

05WELLINGTON813

Date: 2005-10-19

date:2005-10-19T06:27:00 source:Embassy Wellington origin:05WELLINGTON813 destination:This record is a partial extract of the original cable

The full text of the original cable is not available

classification:CONFIDENTIAL reference:05WELLINGTON806 C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000813 SIPDIS STATE FOR D (FRITZ), EAP/ANP, EAP/EP, EAP/RSP, INR/EAP NSC FOR VICTOR..

C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000813 SIPDIS STATE FOR D (FRITZ), EAP/ANP, EAP/EP, EAP/RSP, INR /EAP NSC FOR VICTOR CHA AND MICHAEL GREEN SECDEF FOR OSD/I SA LIZ PHU PACOM FOR J2/J233/J5/SJFHQ E.O

12958: DECL: 10/18/2015 TAGS: PGOV, PREL, NZ SUBJECT: NEW ZEALAND PRIME MINISTER ANNOUNCES NEW CABINET REF: WELLINGTON 806 (U) Classified by: Charge d'Affaires David R

Burnett, for reasons 1.4(b) and (d)

Summary -----1

(C) New Zealand Prime Minister Helen Clark on October 19 unveiled a new Cabinet dominated by familiar faces, with veteran members of Parliament named to the top seven positions

None of the Cabinet assignments is particularly controversial

However, the one controversial choice -- the appointment of New Zealand First leader Winston Peters as foreign minister outside of Cabinet, announced October 17 -continued to stir public debate

The naming of Phil Goff, the former foreign minister, to several externally-focused cabinet positions, including trade and defense, ensures his continued hand in foreign policy and, perhaps, a role in serving as a check to Peters. Meanwhile, Clark also signaled

a heightened concern for national security by also naming Goff to minister of defense, the first high-ranking Cabinet member in years to get that assignment

Annette King, who numbers among Clark's closest confidantes, becomes minister of police and the first-ever associate minister of defense

End summary

Goff taking one for the team -----2

(C) If Cabinet were an airplane, then Phil Goff must feel as if he were asked to exchange his first-class seat for one in coach

In relinquishing his prime foreign affairs portfolio to Winston Peters -- in what many assume was a trade for New Zealand First's essential support in

forming a Labor-led government (reftel) -- Goff now takes on an array of lower status externally-oriented ministerial assignments: trade, trade negotiations (when the incumbent Minister Jim Sutton retires the portfolio at the end of the year following the Doha Round talks), defense, and disarmament and arms control

He continues as minister of Pacific Island affairs

Yet still influential -----3

(C) In explaining Goff's place in the new Cabinet, Prime Minister Clark asserted that Goff's vast experience and credibility in international relations would be invaluable in his new portfolios

Although his mandate no longer includes the formulation of foreign policy per se, he nonetheless will have a significant influence on external policies

Given that trade is essentially the load-bearing column of New Zealand's foreign policy platform, Goff's role in steering trade policy and trade negotiations enables him to continue exerting influence on important foreign policy issues

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(SBU) Cabinet is the final arbiter on foreign affairs matters, and Goff remains among the top five cabinet members

While Peters manages the foreign affairs portfolio, he will be absent from Cabinet unless asked

Thus, he may have little influence on its policy debates and decisions

One academic criticized the appointment outside Cabinet as sending a bad signal to the rest of the world on the importance that New Zealand attaches to its foreign affairs

Others questioned the appropriateness of appointing a foreign minister who has been known to oppose immigration, specifically of Asians

A safeguard to Peters? -----5

(C) Goff's capture of the other externally-oriented portfolios could indicate that Clark views Goff as a check or safeguard to prevent possible free-lance activity by Peters in his role as foreign minister

Goff has more experience than Peters in the conduct of foreign relations and the formulation of foreign policy

Nevertheless, Peters' position outside Cabinet leaves him unshackled to Labour's policies and agenda

Ultimately, as New Zealand First's leader, he has the ability to bring down the Labour-led government

A better reception at Defense -----

(C) New Zealand defense officials will likely welcome Goff's appointment to the defense portfolio, replacing Mark Burton who becomes justice minister

Burton's time in charge of the portfolio was troubled by controversy over procurement problems and criticism for failing to maintain the country's defense capabilities

Goff enjoys greater credibility on global affairs and has a "safe pair of hands."

The remaining distribution of portfolios -----

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(C) The troublesome police portfolio has gone to Annette King, along with that of State Services that includes coordinating responsibility for race relations

Steve Maharey takes the education portfolio

As expected, Deputy Prime Minister Michael Cullen keeps the finance portfolio, but also takes charge of tertiary education

The new health minister is Pete Hodgson, who had been training for the role as an associate

Together with Goff, these top-tier ministers are widely recognized as the most accomplished

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(C) Cabinet's third-ranked minister, Jim Anderton -leader of the Progressive Party, which is in coalition with Labour -- has been handed agriculture, biosecurity and fisheries

Trevor Mallard, formerly education minister, takes over the economic development portfolio, previously held by Anderton

Lianne Dalziel -- returning to Cabinet after a spell on the back benches -- is the new minister of commerce

At number 15, she is the highest-ranked of the new Cabinet ministers

There are five other new faces among Cabinet's 21 members

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(U) Other changes include Damien O'Connor, who previously was a minister outside Cabinet and is now the minister of corrections and minister of tourism

David Cunliffe, who was also a minister outside Cabinet, takes the immigration portfolio

Nanaia Mahuta is customs minister, and Clayton Cosgrove is the minister for building issues

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(C) The big mover into the Cabinet ranks is David Parker, who is one of the few Labour MPs with a legal background

Parker becomes energy minister, transport minister, attorney general and the

minister responsible for climate change  
Burnett