

I, JUDITH ANNE COLLINS, of Auckland, Member of Parliament swear:

1. I am the Member of Parliament for Papakura.
2. I am enrolled as a Barrister and Solicitor of the High Court of New Zealand and practised law from 1981 until I entered Parliament in 2002. I hold a current practising certificate.
3. I am a former President of the Auckland District Law Society, Vice- President and Board member of the New Zealand Law Society.
4. Prior to entering Parliament, I was a company director, including being a director of Housing New Zealand, Chair of the Casino Control Authority as well as a solicitor.
5. My tertiary qualifications are Bachelor of Laws, Master of Laws (Hons.) and Master of Taxation Studies all conferred by the University of Auckland.
6. From 19 November 2008 to 12 December 2011, I was the Minister of Police, Minister of Corrections and the Minister of Veterans' Affairs.
7. I was appointed to the role of Minister of Police on 19 November 2008. At that time, the Attorney General, Hon Christopher Finlayson was the Minister with Responsibility for the Serious Fraud Office (SFO).
8. Some months after that, the Attorney-General asked me if I would be willing to take over responsibility for the SFO. If so, he would speak to the Prime Minister and ask him to transfer the ministerial responsibility. From 1 April 2009 I held Ministerial Responsibility for the SFO.
9. I provide this affidavit in order to provide to the Inquiry my response to the suggestion that I was involved in assisting with an alleged public relations campaign to undermine the Director of the Serious Fraud Office, Mr Adam Feeley, while I was the Minister responsible for the Office. In particular, I am responding to the suggestion that I was communicating with Mr Cameron Slater as part of that campaign as suggested in the email dated 5 October 2011 which appears to be from Mr Slater to certain others. I attach marked "JAC" a paginated bundle of relevant documents that I will refer to during this affidavit.
10. I should say from the outset that I had no involvement with any such campaign, that I supported Mr Feeley in his role throughout his time as Director, that at no stage did I ever want Mr Feeley to step down from that role, and that I did not have any communications with Mr Slater (or anyone else) directed at his removal, or which involved me providing any information or comment that could be used to that end. Not only would that have been contrary to the principles to which I adhere in terms of appropriate behaviour, but this would have been contrary to the very things I was seeking to further in terms of the position of the SFO and Mr Feeley's Directorship.

WAS J 1

11. A Minister has to be able to encourage, to caution and at times to rebuke and to hold to account his or her Chief Executive. The role is similar to that of a Board Chair, but conducted in a highly charged, political environment with Opposition Members of Parliament, media and the public all having an interest. The State Services Commission has provided a helpful guide to that relationship (P 1 JAC) and the Cabinet Manual reference is also provided (P 2 JAC).

The Serious Fraud Office

12. It is first important to understand the position the SFO was in at this time. I was, and I remain firmly of the view that the SFO is a vital part of the overall justice system. But that was not a universal view. The previous Labour-led government had planned to close the SFO and to have the Police undertake its financial crime work, particularly using the newly created OFCANZ multi-agency unit.
13. In opposition the National Party had argued against any such closure but the Serious Fraud Office (Abolition and Transitional Provisions) Bill passed its first reading in Parliament and would have almost certainly have passed if there had not been a change of Government in 2008. The Hansard record of speeches is attached (P 3 JAC).
14. The Serious Fraud Office (Abolition and Transitional Provisions) Bill received its first reading in Parliament on 20 May 2008 and was sent to Select Committee. The Select Committee reported back to Parliament on 15 August 2008. Parliament was dissolved on 3 October 2008 and the Bill abolishing the SFO was carried over to the incoming (49th) Parliament (P 4 JAC).
15. As explained above, I took over ministerial responsibility for the SFO on 1 April 2009 following the discussions with the Attorney-General and the Prime Minister. I was pleased to take over that role because of my belief that it was an extremely important institution that needed strong Ministerial support.
16. At that time, the Director of the SFO was Mr Grant Liddell who had been appointed for a shorter time than usual (my recollection is 18 months) to, in essence, oversee the closing of the SFO.
17. Unusually, the Ministerial Responsibility for the SFO was worded in such a way that it became a joint responsibility with that of Minister of Police.
18. I recall discussing the position of the SFO with the 9(2)(g)(i) [REDACTED] who reiterated the view prevalent at the time that the SFO should have been closed.
19. I argued that the very special and extensive powers of the SFO could not be replicated in the post Bill of Rights Act (BORA) era and that I doubted that the New Zealand Police were equipped or even that interested in apprehending and prosecuting 'white collar crime'. 9(2)(ba)(i) [REDACTED]

[REDACTED]

20. 9(2)(ba)(i)

21. 9(2)(a), 9(2)(ba)(i)

22. That difference of view was not an isolated example of the view that the SFO should be disestablished. Despite the change of government, the future of the SFO still lay in the balance and the Bill closing the SFO was not discharged until September 2009 (P 5 JAC)

23. I believe that if I had not firmly argued for the retention of the SFO, then, despite the National Party voting against the Bill in opposition, that the SFO would have been disestablished. My view was that the SFO deserved full support at senior Ministerial level, and that is what I sought to provide.

