

# Newman Weekly

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The New Zealand Centre for Political Debate

## Uncharitable Control

It was Thomas Jefferson who warned, "The natural progress of things is for liberty to yield and government to gain ground."

Now faced with a Government that is bigger than ever before in our history, consuming a mounting proportion of taxpayers' wealth, this prediction is coming to fruition here in New Zealand.

With big government comes increasing regulation and greater state control of our lives. The fundamental freedoms and liberties that we have taken so much for granted, are gradually being whittled away. The problem is that the changes are largely incremental and may be implemented without undue concern – that is, until the collective effects become obvious.

That is certainly the case for many charitable groups in New Zealand. When the Charities Bill was in front of my Parliamentary Select Committee, I tried to warn of the implicit danger of regulation. Now, charitable groups up and down the country are beginning to realise that the Government intends to muzzle them.

From February next year, groups claiming charitable status will need to be registered with the new regulator, the Charities Commission. The Commission has been given the power to strike any organisation that they consider is being too political, off the register. This means that charities that advocate for the groups they represent, by speaking out on political issues and criticising government policy, stand to be stripped of their legitimate tax-free status.

This is a very worrying development and, on the face of it, appears to signal the start of a new era for charities – to be eligible for the tax-free status that they have traditionally enjoyed, charities must either subscribe to the philosophy of the government or agree not to criticise them.

Organisations like my own New Zealand Centre for Political Debate, which has been set up to provide a forum for the free expression of views that might be at odds with government orthodoxy, would – if I had registered – have been amongst the first to be blacklisted. While not being registered certainly makes fundraising much more difficult, it is pleasing not to be beholden to government for our existence.

This crack down on charities is essentially an attack on civil society. Charitable organisations, along with families, have long provided a beachhead of defence against the coercive power of the state. This government – in cahoots with Parties that purport to support the family and civil society – appears determined to sweep away all opposition: not only through laws that deny charities their right to free speech, but by undermining families through the intended criminalising of traditional parenting, by eroding marriage, and by bribing families with children with massive welfare handouts.

With its almost limitless resources, government has the power not only to restrict the rights of free citizens, but also to write laws to suit its own purpose. Doing so, however, comes at a significant cost to society as US Supreme Court Justice Louis Brandeis, warned in 1928: "Decency, security, and liberty alike demand that government officials shall be subjected to the same rules of conduct that are commands to the citizen. In a government of laws, existence of the government will be imperiled if it fails to observe the law scrupulously. Our government is the potent, the omnipresent teacher. For good or for ill, it teaches the whole people by its example. Crime is contagious. If the government becomes a lawbreaker, it breeds contempt for law; it invites every man to become a law unto himself; it invites anarchy."

A major problem for New Zealand is that the lead party in government knowingly broke the law

during the election campaign. Warned by the Chief Electoral Officer three weeks before the election that the \$446,000 cost of their campaign pledge card had to be included within their election spending limit and paid for out of campaign funds, Labour chose to ignore the warning. That means they deliberately committed two crimes: the first, by engaging in a corrupt practice and breaching their election spending limit, and the second, by illegally using almost half a million dollars of taxpayers' money for electioneering purposes.

This week the NZCPD is featuring the Auditor General's Report "Advertising Expenditure Incurred by the Parliamentary Service in the Three Months Before the 2005 General Election". In his report, Kevin Brady confirmed that overall \$1.2 million of unlawful expenditure was incurred, with Labour illegally spending the lion's share of over \$820,000 and NZ First almost \$158,000.

This week, Labour, supported by NZ First and United Future, changed the law to legalise their unlawful spending. The bill was passed under urgency so that taxpayers did not have to be consulted and could not make submissions. Yet taxpayers are the biggest losers in all of this – not only did they have to fund illegal election campaign spending by parties they may have been vehemently opposed to, but the new law extinguishes any legal requirement for their money to be paid back.

Most New Zealanders feel very uneasy about the deliberate abuse of taxpayers' money. Former Labour Party Minister Hon Michael Bassett

in a column entitled *Corruption and Party Funding*, puts it this way: "The \$446,000 of taxpayers' money that Labour's "till-tickers" took to fund the election pledge card is fanning a whiff of sleaze around this ministry that Helen Clark may have difficulty blowing away. The money should have been repaid long ago. Her attempts to throw the scent, blame others, then biff an assortment of smelly red herrings like the Brethren's pamphlets into the debate, reflect badly on her. Adding to the corrupt practices revealed in the Philip Field report, but cavalierly batted away, an unpleasant odour could linger around this ministry until it is consigned to the dustbin of history."

He goes on to state: "I'm told that some government funded union programmes totalling more than \$4 million since the middle of 2000 result in money and organising work for Labour. These days the party seems to keep a seat or two warm for union organisers to encourage cooperation. Cute system? Some would call it corrupt. I wouldn't be surprised if the \$11 million Buy NZ Campaign has unspecified political price tags too. A knowledgeable friend tells me that much publicly-funded Maori broadcasting money, and other state grants to Maori, go into political activity. That gives Labour and the Maori Party much paid political work that isn't counted as election expenditure".

**The poll this week** asks whether you support the government's intention to restrict the advocacy role of charities?

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The NZCPD is an influential political force and provides a much needed independent voice on political issues. But life is all about reality and the NZCPD relies on the support and goodwill of others to continue. Contributions both big and small are most welcome.

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