

PARTS OF THIS TRANSCRIPT HAVE BEEN REDACTED UNDER S 15 (1)(a)

INQUIRIES ACT 2013

IN THE MATTER OF THE INQUIRIES ACT 2013

A Government Inquiry into:

Allegations regarding Hon Judith Collins and a former Director of the  
Serious Fraud Office

Interview commenced: 29 October at 10:25 am

Present: The Hon. L Chisholm

Ms V Casey

Ms J Collins

Mr F Cooke QC (counsel for Ms Collins)

Interview concluded: 29 October 29 at 6.01 pm

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INTERVIEW WITH JUDITH COLLINS (REDACTED)

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JUDITH COLLINS (SWORN)

QUESTIONS FROM THE HON L CHISHOLM:

- 5 Q. Ms Collins and Mr Cooke, thank you very much for being here. There  
are a few matters I thought I would cover at the beginning. First  
Ms Collins, your affidavit, thank you very much for providing that. It has  
informed me as to where you stand on the issues and initially I had  
thought it was going to be necessary for me to interview you earlier in  
10 the piece, but that has obviated that need. The second thing is the

question of the forensic analysis of communications. I know that both of you were concerned about the wide time range that I adopted initially. Unfortunately, at various stages of the process as I understand it, there have been hiccups, but on the information currently available nothing of major significance has, as I understand it, emerged from that analysis. As you are aware that analysis has been taking place beyond me, so that it is only relevant material that has come to my knowledge. The next thing is the question of emails. I understand that Victoria gave you a copy of emails from Mr Slater I think yesterday, which we will want to discuss with you. Have you got those emails?

**MR COOKE:**

Yes, there are some that you haven't obtained from Mr Slater himself who produced them. Victoria also identified a couple that have come from the forensic search I think as well that were less obviously relevant than the ones from Mr Slater. But yes we have. After I met with Victoria, I did meet with Ms Collins yesterday so she has been shown them and had an opportunity to comment on them.

**20 THE HON L CHISHOLM:**

We will obviously be discussing them as we progress through this interview. The next matter concerns transcripts. As you will be aware we have been recording and transcribing the evidence as it is presented. At this stage we have not completed the transcripts for Mr Graham or for Mr Slater but the relevant parts of Mr Slater's transcripts have been transcribed, and I will be talking to you later on about them. Those transcripts are available for you to look at. Unfortunately because there are some areas of suppression to be covered, once we get a breathing space, it would be necessary for you to look at them here. So, you are welcome to look at them anytime. I understand that Mr Graham's transcript and Mr Slater's transcript will be completed by tomorrow so if you want to make arrangements you are welcome to spend as much time as you want to looking at them. The next thing is, we had planned to complete all the interviews before we spoke to you, and with the exception

of Ms Odgers that has been completed. Ms Odgers is overseas. She has indicated as I understand it that she will provide us with information. Whether that will transpire is perhaps in the lap of the gods. Victoria, you have told her that we are completing the evidence this week, haven't you?

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**MS CASEY:**

I have, but I haven't given her a drop dead timeframe for that.

**THE HON L CHISHOLM:**

10 So, whatever comes in from her will be passed on to you but given the information we have got at this stage I doubt that what she says is going to alter things particularly. The reason for going to her in the first place was to explore whether there were efforts by a group including her to undermine Mr Feeley as a first step in things.

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**MR COOKE:**

It is useful to get those transcripts, and I think we have previously discussed the potential for us to have submissions on a draft report. I just wondered whether there was any, and it maybe that the interview itself would be useful,  
20 to know where the inquiry is coming from but whether there might be an opportunity to make representations or submissions on Ms Collins behalf before you come to formulate the first draft.

**QUESTIONS FROM THE HON L CHISHOLM:**

25 Q. Yes and that is you're right as I see it and that was something that I was going to cover. It might be that we go through, I can alert you to areas that would be of interest. We will certainly come back to that issue. Another matter I wanted to mention is the draft report issue. I had indicated during our telephone conference, that I will do my level best to  
30 complete a draft before I went in to hospital for a bit of surgery on the 11<sup>th</sup> and intend to do that so that hopefully you will have the draft report by the 7<sup>th</sup> and you will be able to comment on it. You are going overseas shortly Ms Collins?

A. I am going tomorrow night, and I am back on Monday morning.

**MR COOKE:**

To be realistic about getting any submissions to you, realistically you will have  
 5 been formulating ideas in your mind already, but it would be helpful no doubt if  
 we are going to give you submissions pre the report to get them sooner rather  
 than later.

**QUESTIONS FROM THE HON L CHISHOLM:**

10 Q. Certainly from my point of view and at the end of the discussion I think I  
 will be able to give some indicators as to where I think the matter is  
 heading in my mind. So, we will discuss that later shall we. As far as  
 the process that we will adopt today is concerned, both Victoria and I  
 will obviously be asking questions, but at least during the initial part of  
 15 the interview Victoria will be taking you through the history of matters  
 that are of interest to us. I will ask questions where it seems appropriate  
 for me to do so, but by and large Victoria will be asking questions. If  
 you want a break at any time just sing out. The other thing that I have  
 got for you is a list of all the people that have been interviewed. I don't  
 20 know whether you have been given this?

A. I don't know.

Q. Iain Rennie you will know, Sir Maarten you will know, Jared Savage at  
 the *Herald*.

A. Yes I know who he is but I don't think I've met him.

25 Q. Simon McArley was at the SFO and acted as director after Mr Feeley  
 resigned. Helene Quilter you will know.

A. Yes.

Q. Fran O'Sullivan you will probably know at the *Herald*.

A. Yes. I know all these people. I don't know Jared Savage personally but  
 30 I certainly know who he is, and I have no doubt spoken to him at some  
 time in the last twelve years.

Q. Apart from that we have also issued notices to various people requiring  
 them to provide information and that has avoided the need to interview



them. Again if you want any information about the people who have been approached, Victoria can tell you rather than taking time up now.

**MR COOKE:**

5 It is no so much the people really, it is just if there is any stuff that has come out of that approach -

**MS COLLINS:**

That I need to answer or deal with in some way, that is what I need to know.

10

**THE HON L CHISHOLM:**

Certainly I am intending to try and flag for you issues of concern as I have got to do under the Act anyway. It is easier said than done in some ways because this is an evolving process, but, I will do my best to flag the things  
15 that are of concern.

**MR COOKE:**

You did ask in that telephone discussion we had earlier about whether there are any other people we would suggest. The only thing we thought about,  
20 and we haven't done really anything to progress it, is if you wanted to know the kind of relationship that Ms Collins usually had with her chief executives in terms of their relationship and how she dealt with issues of concern and that sort of thing, there are other former chief executors or chief executives who could be interviewed in that connection. People like the Secretary of Justice,  
25 Andrew Bridgman and there are others. They are kind of peripheral in a way because it really depends on whether in approaching the terms of reference, you want to go into whether it would have been likely for Ms Collins to have done this sort of thing, in which case there may be relevance in talking to her other chief executives to see whether that would surprise them or be  
30 consistent with the way she dealt with things. But I just mention that as one avenue we have thought about and we can give you some names if necessary.

**THE HON L CHISHOLM:**

I can understand why it has been raised. I doubt that it is going to be a pivotal matter as far as I am concerned. It is something that we can perhaps come back to at the end. Tentatively though, I don't think it is going to be –

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**MR COOKE:**

I guess that is the view that I took too. That you are going to be more interested in the direct evidence and the obvious questions that arise, including those that were in Ms Collins' affidavit but I just mentioned that because –

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**THE HON L CHISHOLM:**

Yes. Are there any other preliminary matters that should be added?

15 **MS CASEY:**

Just to clarify two aspects. We talked about the transcripts for Mr Slater and Mr Graham, but all the transcripts for that full list will be available.

**MS COLLINS:**

20 When will that be, Victoria.

**THE HON L CHISHOLM:**

I have checked this morning and tomorrow morning we should have the Graham and Slater transcripts, which as I understand it are the only outstanding ones. While I have been looking through them, they haven't been checked for spelling –

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**MR COOKE:**

The other aspect of that is in a sense, we are expecting them not to mention Ms Collins much if I can put it that way, and I presume that they are quite long interviews.

30

**THE HON L CHISHOLM:**

Yes. To the extent that they are, well might be pivotal, we will be talking about them during this interview, and I think you will have a fairly good impression by the end of the interview as to the areas that might be of concern and like  
5 these things so often, you explore many avenues but in the end it comes down to narrow issues.

**MS COLLINS:**

Can I ask, Commissioner, any of the other transcripts that relate to or refer to  
10 me, am I able to see those, because I haven't seen any transcripts.

**THE HON L CHISHOLM:**

Any you like yes.

15 **MS COLLINS:**

Are they available today?

**MS CASEY:**

In their unredacted form I think so.  
20

**MR COOKE:**

And the redaction is for the confidentiality order.

**THE HON L CHISHOLM:**

25 I have made some suppression orders as we have gone, but there is going to have been a careful analysis to suppress other things and so the redactions are suppressions that have been made. When we were interviewing Mr Slater, who had provided a lot of email traffic basically, he originally provided a redacted copy and I said that we needed unredacted copies so that I could  
30 make the decisions. We have more or less worked our way through these suppression orders that will be made there but you are welcome to all the transcripts that are available today.

**MR COOKE:**

Is that going to mean that they will be provided in unredacted form though?

**THE HON L CHISHOLM:**

- 5 Yes. I think they have got to be because you have to know what the information before me is.

**MS CASEY:**

- 10 The last one was you mentioned that we are still getting material in from Ms Odgers, but there is still some other material that is coming in. I just want to make it clear that the forensic report is not fully completed yet as I mentioned to Francis yesterday. We still have bits and pieces coming in from Mr Slater and Mr Graham and there are a couple of outstanding section 20 notices. While the intention is to have all the evidence in by the end of this week, and, it was certainly to have it all in before today, we haven't quite achieved that.
- 15

**MR COOKE:**

- 20 Has there been any progress about Mr Slater's phone call records? What you showed me yesterday was outbound and did not appear to be inbound.

**MS CASEY:**

We have issued another notice to try and find more relevant phone numbers.

- 25 **MS COLLINS:**

- I thought about that issue Francis, when you raised it. I woke up this morning and thought about it. I thought it might be an issue where, isn't there a system where if you can phone through a computer that it doesn't necessarily and I just know there is something and I don't know what it is called but, I know that
- 30 I have got a friend who recently rang me from a no caller ID and she said I am ringing you from my computer and it saves me money. Don't expect me to know these things but I am just –



**THE HON L CHISHOLM:**

The analysis has been much slower I am afraid than we had expected. Initially I had hoped that we would have all the information and then we would interview, but it simply wasn't possible.

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**QUESTIONS FROM MS CASEY:**

Q. The plan of the broad structure for this morning is I was just going to ask you a few general questions about your ministerial office in 2011, and then talk about pre the election and the appointment of Mr Feeley and the performance management as a general topic. Then focus on the events of October 2011 when the champagne incident broke, and then turn to discussing Mr Slater. You took up the role of Minister of Police in November 2008 –

A. Yes, it is either that or it is early December. It is immediately about two weeks after the election. What happens is there is a caretaker role immediately after the election, and so I would have been appointed, from memory I think the election was the end of November 2008, in which case it would have been early December. It is about two weeks for appointments to happen.

Q. Can you explain in general terms how you structured your ministerial office, particularly with focus on relationships with the media?

A. For a start I wasn't responsible for the SFO at that stage. I had one press secretary, Stefan Herrick, and I see that you have interviewed him. I had to get staff, so I didn't have Stefan straight away, he came and saw me. He was recommended by someone in the Prime Minister's office and he came to see me I think in December, possibly January. I had never met him before and he said he heard I needed a press secretary and he was well qualified. He clearly was well qualified although he hadn't worked in the press gallery that I can recall. He had worked in the *Dominion Post* and been a features editor at one stage. He had come back from Singapore and he had taken another degree or something at Victoria University. So, that is when I got the call. He came in. My senior support person was [REDACTED]

9(2)(a)

[REDACTED]

Basically the media would be either with Stefan speaking to them or me and because I had six years of experience in opposition with no press secretary and I was used to dealing with the media, particularly in  
5 Parliament, many of them would feel free to contact me directly. [REDACTED]

9(2)(g)(i)

Q. It does. When we spoke to Mr Herrick, he talked a little bit about, well  
20 we asked him about what the arrangements were in making sure that you talked to him when you spoke to a journalist. How did you see that cycle of things –

A. I thought he was a very qualified and good person, Stefan. He is  
25 someone who I would talk to about whether or not I should discuss various things. But there would be times when I would just make my own call because I might be in house and I might get a message saying someone needs you to ring them there, but he would often receive calls and if people couldn't get hold of me, they would get hold of him from the media. 9(2)(a), 9(2)(g)(i)

Q. He said he advised you and I think if I am recalling this right it was usual that you would report back to him or let him know when you had spoken to the media on an issue.

5 A. Exactly right, normally. It makes sense to do so. I mean there is no point in having experts if you don't take any notice of them but also if I didn't tell him what I had said then he couldn't then be prepared for follow up questions. The other thing to explain it, I don't know if Stefan would have explained it, but when there is a talking point, an issue that is going to become an issue, he would normally prepare me talking points. Talking points would be the sort of things it is best to try and stick to, try not to go off over in that direction, that could be bad, and he would try and do that. That was really helpful and that is something that I have always had and that would be normal in a ministers' offices. The Prime Minister has it, various things you might recall recently there was some comments in the media about some talking points that the Prime Minister was being prepared by Foreign Affairs and it had been sent to the journalist and said so that was the day's story about, you know. So clearly you need to have those. I think too, sometimes you get sort of wound up in issues so it is good for someone else to be sitting there going, "These are the main issues, please stick to those". That is what we would do. It is a bit like what Francis is going to try and do today.

#### QUESTIONS FROM THE HON L CHISHOLM:

25 Q. Just before you leave that topic, the 19<sup>th</sup> November 2008 is in your affidavit so that is where –

A. Is it? In which case that will be what it is. 19<sup>th</sup> November. The election must have been the end of October then. Whatever it must have been then. I would have checked that.

30 Q. Yes.

#### QUESTIONS FROM MS CASEY:

Q. I have just noted, you weren't initially responsible for the SFO? That came in later?

A. The SFO was a bit of one of those little unloved orphans at that stage. We had had the then Government in 2008, the Labour-led Government had decided that the SFO was going to be merged or got rid of frankly to become part of OFCANZ. OFCANZ was being set up as part of a Government-wide attack on organised crime and very serious crime. I think in general that whole idea, not necessarily about the SFO, but about OFCANZ is a good idea, so it involved Customs and all sorts of people. That was set up. The Bill getting rid of the Serious Fraud Office, as I have said in my affidavit, was introduced to the House in early 2008, it had its first reading and it went to select committee. From memory it came back or was about to come back, whatever date that was. So it was going to be got rid of. I was not at that stage the spokesperson for Police, Corrections or anything to do with Justice. I was the spokesperson for Welfare in the opposition, so this was not my area, but it was certainly an area that I thought it would be really foolish to get rid of the powers that the SFO has. So anyway, we took over as Government. We had said in the first reading of the Bill, "Well we don't necessarily support getting rid of it, of the SFO" and basically when you are in opposition going for things like that, you are going to pick on things. So we weren't convinced that we needed to get rid of it. We came into Government and the SFO went to the Attorney-General, as in terms of his responsibility. Now that was completely normal and standard because it had always from memory been with the Attorney-General. Michael Cullen had been the Attorney-General in the last Labour Government and he was convinced he should get rid of the SFO and there were lots of reasons for that. One, they are small; secondly, they are based in Auckland, they hadn't built up relationships very well with other agencies and they were seen as not really as effective as they could have been. But they also had a very small budget, so they just did not have the ability to do all the sorts of things that are needed for Government. Grant Liddell was in charge of the SFO at that stage. I didn't know him and I don't really know many of the Wellington-based lawyers. So he was Wellington-based I think being



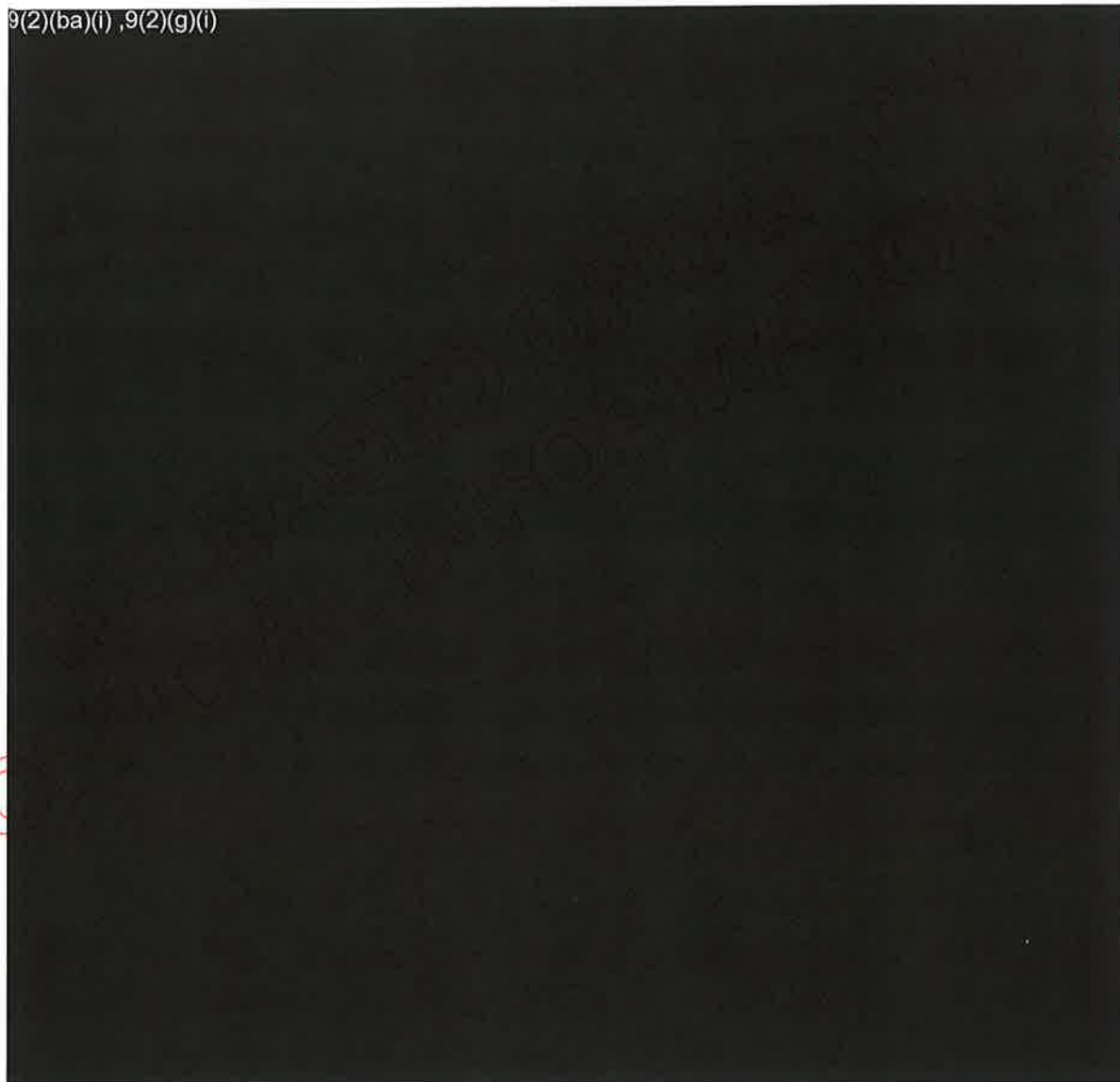
Crown Law or something, but I didn't really know him. I knew pretty much most of the Auckland ones but not Wellington. I remember the Attorney-General came to see me in early 2012 and said, "Would you mind taking over the SFO?" – sorry 2009. [REDACTED]

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**QUESTIONS FROM THE HON L CHISHOLM:**

Q. [REDACTED]

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



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**MS CASEY:**

You have actually morphed into the second question.

**QUESTIONS FROM THE HON L CHISHOLM:**

Q. It was just making the point that you weren't initially Minister responsible for the SFO.

A. No, but I was very happy to take it over 9(2)(ba)(i), 9(2)(g)(i)

**QUESTIONS FROM MS CASEY:**

10 Q. My next question was starting on the process of appointment of Mr Feeley to replace Mr Liddell was to discuss the challenges that it was expected he would have to deal with. So what the recognised challenges would be at that stage.

A. [REDACTED]

**15 QUESTIONS FROM THE HON L CHISHOLM:**

Q. [REDACTED]

A. [REDACTED]

20 Q. You wrote a slightly grumpy letter saying when the vacancy was being advertised, no one told me that Mr Liddell wasn't going to apply, not a matter of huge moment but –

A. I must have been told at some stage, I can't recall that. [REDACTED]

Q. We had access to the whole of the State Services files and so the document on the top is one that triggers my memory so I think we have got all the documents –

25 A. So you have got all the appointment stuff. So he was appointed, or a letter was going, was it September 2009. So if I was grumpy to State Services for not letting me know, fair enough.

Q. That was earlier in the piece, right at the beginning of the process and the word "grumpy" is probably accurate, but it wasn't a big issue.

30 A. It wouldn't be surprising if I got a bit grumpy if people don't tell me stuff.

Q. Your reaction related to not being informed, not to anything else.

**QUESTIONS FROM MS CASEY:**

- Q. From the State Services file, you won't have seen this but there is a helpful document that seems to summarise what –

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



- Q. I was more interested in the reference to an identified problem of an entrenched culture.

- A. I think that was accepted that was one of the problems and if you look at some of the Hansards that I have talked about and referred you to in my exhibits, there were comments made by then Government ministers, as in 2008 Government ministers about some of the actions of the SFO. They had had very bad press as I recall and they were certainly – they were slightly, actually out of favour, which was a shame, and I wanted to make sure we had them back in favour. The last thing I want is any of my agencies failing.