24. That is not to say that there were not problems within the SFO. As Minister of Police and the Minister with Responsibility for the SFO, I received information and advice from both bodies. The relationship between the New Zealand Police and the SFO was not as collegial as it should have been. The SFO was small, specialised and had always been based in Auckland. Although SFO investigators were often former Police officers, there was a relationship that could be described best as 'patch protection'.

25. 9(2)(g)(i)

26. Ultimately, the Securities Commission was replaced with the Financial Markets Authority (FMA) in 2011. The Ministerial responsibility for the FMA lay with the Minister of Commerce, Hon Simon Power who, at that time, was also the Minister of Justice.

27. I recall that the State Services Commission (SSC) spoke to me regarding a replacement for Mr Grant Liddell when it became apparent that the National-led government would not close the SFO and Mr Liddell's term was coming to an end.

28. The State Services Commissioner appointed Mr Adam Feeley as the Director.

29. As is usual in these instances, the SSC discussed the appointment with me as the responsible Minister but all decisions around the appointment and the terms of employment were made by SSC.

123

J

30. Mr Feeley was appointed Director of the SFO in November 2009. I was pleased by the decision to appoint him.

31. Mr Feeley had a lot of drive and energy and I welcomed his new approach to reinvigorating the SFO. Without going into details there remained significant issues within the SFO, 9(2)(a), 9(2)(ba)(i)

32. Mr Feeley set about trying to improve the culture of the SFO and improving linkages between the SFO and the business community as well as the professions.

33. Mr Feeley built up relationships with Police – particularly in Auckland.

34. Being based in Auckland, it was difficult for him to build relationships with central agencies and with the Wellington based bureaucracy.

35. I encouraged him to both improve the culture of the SFO, to build on his relationships with Police and to try to build a better relationship with the Securities Commission.

36. He shifted the premises of the SFO in Auckland into the Downtown area and I formally opened the offices for him.

37. 9(2)(g)(i)

38. The SFO was able to obtain the services of 5 investigators from the Counties Manukau Policing District. Their salaries were met by New Zealand Police, effectively providing the SFO with an off-book budget transfer. That district received 300 extra Police Officers as part of the incoming National-led government's election commitments and was able to assist the SFO. I welcomed this new co-operation.

39. The better cooperation between these two agencies, for whom I held Ministerial responsibility improved to a degree that a Memorandum of Understanding was signed.

40. There remained other relationship issues. Following the collapse of several finance companies, the Securities Commission was replaced with the Financial Markets Authority (FMA) in 2011. 9(2)(ba)(i), 9(2)(g)(i)

WAK

J

41. I urged Mr Feeley to pursue a Memorandum of Understanding with the FMA but that was not successful while I was the Minister. I am not aware if such a Memorandum of Understanding has since been signed. I do not think that the inability to have such a MOU established was the result of any failure on Mr Feeley's part, and I commend him for the work he did on that.

42. There were some areas that were not handled as well by Mr Feeley. During his time as Director of the SFO, Mr Feeley took the initiatives to improve the SFO's reputation with media. I approved. I, as his Minister, introduced him to some media who I thought would be able to assist him and his office in getting out preventative comments regarding financial crime.

43. 9(2)(ba)(i), 9(2)(g)(i)

44. 9(2)(ba)(i), 9(2)(g)(i)

45. But generally I found Mr Feeley to be a competent Director of the SFO, and during his time he made significant improvements to the Office.

Mr Cameron Slater

46. Before dealing with the events of October 2011 and Mr Slater's email it is appropriate for me to explain the nature of my relationship with him.

47. Mr Slater is a family friend of mine and my husband. His father, Mr John Slater, was President of the National Party when I joined the National Party in 1999. Mr Slater and his wife, Margaret (now deceased) lived in the Epsom Electorate as did my husband and me. Mr and Mrs John Slater were very supportive and kind to me when I stood as a candidate for National in 2002 even though he was no longer President of the Party. As a former President of the National Party, John was and is always available for advice.

48. As a consequence of that relationship my husband and I formed a friendship with Cameron. In addition to the family background and politics, our families each have a member with an uncommon and difficult to handle medical condition. I can tell more about this if necessary, but would not do so without confidentiality. We have drawn comfort from sharing experiences of handling the difficulties faced by people with that condition.

