Auckland
- created a special Maori advisory committee for the Environmental Protection Authority
- made no moves to abolish separate Maori electorates
- pushed through the Marine and Coastal Area Bill, despite having pledged to pull the Bill if it did not have broad public support – which it certainly did not.

*That's what Maori Party voters voted for – certainly not National voters.*

## **Why are you running New Zealand for our opponents?**

And so John, I'm forced to agree with those who say you are not running the country for the benefit of all New Zealanders, but for the former Labour and Green voters who crossed over to you in 2008 for, effectively, a three year trial.

And, of course, for the Maori Party MPs, for whose support you seem prepared to trade away a vast treasure chest of our nation's coastal mineral wealth.

Needless to say, honouring some of your commitments would have required courage. Reversing Labour's immoral election bribes would not have been easy.

But you have spent the last three years building up probably the greatest reserves of prime ministerial popularity in New Zealand history. What's the point of cultivating such influence unless you plan to use it to help our country?

*And if you won't use it now, in this time of crisis, when will you?*

So many people hold you in high esteem. Surely you should easily be able to convince them of the urgent need for responsible economic management. After all, every New Zealand household is having to tighten its belt at the moment.

I'm sure they'd support the need to cut wasteful spending, given that we've suffered the worst international economic crisis in three generations and two devastating earthquakes.

To be borrowing more than \$300 million every week – most of it from foreign lenders – is unconscionable right now. New Zealand's total overseas debt is already up there with that of Spain and Portugal, and continues to rise.

The electorate gave you a mandate to reverse the excesses of the Labour Government. You had an international environment which demanded firm action.

With ACT's five MPs, you had a comfortable majority in Parliament. You could have implemented all your pre-election policies.

And so, with deep regret, I felt I had no alternative than to resign my membership of the National Party.

Sincerely,

Don Brash