- Q. The second one is, "ministerial priorities" –

- A. So these would be my ones.

- Q. Presumably these reflect your concerns at the time.

A. Yes.

Q. The one after that is the performance expectations and the first one again is, "establish the confidence of ministers". I just wanted to check whether as with the entrenched culture that was a recognised pre-existing problem?

A. Well it certainly was to an extent. If you bear in mind that the Bill to close the SFO and to actually get rid of them altogether was still on the order paper until September 2009, I think it was from memory.

10 **QUESTIONS FROM THE HON L CHISHOLM:**

Q. You have attached to your affidavit at page 5 of the attachments what seems to be a discharge of that Bill.

A. That is right.

Q. This was only a tiny point, but I seem to recall that, that referred to November –

**MR COOKE:**

2009.

20 **QUESTIONS FROM HON L CHISHOLM:**

Q. November, whereas if we just can just check back in your affidavit –

A. Oh, so it wasn't. I think I have said September.

Q. I think you said September

A. It should have been November.

25 Q. That is fine. I just wanted to be sure that I had correctly interpreted it.

A. The other thing too is that the Bill on that exhibit, it shows a member in charge as the Honourable Simon Power and it wasn't Simon of course who introduced the Bill. He was just there as the Minister of Justice; he took over the responsibility for it. Thank you for that correction. So

30 anyway, even more so, November.



**QUESTIONS FROM MS CASEY:**

Q. Again there is a second reference to reinvigorating the culture at the Serious Fraud Office.

5 A. Yes. I wanted them to be the sort of agency and this is no different from what I have said to every portfolio, I always wanted them to be the agency or the ministry that people chose to go and work in because they were a premier agency. "So now I have left the Police and I am retired, so now I am thinking of a cushy job so I want to go to the SFO." I wanted them to say "I am a top notch investigator, I want to specialise in financial crime, I want to go to the SFO because they are the best practice agency that we have." That is what I wanted. I wanted people to say "I am at the SFO and I am proud of it." I could also say that about every other ministry I had because that is what I want. I want them to do well.

15 Q. Reading this, one gets the impression that you weren't starting from a neutral platform with the SFO to get them up from there, it was actually there was a lot of negatives.

20 A. There is a reason that the previous Government had decided to close the SFO. That is an extraordinary step to close an agency right before an election and the agency deals with serious fraud but even more so because that agency had powers to deal with white collar crime that we would never get through in the post Bill of Rights era. I think about the issues I had getting the Search Surveillance Bill through when I was Minister of Justice. That was extraordinarily difficult to try and get the numbers to get that in the House and under MMP to bring in those powers again would be absolutely, in my opinion, politically impossible. We'd have to do so many deals with every minor party in Government that we would never end up with what we needed to do. So it was extraordinary action from the previous Government. If that was us doing it and we were the Government, they would have ripped us to shreds in the House. I think what it does, is it reflects the problems that were perceived at that time and which I think were clearly real to an extent but I don't know what the extent of it was.

Q. Okay, but serious problems identified?

A. Mr Feeley had a tough job.

Q. What did you see his role as being? What were you expecting from him in that first year or so in terms of the culture and the working environment?

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9(2)(g)(i)



20 **QUESTIONS FROM THE HON L CHISHOLM:**

Q. The timing?

A. He was in the old building, the Duthie White building. I recall them being in the old building, and I think we might have had a morning tea or something.

25 Q. Yes, there has been reference –

A. So there would be something like that. We would have had something, and I can remember being taken around these corridors. It was a bad floor plan for them because they were on two floors and I recall, I could be wrong, I recall that they had a floor separating the two floors. It was a very unsatisfactory arrangement. Very hard to build a team with that. He took me around and I remember having a chat to him 9(2)(a)

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I remember seeing him there. I also remember going to his

new office – when he shifted, he told me he wanted to shift the offices and I thought that was an excellent idea to get it on to one floor plan, and he moved to the bottom of Queen Street. I am not sure which building it is now, but it is right near the ferry and it is a large floor plan and he had everyone on one floor and it seemed to be better. I opened the offices there for him. There is even a plaque. It's probably still there. When you're Minister of Police you get plaques and even Corrections. I think I went there twice to that one. I think I recall them saying they had never had a minister visit them before. I think that is what I recall, and that is actually part of my operation as a minister, was always to go out and see what I call the front line troops and to get a feel but also to let them know that I am there and that I care for them and am on their side basically.

Q. Did you get any feel as to a change of atmosphere during your second and third possibly visits in the new building?

A. I thought it was much better in the new building. I can't remember when they shifted buildings, but it felt better. I recall I think it was in the second visit, that he had by that stage the extra staff that the Police had lent him because he had real problems, well he told me this. He would come and see me at least once a month, sometimes twice a month, I think it was mostly once a month for him, for our monthly meetings. Every other agency had weekly meetings with me, except Veteran's Affairs which I think was every two weeks. So we always had these meetings on a Monday, sometime or whatever, I would try and fit in with him because he had to travel from Auckland. But he would tell me about the fact that he had some staff he had inherited who he felt were not up to the mark. I am not going to say who they were, but I remember a couple of names. I think you probably know that. But he, I think he felt that he had inherited some difficult characters, some of whom had been there for a very, very long time and who were not going to be co-operative in changing the way they did things. So, I recall him talking to me about this. He seemed to get on very well with Simon Moore, and I always got on very well with Simon Moore. I should say

His Honour. He was friendly with him. He was also friendly with Mike Bush who is now the Police Commissioner and Mike was the District Commander for Police in Counties Manukau, which is my area. My electorate's in there and I had a lot to do with Mike and he was a really good person. Basically I think really, Adam used his contacts and probably my contacts through Police by urging the Police to help to improve the staffing, and he did have, I think, real problems.

**QUESTIONS FROM MS CASEY:**

- 10 Q. You refer to particularly in that first visit that it was a unhappy –  
 A. Everyone was happy and friendly to me.  
 Q. Tensions –  
 A. That is what Adam said to me and I could see that he would be right, so I think he came into a very factionalised place [REDACTED].

15

**QUESTIONS FROM THE HON L CHISHOLM:**

- Q. [REDACTED]  
 A. I think somebody had applied for it. I think I know who it was but I am not certain about that and it is too difficult to try and remember all that time back. But he had a hard job and it was as you would expect with any agency, when you are not part of the team and you are brought in from outside it takes a lot to build up trust and respect and I think that was a tough job.  
 Q. And essentially he was brought in to change the office?  
 25 A. Absolutely, Commissioner. He was brought in to make this the agency that it should have been and that it was set up to be and to reinvigorate. I mean these are the words "reinvigorate", so a positive thing, trying to make it the one that as I said everyone says, "I want to go and work for the Serious Fraud Office, they're the best people to be involved with"

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**QUESTIONS FROM MS CASEY:**

- Q. I think I can sense the answer already but were you happy with the appointment?



A. Absolutely.

Q. Did you know him, or of him before?

A. I don't think I knew him at all. I see, from, you know, it was just Mike and I went through his CV again recently, is that he had been with the  
5 Eden Park Board, but he also had a background in insolvency. I don't think I had ever met him before. If I had, and I say that because I meet people all the time, and I am sometimes not sure whether I recognise them, but I don't think I ever met him before.

Q. With that mandate going in, it would have been expected that there  
10 were going to be employment staff issues?

A. Of course, but it's also a way of how you deal with them, and it is a way of making sure that, I would have thought, look you go in as a Minister and sometimes there are issues with people that you inherit, but there are ways of managing them. In his case of course he was going to have  
15 a tough time, because he had people who had been there a long time and who knew probably a lot more than he did about various things and had contacts and things that he might not have had. But he had some excellent contacts with people like Simon Moore, he had excellent contacts with people like Mike Bush, he was now at a table with chief  
20 executives, he was in a good position I think to make the changes but he talked to me at some stage and I am sure at that meeting when I first went in to the office about the fact that he would have to change some staff.

Q. And he was talking about senior staff?

25 A. I think he was talking about senior staff. I don't think we talked about the receptionist. I think we were talking senior staff and most of the people at the Serious Fraud Office seemed to be senior. I don't mean that in a – that's the nature of the beast. You're dealing with serious fraud. I'm just saying I don't mean it as a pejorative statement about the  
30 SFO, I'm just saying those people there had been around for a while.

Q. What was your impression of how well he was handling that change process?

A. Because I only went there on a couple of occasions, or two or three occasions I relied mostly on what he told me. His staff were not people that I had very much to do with, although you know you obviously see someone somewhere at a function or whatever, but they didn't ring me or have direct lines of contact with me. My view was you just can't do that anyway. I think what I was getting concerned with at one stage is that I got really concerned when there were clearly leaks happening and that's normally a sign of a very unhappy work environment. You have got to deal with those sorts of things pretty quickly. You have got to get rid of the troublemakers, frankly, and then bring the other people back on board and occasionally that means, normally in any work environment as I am sure you know, if you have got trouble it will be one or two people leading it, and other people will be taking their cue from them. That was certainly something that he discussed with me.

15

**QUESTIONS FROM THE HON L CHISHOLM:**

Q. Are these leaks later in the piece?

A. Well there are leaks later in the piece, I can't remember quite when the leaks all started but the stuff around the champagne thing, that was clearly leaked out of there.

20

Q. But you are talking about at an earlier stage are you?

A. No, I am not necessarily. It is hard to tell because I wasn't taking notes

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



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



5 **QUESTIONS FROM MS CASEY:**

- Q. Because we have the SSC files, it can help with a few notes probably, but just to clarify you knew how tough the role was that he was going into, and you knew how tough the environment was. Were you happy with the way he handled the staff issues? Do you think –
- 10 A. I could only see initially, until this whole thing came out publically, the champagne stuff, I could only see what he told me, or only hear what he told me really and what I saw when I went there. So I backed him on making the changes. There was no way that I would ever have said to Adam Feeley, You should not get rid of this person", ever, ever in a
- 15 million years. Never would I have said "Well you should employ this person." What I did say is "You need to talk to the Police, I will talk to the Commissioner, I will see if there is something they can do to help you." But, I would not have done anything on individuals. So if Adam Feeley said to me "I have got rid of this person, or I am taking
- 20 disciplinary action against this person" or whatever, I don't know if he would have told me that, but if he did I would have said "That's your call" and you have just got to do it. I am always very aware particularly as Minister of Police of section 16 of the Policing Act which is something I had printed off and on my desk, behind my desk, under glass I should
- 25 say, and anything, I can't get involved, I can't do that. I can't be involved with individuals and I used the same thing for him.
- Q. I am trying to get a sense of whether you thought, you used the phrase before that if there are going to be staffing issues it depends how you managed them.
- 30 A. I think it is always best if it can be managed under the radar, but it is not always possible to manage things under the radar. That's the other thing, particularly if you have got people in staffing positions who have built up long relationships with others and who are going to never accept

that they didn't get the job that Adam got and who are going to be completely undermining him from day one. My impression from what he told me, and what I later saw was that's exactly what happened.

5 Q. So every expectation would have to be that that was going to take a while.

A. Well he was restructuring, and the restructurings are often designed to do exactly that.

10 Q. We have got here a copy of his first performance review dated 30 November 2009 to 29 November 2010. Feel free to skim through it, but the page I want to refer you to in particular is the second to last page.

A. What is that me saying –

Q. [REDACTED]

15 A. [REDACTED]

**QUESTIONS FROM THE HON L CHISHOLM:**

Q. [REDACTED]

A. I thought he did really well.

20 **QUESTIONS FROM MS CASEY:**

Q. So you refer there to the restructure of the SFO, including moving out some senior staff.

A. I backed him.

Q. And it sounds like you were championing him but also pleased with him.

25 A. I was really happy. He was doing what he had to do, but it is always difficult when you are making those tough calls he had to make.

Q. You would have said he'd had a good year but a very hard year?

A. It was a hard year for him but when you are making changes that is what happens. So he had to also (inaudible 05:51:12) all of this stuff.

30 Q. On the next page you talk about the role of the SFO has reflected positively, that is coming up for the next year –

A. I wanted him to see that, to have that.

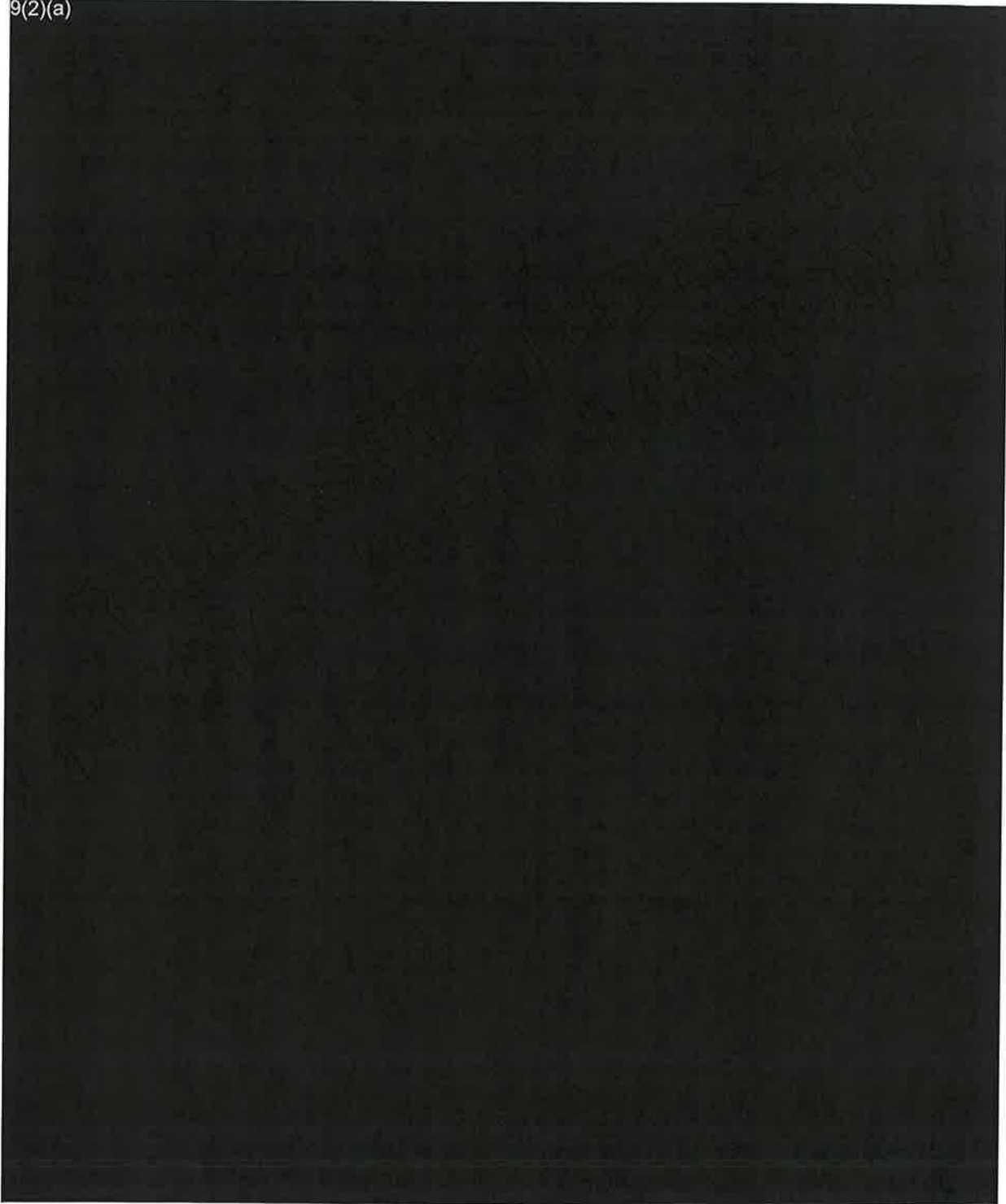


Q. And then people development, continue to work on training and development.

A. I am sure I did, I took him round some of the media to try and introduce him at the start, to try and soften them up for him. The SFO have been a whipping boy for the media for a long time.

5

9(2)(a)



9(2)(a)

5

10

15

20 Q. The next one is, this is a meeting with you.

A. Who knew they had all these little meetings.

Q. This is a draft record of a meeting so I am not sure that we have ever seen a final and this looks like it is starting to be in preparation for the –

A. That is the same one to what you have had before, isn't it?

25

**MR COOKE:**

Is that different from the one in your affidavit?

**MS COLLINS:**

30 That is a different one. The 1 May is the only one I had.

**QUESTIONS FROM THE HON L CHISHOLM:**

Q. The one in your affidavit is 2011.

A. It is the only one I had in the file.

Q. We were short of this one.

A. I didn't have this.

**5 QUESTIONS FROM MS CASEY:**

Q. For the record this is headed, "draft record of a meeting". It is a meeting with the Hon. Judith Collins on 23 September 2010 and it discussed Mr Feeley's performance, that it could not be better, had to take on some big issues, the restructure –

10 A. So it was on a monthly basis that he was reporting to me.

Q. You say in the second paragraph "that there is a different feel to the SFO" so that would reflect that you had, had at least a second visit by that point.

15 A. I am sure I had three visits. I am sure there was one at the Duthie White building, I am sure there was the one where I opened the building and there will be a plaque recording that and I am sure I went another time for drinks or something with them. I am sure it was three. I can't on oath say for certain that it was three, but I am sure it was, and that would be three times more than they'd ever had from any other  
20 Minister.

**QUESTIONS FROM THE HON L CHISHOLM:**

25 Q. This reference to a "different feel" would have arisen from your observations or from what Mr Feeley told you as far as you can now recollect?

A. I think this would be after he has dealt with some of these bigger staffing issues.

Q. But do you think that was your impression –

A. I think that is me.

30 Q. Rather than his.

9(2)(a)



9(2)(a)

**QUESTIONS FROM MS CASEY:**

9(2)(a)

25

**QUESTIONS FROM THE HON L CHISHOLM:**

- Q. This reference to being "too active in the media" was covered when we talked to Mr Rennie and Ms Quilter –
- A. What did he say?
- 30 Q. There had been an issue about his media activities in the sense that he was too involved and you are coming –
- A. Yes.



Q. Just before we go to this, do you remember there was an incident to do with the select committee, where Mr Feeley apparently mentioned that he would be charging someone the next day?

A. I can't remember that.

5 Q. You don't remember. This apparently attracted some –

A. That might have been it. I actually can't remember that. It was a long time ago.

Q. Victoria has got the reference to that.

A. Can I have a look?

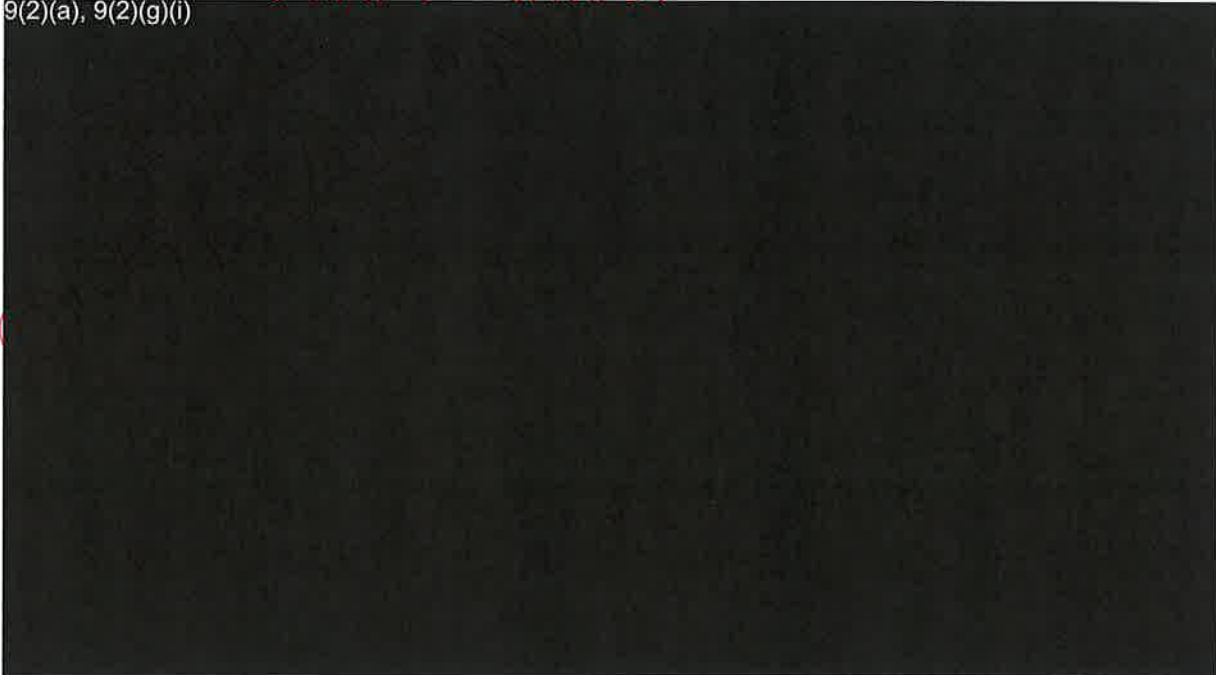
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**QUESTIONS FROM MS CASEY:**

Q. This is an SSC file note dated 20 December 2010, and this is again not a meeting that you were at but SSC is reporting your feedback.

15 A. That must have been out here, that he must have said something in Select Committee of an arrest the following day. That was very unfortunate. I can't even remember that, but that would not be helpful to the SFO to do that.

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



Q. I am jumping right through 2011, and we will come back to events not tied with 2011, I just want to jump through to the performance review at the end of 2011.