49. Cameron has a well and self-publicised ongoing battle with depression.

9(2)(a), 9(2)(ba)(i), 9(2)(g)(i)

50. 9(2)(a), 9(2)(ba)(i), 9(2)(g)(i)

51. Mr Slater and I often phone each other regarding political matters and we share some common views. However, there are many areas where our views diverge significantly. All Ministers and other politicians develop relationships with members of the media in which views are exchanged at an informal level. This is an essential aspect of the political system, and it is not a new phenomena. Without such networks, elected leaders can be at the mercy of their officials, and the self appointed expert political reporters, in terms of information flows.

52. Bloggers and blogs are part of the new media. They can now join the media organisations and they take an active part in political discussions. The Labour Party, for instance has "The Standard" as one of its main support blogs. Blogs have been an active part of news media for at least a decade and recently some have been recognised as media.

53. It is inevitably the case that some reporters develop closer relationship with certain politicians. In my case it is certainly true that my friendship with Mr Slater meant that we spoke reasonably frequently about the political issues of the day, although this was also the case with a number of journalists. Our conversations were usually by telephone. Mr Slater holds strong opinions and many of our discussions involved him expressing his views and me listening more than the other way around. Mr Slater has recently acknowledged that in an interview with Larry Williams on Newstalk ZB on 1 September 2014. Mr Slater commented (P 6 JAC) *"Judith Collins is one of the hardest people to get information out of and in fact, most times, if I want information, I don't even bother talking to her about it because she simply puts up a wall and says that she can't deal with this information, that she's the Minister responsible, or she tells me that – or indeed anyone else and I've confirmed this with other journalists in the last couple of days – she simply says you need to put in an Official Information Act Request in [sic]. She plays by the book, by the rules every single time. And for someone who does what I do, it's extremely frustrating that she does that."*

9(2)(a)

54. I suspect that Mr Slater spoke to politicians across the spectrum as journalists and political people do. The media attention given to my contact with him following the release of Mr Hager's book has exaggerated the significance of that friendship.

55. I was not aware until several weeks ago when I saw the email of 5 October 2011 from Mr Slater that he was misrepresenting the nature of our friendship to others.

9(2)(a)

[REDACTED]
[REDACTED] Mr

Slater has apologised to me and I believe that he is sincere.

56. Mr Slater has provided further media commentary. In his interview on Newstalk ZB with Mike Hosking on 1 September (P 7a JAC) in answer to a question of "Was Collins working with you on Feeley?" Mr Slater replied "Absolutely not".

The Champagne Incident

57. On, or about, Friday 30 September 2011, my office was contacted by Jared Savage of the New Zealand Herald and advised that Mr Feeley had celebrated the laying of criminal charges against Rod Petricevec with a drinks function at which champagne belonging to Bridgecorp directors was served to SFO staff. The Herald had an email from Mr Feeley which appeared to confirm the allegation.

58. I considered that alleged action by Mr Feeley to be inappropriate and referred the matter to his employer, the State Services Commissioner. I was disappointed that this incident had occurred – as indicated above one of the issues I had discussed with him was the development of a more sober, less partisan media profile, and it seemed to me to be obviously wrong to open and drink champagne that did not belong to the SFO. It was a significant lapse in judgment.

59. It also occurred at a bad time as we were approaching the next general election. The last sitting day of the House of Representatives was 6 October 2011, with the election to be held on 25 November 2011. So adverse publicity of this kind was unwelcome. This publicity also led to members of the public writing to me about Mr Feeley and his action. I was happy to not have to deal with the issue and to turn down the temperature of media interest (which would have become more intense if they could connect a Minister with the champagne consumption issue, even tangentially) by saying the matter had been referred to the SSC.

60. The next media comment on the 'champagne' matter was made by the Whaleoil blog site on the same day as the NZ Herald's front page story. That post by Mr Slater, ridiculed the NZ Herald for putting the champagne story on the front page of the Weekend Herald. Mr Slater also stated that the Herald story was based on 'an unverified, anonymous tip off.' A copy is at P 8 of JAC.

61. The next day (2 October 2011) Mr Slater's views appeared to have changed and he quoted 'Cactus Kate' as to the probity of Mr Feeley's actions (P 9 of JAC).

