



JUNE 9, 2021Updated 2 hours ago

Pete McKenzie

Pete McKenzie

Pete McKenzie is a freelance journalist focused on politics, foreign affairs & defence and social affairs. He studies Law and Mandarin at Te Herenga Waka—Victoria

University of Wellington.

POLITICS

Donations create conflict issue for Stuart Nash’s forestry portfolio

Labour Party MP Stuart Nash raked in nearly $50,000 in big money donations for last year’s election – including at least $25,500 from people who could

benefit from decisions he makes as the new minister in charge of forestry and regional development.

Max Rashbrooke, a leading scholar on wealth and democracy at Victoria University of Wellington, believes the donations are “concerning” and “inappropriate”,

and is calling on Nash to return the money.

“He could have taken those donations in good faith,” Rashbrooke said. “But if you then become minister for the industry from which those donations come,

then I think there’s an argument that the appropriate thing to do would be to return those donations.”

A spokesperson for Nash said that after the election the Cabinet minister “met with the Cabinet Office to discuss a range of interests and the management

of any possible areas of conflict. The minister continues to ensure that no conflict exists or appears to exist between his personal interests and his

portfolio responsibilities, in accordance with the guidance in the Cabinet Manual.” The spokesperson did not respond to questions regarding which interests

and potential conflicts the minister disclosed.

Nash’s acceptance and disclosure of the donations appear to comply with Aotearoa’s laws around campaign finance, but critics like Rashbrooke say it is

nonetheless ethically worrying. He argued it was “concerning if a minister is accepting or has accepted donations from an industry which he is supposed

to be regulating. Quite apart from anything else, there’s the standard principle that justice must not only be done but be seen to be done”.

READ MORE:

\* Politics rife with 'dark money'

\* Greens won't return $54k from animal abuser

Simon Chapple has researched political donations in his role as director of the Institute for Governance and Policy Studies – a Wellington thinktank. According

to him, “It’s a matter of moral judgment. [Nash] should face some very strong questioning ... If I was in Nash’s position, I would not have taken the money.”

Over 16 days in September, Nash received: $5000 from Andrew Kelly, who describes himself on LinkedIn as managing director of the timber company LumberLink;

$9503.80 from Tenon, a Taupo-based timber company; and $5000 from Red Stag, a Rotorua-based timber processing company.

Nash has a long association with Kelly, who also donated $5000 for Nash’s 2017 campaign and $31,000 for his 2014 re-election. Kelly was one of two businessmen

who commissioned a 2014 report into the viability of a Nash-led independent centrist party. The Napier MP has previously described his support from Kelly

as backing from a friend who “believed in what I was doing”.

mail

Daily Briefing

Start your day with

a curation of our top

stories in your inbox

SIGN UP FOR FREE

READ TODAY'S NEWSLETTER

Nash has described becoming Forestry Minister as “a long-held ambition”. His spokesperson noted that “Minister Nash has an extensive network of contacts

in the forestry sector since first graduating from the University of Canterbury with a forestry qualification in 1993. He ... has worked in the forestry

sector in NZ and overseas at various points in his career”.

In his ministerial role, Nash now oversees Te Uru Rākau – the New Zealand Forestry Service. According to Te Uru Rākau’s ‘Future of Forestry’ report, over

the coming years it will focus on the expansion of tree planting to meet Aotearoa’s climate goals, the provision of various forms of support to the timber

industry, and developing commercial joint ventures between Crown Forestry and timber businesses. Through these activities, Te Uru Rākau will be interacting

and negotiating with private timber companies like LumberLink, Tenon and Red Stag.

More broadly, Nash is Cabinet’s subject matter expert on forestry and regional development and will have influence over its decisions on policy and regulatory

issues in these areas.

Nash also received $6500 from Shah Aslam, the chief executive and owner of Air Napier. The address disclosed by Aslam for his donation matches that of

another of his businesses – the Wellington restaurant Mama Brown. Among its range of services, Air Napier provides passenger services to Hawkes Bay and

‘event packages’ which include wine tastings, shopping trips and golf outings.

The Government recently unveiled a $200 million ‘Regional Strategic Partnership Fund’ (a reformed version of last term’s Provincial Growth Fund). Nash

will be one of a small team of ministers assessing funding applications of up to $20 million from the private and public sector in regional Aotearoa. His

spokesperson insisted that “every project that will be considered for investment through the new Regional Strategic Partnership Fund will be subject to

high levels of scrutiny before it reaches ministers”. The spokesperson did not respond to questions regarding whether he would recuse himself from any

ministerial decisions specifically involving individuals and companies who have donated to his campaigns.

The great-grandson of Walter Nash – a Labour politician who served as Aotearoa’s 27th Prime Minister – Nash has long been an influential figure within

the party. A stalwart of Labour’s centrist wing, he served as the party’s spokesman on forestry and revenue under then-leader Phil Goff, as chief-of-staff

to then-leader David Shearer, and has held senior ministerial roles since Labour’s election to government in 2017.

Nash is one of Parliament’s most effective fundraisers. His haul of almost $50,000 in large donations gave him one of Parliament’s largest war chests in

the 2020 election. In 2017 and 2014 he received $27,500 and $99,000 respectively in large donations, mainly from property and equity investors like Sir

Robert Jones and Caniwi Capital Management.

While he accepted there were many innocent reasons to make or accept donations, Rashbrooke noted: “These are big sums of money in the New Zealand context.

They’re big enough to buy influence because they’re big enough to fund significant chunks of what political parties do.”

Given Nash’s influence as a minister and senior party figure, Rashbrooke was emphatic about the potential consequences of Nash retaining donations from

forestry and regional businesses. “Politics must not only be clean but be above suspicion. It’s dangerous for there to be even the potential in the public

mind for there to be some biasing of Stuart Nash’s decisions based on the donations he’s received.”

Help us create a sustainable future for independent local journalism

As New Zealand moves from crisis to recovery mode the need to support local industry has been brought into sharp relief.

As our journalists work to ask the hard questions about our recovery, we also look to you, our readers for support. Reader donations are critical to what

we do. If you can help us, please click the button to ensure we can continue to provide quality independent journalism you can trust.

Become a Supporter

0 comment

JOIN THE CONVERSATION

Read and post comments with a Newsroom Pro subscription.

Subscribe now to start a free 28-day trial.

SUBSCRIBE TO PRO

SIGN IN TO PRO

View our subscription options

MOST POPULAR ON NEWSROOM

Mainfreight boss bypasses 'profiteering' global shipping lines

Fake accounts used hundreds of times in immigration investigations

The unwanted daughters of ungrateful fathers

mail

Daily Briefing

Start your day with a curation

of our top stories in your inbox

READ TODAY'S NEWSLETTER

SIGN UP FOR FREE

RECOMMENDED READS

Greens won't be returning $54k donations from animal abuser

Pete McKenzie: Politics rife with 'dark money'

article end