A. This is November, this is the one that we were due to have –

Q. Around October I think.

A. I can tell you when we were due to have it. I was due to meet Helene Quilter on the 5 October at 11.30 am.

5 Q. And that was right in the middle of the champagne incident?

A. And that was put off, it was delayed until November which was the right thing to do. 9(2)(a), 9(2)(g)(i)

10 Q. I think I will probably go through the October stuff now and come back to this. I wanted to touch on as we pass, there has already been reference to Anita Killeen. Were you aware of the issue around the forged email and her criminal charge in November 2011?

A. I can't tell you when I knew about it, but I did know about it at some stage. I think she had name suppression.

Q. The charge wasn't suppressed –

15 A. She had name suppression, so I will have heard from probably Adam, but it would have been very hush hush, given that there were suppression orders. I am sure that she would have had suppression orders.

Q. Actually not over the conviction.

20 A. No, but when she was being charged.

#### **QUESTIONS FROM THE HON L CHISHOLM:**

25 Q. There might have been interim suppression and ultimately there was suppression of the medical evidence and her name suppression if there was an interim suppression would have –

A. It would have been very hush hush and it would have been from Adam, he would have told me what was going on.

#### **QUESTIONS FROM MS CASEY:**

30 Q. It is the context that I am interested in exploring because the background to this was a forged email to discredit Mr Feeley, which from a senior staff member is quite an extreme –

A. Extraordinary thing to happen. Absolutely outrageous.

Q. So he is still in quite an embattled position.

A. Yes but I don't remember exactly when that was. Can you help me with

—

5 Q. Yes. The email was provided as part of the series which linked to the champagne.

A. So that was before the champagne?

Q. After.

A. After the champagne thing. So when was that if you don't mind me asking questions?

10 Q. The charge was November 2011 I think and the forged email appears to have been late October.

A. So he will have told me when I was still his Minister. I stopped being his Minister in November.

Q. It would probably have been at the overlap point.

15 A. Yes. He would have told me I think something.

#### QUESTIONS FROM THE HON L CHISHOLM:

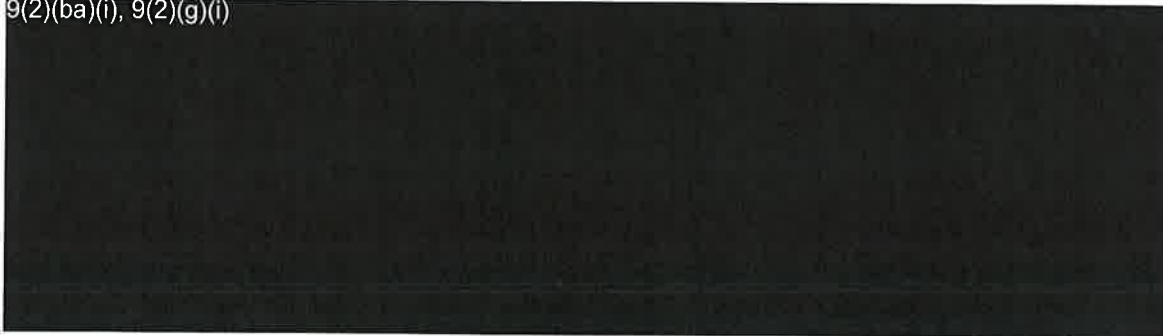
20 Q. The email was allegedly written by Mr Feeley on the 26 March 2010 and it came to light. She was in Court in October 2012. I have a feeling it was about November.

A. In 2011?

Q. Yes.

25 A. Just bear in mind that that was right during the election campaign. So what happens in that sort of – once Parliament is dissolved and you're a minister and you have got chief executives who are doing things, then the contact between you tends to dry up. So I presume that Adam would have told me something, but I can't tell you exactly what it was or when.

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



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



He

will have told me I am sure but I can't tell you when, where or someone's told me. Did he recall telling me?

10

**QUESTIONS FROM MS CASEY:**

Q. It was more to get to the sense that extreme measures were being taken, it was an extraordinary –

15 A. It was a very difficult time but I can't tell you when I knew. I am just saying I presume he would have told me. It wouldn't have been though when things were, he would have been very careful about not telling me about investigations, I would have thought.

Q. So that turns to the leaks that give rise to the champagne issue. You mentioned before that you regard leaks as a bit of a concern.

20 A. It is not good. As a minister if I can explain some politics –

**QUESTIONS FROM THE HON L CHISHOLM:**

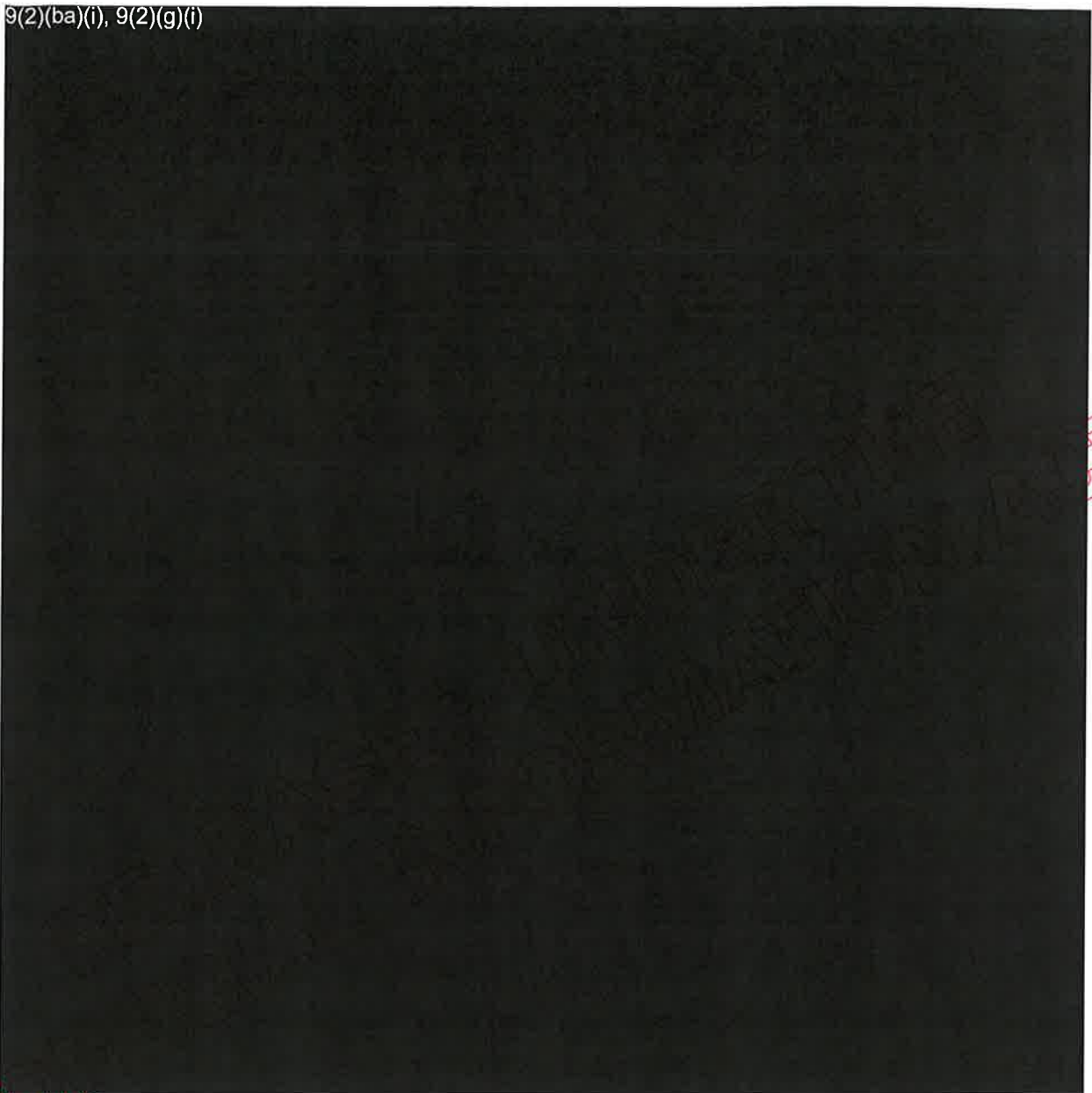
25 Q. Remember that ultimately once I report any information including the transcripts, except to the extent that they are suppressed will be subject to the Official Information Act. I am not trying to curtail what you are saying but I just want you to be aware of that.

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





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



25 **QUESTIONS FROM MS CASEY:**

Q. Given what you knew of the state of the organisation, while the leaks were regrettable they perhaps weren't surprising?

30 A. It was actually pretty regrettable and surprising in a way because Adam had already been working on the restructuring, so he had already restructured out a lot of people who he felt needed to be restructured out. So he had taken steps. It was actually pretty awful to have that happen. I only knew about this leak I think it was on the 30 September when the *Herald* rang me, or rang Stefan, I can't remember but it was

one of us, and said this is one of these, surprise. It is not just a surprise it is a surprise a week out from the election period but even more importantly from my point of view I had the crime stats that were going to be released on the Monday, which is the 3 October. My crime stats, I say with absolutely no modesty whatsoever, were the best crime stats we had ever had. It was a really, really good news story. There's no false modesty. What you see is what you get, you know. It was my shining glory, so the last thing we needed was leaks out of the Serious Fraud Office talking about champagne being used that wasn't actually owned by the person who was using it. It was a disaster. We were going in to our last Question Time week for Parliament, before an election where we had the opposition thinking that they were going to take us out, and our brilliant story was getting derailed. It was really bad and we had to close this down fast.

#### QUESTIONS FROM MS CASEY

Q. I'm just going to start stepping through the narrative to the extent you remember it. So Friday 30 September –

A. At some time, I don't know when.

Q. You didn't know whether the call came directly to you or to Stefan –

A. I don't know but we got asked for comment, and that would be normal that we would be asked for comment. Real journalists would normally ring and say, "This is what I am going to do what do you have to say to that?"

Q. This was Jared Savage as you recall.

A. Yes that is obvious because he wrote the story so it would have been him or somebody for him and –

Q. He doesn't recall that he spoke to you directly.

A. I doubt it. He probably talked to Stefan because I don't think I've met Jared. It is the ones you tend to work with particularly in the press gallery or the ones that you knew beforehand that you tend to talk to.

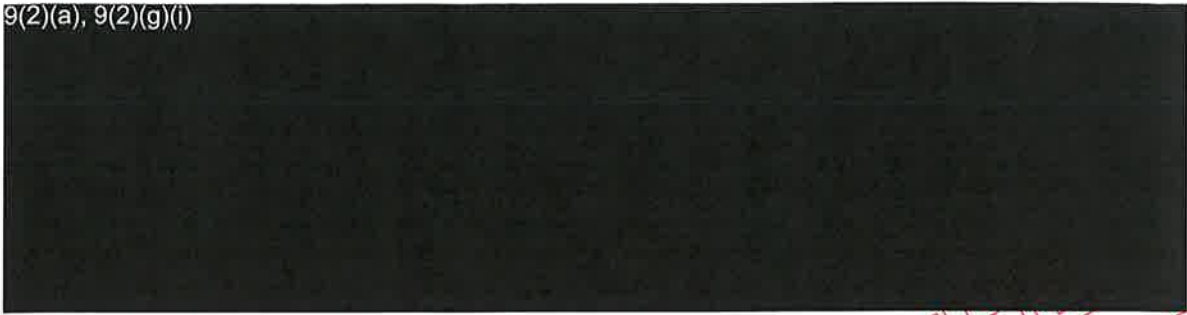
**[REDACTED]**

Q. Stefan Herrick would have spoken to you?

A. He would have spoken to me. So this was a Friday, and the worst news stories come on Fridays in politics. It is a day, do you know what time?

Q. Everybody is talking early evening.

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



10 Q. Mr Feeley actually may also have been in contact with –

A. He may well have as well. He may have been told by Jared Savage he was going to write something, so may well have contacted him or me. I don't know but somebody.

15 **MR COOKE:**

Adam Feeley is quoted on here.

**MS COLLINS:**

So he must have spoken to Jared Savage.

20

**QUESTIONS FROM MS CASEY:**

Q. We have got an email that he, Adam Feeley, sent to Stefan Herrick, which actually helps with the time.

A. So this is at night. This is so typical.

25 Q. For the record this is an email –

A. It is really awful. Everyone has gone home and then the comment will be the Minister's office wasn't available for comment so that keeps it going for another day.

30 **MR COOKE:**

So this is the email that is quoted in the paper the following day, isn't it?

**MS CASEY:**

Yes this is –

**THE HON L CHISHOLM:**

5 This is the statement.

**MS COLLINS:**

So he has gone and told them that.

**10 QUESTIONS FROM MS CASEY:**

Q. This is the statement that Mr Feeley was proposing to provide to the media and referred to Stefan Herrick.

A. "This is what I am going to reply, unless you have any other thoughts". Did Stefan reply?

15 Q. At the top of the email is Stefan's email.

A. "Hi Adam, I think you need to get your own advice you might consider advising the State Services Commission". That is good advice.

**QUESTIONS FROM THE HON L CHISHOLM:**

20 Q. Stefan Herrick said that he would have consulted within the office before he gave that advice. He does not recall whether he consulted with you –

A. It might have been with [REDACTED].

Q. But he was clear in his mind that he did consult.

25 A. The thing is in these offices everyone is working very closely together, so you wouldn't normally go off and, it is like me referring stuff to the State Services Commission, I wouldn't do it without talking to Wayne Eagleson or the Prime Minister or somebody or his press team or something. You tend to tell each other what you are thinking so you  
30 don't end up getting blasted or whatever –

**MR COOKE:**

Would Stefan have been in Wellington and you would have been in –



**MS COLLINS:**

He would have been absolutely in Wellington and I would have been in Auckland or another part of the country. I mean this is 30<sup>th</sup> of September on a Friday. 6(d), 9(2)(a)

5

**QUESTIONS FROM MS CASEY:**

Q. So the thing about consulting because it is a small office actually probably couldn't happen at that point?

A. Look at the time limit. 9(2)(a), 9(2)(g)(i)

**MR COOKE:**

Do you mean by that it would have been regarded even at that stage as being a kind of PR disaster that the Prime Minister would need to know about.

20

**MS COLLINS:**

Utter disaster. Well look at it.

**QUESTIONS FROM MS CASEY:**

25 Q. What about it is a disaster?

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


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



Q. At this stage what did you think the story was? What did you think he had done that was silly?

10 A. I think if you take the situation, he is in a very senior role. 

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



9(2)(a)

This is very, very important and what he had done is he had shown a lack of judgement about taking the champagne in the first place. I thought that was the wrong thing to do. I can understand how it happened, but it was still wrong. But it wasn't probably evil intent and it wasn't going to go anywhere. But I thought it was wrong that he had used the champagne and made a fuss about it in the SFO itself. It actually opened him up to attack from the various disgruntled staff members that he was already dealing with. I shouldn't say various, the few disgruntled staff members, because not all of his staff were clearly disgruntled. There were a couple who really resented him. So I thought it was a foolish thing to do, it was a mistake, but it was really bad to have given them, handed them this. I didn't refer it to the Police for instance. I didn't think it was in that territory, but I did think it was unwise. It was disappointing. He had done such good work. We had got the SFO coming along well and yes we were dealing with things but no one at that stage was saying to me, no one in the Government were saying in bureaucracy, and I think they were still saying it but in the Government, ministers weren't saying to me we will get rid of the Serious Fraud Office at the next time we cut. They weren't saying that to me by that stage. He was doing some good stuff.

Q. To clarify do you recall seeing this at the time?

A. I wouldn't have seen this that I am aware of unless Stefan emailed it to me and I can't tell you that.

5 **MR COOKE:**

But you would have seen it in the paper the following day?

**MS COLLINS:**

Did I what? [REDACTED]

10

**MR COOKE:**

You might be going to bed blissfully unaware of all this.

**MS COLLINS:**

15 I am sure I would have been told. Stefan wouldn't have not told me. The fact that -

**QUESTIONS FROM THE HON L CHISHOLM:**

Q. We do know I think that you were told because you rang Mr Rennie.

20 A. That's right and that would be the right thing to do, absolutely.

**QUESTIONS FROM MS CASEY:**

Q. What I was exploring with was who gave you the information about what had happened on that Friday?

25 A. Well, I would have been told by Stefan or Adam or somebody. There is no way Stefan would not have kept me informed. Stefan, you have met him, he is a responsible, reliable, highly competent person. He would not go off thinking "I know I will let Judith go off to bed blissfully unaware that something is about to happen."

30 Q. Walking down a different direction of the Stefan then himself refers the matter to the State Services Commission.

A. Did he, he must have done it for me did he, because I would have probably -

Q. That is what I am just double checking.

A. At that stage I probably, he probably did it for me. I may have been at a function, I may have been at something. He would have told me though. He told them and I probably followed it with a phone call to  
5 Iain Rennie. It would not be unusual for me to be at a function on a Friday night and I can always check that.

Q. Just on the timing. Adam's email to Stefan is 20 to seven and then Stefan forwards it to Iain Rennie 20 minutes later.

A. So he probably would have contacted me. Stefan wouldn't have gone  
10 charging off and I would have advised and whatever, but it is the best thing to do.

Q. It sounds like you made on the information that Stefan gave you, you made a very fast decision that this was going to the SSC?

A. You do. One of the things in Government you have to do as a minister  
15 is you have to make decisions. You don't on a Friday night sit around saying "I tell you what let's wait to see how this all goes and then I will make a decision." This was dynamite, of course it was the best thing to do and the thing is I would have got advice from Stefan, [REDACTED], whatever Wayne Eagleson or John Key. I would have had some advice  
20 on it as well, I would have discussed it. I certainly would have discussed it with Stefan, but the last thing I would ever do is to "Guess what I'll just wait to see how it all plays out and then I'll tell the Prime Minister's office tomorrow and it will all be fine." The other thing you would have had is that Stefan may well have contacted Kevin Taylor or  
25 someone else. You do make decisions and that is something I have never had a problem with making decisions. Occasionally it gets you into trouble but not normally. It is not making decisions that tends to get you into trouble in my job, well what was my job.

Q. And Mr Feeley –

30 A. I don't even know if Adam rang me.

Q. That was my next question.

A. I don't even know if he did. He might have.

Q. He says that your staff told him you weren't willing to speak to him.



- A. I might have been tied up. I might have been annoyed and thinking "I tell you what I need to get this stuff sorted." I don't know.

**QUESTIONS FROM THE HON L CHISHOLM:**

- 5 Q. The word he used was "not willing" which would tend to suggest that you didn't think it was appropriate.
- A. I don't know. If I had referred something to the SSC and made that decision then I would normally leave it with the SSC. So I would not be expected, once I have sent something anywhere like that I would not
- 10 interfere in anyway. So I wouldn't ring the SSC to ask them how things were going or anything like that, I would just leave it, and that is my recollection. So if I had referred him or I had made the decision then that would be it. But, he sent me an email the next day apologising of course –

15

**QUESTIONS FROM MS CASEY:**

- Q. He did.
- A. And that is fine.
- Q. I have got a copy of that if you want to see it.
- 20 A. I do.
- Q. That is the 1<sup>st</sup> October email.
- A. Saturday afternoon. So he has gone on to tell me that it was a former staff member who did that, who told – so he was dealing at that stage with Helene Quilter at the SSC and she had obviously talked to him and
- 25 said "You should do this."
- Q. So just stepping back I want to make sure that I have got this clear. You didn't think it would have been appropriate to hear from Adam Feeley that night?
- A. Well I can't recall that, but let me tell you I am not his employer, and I
- 30 wasn't his employer. His employer was the State Services Commission and if I had thought that this is no big deal and it is nothing then I probably would have rung to say "Is there anything in this?" But, no he had sent through this email to Stefan Herrick saying "Yes this all



happened", so actually that is quite serious and if I had not sent it to SSC there would have been demands from the opposition and the media for my scalp for not sending it to the SSC. If I couldn't recognise that this was a very tricky situation that the SFO were now in, and me as  
 5 their minister then there is something wrong with me not being able to recognise that.

#### QUESTIONS FROM THE HON L CHISHOLM:

10 Q. But Mr Rennie and Ms Quilter said that you did the right thing in referring it to the SSC.

A. I have had as a minister a pretty good working relationship with the SSC, so if I had real concerns I would contact them on anything and I think that is the right way to go, rather than trying to attempt to deal with it myself. You just can't do it as a minister. We have had ministers who  
 15 have had chief executives leave and then end up with months and months of questions in the House about how much they paid to get rid of them, and how they couldn't work with their chief executive. I don't want to be in that situation. I thought this was a serious issue but the best thing for Adam and the SFO and frankly for me as its minister is to  
 20 get it straight to the SSC so I could say hand on heart to the media on their comments for the next day "I have sent this to the SSC and they are investigating and that is why I can't tell you anything else." By sending it off there I could say "not me and I can't answer any questions, so there". It saved me a lot otherwise I would have day in,  
 25 day out questions on it.

#### QUESTIONS FROM MS CASEY:

Q. Just checking your view, certainly at the beginning of that period was that it wouldn't be appropriate because of the seriousness, it wasn't  
 30 appropriate for you to talk to Mr Feeley or respond to his apology or –

A. It is under investigation.

Q. I am just checking –

A. I'm interfering in the investigation if I did. If I had sent an email to Adam saying "Adam that is okay, look, you know, it's fine", what have I just done? I have undermined the SSC. If I sent an email back saying "What were you doing Adam, are you insane?" that would be, guess  
 5 what, prejudging the SSC. Whatever I would do, would be wrong. So I am best to do nothing. He sent me the apology in writing in an email. That was the right thing for him to do, and the right thing for me was not to say anything. Whatever I do would be wrong. I guess by this stage I got slightly used to being careful as ministers are always being  
 10 questioned about every single thing you do and just making sure I didn't add to it.

Q. You will be aware that the media coverage that followed was very heated?

A. Well I have given it to you.

15 Q. Yes.

A. I only gave you the media comments in *the Herald*, the NBR and the Whale Oil blog site. There was one for the *Dominion Post*, they were about the only people in the media who were not hysterical and I didn't even bother going through the TV and everything else. I don't know if  
 20 they covered it but the *Herald* and the NBR were absolutely vicious.