62. Cactus Kate is the blogging name of trust and tax lawyer, Cathy Odgers who, at that stage was based in Hong Kong.

63. I have met Miss Odgers on two occasions that I can recall. 9(2)(a)
[REDACTED]

WAS
J⁷

64. The email that has led to this Inquiry appears to have been sent shortly afterwards. The email is dated 10/5/11 which I believe from what has since transpired to be 5 October 2011 (using the American dating system). (P 10 of JAC)

65. The email states (inter alia) that:

- *Today is the 4th straight day of headlines and additional revelations about Adam Feeley*
- Mr Slater is in daily communication with Jared Savage of the NZ Herald and Mr Savage is passing information directly to Mr Slater to include in his blog posts.
- Additional information is being provided to Mr Slater via his "tipline" which he intends providing to the media or using on his blog.
- Cathy [presumably Cathy Odgers] is in contact with Fran O'Sullivan of the NZ Herald.
- Cathy will speak to Jock Anderson [then a journalist with the National Business Review ("NBR")]
- Mr Slater will speak to Matt Nippert [then with the National Business Review]
- The NBR will publish on Friday (7 October 2011).
- Mr Slater has spoken to the Minister (me) and *She is gunning for Feeley.*
- Mr Slater has outlined to the Minister a coming blog post about the *massive staff turnover and she has added that to the review of the State Services Commissioner. She is using his review of these events to go on a trawl looking for anything else.*
- Mr Slater states that in his opinion, Mr Feeley's position is untenable.
- Mr Slater states that he has arranged with Matthew Hooten to use the ipredict website to run an investment on whether Mr Feeley's employment would be terminated by Christmas.

66. I reject totally any opinion expressed by Mr Slater that I was *gunning for* Mr Feeley, or given him any reason to think that I was. That was the opposite of my view of him. I was of the view that the SFO needed to continue to exist, and the kind of campaign suggested by the email is not only contrary to that, but the idea that I was assisting the media to undermine the Director of the Office for which I was responsible the month before the general election is absurd. The last thing any elected person wants during an election is the impression that there is "trouble at mill". The voters are not interested in detail, They do not get it from the media. All they get is a general impression of lack of competence at the leadership level, and they want to send a message that they expect smooth and effective management. So the media attention the issue got was the last thing I wanted. As indicated, referring the issue to the SSC was part of the way in which we could close the issue down.

67. Neither did I want Mr Feeley to leave. If I had wanted him to step down supporting such a media campaign would have been among the last ways to achieve that.

68. I did not have any conversations with Mr Slater in which I suggested that I wanted information about Mr Feeley, or in which I indicated I wanted to have him step aside, or which has the character of what is stated in the email. Indeed I have no

recollection of discussing this issue with Mr Slater at all. If it was raised and I have not remembered, it would have been because it was Mr Slater's current pre-occupation and he might have wanted to talk about it. I think I would have remembered that, because of the sensitivity of the issues. If he did I would have been very careful not to provide any information that would breathe any life into the story.

69. I did not widen the State Services Commissioner's review of Mr Feeley's conduct over the champagne to include the staff turnover at the SFO. I was aware that there was a staff turnover issue. I think it was a matter of media reported criticism around that time, but I probably heard in my meetings with Mr Feeley there was a staff turnover issue. I did not tell Mr Slater that, and neither was any request made of the SSC that they widen their consideration to such matters.

70. I suspect that Mr Slater found it helpful to exaggerate the significance of his connection to me, and that he found himself offering 'circumstantial detail' designed to reinforce his account. But I do not know, because I did not know about his misrepresentation at the time, or indeed until 30 August this year.

71. I did not discuss the SFO or anything to do with it with Mr Slater at any later time, so far as I can recall.

72. I was therefore extremely surprised when early in the morning on 30 August 2014, the Prime Minister texted me to ask if I was awake. I phoned him back and he said he would send me something to read. I then received, by text, a photo of the email that appeared to be from Cameron (Cam) Slater to "mark, [blacked out], Carrick' (P 10 of JAC)

73. I read the email and spoke to the Prime Minister. I advised that I rejected the suggestions in the email that related to me. I stated that I could not be responsible for what other people say or write about me.

74. The Prime Minister advised me that his office had been sent the email and that the State Services Commissioner had advised the Prime Minister's office (which I took to be his Chief of Staff, Mr Wayne Eagleson) that on an initial review of the file, that all my dealings with Mr Feeley had been 'entirely professional'.

75. I discussed with the Prime Minister options and I said to him that I wanted an Inquiry into these inferences so that I could clear my name. On that basis, I agreed to stand down as a Minister, so that these matters could be considered and so that I could defend myself.