Q. Mr Feeley records that he said he felt hung out to dry.

A. By whom?

Q. I think the reference is –

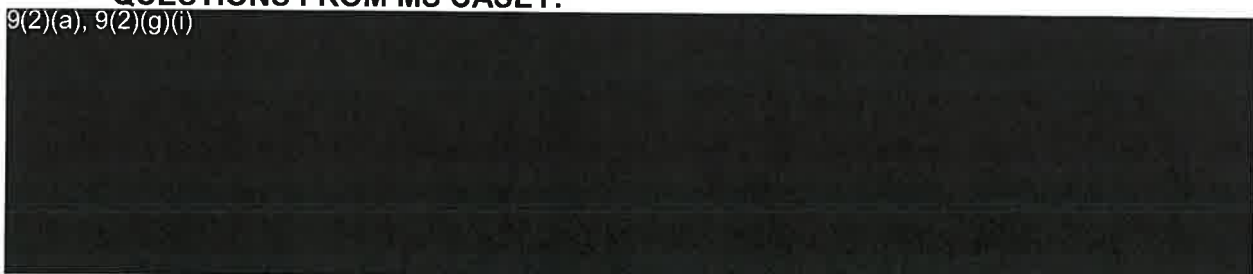
25 **QUESTIONS FROM THE HON L CHISHOLM:**

Q. By State Services.

A. By State Services?

**QUESTIONS FROM MS CASEY:**

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



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

So, look, the State Services Commission in my experience as having been a minister, is they go all out to look after their chief executives. I actually found them very professional.

**QUESTIONS FROM THE HON L CHISHOLM:**

10 Q. They in fact explained their position and why they couldn't respond despite Mr Feeley's feelings.

A. What did they say, can you tell me?

Q. Well it was under investigation, and while it was under investigation it wasn't appropriate for them to adopt any stance and they felt that if they went public it would be predetermining things and –

15 A. Exactly the same position I felt. You have got to go through that difficult time and I am sorry he felt like that because I know what it is like. It is really hard when you are getting hounded, and he was being hounded very unfairly in my opinion and I would have been hounded if I hadn't sent it to the SSC and we would have both been hounded. In fact the Government would have been hounded in my opinion, particularly given the timing. I can only be an excellent minister if my chief executives are excellent and their results are excellent, otherwise I get blamed.

25 **QUESTIONS FROM MS CASEY:**

Q. Part of the media coverage that week too was the comment from the Prime Minister suggesting that it wasn't such a big deal.

A. I think he made that after Bill English did.

Q. I think that is correct. The first one was Bill English and then –

30 A. And that would be natural for the Prime Minister to always back up his Deputy. Otherwise the story would be, a few weeks out from election, Prime Minister and Deputy at odds. That is the story, so I would always expect that if Bill English had come out and said X then John –



Q. A storm in a champagne flute I think was the phrase.

9(2)(g)(i)

Q. You clearly took a different view of how serious this was?

5 A. It was my agency. I would get the blame as the Minister but also I am a lawyer and even though I am in politics these days I am still at heart a lawyer. 9(2)(a) I still feel very much a sense of being a lawyer. So to me that was a very unwise move for him to have made. A series of unwise moves, didn't mean that he was not  
10 capable on the job, didn't mean he couldn't stay in the job, but it was unwise and we also had people like the Police Association President coming out saying if he was the Commissioner of Police he would have lost his job, if he was in the Police he would have lost his job. Also I think one comment was from the Police Association President that  
15 Adam was lucky that the SFO hadn't been taken over by the Police because if so he would have lost his job. We had Nigel Hampton QC coming out saying "very bad look and could have actually prejudiced a prosecution of Petricevic". Those sorts of comments. I don't think my concern was anything other than that of someone who has been  
20 involved in the legal profession for a long time but also someone who understands that the Police for instance have to be in that position where they can't be and [REDACTED]. I know the way that they would treat that. They would treat that much more firmly than the SSC, and much more firmly than what I would want seen done, because Adam  
25 was doing a good job.

Q. There seemed to be a couple of elements that were being focused on almost separately. One was the celebration of laying charges and one was where the champagne had come from.

30 A. Neither of it is good. Despite my public persona and despite all those things, and despite the fact that I am in politics these days, I think it is important for law enforcement agencies to adopt not a neutral stance, but to adopt a professional stance around laying charges. We are talking about people who are still human beings. The law enforcement



professionals are themselves human beings, they are going to have feelings about things, they are going to feel excited, disappointed, sad, happy, all those sorts of things around laying charges or prosecutions. But ultimately they need to be somewhat less parochial or less partisan and I don't think it is good to take delight when someone else is being charged for something, I think that it doesn't reflect well. Actually I think it looks bad and particularly for an agency with such massive powers and the ability to even search through journalists' offices as the SFO has done and which I recall in my affidavit which very upset the *Herald*. I just don't think it is good to take delight in that. I think it is the sort of thing where I can think well you might want to celebrate or acknowledge that there is a lot of hard work gone into their now being a prosecution that is now being bought, charges laid but should that be delight? Champagne, it smacks of delight. Maybe tone it down a bit. It was just a bit too commercial, a bit too just done a really great money trade and we will make money. It is a bit too much like that and I know that Adam was trying desperately to get this SFO energised and you can see that in the things that I asked him to do, energise it. You have just got to tone it down a little bit, and it wasn't a conviction after all, it was the laying of charges and even then. I guess I have spent a lot of time going in and out of prisons as the Minister of Corrections, it is not happy. Even I don't get great delight in someone being sentenced to jail when they have committed an awful crime and that is not because I am soft on crime, it is because I have actually been in prisons and I have seen them and it is not happy.

Q. The second element, the where the champagne was from –

A. That wasn't good. 9(2)(a)

opined that it could be stealing by finding or something. I am not a criminal lawyer I don't know that, but it could be I presume. I don't think, it wasn't evil, it just wasn't a good look and I think he didn't do it when he was the Serious Fraud Office director I think that is another point, he had it and I think he was genuinely, I think that is what came out from the SSC's report too and my feeling when I

5 talked to him afterwards and he came to see me, I think he was genuinely trying to build a rapport in his organisation, but it was just a really bad set of circumstances and clearly there was someone in there and I presume you know who it is who was busily adding all those up and saying 9(2)(g)(i)

Q. We come to the next Saturday which is the Hubbard biography.

A. I can't remember that one.

10 **MR COOKE:**

The next Saturday, we have gone Saturday 1<sup>st</sup>.

**THE HON L CHISHOLM:**

This is Saturday 8<sup>th</sup>.

15

**MR COOKE:**

So we have skipped over all the other stuff in the meantime.

**MS COLLINS:**

20 What date is that?

**QUESTIONS FROM MS CASEY:**

Q. Saturday 8<sup>th</sup> was when the *Herald* broke the story. The Christmas party.

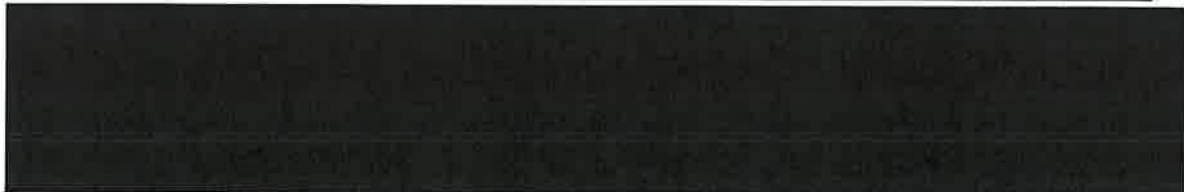
A. I don't have all that stuff but I know the story. If you can show me what you have got at the appropriate times because I –

25

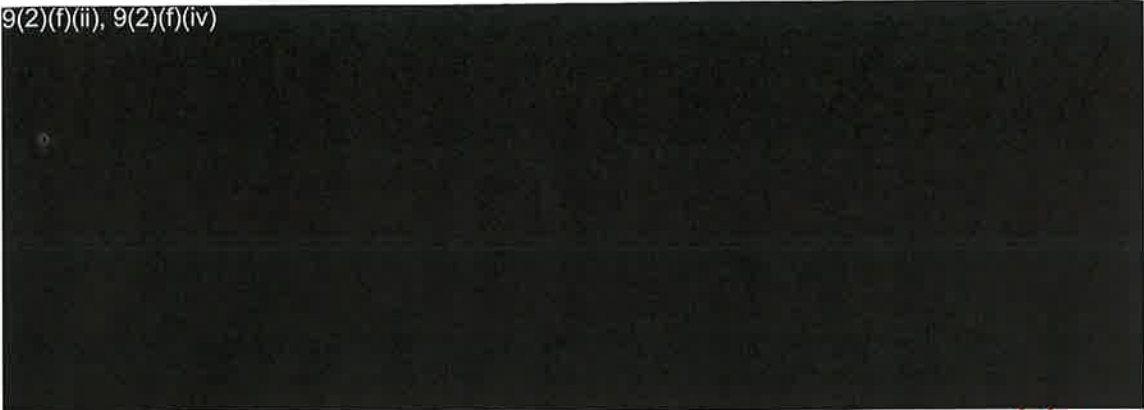
Q. You wanted to go back to something?

A. So you have asked about comments by the Prime Minister and Deputy Prime Minister and I said that Bill English would have said it first and then the Prime Minister would have backed him up because that is what

30 Prime Ministers do. 9(2)(f)(ii), 9(2)(f)(iv)



9(2)(f)(ii), 9(2)(f)(iv)



Also there would be Cabinet on the Monday, and Cabinet would  
10 have been informed by me, I would have done an oral item to Cabinet to  
say that this is what has happened and this is the action I have taken so  
everyone was informed if they haven't been already. If they had been  
hiding under a rock for the weekend and didn't actually see the papers,  
but that would be the normal sort of thing that would happen. People  
15 would state their views, but the normal thing would be it is the right thing  
to do.

Q. Your description before on the impact it had on the story that had been  
planned to be run would be discussed.

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



At that stage I would have gone to Cabinet

and I would have advised them. 9(2)(a), 9(2)(g)(i)

**MR COOKE:**

Does that mean there would have been some discussion over the weekend  
do you think?

10

**MS COLLINS:**

There might well have been, but I can't verify that. What I am saying is that it  
is quite likely that we would have discussed it at some stage or Stefan will  
have contacted Kevin Taylor or someone else or I would have contacted  
15 Wayne Eagleson. This was the lead story in the major, sorry for those who  
don't live in Auckland, the major New Zealand newspaper with the biggest  
reach and they were running it hard, of course we would discuss it, and I  
would have said to the Prime Minister or to his office 9(2)(ba)(i)

20

That is the right  
thing to do.

**QUESTIONS FROM MS CASEY:**

Q. The Prime Minister did talk about it.

25

A. He often does. So what day did he talk about it?

Q. So the storm in a champagne flute from the Prime Minister was on the  
3<sup>rd</sup>, so the Monday.

A. Monday, 9(2)(g)(i)

30

Q. I assumed it was in that order –



**QUESTIONS FROM THE HON L CHISHOLM:**

- Q. It was in that order because the Prime Minister referred back to the statement by the Deputy Prime Minister but I am not sure that we have got information as to when the different times –

9(2)(f)(ii), 9(2)(g)(i)


**QUESTIONS FROM MS CASEY:**

- Q. So was it a big deal at the time that there were different lines being run?

15 A. No. 9(2)(g)(i)



- 25 Q. Stepping to the following Saturday, the 8<sup>th</sup> October, when the headline broke about the Christmas party and the prize that had been given of Mr Hubbard's biography. You were saying before that you actually didn't recall this at this point?

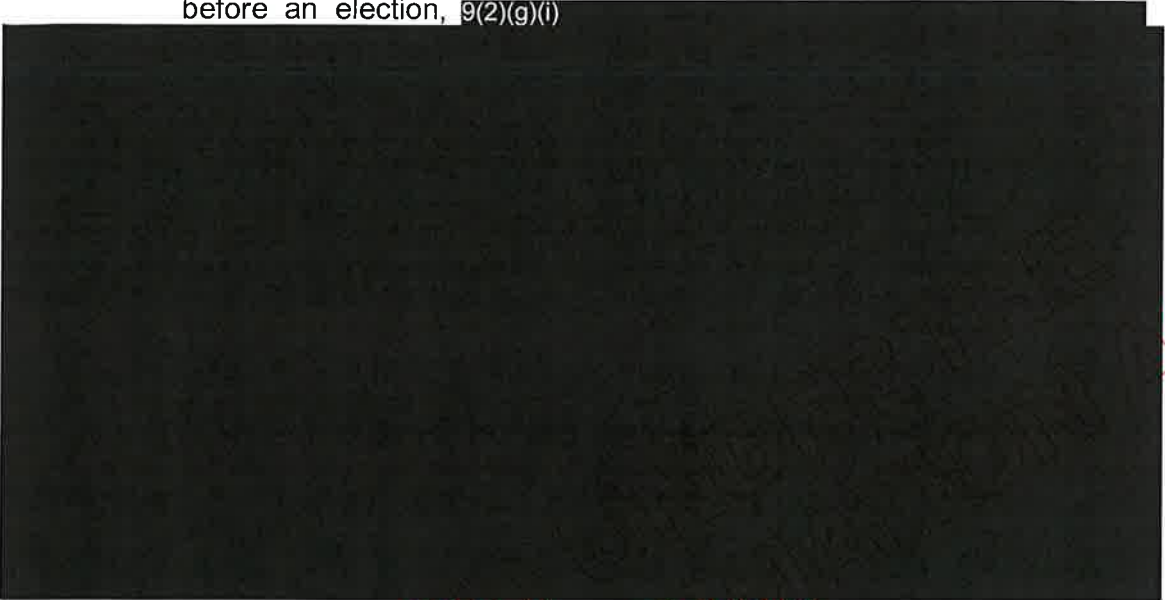
A. No, I couldn't recall when it was and I hadn't actually referred to it in my affidavit so I hadn't prepared anything for today based on that because it was added to the list.

30

- Q. My question really was, what was your reaction?

A. I probably just sent it off to the SSC. I don't know if I had any reaction other than to send it off there, but it is not good. It is not bad, it is just

not brilliant and certainly the Hubbard supporters at the time were almost evangelical in their zeal for Allan Hubbard. He was almost I felt considered to be the Saint of South Canterbury. So bear in mind right before an election, 9(2)(g)(i)



So it was a very time consuming and expensive investigation, and I remember him saying several times he was in and out of Timaru all the time. Which is a lovely place, but it is actually quite difficult to get to from somewhere else. I would have just sent it on to SSC I presume. What did they say about it?

Q. I am not sure. It was more about your reaction.

**QUESTIONS FROM THE HON L CHISHOLM:**

25 Q. There is no indication that it actually went to you or that there was any communication between you and the Serious Fraud Office, but we do know that it was referred to the State Services Commissioner by Mr Feeley and –

A. He must have done it directly.

30 Q. Yes and there is no indication that you were involved in that phase at all as I recall it.

**QUESTIONS FROM MS CASEY:**

Q. I recall slightly Ms Quilter said that she couldn't recall if you had referred it to them, but if you hadn't they would have picked it up anyway.

5 A. I have got no recall or record of sending it to the SSC unless you have got some email or something, but I really can't remember. They would have had it.

Q. I just wanted to get the context of how it came up.

10 A. It is disappointing but that is what happens when you have these nasty things like Adam had with the champagne incident being in the media is that it opens the floodgates for everyone else to have a go at you. I know. All of a sudden someone was mean to my puppy because they had done this other thing, that is what happens is it brings it all out. This was presumably from the same person who was running the thing, I don't know.

15 Q. We don't know.

A. So it is talking about an SFO staff function. I presume it was someone who was there.

20 Q. What does seem to be apparent and I just want to check whether you were conscious of it at the time was that there was a pretty concerted campaign by staff or former staff being run in the media?

25 A. Well, I think it is pretty obvious when someone's talking about – a story talks about what has happened at a staff function, that it is someone who was there or someone who was there who has told someone else. That is pretty clear to me that it is someone there. Did I know that there was a concerted effort in the media, I probably didn't know that there was a concerted effort in the media being run by some people but it was pretty clear that someone was leaking and someone was directly leaking against Adam and they were directly leaking at a time to maximise embarrassment for the government. If this was such a big  
30 problem for them, they could have leaked it at the time or they could have made a complaint to the SSC themselves, but they chose not to. Instead they had waited until the Government would be very concerned and would have to send it off to SSC. It was designed clearly I think for

maximum damage to him and therefore to everyone else and to put pressure on the Minister, which is myself, and obviously the government. 9(2)(ba)(i)

5 Q. You referred earlier about part of the effect of referring this to the SSC 9(2)(ba)(i). Did you engage at all with the media between the referral and the SSC report on this that you –

10 A. Between those reports, no. I would have had people who tried to engage with me and they will have said to me “Can’t you talk about it, can’t you do this?” The *Herald* is always good at this one too, and I would have said it is with the SSC. If other media would have contacted me I would have said it is with the SSC. Now they have clearly inferred from what I said that I am unhappy. Well I don’t think even they would  
15 need to be rocket scientists to work out that I wouldn’t send it to the SSC because I was happy. Of course I was unhappy, I thought Adam let himself down and let the office down, but it wasn’t irretrievable.

Q. And Stefan Herrick presumably would have been giving the same response as well?

20 A. I would have thought so, unless you can show me something else. I would be expecting Stefan to say “It is with the SSC and the Minister is not going to say anything. Or “There is no point asking because she has sent it to the SSC” and I think that is what he would have said. It is a closing down tactic.

25 Q. I think the only thing we have even remotely to the contrary is we have media saying that they were told by someone in your office that you were furious. But Stefan’s recollection is that, that would not have been him.

30 A. I think people would be hoping I was furious and it is very easy for a journalist to say I am interpreting it that she is – of course they are going to say stupid things because it is selling newspapers or whatever and they were clearly after Adam.



**QUESTIONS FROM THE HON L CHISHOLM:**

Q. On the 5 October, Fran O'Sullivan wrote that you were understandably furious and we enquired from her where this came from. It was said to have come from your office, not from you personally and we talked to Mr Herrick about this. He was, I think you could almost say adamant that he didn't use the word furious but I do need to understand regardless of what other people might have said how you did actually feel and you have covered this already to some extent. What adjective would you use?

10 A. I would actually say disappointed. I wasn't furious at Adam. People make mistakes. Clearly things get misinterpreted, particularly if someone has an evil mind and they want to misinterpret it, but it was disappointing and he had done so much good work. I was disappointed for him as well as in him. But I was disappointed with him because I knew these people, the media were just going to hound him unless we could get it off the front pages as fast as possible. I was disappointed. Was I furious, no. Everyone makes mistakes.

Q. At a later point on the 20<sup>th</sup> I think, Jock Anderson wrote in the *National Business Review* that you were furious. We have addressed questions at him. His answer is that I think that was his interpretation from others, not from your lips. Is that roughly right?

A. I think people often like to do that.

Q. We will shortly come to Mr Slater who stated that you were livid.

25 A. Everyone seems to have a view about what my views were. This is one of the problems when you become caricatured as an angry person who is going to sort things out, it's so easy to make those statements and then to say that they know what I am thinking based on what someone has told them or their general gut feel but actually I was disappointed for Adam because I knew this was going to live with him and here it is back again living with him. It is not as though he ran off with the office silver. It is not as though he was corrupt in any way. It was just a bit silly. I was really disappointed for him and for me because I had to deal with it but I dealt with lots of stuff all the time as a minister.

Q. With the elections looming and also with the release on the Monday, would there have been an element of annoyance?

A. I am not sure I would say annoyance. Disappointment is better placed because there is no point being angry when you are the Minister and you are dealing with a situation. If you are angry you are going to say something to the media that you shouldn't say and the last thing I would want is "Collins sacks Feeley" or something like that, that would be dreadful and he had done a good job so I wouldn't say that. I would say I was disappointed. All that hard work that he had done was now going to be defined by some silly bottle of champagne and clearly obviously the book later. So was I angry? No. I had as a minister at that stage, I had dealt with a situation where the Police had killed an innocent person and I wasn't angry. I would say that anyone who has worked in my office would know that I would very seldom ever, if ever, raise my voice and I am sure that Adam Feeley, if you asked him would say I have never ever shouted at him or anything like that. That is not my way.

Q. Not surprisingly we have asked him.

A. What did he say?

Q. He hasn't suggested that you did.

A. Never. It is not my way. I will be disappointed but I don't get red in the face angry at people. The one time in 12 years that I did I told off the media and I have been paying for it ever since. The one time I have lost my temper and that is nothing to do with this; that was a personal attack. I just don't do it.

25

#### QUESTIONS FROM MS CASEY:

Q. The next step that I wanted to go to was the SSC report of 17 October which is when they report back to you. Really I am just wanting to gauge your response reaction to that and what you thought of it.

A. Let me just have a look at it.

Q. I know they sent you a letter. Did you get the whole report as well?

A. I don't know. Honestly, seriously I don't remember being in the office at that stage. We would be out and about campaigning so I would be

coming in for at that stage probably once a week for a day to do all my meetings, Cabinet. I just don't see that stuff at that stage. It would go normally to the advisor who would have been [REDACTED], she might have given it to me, she most likely would have given it to me. She would have made sure I saw it and it would have been in my weekend papers or something. They might have emailed it to me, I don't know. I am not sitting around there; there is no votes in my office. I am in election mode; I am out there.

Q. This wasn't actually high on your list of concerns at the time that they reported?

A. It was high on my list of concerns so I could say, "Get the report, deal with it and get it out of the way" but I wouldn't have been hanging out there going "Where is my report?" I doubt, it would not be my practice to ever contact them to say "When is the report coming?" or anything like that. I would not want to put any pressure on them whatsoever. If I put any pressure on them, then the opposition would have said that I put pressure on them and it was a whitewash. That is the usual line, you might have heard it before. That is what they say.