76. Later that day, I issued a statement and called a Press Conference where I outlined the above.

77. I note that the next day, (31 August 2014), the State Services Commissioner, Mr Iain Rennie, issued a Press Release in which he stated (inter alia) (P 11 of JAC)

- That he had *'told the Prime Minister's office that Judith Collins had a positive view of Mr Feeley's performance through her time as Minister responsible for the Serious Fraud Office.'*
- That the SSC had reviewed its file and *'sought the recollections of staff responsible for the SFO portfolio at the time in coming to this view. This includes the period following the date of the email in October 2011 released today by the Prime Minister, Earlier in 2011 [which I take to be 30 September] Judith Collins had raised with me the appropriateness of Mr Feeley's consumption of a bottle of champagne following a media inquiry.'*
- *It is appropriate that she spoke to me about this matter and my view on the matter was released publicly at the time.*

78. Subsequently, (6 September 2014) a reporter, David Fisher, from the NZ Herald claimed to have another email from Mr Slater claiming that I *'was trying to widen an inquiry into the former SFO director Adam Feeley.'*

79. Mr Fisher reported that the Deputy State Services Commissioner, Doug Craig said that the 2011 inquiry had no terms of reference and that staff turnover was not included in the inquiry. (P 12 of JAC)

80. Mr Fisher then claimed that this new email was in a series of emails sent by the NZ Herald journalist, Jared Savage, who he claimed contacted Mr Slater *'knowing the blogger's friendship with the Minister.'*

81. Mr Fisher then stated that Mr Slater had denied his statement was false but that he [Mr Slater] had *'embellished the truth'*.

82. I reject any suggestion that I sought to interfere in any way with the SSC's consideration of the champagne incident and I maintain that referring the matter to the SSC was the correct action of a Minister.

83. I have since been advised by the Prime Minister's office that the reporter Matt Nippert (ex NBR), working for the Sunday Star Times had referred the email of 5 October 2011 to the State Services Commissioner who had referred it to their Minister.

84. I have also been advised that the email was passed by Cathy Odgers to 9(2)(a) [REDACTED] who then passed it to Mr Eagleson. I am not sure if these varying versions have any relevance but for the sake of transparency, I include them.

85. When I spoke to the Prime Minister, he wondered if the recipient of the 5 October 2011 email could be Mr Mark Hotchin. I can confirm that I have never, to the best of my knowledge, met or spoken to either Mr Hotchin or his wife.

86. I have no knowledge of any interactions between Mr Slater and Mr Hotchin.

87. I presume that the recipient called *'Carrick'* is Mr Carrick Graham. I presume that as Mr Graham is the only person I have met with that name. I have met Mr Graham on

WAS

J

a few occasions purely in a social capacity to say "hello" to. I recall last seeing Mr Graham at the funeral of Mrs Margaret Slater. The only correspondence that I recall having with Mr Graham was when he contacted me to thank me for making positive comments about the contribution of his father, Sir Douglas Graham, to the Treaty settlement process. My comments were made when there were calls by media and others for Sir Douglas to be stripped of his knighthood. I made those comments because I believed them.

88. Mr Carrick Graham has never discussed his work with me and nor has anyone else discussed Carrick Graham's work with me.

89. I have also reviewed the media comments carried in the mainstream media and those of Mr Cameron's Slater on Whaleoil in the month of October 2011 which provide further context to the situation at the time. They are as follows:

On or about 30 September 2011 -- My office contacted by NZ Herald

1 October 2011 -- New Zealand Herald SFO boss faces employment probe.
(P 13 JAC)

- Notes Judith Collins is unable to comment as she has referred the matter to the State Services Commissioner.
- Collins referred the matter to SSC after Herald inquiries yesterday (30 September 2011).

1 October 2011 -- Whale oil - The Whole Front Page for a Bottle of Champagne (P 8 JAC)

- Saying the Herald article is based on an unverified, anonymous tip off.

2 October 2011 -- Whale Oil (P 9 JAC)

- Now quoting "Cactus Kate"

3 October 2011 -- Whale Oil -- Five Fingers Feeley's Job on the Line. (P 14 JAC)

3 October 2011 -- Tracy Watkins -- Stuff (P 15 JAC)

- SFO toast "storm in Champagne flutes"
- John Key: "It's a matter for the State Services Commissioner to go and have a look at."
- "Labour Leader Phil Goff said he thought Mr Feeley's actions were 'extraordinarily unwise'"
- "There is a question over ownership of the alcohol. It's not a huge sum of money, it's about \$70, but if you're running the Serious Fraud Office and you are consuming something that doesn't belong to you that's got to be a worry."

- But he did not think it should be blown out of proportion but "I think it was unwise and he should acknowledge that fact."
- "[I] just think it is utterly inappropriate for anybody in a law enforcement position to be taking possession of something that they don't own, and it might be a small amount but there's a principle at stake."

3 October 2011 – New Zealand Herald – Blowtorch on SFO Chief over celebration (P 16 JAC)

- "Prominent lawyer Nigel Hampton QC said last night that Mr Feeley's actions were 'not appropriate at all.'"
- "Mr Hampton said the incident had the potential to harm the SFO's court case against Bridgecorp."

4 October 2011 – NZ Herald – SFO bubble celebration vindictive: Petricevic (P 17 JAC)

- Phil Goff – "Mr Feeley's actions were extraordinarily unwise."