Q. The content of the report-

A. Have you got it there?

Q. I have actually just got the letter. This is the letter to the Minister of 17 October 2011 from the State Services Commission.

A. This letter to me, copied to the Minister of State Services, now from memory I think the State Services would have put their report up on their website. They would have no doubt sent me, or handed over a copy, or more likely to have given it to their minister who would have handed it over.

#### QUESTIONS FROM THE HON L CHISHOLM:

Q. The report was made public. That is my recollection of what Mr Rennie or Ms Quilter told us, but there was a press release that could mean that



- A. That was what was made public. So the entire report wasn't made public, but the press release saying these are their findings. That is what I recall.

5 **QUESTIONS FROM MS CASEY:**

- Q. What is your view of the findings?
- A. I think it is fine. I think they have seriously addressed the two issues. They haven't gone overboard. They have acknowledged the fact that it was unnecessary risk and it had caused unnecessary embarrassment.
- 10 They have dealt with it properly and they have said "Please don't do it again", basically is what they are saying. They don't expect to see it repeated but they don't seem to talk to Adam about his expectations as the chief executive in a public service organisation and director of a law enforcement agency. I think that is all fair. I think it is reasonable. I
- 15 think it is professional; it is not hysterical.
- Q. It is commensurate with your view of the seriousness of what happened?
- A. Absolutely I think they have done a very good job and I think if they didn't do that, then they would open themselves up for an attack that
- 20 they didn't need to have. So I think they have done well is my view. I of course would never have expressed a view other than that I agree with the report or the findings.
- Q. Which I think was the view expressed.
- A. I mean genuinely I think they have handled it really well and I think that
- 25 they have been fair and as I say they didn't get hysterical which is one of the reasons to send it off to them, so that things can be dealt with out of the media asking questions day in day out about the same things.
- Q. Then I think what I have got after that is the media then start contacting your office and there is just a few emails from the State Services
- 30 Commission file which show that you spoke to Tracey Watkins from the *Dominion Post* and then the next one is just showing that you in response to an OIA release –



A. So she has talked to me and I have said he has apologised, he has done that in writing or whatever, I have had that by the stage for –

Q. Two weeks plus.

A. Closer to three because it was the Monday. I have said that and so she  
5 has requested a copy of that. The best thing to do is to say that. They love to get an apology, the media and it means that Adam is no longer then going to be reviled as he was getting reviled. They would be entitled to get that under an OIA, there is no reason to withhold that at all.

10

**QUESTIONS FROM THE HON L CHISHOLM:**

Q. You were reported in the media at that time basically saying you were happy with the report but as I recall you didn't expect Mr Feeley to get in to this sort of bother again?

15 A. That would be true and that would be fair comment. I didn't expect him to do it again and I am sure he never wanted to do it again.

Q. You met with him after the report came through and Ms Quilter also rang you and discussed the report. I don't think we need to dwell on that, she just let you know and of course from my point of view it was  
20 important to assess what your attitude was at that time, and there was nothing in that from my perspective.

A. If she says she did I am sure she would have talked to me. I just don't recall it. Look of course Adam Feeley had to report to me anyway every month or thereabouts. Clearly it is better if he comes to see me and goes through an oral report and he takes an opportunity to speak to me,  
25 that's far better. 9(2)(ba)(i)

but it was really important I think for him and me to get  
30 together just to go over things and he could say and I could say well, you know.

Q. Incidentally Mr Herrick said that he was present at the meeting with Mr Feeley and that this was normal practice anyway for him to be present at these regular meetings with chief executives.

5 A. That's right. So I can't recall exactly who was there, but it would be normal and common practice for Stefan to be there. Also [REDACTED] as the advisor and also [REDACTED] as the senior private secretary. So that would be quite normal, that they would normally be in all of my meetings with the chief executives and it would be just to go through the issues and deal with them.

10

**QUESTIONS FROM MS CASEY:**

Q. And the discussion about this incident with Mr Feeley at that point, do you recall?

15 A. It is always awkward when you have got a situation like Adam was in, but I would have thought I would have said to him "Well you know Adam it wasn't so good, my advice is just be really careful about that again and just be aware that there's clearly people who are working against you in the office and you have just got to be really aware of it." I don't know if at that stage if he had the media help in his office but I know he  
20 needed it, so I don't know whether he did at that stage. It was a hard time for him. I think we were fine. I think I saw it reported in the *Herald* or some paper the other day saying that at the time he thought he had a good relationship with me, but he thought it was all a bit tense around that time. I guess tense is one way of putting it. I would say it was just  
25 a bit sad that that, had happened.

**QUESTIONS FROM THE HON L CHISHOLM:**

Q. He was interviewed on the radio.

30 A. That's right, I think they were desperately trying to get him to say something that wasn't true. He is probably much more practiced with them, with the media these days.

**QUESTIONS FROM MS CASEY:**

Q. Being aware of the context, where you were busy with the election, SFO did an internal investigation into the leaks. Were you across any of that?

5 A. He might have said – you just don't get involved in those detailed things as the Minister. Otherwise I would then be having – it was clearly someone from in the organisation, even I could work that one out but you just don't get involved. Otherwise I would then be intervening in someone's employment situation, so I just don't get involved. He would  
10 have kept me informed. I am sure he kept me informed about some things. I am sure he told me about something to do with a person being prosecuted, but I couldn't tell you exactly what he has told me.

Q. The last phase on this one is the one we started before which is the second annual review. We are looking at a draft record of a meeting on  
15 the 28 November 2011 and this was the meeting that had been scheduled for 5 October and it had been put off. First of all, because it is a draft record of the meeting to the extent that you can remember are you happy that it is reasonably accurate.

A. I think it is fine.  
20

**QUESTIONS FROM THE HON L CHISHOLM:**

Q. Ms Quilter said that in any event each of these drafts was sent to your office for you to confirm it was accurate before they acted on it.

A. I don't know if we changed it at all. It seems pretty fair to me. If we had  
25 she would have that but I don't know.

**QUESTIONS FROM MS CASEY:**

Q. So this is not quite the glowing one from a year earlier?

A. No, we had had a few other things happen. It is still good though.

30 Q. In the first paragraph you refer to the relationship being harder to manage.

A. It is.

- Q. And not being well attuned to public sector practices. What is that reflecting?

9(2)(a)



25

- Q. The next paragraph is more of a direct reference to the champagne incident?

A. Yes and I have said it is in a far better state than it was before and I was disappointed. Well I was. Clearly there are still some people stirring up trouble for him.

30

- Q. In the same paragraph there is a reference again to the media coverage, less media coverage would be good. "The Minister is concerned" –

A. Yes, the Minister was concerned. Having your senior staff, or people, supposedly the senior staff leaking major nasty stories against your



chief executive to the media working against the Serious Fraud Office like that, of course I am concerned. What am I going to be? Happy? I can't be happy at that. That is really sad. That is like a Deputy Commissioner of Police spreading stories against the Commissioner of Police in the media, that is at that sort of level and that is really serious behaviour from senior staff members against Adam, after the restructuring.

Q. Do I take it from that, that at this point you were thinking that actually reflects adversely on Adam Feeley?

10 A. I am not so sure about that. What I think it does do is it shows me that he has not yet been able to bring the whole team in the SFO together for the common purpose. He has clearly got a large part of the team working together, but clearly not the entire team. Sometimes and as I think I said earlier today you can't get some people to come on board and they are better to go. In his case he had done a great job but that wasn't quite there yet. Even though he had a history in the public service, not everyone in that organisation did, so that is another thing too. I am not saying you had to have a history in the public service to understand the culture of it and what is expected, but you need to

15 actually be aware that there is a difference in expectation around a Government agency compared to a commercial agency.

20 Q. Similarly I think, the second to last paragraph -

A. That is something the State Services found was a real problem. They asked me about it. If you go to number 50 on my exhibits these are the questions that they tried to talk to me about. When we are looking at

25 these issues here I am simply answering the questions. This is not self-initiated. This is my answering very reasonable questions that they would be expected to do.

Q. The second to last paragraph of the file note, the note of the record

30 which says, "The critical issue going forward is for Adam to overcome less desirable behaviour." That would appear to be a response to question seven, "what do you consider are the critical issues for the SFO going forward".

A. Yes. These are the State Services Commission's words. They are reflecting what they have asked me.

Q. Then the sentence, "There have been a number of staff changes and that may be a sign of a problem."

5 A. Yes or it may be a sign of him fixing a problem.

Q. Reading that would suggest that again this was a reflection on his performance?

A. It is a reflection that there is a problem but how can there not be a problem when you have got leaks coming out from senior staff members against the organisation. Clearly there is a problem. 9(2)(g)(i)

It is not happy.

#### QUESTIONS FROM THE HON L CHISHOLM:

15 Q. To put that in the context of the time, this is late 2011 and my understanding is that the senior staff members had resigned in early 2010. Did you have the impression that there were still others who were stirring?

A. I think there must have been something else going on. There must have been other people who were stirring and I think that is what my impression is and clearly that was an issue for Adam.

#### QUESTIONS FROM MS CASEY:

Q. Did you have a sense that this is now two years after the appointment, a year and a bit after the restructuring, that this was going on too long?

A. I don't know about that, it takes quite a long time when someone is trying to change a culture of an organisation and that is why he started his restructuring. You know, it's that old saying of you can't make an omelette without breaking some eggs and he had to change it. I am not someone who thinks someone can change an organisation overnight. It takes a tremendous amount to do that and even a small agency like his had an entrenched practice and it was hard for him to do that. 9(2)(a)

I think it acknowledged the good

work he did, he had made outstanding results in working co-operatively with Police, I think I might have helped with that by not having a Minister on Police who was going into patch protection against the SFO. I helped him. I believe absolutely and sincerely I helped him in that. I think he did good work with the FMA and you will see there that I said it wasn't his fault that he didn't actually have a memorandum of understanding with the FMA. He knew he needed to have it. He was not the problem from what he said to me and I believed him. I believed he genuinely had it as one of his KPIs, he was going to get that done and he was trying really hard. It was not his fault. But clearly things were not completely happy yet.

Q. Then just stepping forward in time you then move into the Justice portfolio. You obviously still had some oversight of the Serious Fraud Office in the sense that it is in your sector?

A. When I took over the Justice role, we took up the challenge from the Deputy Prime Minister/Minister of Finance to bring in better public services, which was about getting people to work together. I was given the role of being a lead minister for the Justice sector and to basically continue the work I had done with SFO, Police and Corrections where I had got them working together. I shouldn't say that I got them together. I had encouraged them to work together and I had got them to report on how things were happening. You know, it's that being cooperative and those sorts of things. We had a huge success I have to say out of the Christchurch earthquakes in getting Police and Corrections to work together for instance. What you probably don't know is that we saw during those earthquakes response to them, for the first time Corrections officers working in the Police cells in Christchurch and running the cells for Police. That was totally unthinkable until those earthquakes. We had the Courts being run out of the men's prison. That was totally unthinkable until the earthquakes. When Police said to me "Look we are under stress" and they were absolutely under extreme stress, this is what 2010. Australia had sent over 400 Police to help. Police were coming in from all over the country. We had the Defence



Force on the streets. It was a hard time and I remember 9(2)(g)(i)



At that time the Commissioner was Howard Broad, the chief executive of Corrections they worked together, they did the arrangements, they made it work and now all these years later Police are still having their cells run by  
10 Corrections. They now are co-located and the Justice sector precinct which I had something to do as Minister of Justice everything is co-located. That has all come out of the learnings of that and the co-operation. When you say I had something to do with it, yes I was the lead minister but I had no operational influence over the SFO. I had no  
15 operational influence over the Police, I never had it as a Police Minister either or the SFO Minister, but I had no responsibility for their individual budgets but I certainly was brought in so that we could have separate budgets for each of those agencies but that I had to be accountable for all of the better public service targets on crime and everything else  
20 recidivism, all those sorts of things, rehabilitation. They weren't actually my areas, but I was responsible for them. So I did have a target on my head? Yes I did and we still achieved it, we were great. In terms of the SFO we started meetings of the ministers and the chief executives I think about March or April 2012 so this was when I was Minister of  
25 Justice. It took me a while to get it all organised and to work out how I was going to do it, because one of the things with the Prime Minister is even though he might speak to me as he did about portfolios I was interested in before the election, he would never commit to exactly which ones because it is unlucky to him. He has talked about that  
30 before in public so I am not telling secrets. He doesn't want to pre-judge or basically try and take something for granted. He is very careful to say if we were to be privileged enough to be elected what might you be interested in. He knew I was interested in Justice. He also knew I was



interested in another portfolio which I didn't get and I never asked for Ethnic Affairs or ACC and I ended up with them. I was happy to have them because I was always grateful. You take what is given to you pretty much and even though I knew I wanted Justice, even though I'd

5 had indications I had also had indications about other things too, so I never took it for granted. I didn't know about quite what was being planned that I would then be responsible for all these targets.

Q. Did you have a sense following that period of any lasting impact of this media foray on Adam Feeley or the SFO itself?

10 A. No I didn't actually. In fact the relationship was with Anne Tolley as the Minister and I thought she did a very good job. She got on well with her chief executives from what I could see. My dealings with the chief executives of the SFO, Police and Corrections was limited to the monthly meetings that we started, and I think we started them about

15 March or April. I am not quite certain when and it took us a while to work out how we would do them, but it was basically them reporting on how they were going and targets and anything that they needed to let us know. Basically it works like this, if Police are not working to their peak efficiency then we will get a blowout in crime because Police, despite all

20 the literature around, do make a difference. Police presence makes a huge difference and Police prevention of crime activity makes a huge difference. If they are not doing that they will then end up with a blowout in Courts. That then flows out to a blowout in the budget in Corrections and we have to build more prison cells. So when we came in to

25 Government in 2008 the first thing I had to deal with at Corrections for instance was the fact that I was told that we had a forecast of needing 12,000 beds in the next few years. That is my recollection anyway and we had 8,000 or 8,500. The first thing we had to do was to either have a complete reset of the criminal justice system, a complete reset about

30 parole and opening it up which we, by the way, had campaigned on not doing, a complete reset about sentences which again we had campaigned on not having lesser sentences but actually having harsher sentences or we could build lots more prisons and lots more cells or we

could start dealing with the real problem which was the crime rate. So that is what we did. That is why it was important to do that and that was my purpose, always about the targets in those meetings. So my meetings it would be highly unlikely for any meeting with me in my ministerial office to take more than an hour even though all those people were involved. It might go slightly more but that is unusual and [REDACTED] would probably intervene and say I am busy, the Minister has got to be somewhere else or something nicer than that. I didn't see a problem for Adam on that. I thought Adam was – by that stage Peter Marshall was the Commissioner of Police and Adam seemed to get on fine with Peter, he got on fine with Ray Smith in Corrections that I could see. I did not see any problem for Adam. Adam didn't always come to those meetings just because of the fact he was in Auckland and they were in Wellington, but I think he would have come to most of them and most of his interaction would be through his minister.

Q. Any surprise reaction when he resigned?

A. I think I would have said to Anne Tolley "What is all this?" She would have reported it to Cabinet and she just said "Look he's going to Queenstown at a job running the council." So, yes, slightly surprised because he had been making really good progress, 9(2)(a)

[REDACTED] I am just guessing. I didn't ask him and I thought it was Queenstown, who wouldn't want to be in Queenstown.

Q. What I am planning to do now is just traverse some general issues and move back in to the October period just to place that in time. I know you have covered some of this off in your affidavit but I thought we could just go in to a little bit more detail. First of all your relationship with Mr Slater, from when, the nature of?

A. I know Cameron from it would be about 2002 something like that, about when I came in to Parliament or slightly earlier or slightly later I am not quite sure when and through National Party circles. I know his parents

– I should say, I knew his mother and his father. I had just got involved with the National Party through what was then through the Epsom electorate and John Slater and Margaret Slater lived there and they were pretty much the doyennes – can a man be a doyen? Whatever the equivalent of it. Leading lights, I could say, and he is a former President of the National Party. They were very nice to me and kind to me and not everyone was actually in 2002. It was quite a difficult time. [REDACTED] and I got on well with the Slaters. I tried to be friends with everyone which is quite unhelpful sometimes. I tried to not get involved in it because their politics goes a long way back and I was a newbie to it. Anyway the Slaters were very nice and kind to me. Really I think that over the years I had the odd contacts with Cameron but particularly so as I recall he started this blog, Whale Oil, and I remember 9(2)(a) talking to me about it and that 9(2)(a) was great friends with him. So you sort of talk to people and certainly in opposition few people talk to you so you are always reasonably grateful if somebody does. [REDACTED]

**QUESTIONS FROM THE HON L CHISHOLM:**

- 20 Q. [REDACTED]  
 A. [REDACTED]  
 Q. [REDACTED]  
 A. [REDACTED]  
 Q. [REDACTED]  
 25 A. [REDACTED]  
 Q. [REDACTED]  
 A. [REDACTED]  
 Q. [REDACTED]  
 A. [REDACTED]  
 30 Q. [REDACTED]  
 A. [REDACTED]  
 Q. [REDACTED]  
 A. [REDACTED]

Q. [REDACTED]

A. [REDACTED]

Q. [REDACTED]

5 MR COOKE:

[REDACTED]

MS COLLINS:

[REDACTED]

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QUESTIONS FROM MS CASEY:

Q. [REDACTED]

A. [REDACTED]

Q. [REDACTED]

15 A. [REDACTED].

MR COOKE:

[REDACTED]

20 THE HON L CHISHOLM:

[REDACTED]

MR COOKE:

[REDACTED]

25

THE HON L CHISHOLM:

[REDACTED]

MR COOKE:

30 [REDACTED]

THE HON L CHISHOLM:

[REDACTED]



**MS COLLINS:**

[REDACTED]

**5 QUESTIONS FROM MS CASEY:**

Q. [REDACTED]

A. [REDACTED]

Q. [REDACTED]

A. [REDACTED]

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**THE HON L CHISHOLM:**

[REDACTED]

**MR COOKE:**

15 [REDACTED]

**QUESTIONS FROM THE HON L CHISHOLM:**

Q. [REDACTED]

A. [REDACTED]

20 Q. [REDACTED]

**MR COOKE:**

[REDACTED]

**25 QUESTIONS FROM MS CASEY:**

Q. I am moving in to the mechanical side of how you communicated, how that's changed over the years, frequency, who called who, text, email, et cetera. The beginning of the question was as a close family friend –

A. Yes, family friend.

30 Q. Obviously that is a very different relationship that you would have with a journalist?

- A. Yes but he is still a journalist now. You know, he's very proud of that and that Justice Asher declared him a journalist. He is more of a journalist than say Nicky Hager.
- 5 Q. Back in 2009, would you still have been regarded him as a friend and journalist.
- A. Yes, I think so. He is both. It is not impossible for journalists to be friends. It gets slightly less likely as I get longer in the tooth but at the moment there are still some journalists who are friends.
- 10 Q. His blog was reasonably big by 2009/2010?
- A. Yes ever since I think he started he has been, he very quickly overtook David Farrar's Kiwiblog and all the other ones. The left wing have the Standard and Red Alert and various other things and the right has Whale Oil and Kiwiblog pretty much. There'd be others but they would be the predominant ones and he is read by a huge number of people. A
- 15 lot of people who wouldn't admit to it.
- Q. I think he described the difference between the top blogs and the rest of them as you know. I might not have the right word but it is almost a quantum leap.
- A. It is huge. Some people would be very excited that 1000 people have
- 20 seen their blog in a year and I think he has got millions of people, like two or three something a month or whatever it is a week, I don't know what it is, it is constantly changing. But he is constantly reporting it on the site.
- Q. From 2009 when he became a closer family friend, he was at the same
- 25 time a blogger journalist?
- A. He is talking to.
- Q. Would you ,this probably one from our conversation we had with Mr Slater, would you just think that he had the same sort of relationship that he has with you, does he have that with other politicians?
- 30 A. I think he does and I know that because of some of the things he has said to me. He might feel though that because of the family connections that he would be very much aware of the fact that I would have a great deal of sympathy or similar family issues. [REDACTED]

**QUESTIONS FROM THE HON L CHISHOLM:**

Q. [REDACTED]

A. [REDACTED]

Q. [REDACTED]

5 A. [REDACTED]

**QUESTIONS FROM MS CASEY:**

Q. 2011 on, the frequency of contact was obviously quite intense for 2011 and probably parts of 2012. Increase, decrease?

10 A. I think it depends on what was happening. 9(2)(a)

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Q. It seemed an odd result to get. The content of your communications apart from the very personal ones, political gossip?

A. Yes, absolutely.

Q. Politics?

5 A. Yes.

**QUESTIONS FROM THE HON L CHISHOLM:**

Q. Can you give me some examples of what would be described as political gossip or politics?

10 A. So an example would be, Cameron normally would know more gossip than me on politics because he either makes it up, but I presume he doesn't or he gets it from sources. He has sources everywhere in politics and I would find out from him what was going on with whom. It is not that I want to spread it, it is the fact that I want to know it. He  
15 would often know all sorts of things. I've actually found back on the backbench, the backbench tends to know a lot more than what ministers do too. Unbelievable. Something might be –

Q. It might be difficult to come up with a specific example.

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

Q. Can you explain to me how Cameron Slater has acquired such an ability within politics to obtain information?

A. I think from his point of view sometimes the information is not quite what  
25 it seems to be, so he exaggerates, but it often makes very good reading even if it is exaggerated. I think he writes well generally and it is always interesting. Sometimes it's abusive writing and sometimes it is quite normal and well written. It is always interesting. The fact that the other media go to him for stories, which is pretty obvious from what was  
30 happening, tells me that they read him and they get very upset when he criticises them, so they are clearly reading him. I think he is often outrageous and outrageous like blood in a newspaper sells.