4 October 2011 – Whale Oil (P 18 JAC)

- Refers to Mr Feeley being called 'a cowboy' by staff.

5 October 2011 – Whale Oil (P 19 JAC)

- Names investigators who have left
- Then comments about his tip line on relationship between senior staff.

5 October 2011 – New Zealand Herald Editorial – SFO's bubbly an error of judgement (P 20 JAC)

- "Adam Feeley ... let down his position."
- "He did not quietly invite his team to a drink, which might be normal at the end of a busy week; he issued the invitation by email, announcing they could 'celebrate' with champagne 'that previously resided in Rod Petricevic's offices'."
- "His judgement was seriously flawed in several respects: knowingly keeping the Bridgecorp bottle, holding a premature celebration of a case yet to begin, and then openly advertising the drinks and provenance of the bottle to a staff which included some who might have to give evidence in the case."

05 October 2011 – Fran O'Sullivan, New Zealand Herald (P 21 JAC)

- "The SFO director is so assured of his righteousness that he cannot see that he has brought his own office into disrepute by his misjudgement,
- Collins... is understandably furious that the SFO director, who she personally hauled around town as the sheriff who was going to drive the fraudsters out of Dodge City in the wake of the multibillion dollar finance companies sector collapse, would trivialise such an important issue what should concern Collins is other material now in circulation questioning just what is going down within the SFO.
- "Feeley's hired gun approach upset many of the SFO staff he inherited when he took over the office.
- "But the real issue is whether Feeley has compromised the SFO's ability to prosecute the Bridgecorp directors."

6 October 2011 – Jared Savage, New Zealand Herald (P 22 JAC)

- Bridgecorp toast sparks rent query

6 October 2011 – NBR Editorial, Champagne Charlie must go (P 23 JAC)

- Says: Mr Feeley is "dead in the water", "Attempting to justify the unjustifiable is another grave error of judgment – one that could prove terminal."
- "The law-abiding business community will take no comfort from Mr Feeley's ill-considered antics."
- "Mr Feeley's leadership style – variously described by insiders as hung-ho and 'shoot from the hip' – he's seen a number of new investigations started.
- "He also put rockets under slow moving inquiries since he took over the SFO two years ago."
- "But Mr Feeley's arrival came at a time when investigators were leaving in droves. From all accounts the exit of investigators has not stopped and the SFO is still an unhappy shop."
- "When the NBR refused an unprecedented demand to hand over a reporter's notes relating to the Alan Hubbard – linked ownership of Auckland's Hyatt Hotel, our appeals fell on deaf ears. NBR was threatened with prosecution and had to comply."

6 October 2011 – Matthew Hooton, NBR – Probe expected to be whitewash (P 24 JAC)

- "Spokesman for the Minister said 'The Minister referred the issue to the State Services Commissioner, as Mr Feeley's employer, to look into and take whatever action the commissioner considered necessary."

WRS

J

- "Questions to Ms Collins over whether she was satisfied the commissioner was taking the matter seriously enough went unanswered."

14 October 2011 – Matt Nippert, NBR – Feeley lucky not held to our standards – Police Association (P 25 JAC)

- SFO director's behaviour would not be tolerated in Police – Police Association President.

18 October 2011 – Matt Nippert, NBR – Minister demands meeting (P 26 JAC)

- Post SSC employment probe
- Noted Judith Collins saying "he sent me through an email apologising. I haven't actually met with him yet and I expect that when he next comes to report to me in person he will want to reiterate that apology."
- Of the SSC: "I abide by that decision and it's a matter for them. I'm pleased to see how they've ruled quite clearly in my opinion that behaviour is unacceptable."
- CBA President said it wouldn't be acceptable in New Zealand Police

18 October 2011 – Claire Trevett, New Zealand Herald – Feeley book not a booby prize (P 27 JAC)

- Adam Feeley disputes that gifts of a Allan Hubbard biography was a booby prize at a staff function.
- Judith Collins – "said she would make her views clear when she next met Mr Feeley. She said the SSC was Mr Feeley's employer and she could not step in, but he had accepted it was an error in judgement."
- However she said he had increased the prosecution of white-collar criminals "and I think that is important."
- She said it was important for law enforcement bodies to remain dispassionate.

18 October 2011 – Fran O'Sullivan, NZ Herald (P 28 JAC)

- Refers to "Feeley's hired gun approach."
- Questions whether Mr Feeley has compromised Bridgecorp prosecution.