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



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**QUESTIONS FROM MS CASEY:**

Q. The political gossip level would be a two way communication. He'd give you gossip –

25 A. Possibly, possibly not, it depends if you have any, and the thing is when you are in Cabinet you can't have any that is relating to Cabinet. If it ever got out – and that is one of the things is because I am seen as being close to Cameron in terms of he is often defending me publically and various things, occasionally he doesn't like what I am doing and

30 says so. For instance on the cyber bullying he thought that was completely crazy of me wanting to take that on, but if anything came out with me on it I would be very annoyed because it would look like I have anything to do with it 9(2)(g)(i)

9(2)(g)(i)

would never give him anything about my party or anything to do with my agencies, because it would immediately be seen as being from me.

Q. But general political gossip, scandal, two way chat?

5 A. What do I actually have? Look at my diary. As a minister you are just going from one job to the other. You don't tend to know it, so as I said it is amazing the backbench how much they know; they're telling me stuff and I am like "wow" who knew that. I have got nothing to share, because anything you share is either from Cabinet and you can't do  
10 that, you absolutely can't do it. Or else it is your own agency and why would you do that and ruin your own agency; it is completely insane to do it. It might be something like in the House today, [REDACTED] did this, which I think is always fair game. That would be it but it's not secret, you did it in House for goodness sake. Or isn't it stupid he did X.

15 Q. I am just trying to get a feel –

A. That is two way chat but it is not secrets no. Some of the things I have heard about the backbench are secrets, just not my secrets.

Q. So a two way political gossip chat in that sense?

A. Not many people even are interested frankly in what [REDACTED]  
20 doing in the House today. Who, say actually is.

#### QUESTIONS FROM THE HON L CHISHOLM:

Q. [REDACTED]

A. I think that is a good idea too. I mean who really cares what is going on  
25 in the House, let's put it that way, or in select committees. Okay, you are because you live in Wellington. But who outside of Wellington cares? Not many people.

#### QUESTIONS FROM MS CASEY:

30 Q. Both I think you in your affidavit and I think Mr Slater also said that you discussed political issues. Can you give me an example of what sort of discussion.

A. It might be cyber bullying. So for instance I took a stance against that and the Harmful Digital Communications Bill. Cameron thought I was insane and said so and said "That's stupid you are stopping free speech." We would have discussed that at some stage. I would have  
5 said "No, you're wrong Cameron, I am right," and he will of course not have changed his mind one bit.

Q. And sometimes you would agree on political issues?

A. Yes. I might agree on the need for reform of the RMA, but he probably wants reform in another way. I might be pro a dam in Hawke's Bay, he  
10 might be anti-dam in Hawke's Bay. There's an example. So we might discuss that, but discussions from Cameron tend to be almost a one way street. I know that I am being quite talkative today, but when you are busy on your emails and you are doing things and you have got someone talking in your ear you tend to go "hmm, yes", and that is  
15 about it. So he talks a lot and I listen a lot. Or not listen much.

Q. Did you talk about what he's posted or what he was going to post on his blog?

A. It depends on what it is. It would never be before, it would be after because I don't know what he is going to be post. I might say to him  
20 "That's interesting, what's the real story there?" It might be something about an opponent for instance, or it might be something where, I don't know, he might have said something about some information he has got that I am interested in. I certainly wouldn't tell him what to do, that's for certain, that would be the sure fire way of getting him to do the opposite.

25 Q. Do you occasionally feed things in for his tipline?

A. Yes, like someone in the House today doing something. Absolutely. You are sitting in the House bored witless occasionally you are going to do that or worse having to follow the rules of the House and not do anything and not say what you want to say. You may well might do that.  
30 I might say for instance a particular unnamed member stood up and made this absolutely stupid speech. Why were they doing that?

Q. The 9(2)(a) email. You said you used different emails with Mr Slater from time to time.

A. At certain times. So the 9(2)(a) email –

Q. It is an email address –

9(2)(a)

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Q. Did you have an understanding with Mr Slater that some things went through that email address and some things went through your Parliament address? More official things like OIAs through the Parliament address –

A. There is no point sending me an OIA to my private address and most OIAs wouldn't go through me anyway, most OIAs would go through the jcollins@ministers which I never had access to. The jcollins@ministers.govt.nz, that ministerial one I didn't see. That went through the receptionist who would then field it out to whatever agency it was addressed to or it referred to. Very seldom would I get them to me personally.

Q. In terms of your relationship with Mr Slater, the @parliament email address [REDACTED]

A. I don't know. Who knows with Cameron where things would come from?

Q. It is not something you are conscious of?



A. It depends where it was. If I am sitting in front of my computer at home I might do something on [REDACTED]. Or of it is something for [REDACTED] and me it might go to there.

5 Q. Did you discuss things with Mr Slater that you wouldn't have discussed with another journalist other than the real personal issues?

A. Personal stuff. I wouldn't have said to another journalist, well I might have said to another journalist, but not many journalists because I have got quite good relations with still a few journalists, the ones who didn't bang on my door during the election campaign. I might say "Did you see that in the House" or whatever, but I would say things that I would then expect them to say "Judith Collins" – I don't want to spend – you know, I wouldn't say to [REDACTED] for instance, you know "Did you see somebody saying this stupid thing in the House the other day or behaving badly at select committee?" because [REDACTED] would probably write a story saying "Judith Collins said".

15 Q. Would it be correct to say that you and Mr Slater have probably an unspoken understanding that he didn't source the gossip back to you?

A. The thing is there is nothing really there.

Q. But as you say [REDACTED] might have done it.

20 A. Well the thing is if you look at Cameron's blog he doesn't source gossip back to anyone. It is all his gossip. So I don't know about unspoken but clearly I would rather not have people say "Judith Collins says someone behaved badly at select committee today".

Q. The fact that you could say that to Mr Slater, you trusted him that he wouldn't.

25 A. If I said it to [REDACTED] it might be a thing. There are other journalists in the press gallery who I would say that to and they wouldn't use my name in it. It depends. There is stuff that you officially want out there, and there is stuff that you don't, but that is nothing more than normal stuff with journalists who you have got a, built a rapport with over 30 the years and who are not necessarily going to try and embarrass you just for fun. I shouldn't say that about [REDACTED] actually he has

never really done that. He has just day in day out attacked me recently but apart from that nothing at all.

5 Q. Going back to our discussion earlier about Stefan Herrick, did you consider that your communications with Mr Slater were of a nature that you needed to keep Stefan Herrick posted on what you were discussing?

10 A. On many things, but not everything obviously, but many things. Stefan would know a lot about what we were talking about and it would often be Stefan telling me that Cameron had done a post on something and I had better see it, or he has done this or whatever. That would be, normally Stefan would do that, because as a minister you are just particularly busy. You are just not sitting around watching blogs all day. 9(2)(a)

15 Q. Did you ever respond to Mr Slater on something that he wanted to talk to you about with a response that there was something that you couldn't discuss?

A. A lot actually. 9(2)(a), 9(2)(g)(i)

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Q. So the trust relationship that I mentioned before –

A. It's got limits to it. 9(2)(a), 9(2)(g)(i)

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#### QUESTIONS FROM THE HON L CHISHOLM:

30 Q. In knowing his propensity to hit out or talk out and to exaggerate where you worried about talking to him at all apart from on purely personal matters?

A. Mostly I talked to him about personal or just stuff that was out in the public. There were times that I was concerned, but look the Prime Minister talked to him and the fact is it is very difficult for an effective member of Parliament to operate outside the media. You just can't do it and in his case he is more read than most.

5 Q. Paragraph 51 of your affidavit, starting at the third sentence, "all ministers and other politicians develop relationships, et cetera, in which views are exchanged at an informal level." This is essential not new and without that effectively you are saying you can be at the mercy of your officials and the media. The exchanges that are at an informal level can be matters that are of significance?

10 A. Yes. There may be, and talking in general terms about politicians, MPs, it is not just ministers, it is MPs in Parliament, particularly the press gallery. So there maybe for instance an example where ACC levies for instance and that is an example I know well having brought them down, but it may be considered a smart move and this would be after discussion in the office and with probably the Prime Minister's office, for me as the Minister or my press secretary to mention to a couple of

15 journalists who are interested in ACC levies, like business journalists, that they should be expecting an announcement coming up which will be a good announcement. It will be before it has happened; it could be around something like that. Essentially preparing the ground so that they are prepared for a story that is going to come out which is hopefully going to be favourable to the Government. So that's the sort of thing that you might do. You will often see stories in the media around

20 reshuffles in Cabinet or who is going to get what job. Basically they are manufactured and they will come out of the Prime Minister's office or someone else who is so senior that they know exactly what is going to come out. So that's what happens and often that sort of level of discussion. There would be people for instance who some of my colleagues would be very close to. John Armstrong would be one of those, Audrey Young. I am not so close to them but other people are. Sometimes during things you can see stories that have been written

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because they are stories coming in for *Dominion Post* that are clearly in Fairfax coming out of the Labour party. So those are the sorts of things, and they are not saying this is from the Labour Party but they are running their stories from them.

5 Q. You mention in the next paragraph that bloggers are an extension of this. Do you see a distinction between the mainstream media and bloggers in terms of what we are discussing?

10 A. I think I would have 10 years ago when blogs were really just starting to get going, but these days we now have mainstream media who run blogs. For instance, is it *Herald* stories at the moment or even the *Dominion Post* stories, Stuff stories, they often have a story up on the website and then they'll have a comments section for people to anonymously or otherwise comment on it. I think we are moving a long way and it is quite an interesting phenomenon around how effective  
15 anyone can be if they are not talking to these people who see themselves as opinion leaders or not. I think it just depends. For instance, The Standard, which I've got plenty of copies of their latest, you know what this (inaudible 3:12:26) worth of attacks on the Prime Minister in the last one. They are running stories for the Labour Party  
20 and the Greens. They do them anonymously so the presumption is that some of those people work in Parliamentary Service on taxpayer payroll. That's what happens and that is the reality. We don't like it but that is what happens. A lot of people comment on blogs or even put out blogs using false names or anonymous. That is a different matter from  
25 my point of view. My point of view is if people are going to put their name to something and they are willing to have their views counted, that's more likely to get some respect from me than someone who just puts out things and says "I am an anonymous person and you can't do anything about it." For instance when I took a defamation case against  
30 Trevor Mallard and Andrew Little in 2012, the Standard blog site was running their stories. I could have joined them in as a defendant because they were defaming me but I had no idea exactly who they were. That is not to me journalism. Journalism is you put your name to



it, if you have a particular opinion then you allow other people to have their opinion and to have it said, but I think the old style of just presenting the facts is well and truly gone unfortunately. I would much prefer they just did the facts, because I end up being on the receiving end of the other stuff, the opinion. If you look at now even the *Dominion Post* and the *Herald* for instance as examples of what you might expect or TV3 News is another example, the 6 o'clock news, basically you will get some facts in it but you will get a tremendous amount of opinion. There are obviously – I think there are some organisations who are now more opinion rather than facts. Or they have the facts in there that suits their opinion. 9(2)(g)(i)

#### QUESTIONS FROM THE HON L CHISHOLM:

Q. In fact he did tell us that he had, had it for some time, not specific, but a few days before as I recall it.

A. To me what I would expect to be true journalistic standards we would have been contacted and Adam would have been contacted two or three days before or a day before but we weren't. We were asked on Friday night.

Q. Just to be put it in the perspective that has been explained to me, Mr Savage said that the first step is to check authenticity and he was involved in doing that before it was referred to Mr Feeley. Not that this is critical at the moment but just to put it in context.

A. That is what he said. My experience tells me that Friday night is the night, was the day and the time in which my office when I was a minister either Friday night or late Friday afternoon when everyone is knocking off is the time when someone is most likely going to alert my office or ask for comment on a story that is going to be highly embarrassing.

Strangely enough it tends to be Friday night. It is very seldom 10 o'clock on a Tuesday.

**QUESTIONS FROM MS CASEY:**

5 Q. The other issue with blogs and the mainstream media at the moment too is the paid content.

A. What do you mean?

Q. Where somebody will pay someone to post something –

10 A. I don't know about that. Certainly there are advertorials in newspapers, but I don't know about what they do.

Q. What did you know about what Mr Slater was doing for a living back in 2011?

9(2)(a)

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Q. I think that was earlier.

A. I never discussed money with him.

Q. Did you know he was working as a consultant, a PR type consultant for clients?

20 A. No, I did not know that. Was he?

Q. Apparently. Did you know that he was working with Cathy Odgers in relation to his blog?

A. No, I thought they were good friends.

25 Q. I was going to ask you then about what did you know about Cathy Odgers' work?

30 A. I met her I think maybe twice. I know of her through her blogsite which was actually quite funny at times, although she swore an awful lot and I didn't really like that, as does Cameron. She came to my office, she was brought to my office one day in Parliament because she knew Stefan Herrick and Stefan said to me "Cathy Odgers is in town I think you should meet her" and he brought her in to say hello. That is when I first met her. I read her blogsite and she was more right wing than me.

It is always nice to have someone more right wing than me. It makes me seem so much more reasonable.

5 Q. I gave a couple of emails to Mr Cooke yesterday, I just want to step you through so you can put them in context because certainly the 6 May 2014 email gives the appearance of a closer friendship than two meetings.

10 A. I took the opportunity this morning to go through some of the two Eastlight folders of media comments in May this year. I got from my office just some of the emails and letters of support from people most of whom I have never met during that time and here is a couple of articles from papers saying "Pressure on Minister to resign" 9(2)(a)

15

20

25

#### QUESTIONS FROM MS CASEY:

30 Q. This email goes into that context.

A. She would have not have known about me going through that, but I had a lot of random support and a lot of women, particularly women who see themselves as strong women, would understand what I had been going

through. They would have a feeling for it. I had huge support. She sent me that and I thought that was lovely.

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

5

Q. The next document of those three was just a few weeks later. I am just interested in again following –

A. That is Cameron sending that.

10 Q. So this is a text on a Whatsapp from Cameron to you "What table are you at, at SkyCity, Cactus wants to come and see you" and you responded with the table.

A. I responded some time later. That was, the day was –

15 **MR COOKE:**

16 May.

**QUESTIONS FROM MS CASEY:**

Q. It was just a question that he was setting up a meeting for you.

20 A. There was no meeting. That was the night of the SkyCity, the Prime Minister's fundraising dinner for something, Starship Kids or something like that, the Mad Butcher Sir Peter Leitch was sort of in charge, Paula Bennett was the MC, I was at a table with Harvey's Real Estate at Papakura who invited me because I had been having such a hard time  
25 and at some stage I get a Whatsapp from Cameron to say that Cactus Kate was there somewhere. This place was absolutely chocker block full and you will see that I replied to him at some stage.

**MR COOKE:**

30 12.00 am.

**QUESTIONS FROM MS CASEY:**

A. What time was that?



Q. 09.38

A. My diary shows that I was due to leave at 9.30. I don't even recall me seeing her that night and since I got this yesterday I asked my husband because he was there and I have to say I wouldn't have been looking at Cameron's messages all night because I was being inundated with people wanting to hug me. Frankly, I thought it was lovely. I wanted more of those hugs from people. It was a really hard time. But, it was packed and I don't recall seeing Cathy. If she came over to me, I don't even remember it and David, my husband, said to me "I don't remember her coming over." She may have but I don't believe so.

Q. This request from Cameron –

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

Q. In terms of housekeeping it would be a good idea to suppress the rest of this page because there is no content that is relevant, it is all personal.

**THE HON L CHISHOLM:**

How can we identify the page?

**MS CASEY:**

It is a Whatsapp exchange, the top entrance looks like Thursday 15 May 2014.

**THE HON L CHISHOLM:**

The suppression order will apply to the whole of that page except for the two lines that are being discussed.

**QUESTIONS FROM MS CASEY:**

- Q. The next one is a much earlier email exchange. It appears to be from August 2009 and it really is just to try and understand the context. It looks as if you have sent something to Mr Slater –
- 5 A. A story.
- Q. You might find this interesting and he has sent what looks like a link back to perhaps his blog or a different story.
- A. This is me sending it. This is from Google alerts. One of my great things is that every time someone says anything mean, nice or otherwise about me and it is picked up by Google alerts, the link is sent through to me. I have obviously received this Google alert at 18.09 which is what, 6 o'clock at night, talking about "Government pays union critic almost \$130k taxpayers subsidy." I have no idea what that is but I have stated that as Minister of Corrections I am very concerned at the amount being used to subsidise the union. I think that is not a critic of the union it is the union who is a critic of the Government being paid it. I think that is what that is and I can't remember what that is but I will have sent as I often did to him stories that I thought were very interesting and he might like to consider. Sometimes he might actually do something on it and other times he wouldn't but this is all in the public domain and it had already been published.
- 10 20 Q. So at 6.51 pm you send that through and say "You might find this interesting."
- A. Yes. And he's got – I don't know what this is.
- 25 Q. I took that as possibly something that he wrote and sent back to you or was just showing you something else.
- A. I don't know that is. I really don't. I don't know what he-
- Q. What gotcha is – that doesn't ring any bells?
- A. It was excellent, also great to see you. I don't know who has written that.
- 30 Q. As I understand how these emails are coming up that is from you.
- A. That might have been me.

**MR COOKE:**

Should we know when the date that is?

**MS CASEY:**

- 5 One is assuming that it is 2009 and that it is part of this trail.

**THE HON L CHISHOLM:**

So the top one it is your understanding comes from Ms Collins.

10 **QUESTIONS FROM MS CASEY:**

Q. It is a long time ago and it is a tiny thing, but it was just querying whether you knew the relationship between Cameron Slater and Ms Odgers.

- 15 A. I knew they were friends, they were always referring to each other on their blogs. She writes a really good blog and Stefan Herrick I recall now it is all coming back to me, Stefan Herrick told me that she used to write in the *Dominion Post* years and years ago before I even knew about the *Dominion Post*.

20 **QUESTIONS FROM THE HON L CHISHOLM:**

Q. Information has come to us about that. Not from Stefan Herrick I think, but we certainly have heard that.

- A. I recall that and I also recall that he said to me that he was the one who had got her to write the blog in the first place. She was very good. She was interesting, as I say. 9(2)(g)(i)
- 25

**QUESTIONS FROM MS CASEY:**

- 30 Q. So you knew they were friends but you didn't know that they worked together.
- A. No.

**MR COOKE:**

[REDACTED]

**THE HON L CHISHOLM:**

5 [REDACTED]

**MS CASEY:**

[REDACTED]

10 **MR COOKE:**

[REDACTED]

**MS CASEY:**

[REDACTED]

15

**THE HON L CHISHOLM:**

[REDACTED]

**QUESTIONS FROM MS CASEY:**

20 Q. Did you know that Mr Slater was working with Carrick Graham on some projects?

A. Absolutely not.

Q. Did you know that Mr Slater was being paid by Carrick Graham occasionally to run posts?

25 A. No, I did not. I knew he was working, he had advertising coming in on his blogsite that was starting to come in so I presumed that was helping him. I remember reading in his blogsite that he had volunteers. I don't know what he was doing. I don't ask him how he was living. It's none of my business. It's so embarrassing to ask someone "Where do you get  
30 money from, how do you live?" His wife could be working I don't know.

Q. Did you know that he was working for Mr Hotchin in 2011?

A. Absolutely not.

Q. When did you find out that he had been?



A. I didn't actually. The first thing I knew about Mr Hotchin was when the Prime Minister rang me on Saturday, sorry the Prime Minister texted me on Saturday 30 August which I have explained in my thing and the Prime Minister said to me, because I don't think Hotchin's name was referred to but there was a Mark in it. You know, that could be Mark Hotchin or something, could that be Mark Hotchin? and I said "I don't know I have never seen this thing."

Q. If you had known that Mr Slater was working with Carrick Graham and Mark Hotchin in relation to matters he was putting on his blog in 2011, would that have made any difference to your communications with him?

A. I would actually be very, very concerned to communicate with him if I knew that. So I could see he was doing various posts on everything but I have to say this, Cameron posts all the time. He is prolific and most of it I am not interested in. I am interested in the politics parts. I don't care about his hunting I am not interested. So no and I would be very, very careful. From my point of view I have never met Mark Hotchin or his wife. 9(2)(g)(i)

Q. Having done that background, it is now the right time to get back in to the events of October 2011. Just placing it back in time, Friday September 30 was when your office was approached by Jared Savage and I am just going to step through the emails that I gave to Mr Cooke yesterday and that I gather you have had a brief chance to look at. These apart from the 5 October one you probably hadn't seen these before.

A. I have never seen these until Francis showed me yesterday.

Q. These are from Mr Slater.

### 30 QUESTIONS FROM THE HON L CHISHOLM:

Q. Before you go on to that on the 1 October, Mr Slater came out with a blog basically criticising the *Herald* for putting this matter on the front page and saying it is a non-event.

A. It was an excellent post. If he had stuck to that it would have been ever better.

Q. By the Monday there had been a u-turn. Do you know anything about what caused that?

5 A. No. What I can see is this. He put out his post on the Saturday. Excellent post. Sunday he changed his mind and he was referring to Cathy Odgers and Cactus Kate and he was starting to reference her. That post was extremely unhelpful to me and to the SFO. That is the way I viewed it. Very unhelpful. If he had stuck with the one on  
10 Saturday I might have been able to get my crime stats out on Monday and got some coverage on it but it was not, I am not saying he was running it because obviously the *Herald*, the NBR had their own things going on but it was really unhelpful.

15 **QUESTIONS FROM MS CASEY:**

Q. At that stage Whale Oil had such impact on setting the agenda that his views really made a difference?

A. I am not sure that they made a huge difference if you look at what the *Herald* had done anyway and what the NBR were doing, but clearly the  
20 mainstream media read him, and if he said things saying, "Crusher she will be angry," then there will be media who will say "She must be angry" as though they would know or he would know. I might be very angry about his post, but I am not going to say that because that is just a red rag to a bull frankly.

25

**MR COOKE:**

Just to be careful about things, these are the things you have deduced since the time of course.

30 **MS COLLINS:**

Exactly. I now know about it because I have now gone back and looked at things and said "Oh, that tied in".

**QUESTIONS FROM MS CASEY:**

Q. Going back to what you knew at the time it was evolving, do you remember who first contacted you, between you and Mr Slater who was the first to raise this issue and when?

5 A. No, in fact I clearly from the phone records contacted him on the Sunday after he had done his post. I don't know if he has contacted me first or left a message or if I have contacted him.

Q. Could be either way.

10 A. If I have said anything to him on this matter it will be "I have sent it to the SSC, that is where it has to be and I am not going to tell you anything more Cameron, I can't." That is exactly what I would have said to him. I might have said what has happened between Saturday and Sunday but that would be about it and there is just no way that I would say anything other than that, which is the same thing I had said to the other media  
15 pretty much, not obviously the last bit. I can't say anything because it's with the SSC, I just couldn't do it.

Q. Would you have talked to him to express displeasure at his change in view –

20 A. I might well have done that but I think that is a legitimate thing to do, but I was surprised to see that post on the Sunday, really surprised.

**MR COOKE:**

Just to make that clear too, you are not actually recalling this you are saying what you –

25

**QUESTIONS FROM MS CASEY:**

A. I can only go off what I believe might have happened, which is I know I would never have said to him "That's a good post." I might have said "What's happened? Why are you doing that? And he might have said to  
30 me something about it but that would be it.

Q. Going back to Mr Cooke's question, do you have any memory of discussing this with him at all?

- A. No. My memory of discussing it with him is the same as my memory of discussing it with every media outlet and I can only say just like when we are asked how we also know how we witness our wills or witness wills for people is we do things the same way and the same thing I said to him is the same thing I said to other people and that comment would be "It's with the State Services Commission and I can't comment further on it." There might have been all sorts of other things going at that stage that he wanted to talk about or whatever but I would not have told him anything other than that about this matter, because this is a really serious matter and the last thing I want as the Minister is to have to put up with more stories like this or worse, having them be taken up the blogosphere and made in to a huge story, even bigger than what it was. It was utterly, it would always be detrimental to me particularly at that time of the year.
- 10
- 15 Q. I understand that answer relates to whether you would have given him information, but in terms of the discussion that you might have had with him, he is as you stated one of the pre-eminent bloggers with a huge readership and he is seriously attacking your chief executive. Would you have talked to him about what he was posting?
- 20 A. No, what I have said to you Victoria, is exactly what would have happened. If I spoke to him at all, it would have been "Why have you changed your mind from Saturday to Sunday, why are you doing that?"
- Q. And later in the week when the attacks got more vehement –
- A. If I spoke to him, whatever it was about it but it would not have been, because clearly we are were at odds. Cameron and I were at odds on this. My interest was shutting it down.
- 25
- Q. Did you tell him to shut it down?
- A. No, I have learnt never to tell him what to do, but also it would not be right for me to do that. If I had said "Shut it down", then he would be taking instructions from me and that is actually not okay either, but I would have said to him "What's changed your mind, what has changed between Saturday and Sunday?"
- 30



Q. Again maybe a bit later in the week it was reasonably apparent from the blogs that Mr Slater doesn't actually know what is going on. He is calling Mr Feeley a thief. That is the general feeling.

A. I see now from here that has come from Cathy.

5 Q. I am just thinking of the blog posts themselves. Five Fingers Feeley –

A. It is horrible. It is absolutely awful and it has connotations past theft. It is really awful. It is the last thing I want for my chief executive.

10 Q. But you wouldn't have thought it was, and do correct me if I am paraphrasing this incorrectly, either appropriate or wise to try and steer him in a different direction?

9(2)(g)(i)

15

it would be me engaging with the media when the matter is with the State Services Commission. How can I do that when I have already said to everybody in the media including him "I can't discuss this matter with you"? It would be really unwise. Imagine if he'd gone and written something or told somebody that I had tried to stop him from writing a post about someone who was under investigation. Imagine that.

20 Q. Or rather expressed a view on his post.

A. Absolutely. I would rather not go there.

25 Q. Now we need to get on to what he was actually telling other people about what you were saying.

A. It is really, really shocking actually.

Q. I think we have given you I think the full set around this but I think we have only got questions around a few of the emails.

30 A. I have to say I read these yesterday afternoon and I was so disgusted and so hurt he would do that.

Q. So we are discussing the series of emails provided by Mr Cameron Slater. If I step over anything that you would like to spend time looking

- at or talking about just let me know. The first one is 1 October 2011 on a Saturday which is a record of Cameron Slater working with Cathy Odgers on the post that he then adopts on the Sunday to say he has changed his position. There is a reference at the top from
- 5 Cactus Kate, "need to get Crusher to smash him."
- A. That is awful, isn't it?
- Q. I am going to ask you some questions because we need to clarify –
- A. 9(2)(a) [REDACTED]
- Q. Did you talk to Ms Odgers about –
- 10 A. Definitely not.
- Q. Did you talk to Cameron Slater before he published on his blog?
- A. Absolutely not. I am going off time records here and I see I have spoken to him Sunday 10.00 am.
- Q. I am very conscious that we don't have his calls coming in, so I will keep asking you that. The next date and it might help if I go through the posts contemporaneously as well. So then we have on the 2 October on the Sunday at 9.47 he posts, "Cactus Kate on Five Fingers Feeley". So this is where the nickname comes in. The first one is on the Saturday. Just looking at the phone records it looks like you have called him pretty
- 15 quickly after this post appeared. From what you were saying that was possibly actually in response to this post to say what happened?
- A. It was either that or it would be something else. If I spoke to him about this matter it would be about what had happened, why had he changed his mind. You will see that he is referring to Farrar thought it was a
- 20 non-story, which is Kiwiblog and the day before Cameron had written a post saying, you know, (inaudible 2:35:10) say
- 25

#### QUESTIONS FROM THE HON L CHISHOLM:

- Q. Is this a recollection you might have asked him that or you did?
- 30 A. I can't tell you, Commissioner, "I said on this date X". We are talking three years ago. But speaking from my experience and the way in which I normally handle something like this I am most likely to have phoned him and said "What is this, what has happened, what is going

on here because yesterday you thought the *Herald* was doing a beat up and today you have changed your mind." So if I spoke to him it would be along those lines.

5 Q. This is slightly aside, what is your mood likely to have been towards this?

A. This post?

Q. Yes.

10 A. Exasperation actually. I had the crime stats coming out the next day and I had this thing being put out there attacking my chief executive so it would be exasperation.

Q. Do you think you would have expressed that to him or something else?

15 A. I think if I said anything to him I would say "What is this?" I wouldn't have said to him "I've got crime stats coming out tomorrow" because I don't. I wouldn't give him a heads up unless I thought it was part of a plan and Stefan was handling all of that stuff. I wouldn't have said "You are ruining my crime stats."

Q. Is it likely that you would expressed anger or whatever towards him?

A. I doubt very much I would be expressing anger because I don't generally express anger. It is not normally what I would do.

20 Q. Perhaps another word might be firmness?

A. Firmness, no I think exasperation is the right one. 9(2)(ba)(i)

#### QUESTIONS FROM MS CASEY:

25 Q. I am going to jump backwards and forwards between the emails and the posts. That is 1.30 on the Monday-

A. And he is referencing here another story, isn't it.

30 Q. We think that is in from the line. For the record this is 3 October 2011 at 1.30 pm, "Five Finger Feeley's job on the line", and there he has picked up that you have referred it to the State Services Commission. He has said that his job may be on the line.

A. Victoria, if I can just correct you, this looks to me as though he has taken an exact quote of a story out of the *Herald*.

- Q. Yes as soon as he has indented for the grey line that appears to be the quote. The first line there, Five Fingers would be his text.
- A. So all of that, he is reporting on someone else's reporting.
- Q. Yes, but then at the bottom of the page next to the picture of Five  
5 Fingers Adam Feeley, I think because we are back using that phrase Five Fingers Feeley we are probably back in to Mr Slater's words.
- A. Yes, or Ms Odgers.
- Q. Depending on who wrote this particular one. Then at the bottom he  
10 says "This case just highlights the culture that exists and has been allowed to fester at the SFO." Did you ever discuss the culture at the SFO with Mr Slater?
- A. No, although it clearly was being discussed in the media at that stage.
- Q. Can I jump over to the emails now because that is next in our  
15 chronology? This is an email exchange between Cameron Slater and Jared Savage and the email at the bottom of the page is Monday 3 October at 2.21 pm. This is Mr Slater saying "On the quiet Collins is gunning hard for Five Fingers Feeley. She is disgusted by his indifference."
- A. No. I see I had phoned Mr Slater at 3 o'clock on Monday, that would  
20 have been after Cabinet and that would have been after this.
- Q. If he is referring to a conversation, it is a conversation the day before.
- A. It is simply not correct. There is no way at all that I was gunning for  
Adam Feeley. Adam Feeley surviving and doing brilliantly was all in my  
best interests.
- 25 Q. And the words "disgusted at his indifference"?
- A. I wasn't disgusted; I was disappointed. And I don't think he was  
indifferent I think he just hadn't seen the stuff go through in the way he  
had and it was disappointing. I was certainly not disgusted with him. I  
don't think he was indifferent, I think he actually was quite chastened by  
30 the whole thing and he hadn't seen it coming.



**MR COOKE:**

Again are you saying that you had any discussion along those lines with Mr Slater.

5 **MS COLLINS:**

No, definitely not. As I say this may be after Cabinet and Cameron has probably left a message for me to ring him or something.

**MR COOKE:**

- 10 What Victoria is putting to you is that there was a lengthy conversation the previous day I think is what she –

**QUESTIONS FROM MS CASEY:**

Q. Yes and we are still talking about that –

- 15 A. I think, Victoria, knowing Cameron if there was any lengthy discussion there is no way that he could wait for an entire 24 hours before writing about it. 9(2)(a), 9(2)(g)(i)

- 20 Q. Basically you are saying that he has made this up completely?

- A. It is his interpretation. There is no way that I would send a matter to the State Services Commission because I was joyously happy with the current situation any more than when the Minister of Police recently sent a matter, the Roastbusters inquiry to the IPCA, she didn't send it there because she thought everything was excellent. I was obviously disappointed and even all the journalists picked it up that I would have sent it there because I was unhappy with the situation, but that is hardly gunning for a man.
- 25

30 **QUESTIONS FROM THE HON L CHISHOLM:**

- Q. Do you think that would have been discussed between you and Mr Slater possibly by reference to his blogs?

A. I think I would have said to him, Commissioner, "This matter has been sent to the State Services Commission Cam that is all I can say about it" and I probably used that tone which he may well pick up as me getting a bit frustrated but the frustration is with people asking me about it when I can't discuss it any more than I can discuss anything else that was under inquiry.

Q. He is fairly direct in the sense of "she is disgusted by his indifference". Do you think it is possible that something you said triggered him to say that although it did not represent what you had said?

10 A. I can't tell what he thought. 9(2)(ba)(i), 9(2)(g)(i)

15

Q. Had he done this sort of thing on other occasions to your knowledge and I know that we are in a situation here where information has come out later?

20 A. I don't know. 9(2)(ba)(i)

25

30

they all got the same from me and they all got the same for a reason because I can't give one person the message and another one a completely different one. They would have turned on me, so why would I do that? Do I think he made it up? Yes, I do actually, I think he made it up. Actually, I'm certain he made it up and I'm certain he read into things that he wanted to read into things and me saying "I have sent it to the State Services Commission; that's all I can say" and me probably using a tone like that might well be interpreted as "she is in a really bad mood about it." It is frustration frankly.

#### QUESTIONS FROM MS CASEY:

Q. I think on the chronology we now flip back to the next blog post which is about 10 minutes after that email, a storm in a teacup and this will be the reference to the Finance Minister Bill English's comment.

A. Bill has been in the paper. A lot of what he does, Cameron, is he copies other peoples –

Q. This commentary is he is pleased to see that you are taking the right approach. Back to the emails and this was the phone conversation I think you were talking about, the call records show that you called him about 3.00 pm on the 3 October. You thought that you might have got a message to call him after Cabinet, I think is what you said before.

A. I don't know what that would be and I shouldn't try and guess what it might have been, but I am just saying that it would have been after Cabinet and I don't know what it was about. It could even be about his mother. I mean who knows what it was. I don't know what it was, but I know it wouldn't be about details on Adam Feeley.

Q. This email, the one at the bottom here which is 2 October 2011 3.36 pm Cactus Kate has got a link to Asian Invasion 2006 blogs. We have got Five Fingers Feeley at the top, it is Cactus Kate Monday 3 2011 at 3.58 pm but what we have got from Mr Slater is –

**MR COOKE:**

**[REDACTED]**

**QUESTIONS FROM MS CASEY:**

A. "His opinion doesn't count." What is that?

Q. I don't know.

A. Don't expect me to read these people's minds.

5 Q. These emails need to be read from the bottom to the top.

**MR COOKE:**

So you begin at 3.36 pm.

10 **QUESTIONS FROM MS CASEY:**

A. "Crusher to sack him and a new nickname should stick like plane Jane."  
Who is that from?

Q. That appears to be from Cathy Odgers.

A. How would she be pushing me to sack him? Number one I can't sack a  
15 chief executive. Secondly, I didn't have any contact with her at that  
stage so – was she blogging at that stage?

Q. We haven't seen her blogs.

**QUESTIONS FROM THE HON L CHISHOLM:**

20 Q. That is something that might come –

A. She might have put a blog on because Asian Invasion was what she  
used to do a blog on as Cactus Kate.

Q. My current understanding is that there were blogs but for reasons I can't  
now recall they were taken down but it is possible that she will provide  
25 us with the blogs. Who is that to? That appears to be to  
Carrick Graham.

**MS CASEY:**

They are all to Cameron.

30

**MR COOKE:**

It is interesting it is all part of the- there are two emails there aren't there. One  
right at the bottom which it doesn't identify who it is to.



**QUESTIONS FROM MS CASEY:**

A. She is certainly not talking to me.

Q. No, none of these are to you.

5 A. I had no contact with her.

Q. The next page is probably the first substantive one, so this is a page that is headed, "Five Fingers Feeley" and the email at the top is dated October 4 2011 at 9.15. It is the email right at the bottom of that chain that I would like to talk about dated 3 October at 3.41 pm. This is from  
10 Cameron Slater to Carrick Graham. Mark Hotchin is the Mark addressed. Kerry Finnigan works with Mark Hotchin. Cactus Kate. Mr Slater has confirmed that the redacted, the messed up words at the bottom of the page are an update for you of activity. Here he is telling Ms Hotchin and Carrick Graham that an opportunity has arisen to mail  
15 Adam Feeley and it is the fourth paragraph down that we need to talk to you about. "I spoke with Judith Collins yesterday about this case and she is livid. She has referred Feeley to the SSC and she wants him gone. She is now feeding me information in regards to this" and then he talks about Bill English's comment and you are now gunning not only for  
20 Feeley but also for English.

A. So where is the evidence of that?

**QUESTIONS FROM THE HON L CHISHOLM:**

Q. What I need to understand is what was discussed because ultimately I  
25 am going to have to weigh these emails against the other evidence and of course there is a possibility of an adverse finding there. That is why it is important that you provide me with whatever information you can.

A. I understand, Commissioner. What I have had said to you before and I will continue to say it is he is talking about discussion on Sunday where  
30 I have, if I have said anything to him about Adam Feeley it is that it has gone to the State Services Commission and I cannot talk about it. He has made comments here about now I am feeding him information. What information? If you go through the rest of his blogs it is about he

has got information about the next couple of days about named investigators leaving the organisation. I have no idea who those people were, I have never met them. I may have met them, but I don't know their names, all sorts of stuff. Most of his information that I could see from those blogs are nothing except stuff out of the *Herald* and out of the NBR. I did not do that.

Q. Probably the best thing is to go through it bit by bit starting with "spoke with Judith Collins yesterday about his case and she is livid." So –

A. I was probably livid at Cameron if he thought – that's more his interpretation. But I would be annoyed in terms of frustrated with Cameron for running that story in the way he did and I have sent it to the SSC, so that is what I would have told him and that's all I would have told him.

Q. You would have told him referring to the SSC?

A. Yes.

Q. Could there have been a connection here about the discussion of why he'd changed his tune?

A. I might have said to him, "Why have you changed your tune?" because I've sent it to the SSC, can't talk about it, but it's with them. You know, it's not helpful when it's under investigation to have people commenting on it and surmising about things. It's really unhelpful. So I wouldn't have even said that to him. I would have just said, "Look, it's with the SSC. I can't talk about it."

Q. And the reference to "She wants him gone"?

A. That's his statement. I can't answer for him. I have no interest whatsoever, Commissioner, in trying to have my chief executive gone a couple of weeks before the election when we are standing on a law and order policy that I'm really proud of. That was a really unhelpful thing for me in terms of my career, but also the Government. I wanted us to get re-elected. He's also, I noted too, gone on to talk about his insider information that he's got with the NBR and the *Herald*?

Q. Well you say what you'd like to say about that?

A. I just noticed this now because I looked at these ones last night, but who was the insider?

Q. Yes. Can we go back up – you've already said that as far as a reference to you feeding information is concerned, that is not true?

5 A. No.

Q. Is there any way that it could have reflected anything you'd said to him, looking back on it?

A. No, I don't believe so at all. I believe he – I actually didn't have any information, except what I'd got out of the media because I got that  
10 media information from the *Herald* and information – what information does he think I would ever have had? It's gone to State Services Commission, I wasn't contacting or speaking to State Services Commission because I would not want to at any stage be seen to be trying to influence their inquiry. I didn't have any information that wasn't  
15 already – they had more than I had. I mean the *Herald* and NBR and obviously Cameron from what he's talking about had an insider who we presumably know who it was.

Q. Moving down to the next paragraph and "gunning not only for Feeley but also for English". There is also reference to Minister Power there. Is  
20 there anything that you said that might have triggered him to say this?

A. I don't believe so at all. I don't even know what the back story is.

Q. Well to be more specific, by this time there would have been some publicity about Mr English and it may be that the publicity about Mr English had occurred then but not the Prime Minister's champagne in  
25 the flute.

A. What date was that?

Q. We don't know at this stage when Mr English made his comment, but it can be assumed it was before this.

A. It was, that was on that previous blogpost.

30 Q. So I'm wondering whether there might have been some discussion about what the Deputy Prime Minister had said and that has given rise to this comment about you're now gunning for Mr English as well.

A. When did Bill English actually say this? Because this is a blog from Cameron at 2.30 pm on Monday and whatever, [REDACTED]

Q. [REDACTED]

A. [REDACTED]

5 Q. [REDACTED]

A. [REDACTED]

Q. So in terms of timing, it is possible, we're talking about the 3<sup>rd</sup>, 3.40.

A. Exactly the same time as the email.

Q. Is it possible that –

10 A. Are you saying he spoke to me?

Q. He or you might have raised this previous blog and there was some discussion about Bill English?

A. No, I would not discuss that about him because clearly after that blogpost on Sunday Cameron was against Adam Feeley which meant he was against the SFO, which meant it was an embarrassment and difficulty for me. So I would have said to him absolutely, "This is with the State Services Commission, Cameron, I cannot discuss it." And he would have got the message from me that I was very annoyed, but my annoyance would be with Cameron, frustration that he was doing this.

20 9(2)(ba)(i)

25 I don't even know what "the delightful back story is" and "a wedge can be driven there". Thanks very much.

Q. You're entitled to know if I can bring to mind what it was that he said about that.

#### QUESTIONS FROM MS CASEY:

30 Q. I know he talked about that you would have been annoyed that another minister was messing with your portfolio?

A. Well how would he know? 9(2)(g)(i)



9(2)(g)(i)

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**QUESTIONS FROM THE HON L CHISHOLM:**

- 25 Q. On that aspect I wouldn't want you to think that there would be an adverse finding because there won't be in terms of the way that the State Services Commission handled this. It's entirely understandable that they couldn't come out and defend him and I think from having interviewed Mr Feeley that he understands that now too. It was as he was feeling at the time somewhat isolated.
- 30 A. Well he would be though. It's a small office, he didn't have that many people around him and two people who were – two agencies, his minister and the State Services Commission who would normally be able to defend actions of his if they had been actions about what he was

doing in the sense of prosecutions or something. Yes, but we weren't able to. So, you know, I understand you'd feel like that.

Q. So as far as the wedge is concerned, there's not much that we can say. I think that will assist there and the inside information, the next  
5 paragraph, "I've spoken with NBR and also with the *Herald* with my insider information and we're ramping up pressure", well clearly –

A. Clearly they had someone.

Q. Well there was a tipline and there was – and this will clearly be a finding, there was enormous pressure being generated against Adam Feeley.

10 A. Absolutely, it was huge. Two huge organisations like NBR and *Herald* going after him like they did, was massive.

Q. Well it – that's true, but it's likely that there will be a different level of pressure described in the report as far as the Mr Slater, Ms Odgers and I think to a much less extent Mr Graham. It was pressure built around  
15 the Five Fingers Feeley connotations of theft.

A. Bit nasty, that was nasty.

Q. Whereas this pressure from the media, the print media, they were more restrained and they certainly as far as I can see didn't make any reference to –

20 A. That term.

Q. To the theft allegation, at least in the sense of the Five Fingers Feeley description. So that's just to provide you with some context as to where I'm coming from. Coming to the bottom of the page, "More to come on this story". My recollection is that Mr Slater, and you'll have access to  
25 what he said if you want it, said that in fact at that stage he didn't have anything more.

**MR COOKE:**

Just so that we know, because we haven't seen the transcript, what has he  
30 said about the involvement of Ms Collins with this series of posts and –

**THE HON L CHISHOLM:**

I'm going to go through what he's said in his evidence so that you can answer what he has said and I think I've got to do that, but I thought we would do that after we've gone through this phase.