19 October 2011 – Andrea Vance, Fairfax (P 29 JAC)

- Just a straight rendition of facts

19 October – Judith Collins released written apology under Official Information Act.

19 October – Fran O'Sullivan – SFO Chief's ticking off fails to reassure (P 30 JAC)

- Called Adam Feeley "publicity hungry"
- Rennie had "failed to address the real issue"
- "The Police and criminal bar have raised valid concerns that Feeley's antics have contaminated the SFO's integrity – particularly its reputation for unbiased judgement.
- "Feeley's reputation is that of a self-promoting gunslinger who 'shoots from the hip'"
- "There has been growing dismay within his own office for some time over the way SFO staffers have felt themselves compounded by their boss's cavalier approach."

20 October 2011 – Editorial, Waikato Times (P 31 JAC)

- Notes previous Labour Government was to merge SFO with Police.
- Notes Police Association President Greg O'Connor – "Mr Feeley's probably very lucky there was no amalgamation.
- "She is reported to be concerned."
- "The Bridgecorp wine incident further meant Mr Feeley was no longer fit to work for the SFO if it were to maintain any credibility."
- SSC "using a bottle from the company and making the association clear in the staff email was "ill-advised and demonstrated a lapse of judgement on this occasion."
- "Ms Collins has said she will be making her views clear when next she meets Mr Feeley."

19 October 2011 – Jock Anderson, NBR – Feeley's deal expires in a year (P 32 JAC)

- Notes Judith Collins – "I will be speaking to Mr Feeley in person" "The expectation is that there will be no repetition of matters such as the Bridgecorp champagne or Hubbard book business."
- Criminal Bar Association President interviewed called on Mr Feeley to quit.
- Police Association said his behaviour wouldn't be tolerated by Police.
- Criminal Bar Association President said Mr Feeley would have been accused of theft by funding.
- Commented that it is understood that Judith Collins has several issues about his management style including his public response to news reports about the Hubbard book issue.

20 October 2011: Claire Trevett, New Zealand Herald – Police Minister 'disappointed' in SFO boss (P 33 JAC)

- Noted that Judith Collins was disappointed in Mr Feeley's actions and that he had apologised.

21 October – Stuff – Business Day – Who Dobbled in Feeley? (P 34 JAC)

- "Someone in his employ is disgruntled regarding a 'witch hunt' of his staff.
- "I think he has to, if he already hasn't." "For the SFO to be truly effective in capturing fraudsters it needs a leader supported, not undermined by his own troops."

I have included further blog posts on Whaleoil during that time including:

7 October 2011, 11:30am – Staff Issues at the SFO, CTD (P 35 JAC)

7 October 2011, 2:30pm – Staff issues at the SFO, CTD (P 36 JAC)

7 October 2011, 4:00pm – Ipredict Running Stock on Feeley's Future (P 37 JAC)

8 October 2011 – DHC on Five Fingers Feeley
- noting journalist Deborah Hill Cone's negative comments regarding Mr Feeley (P 38 JAC)

9 October 2011 – Five Fingers Feeley has to go (P 39 JAC)

9 October 2011 – Brian Edwards on Five Fingers Feeley
Noting Mr Brian Edwards' negative comments regarding Mr Feeley (P 40 JAC)

11 October 2011 – Hubbard Support Team calls for Feeley's Dismissal
- Noting that the Hubbard support team had joined the chorus call for Mr Feeley to be dismissed (P 41 JAC).

12 October 2011 – Why Don't They Just Shut Up?
- noting that the FMA and the SFO were working co-operatively on the Hanover Finance Investigation (P 42 JAC).

14 October 2011 – Police Assn Slams Five Fingers Feeley
- noting the comments in the National Business Review by Mr Greg O'Connor, President of the Police Association that Mr Feeley's conduct would not be tolerated by Police (P 43 JAC)

15 October 2011 – Witchhunt Underway at SFO
- discusses Mr Feeley taking action against staff leaks (P 44 JAC)

21 October 2011 – Five Fingers Feeley Grovels
- prints in full Mr Feeley's emailed apology to me that had been released to the media under the Official Information Act (P 45 JAC)

21 October 2011 – Waikato Times on Five Fingers Feeley
- Quotes the Waikato Times Editorial (P 46 JAC)

21 October 2011 – Fran Isn't Reassured

- referring to Fran O'Sullivan's very negative article about Mr Feeley (P 47 JAC).

22 December 2011 – Hacked? Yeah Right (P 48 JAC

- Refers to "... the woman accused of forging an email from SFO boss Adam Feeley..."

Formal Reviews of SFO and Mr Feeley

90. As indicated above, the criticisms of Mr Feeley and the SFO arose in a particular context where the position of the SFO was in question. Following the November 2011 election I continued to support both Mr Feeley and the SFO, although following it I became the Minister of Justice and was no longer the Minister Responsible for the SFO.

91. The NBR had taken a particularly negative view of Mr Feeley and in its editorial of 6 October 2011 noted that the SFO had executed a search warrant on the premises of the NBR to obtain a reporter's notes. That had occurred the previous year. I recall the editor of the NBR, Mr Nevil Gibson, travelling to Wellington to complain to me about the powers of the SFO at that time. That meeting was on 17 November 2010. I recall that I supported the SFO and its powers.

92. Subsequently, I received a letter dated 26 November 2010 from the Media Freedom Committee supporting the NBR and referring to a letter sent to me by the NBR on 22 October 2010 (I do not appear to have a copy of the NBR letter), urging me to *'change its [the SFO] Act, specifically to exclude news media from examination and production orders.'* That letter was written by the Editor of the NZ Herald, Mr Tim Murphy who was also Chairman of the Media Freedom Committee. (P 53 JAC)

93. More formal feedback and support for the SFO was provided in the government processes. I met with Helene Quilter and Marie France of the State Services Commission on 8 November 2011 (5 weeks after the champagne story) for the yearly Performance Review of Mr Feeley. This was before the election. A copy of the draft notes as written by the SSC and provided to me is at P 49 of JAC. My comments were made in response to a series of questions asked by the SSC (P 50 JAC)

94. In that report, provided by the SSC and in its words (not necessarily mine) it noted that I confirmed that Mr Feeley and his staff worked effectively with my office but that the relationship was harder to manage, given that the SFO is based in Auckland. Noted that being in Auckland, the office is not well attuned to public sector practices and ministerial expectations. It gave an example of Mr Feeley travelling overseas and not alerting my office to that until the day before he left.

95. It notes that I considered the SFO to be in a far better state than it was before.

96. It notes that my disappointment is around adherence to public service standards of behaviour and some of the culture in the Office. It notes that there are still some disgruntled staff and that it is even more important at the public profile of the Office

rests on what has been achieved – not on what will be achieved.

97. It notes that less media coverage would be good and that I was concerned about the SFO having a professional culture.

98. There are concerns noted about the finances of the SFO.

99. It notes the good relationships that Mr Feeley had built up with the Police, the Companies Office and the FMA and that the delay in achieving a Memorandum of Understanding with the FMA was not Mr Feeley's fault.

100. It also noted that Mr Feeley had lifted the performance and profile of the SFO and that the performance is vastly improved on a year ago, but that the Office needs to be settled a little more and to remember it is not a commercial agency, but a law enforcement agency.

101. Whilst those words are not all mine they fairly described the views that I had. I thought Mr Feeley had done certain things well, but there were also things that could be done better. Had I continued in the role of Minister I would have encouraged him working on those areas, as I had with encouraging him to work on the areas where the SFO had not been strong where he had made valuable improvements. Not only is this the proper way for the matters to be dealt with between Ministers and Chief Executives, but it is also something that I had regarded as important for the sake of the SFO as an institution.

102. The 2011 election was held on 26 November 2011. I was appointed Minister of Justice on 12 December 2011 and consequently my term as Minister of Police and Minister Responsible for the Serious Fraud Office ended on 12 December 2011.

103. Mr Feeley remained in his role for another 10 months before resigning in October 2012.

104. Mr Feeley's Deputy, Mr Simon McArley was appointed as Acting Director. (P 51 JAC)

105. By this time, I had no ministerial responsibility for the SFO but was Minister of Justice. As the lead Justice Sector Minister however, I was consulted by the SSC as to the future of the SFO when a review was undertaken by the SSC. I have a draft copy of the SSC Report called: *Future Structure of the Serious Fraud Office*. (at P 52 of JAC). The draft report is dated 18 January 2013 and notes that there had been a Strategic Departmental Analysis (SDA) undertaken in September 2012. Consideration had been given to the SFO becoming a Departmental Agency within the Ministry of Justice. It also notes that '*Ministers Collins and Tolley provided additional comment on the issues they expected we [SSC] would need to consider in finalising our [SSC] analysis and advice. ...Ministers indicated their expectation that the Commission take account of the need to ensure that any DA [Departmental Agency] arrangements would not impact the actual or perceived independence of the SF. In addition Ministers wanted the Commission's advice to demonstrate how better*

integration of the work of the SFO across other relevant Agencies would be achieved and to identify any risks (including financial risks) in a DA option.

106. I was strongly opposed to any loss of independence of the SFO preferring the model of enhanced status quo, improving cooperation between agencies. The result of the review was that the SFO remained independent.

107. The SSC appointed a new Director, Julie Read in October 2013.

108. I have never undermined the SFO or its Director, Mr Feeley. I supported the SFO and complemented and supported Mr Feeley in his role whilst seeking to help him in areas where he could improve his performance.

Sworn this 25th

Day of September 2014

By JUDITH ANNE COLLINS in the presence of:





9(2)(a)


RELEASED UNDER THE OFFICIAL INFORMATION ACT