5

**QUESTIONS FROM MS CASEY:**

Q. Jumping back over to the blogposts, 4<sup>th</sup> of October, just pausing on the 4<sup>th</sup> of October 2011 at 8.15 via the tipline "it appears that the SFO is leaking like a sieve". Separately from any discussion about Adam  
10 Feeley, would that have been something that you talked to Cameron Slater about, as a concern with an agency of yours?

A. Well he goes on to talk about the Customs and things, is that what he's talking about? I'm not talking to Cameron about the SFO leaking like a sieve because it's not me that was leaking the stuff. It was probably the  
15 SFO leaking it, people there. So he's now talking about a job at Customs.

Q. No, he's saying that he's getting information on the tipline –

A. From the SFO.

Q. – from the SFO.

20 A. Not me.

Q. But that would have been a concern to you that your agency was leaking like a sieve. Is that something that you might have talked to him about, saying "What's going on?"

A. No, well it would concern me, but I don't think at this stage I'd be telling  
25 Cameron I was concerned. You know, why would I tell him? He was clearly the one benefiting from the leaking like a sieve. I just don't think I would have said that to him.

Q. The next one "Five Fingers Feeley – 'a cowboy'"?

9(2)(g)(i)

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Well how would I - I mean again I don't know.

Q. Just stepping through, so then we're up to the 5<sup>th</sup> of October, "Former SFO boss comments on Triple F" and copying over an article from Jared Savage.

A. And David Bradshaw.

5 Q. "Now as a result of his cowboy actions he may very well have prejudiced a trial he celebrated"?

A. Yes, well that's what had been commented by – I thought it was Nigel Hampton but obviously it was David Bradshaw that had done it. So that's what they're saying.

10 Q. Is that a concern you had as well?

A. No, I'm actually not a criminal lawyer so I don't know enough about it to have said that. I think it's the sort of thing where it had been raised at some stage in some of the commentary. I can't tell you when but I thought it was Nigel Hampton. I do think it's important that clearly he not act in the way that's going to be embarrassing in a criminal case. But I have to say we were campaigning at that stage. You know, I was focused on that and I never try and take an interest in prosecutions, otherwise I'll be accused of trying to push the prosecution.

Q. He posts again at October 5 at 10.30 am.

20 A. Mhm, *Herald* editorial.

Q. He concludes that with "Actually I think a red card's in order, totally inappropriate to filch a bottle of plonk if you're the head of the SFO".

A. Well it's not good. I think as you can see most of his posts are actually referencing the *Herald* rather than (inaudible 1:56:31)

25 Q. They are, usually with a few comments around them.

A. That's his comments.

Q. Now in terms of the chronology the call records show a call from you to Mr Slater at 1.30 on the 5<sup>th</sup> for about eight and a half minutes, 8:25 minutes. 5 October is also the email that gave rise to this Inquiry and that's what I'd like to go to now. Now this email, unfortunately because of the way that we've been provided with this, what Mr Slater has given us is the reply he received from Cactus Kate to that email. So that's the one on 6 October at the top of the page and her version of the email he

30



sent her which is why it's got a very odd time on 5 October because that, we understand, is Hong Kong time. So this email of 5 October 2011 is to Mr Hotchin, Kerry Finnigan, Cactus Kate and Carrick Graham and it's headed "Update on SFO/Feeley sting".

5

**MR COOKE:**

Do we know what New Zealand time it is?

**MS CASEY:**

10 I haven't been able to work it out. I probably should.

**MR COOKE:**

But you're saying this is Hong Kong time, 21:56?

15 **THE HON L CHISHOLM:**

Well that's what we understand it to be.

**MR COOKE:**

Well Hong Kong is minus five hours.

20

**QUESTIONS FROM MS CASEY:**

Q. So that puts that about 6.00 pm.

A. It would be the same time of the year.

Q. Exactly the same time of year. So what we understand at this point in  
25 time is that Carrick Graham and Cactus Kate and Mr Slater are providing paid services to Mr Hotchin.

A. It is pretty clear from this, isn't it.?

Q. It is pretty clear from this, and this is an update on this part of it. So, "an  
30 update on the state of play of Adam Feeley. Fourth straight day of headlines, maintaining daily communications with Jared Savage" and then at the bottom of the page, "I spoke at length with the minister responsible today, Judith Collins." That would fit with the phone call of earlier in the day.

A. She is gunning for Feeley, but also Victoria that fits with exactly the same things that he has been saying in every other email for every day pretty much he has posted something. She is gunning for Feeley, or she is against Feeley, she wants him gone – it is the same message.

5 Q. Then he says “any information we can provide her on this background is appreciated.” Did Mr Slater ever provide information to you on Mr Feeley’s background?

A. No.

10 Q. “I have outlined for her a coming blog about the post about the massive staff turnover” and I think Mr Slater confirmed that he did occasionally discuss blogs that he was going to post with you and that this was one –

A. For various things, well I don’t recall that at all and in fact I already knew about staff turnover but I didn’t know what he’d put. Looking at the next day he has outlined all these named people but the issue of staff turnover in the SFO was already something I was fully aware of and it would not be news to anybody. But what he posted the next day was news and something I didn’t not know. I didn’t have these names.

15 Q. But you didn’t know because of the particulars?

A. I had no knowledge that all of these people had resigned or even those numbers. I had no knowledge of that at all.

20 Q. He states and “she has added this to the review of the State Services” –

A. Clearly I didn’t. He is just being –

#### **QUESTIONS FROM THE HON L CHISHOLM:**

25 Q. So you are looking at the blog of 6 October 2011 at 8.30 am?

A. That is right, yes.

Q. Would he tell you about things he was going to do during your discussions?

A. Are you talking generally, Commissioner?

30 Q. Yes.

A. Occasionally on various things, but mostly not, because one of the things with Cameron is he will often say he is going to do something and it is not quite what happens, but in terms of this, if he had said anything

to me about posting about it I would say "Why are you doing that, it is with the State Services Commission." I didn't have this information. Anybody who contacted me from the media including Cameron at that time got the same story from me, and I am sure Stefan Herrick would have had exactly the same issues with people ringing him for updates. People contact you, going round the house or going round various places and people will say to you "What has happened on that?" and you say it is with the Commission. Once you start answering questions you end up then opening yourself to other questions, so no I don't believe he would have told me about this. He may well have told, well he obviously told these people that he had told me.

Q. It is a long time back and I am well aware of the frailties of memory, my recollection is that the conversation was about eight minutes on that day. Have you got any idea what you might have been discussing?

15 A. [REDACTED]. Possibly that. Possibly elections. That is what I was focused on at that stage, because I had already parked the SFO thing off somewhere else with the State Services Commission so I didn't have to deal with it. So those would be the sorts of things. We might have been talking about what might happen during the campaign, those sorts of things. It would be about polling, any polling that he might know of, he had a lot of contact with people in that area. Those are the sorts of things we would probably be talking about. If he raised the SFO with me and said to me "I am going to do a blogpost on all these people who have resigned," well I would have said "It is not going to do any good because it is with the SSC and actually I can't even comment on it."

#### QUESTIONS FROM MS CASEY:

Q. He is posting about four, sometimes more times a day on this topic. If he was talking to you he would have been talking about this as well as anything else. It seems to be a lot of his attention at the moment.

A. It clearly was a lot of his attention but he would be the one doing the talking not me on it and these names, even though they are clearly here and no doubt I would have seen them at the time once he had posted it,

are not names that ring bells with me, but I would have obviously seen them at some stage because the staff would have seen it if not me. ■■■

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

5

Q. Everything he is describing about his conversation with you is just wrong?

10 A. Yes, it is wrong. So what he has said all the way through reading those emails, this is my interpretation of it, is he's saying the same thing over and over again. And the same thing over again is "she's unhappy, she wants Feeley gone, she wants information about Feeley, she is really upset." It is the same information all the time. From what I can see with  
15 those emails, bear in mind I am not an independent arbiter of them, I can see no information from me that he couldn't have discerned from comments made by other news media or him wishing it to be so. He is generally reporting on my general unhappiness about things and my big unhappiness would be him running these stories when I was trying to shut it down. Clearly his value to these people would have been proved  
20 by him saying "I talked to Judith Collins." Well he will have obviously talked to me but it may not be about what he said it was or he may be talking and I might be listening.

**THE HON L CHISHOLM:**

25 The massive staff turnover having been added to the review we know is not right so I think we can skip over that.

**QUESTIONS FROM MS CASEY:**

30 Q. "She is using his review – as State Services Commissioner to go on a trawl looking for anything else."

A. Where is the evidence and what evidence?

Q. I hear you saying there is no evidence of it and it is unlikely but are you also saying it's not true?



A. It is just not true. It is completely in my best interest to shut this down. I had already spoken to the Prime Minister about possibilities after the election, what we're doing. The last thing I wanted was a situation where I had lost my chief executive a few weeks out from an election. The last thing.

Q. Looking back to the blogs and the timeline, I am still on the staff retention at SFO.

A. That seems to have gone on forever. There is a lot of detail. I have no idea where this came from.

Q. I was going to ask about the last paragraph. "It seems that the SFO was being run by an ego-maniac more concerned with his media image than actually getting on and doing what the tax payer pay him for." More concern with his media image.

A. Isn't that what Fran O'Sullivan said about him? Earlier she described him as media hungry I think it was.

Q. Are you thinking about the radio interview?

A. No, I'm talking about Fran O'Sullivan.

#### 20 **QUESTIONS FROM THE HON L CHISHOLM:**

Q. We have got Fran O'Sullivan's article of I think it is the 5 October.

A. Commissioner, it is in my –

Q. Your affidavit.

A. Number 21. So her article –

25

#### **QUESTIONS FROM MS CASEY:**

Q. "More than a storm in a champagne flute"

A. That's it and you will see that even she is now a blogger getting lots of comments from people about it afterwards. "She is understandably furious with the SFO director." It is all the same words, the same things over and over again between the two of them. Petricevic is quoted there.

30

**MR COOKE:**

There is references to Feeley's hired gun approach at the top of that article.  
"Feeley's hired gun approach may have upset many of the SFO he inherited  
when he took over the office."

5

**MS COLLINS:**

"Collins is understandably furious with the SFO director whom she personally  
hawked around town as the sheriff who was going to drive the forces down to  
dodge city in the wake of multibillion dollar finance companies collapse would  
10 trivialise such an important issue." I think, Commissioner, you told us that she  
said she didn't speak to me.

**QUESTIONS FROM THE HON L CHISHOLM:**

Q. Correct. Where is that paragraph you have just read from?

15 A. There is very little that I can see between what Cameron Slater was  
printing and blogging and what Fran O'Sullivan was writing at the same  
time or round about the same time or even earlier.

Q. It is the same date.

A. They are all saying the same thing.

20 **MS CASEY:**

But the media image is slightly different.

**MR COOKE:**

It has got the Five Fingers Feeley line.

25

**MS CASEY:**

I meant the point that Cameron Slater makes on 6 October about Mr Feeley  
being overly concerned with his media image.

30 **MR COOKE:**

A bit of aggressive criticism.

**QUESTIONS FROM THE HON L CHISHOLM:**

- Q. We will come to it in due course but Mr Slater talked about on more than one occasion you having said to him about Mr Feeley's media image, we will come to it in due course but it is better to get his words so that we can talk about it.
- 5 A. Did Mr Slater, Commissioner, have any notes other than his memory?
- Q. No. Thank you, because that just triggers something that I should check off with you. All the notices I think have referred to electronic communications and I take it that you didn't have any written notes apart from the diaries that you have referred to as we have progressed here?
- 10 A. Well these aren't written notes, these are calendar, electronic diaries so you are absolutely correct. The normal course of events is I would not take notes during meetings and what would happen is that there are action points that one of my staff members who are always in my meetings with me would note those down and we would follow those up with action points.
- 15 Q. It is just dotting the i's and crossing the t's.
- A. In terms of conversations with Cameron I am certainly not going to take notes, I wouldn't take notes. On what I can see I think they are saying the same thing over and over again.
- 20

**QUESTIONS FROM MS CASEY:**

- Q. We are going to continue that one, back to –
- A. The other thing sorry Victoria when you mentioned the issue about Cameron saying trawling through stuff –
- 25 Q. Going on a trawl –
- A. That is just completely wrong. What is the other one about the media image? That is in his post. I would say that is out of his office. That is out of his contact at the SFO most likely.
- 30 Q. Why do you say that?
- A. Because it is the sort of thing which would have concerned them because Adam was quite a lot in the media as opposed to sharing it with the others.

Q. That is the "I" and "we" discussion we had earlier.

A. Yes and I just think it is the sort of stuff that would have annoyed them because I think they used to get quite a lot of the team thing before. It was just a suggestion that I made to him to include the team more.

5 Q. Stepping through the blogs – we have got staff issues at SFO continued on the 7<sup>th</sup> and again on the 7<sup>th</sup> and again on the 7<sup>th</sup> –

A. There are 45 staff, I had no idea.

Q. No reference to the cowboy culture and then again on the 7<sup>th</sup> we have got the iPredict stock. Did you know about this at the time?

10 A. No, but it tells but you should never accept on iPredict because it can clearly be manipulated very quickly.

Q. Jumping back to the emails to finish up on the 7<sup>th</sup>, this is an exchange between Cameron Slater and Jared Savage on the 7 October at 8.42 am and this is a reference to he says he spoke to you yesterday, 15 so the 6<sup>th</sup>, "she has asked the SSC to widen the scope of the enquiries and look at staff turnover and culture", et cetera. I should say that Cameron Slater thinks actually this might be a mistake. He might be referring to a conversation on the 5<sup>th</sup>, another conversation.

A. That is an absolute lie, as I am sure the SSC have confirmed.

20 Q. So you can confirm that you didn't add it to the criteria?

A. And he is not even saying that I will ask it, he is saying I have asked it. It is just a lie. That is Jared Savage saying that I don't think it's a storm in a teacup. It's a week after I sent it to the SSC.

## 25 **QUESTIONS FROM THE HON L CHISHOLM:**

Q. Which one are you looking at?

A. I am just looking at that email from Jared Savage to Cameron Slater, "Have you heard anything more from the Beehive. So far there's been nothing. Only thing I have heard is that Crusher does not share the 30 PM's opinion that it is a storm in a champagne flute. State Services indicated a result may be due today." That was a full 10 days before the State Services Commission had its review so Jared Savage might have been talking to State Services but again not to me.



**QUESTIONS FROM MS CASEY:**

Q. Placing this in time, this was the day before the Hubbard story broke so I think that did defer the State Services –

5 A. Yes, it would have actually.

**QUESTIONS FROM THE HON L CHISHOLM:**

Q. They added it to their investigation.

**10 QUESTIONS FROM MS CASEY:**

Q. The blogs kept running from 8, 9, 11 October. As I just said the Hubbard story broke on the 8<sup>th</sup>. According to the phone records you've got two calls amounting to 10 minutes on the 11<sup>th</sup> October. Is it possible that you discussed the Hubbard issue with Mr Slater?

15 A. What is possible is that Cameron has mentioned it to me, and you will see that he is referring on the 11<sup>th</sup> at 1.55 pm to a press release that the Hubbard support team put out on a letter/press release addressed to myself, Chris Finlayson and for some reason known only to them the President of the Criminal Bar Association. I think possibly because  
20 Tony Bouchier had commented unfavourably about Adam Feeley in the NBR. If he has mentioned it he would have got the same answer that everyone else in the media got on this issue. I see mostly he is just printing the same thing that has been put out in the press release.

Q. Then the blogs just continue.

25 A. Articles from other people.

Q. Articles from other people and then on October 15 he refers to a witch hunt at the Serious Fraud Office.

A. So that is when they are obviously trying to find out who has been leaking to him.

30 Q. The emails at this point jump ahead a year to the point where Mr Feeley has resigned and the first one is an email from Jared Savage to Cameron Slater, I see Crusher finally got her man and the response was, "Yes she always does."

A. Really, wouldn't that be glorious.

Q. 31 July 2012.

A. This reads like how I used the term cowboy. It reads like a western.  
This is almost John Wayne, Clint Eastwood style behaviour. This is  
5 completely nuts.

Q. Did you discuss the resignation of Mr Feeley with Cameron Slater.

A. No and clearly he didn't resign and he clearly stayed until way later.

**MR COOKE:**

10 What is that referring to?

**MS COLLINS:**

She finally gets her man or something.

15 **MR COOKE:**

So did he resign in 2012 or later.

**MS CASEY:**

In July.

20

**THE HON L CHISHOLM:**

Correct. He gave notice in July and actually left in October.

**QUESTIONS FROM MS CASEY:**

25 A. One of the things that the media generally, particularly those who are  
not in the press gallery and I would put s(2)(a), s(2)(ba)(i), s(2)(g)(i) in that, they have  
completely no understanding that ministers don't employ or sack chief  
executives and so this whole concept that I would be out gunning for  
Feeley, getting Feeley, got him is just completely bizarre and any  
30 attempt to do so would put me in a position where I would be sacked  
myself. It is just crazy to do it, but that is what they would think.

Q. In a different scenario where if you had a chief executive that completely lost their mind and was behaving outrageous, what would the process be? If you had real concerns that this person shouldn't stay in the job?

5 A. I haven't had that concern. I have had issues over the years with some chief executives who have needed some extra help and in some cases have needed extra funding for things and needed to get a situation [REDACTED] You just don't get situations where chief executives suddenly start going bizarre.

10 **QUESTIONS FROM THE HON L CHISHOLM:**

Q. [REDACTED]

15 A. You can see from the monitoring that clearly the SSC were doing with Adam that they were watching and they were trying to help and they were keeping him informed and stuff so they knew it was a tough situation. You just don't do it. Losing chief executives opens the minister up to ministerial questions in the House; it opens you up to a snap debate. It is all these sorts of thing. So it is a bad look. A chief executive finishing their term and ending their term is a matter where people would say "Well that's fine."

20

**QUESTIONS FROM MS CASEY:**

Q. I know you said there was only one Question Time left in the House when this –

A. There was one week of Question Time.

25 Q. Did you face questions on this?

30 A. I don't think I did. I went and checked and we didn't get any and I am not at all surprised because I think it was Phil Goff who was then leader of the Labour Party I think it was at that stage. He came out when he was asked about this and said "We don't want it blown out of proportion but it is a serious issue and it should go to the SSC". So he was straddling the fence on it but he was right, you don't want to get too carried away but it does need to go to the SSC. So there was nothing for him to say. If I hadn't sent it to the SSC and I had had questions, the

question would have been "Do you have confidence in the Serious Fraud Office director?" and I could have said the strictly answer to that which would be highly unsatisfactory and that answer would have been well "Confidence is a matter for the State Services Commission" and that would have actually completely undermined Adam and made his position very difficult or else I could have said "Yes, I do" in which case they then would have launched in to me about how can I have confidence in someone who does XXX. By taking the action I did, what was their question going to be to me, "Do you have confidence in the SFO?" and I would have said "Yes, however I have referred the matter to the State Services Commission because I think it is something that should be investigated" and all that would have done for the opposition is to be make me look responsible, reasonable and taking that issue seriously but not hysterically. So it stopped any questions and I had a look through Hansard as well but I couldn't see any written questions either. So the matter had been dealt with from their point of view and the only people running it were Cameron and his mates and the *Herald* and the NBR.

Q. We are now up to the very last email which is again another 1.5 years later in December 2013. We don't actually know the background to this request –

**THE HON L CHISHOLM:**

These were supplied by?

25

**MS CASEY:**

Mr Savage.

**MR COOKE:**

30 What is the date of this again?

**MS CASEY:**

December 2013.



**MR COOKE:**  
**[REDACTED]**

**5 QUESTIONS FROM MS CASEY:**

- Q. Yes. "After the Feeley gossip, Bridegcorp debacle did Crusher make it clear to him that he should look elsewhere?" We are reading that as a reference to Mr Feeley and Mr Slater replies "not sure but I can check for you completely off the record. Knowing her MO though I believe it is probably the case. I do know she told him to do his job and stop showboating i.e. STFU and stop running off to the media." So just a couple of things stepping through that. Mr Slater was under the impression that he would be able to find that information out from you by asking. Would that have been a correct presentation of his relationship with you?
- 10
- 15 A. Well he might have asked but asking is not getting an answer that he might like. So my only contact that I can recall with Adam Feeley after I was no longer his minister, were during the Justice sector ministerial and chief executive meetings. There was no reason at all that I would ever talk to him about getting another job. I would not be telling
- 20 Cameron that Adam should stop showboating, STFU and stop running off to the media. It is widely commented during all this matter about Adam running off to the media, being in the media all the time. In fact there is that comment from Fran O'Sullivan. So no. She wrote quite a few things actually. This was the general frame all the way through
- 25 about him, in the media too much, cowboy whatever. Actually the cowboy stuff frankly was these guys.

**QUESTIONS FROM THE HON L CHISHOLM:**

- Q. This is from 1 October 2011 onwards.
- 30 A. Yes. I am just looking for the comments that I saw because that article by Fran O'Sullivan was the 5<sup>th</sup> or 6<sup>th</sup> of October where she referred to me. I think she termed the words "hawking around town", she obviously got upset. I think she must have got upset. I was trying to help him to

build relations with the media and she clearly got upset. I am trying to find her words, Commissioner –

Q. It was 5 October.

5 A. That was the hawking. If you go to number 30 in my exhibits where she is criticising Iain Rennie's review and she has said four paragraphs from the bottom, "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 staff have felt themselves compromised by their bosses cavalier approach but none of this  
10 features in the SSC statement."

**QUESTIONS FROM MS CASEY:**

Q. Actually if you go up earlier the third paragraph from the start, the publicity hungry Feeley –

15 A. That is where she said it. So this was the refrain that was in the media by people like her and Cameron has picked it up. She has referred to the SFO having a contract PR company. She obviously didn't like that either, "would be acutely annoyed at missing this particular opportunity for pumping up his office's reputation. A typical breast beating effort by  
20 the SFO's contract PR company."

Q. Just going back to that email –

A. No is the answer.

**QUESTIONS FROM THE HON L CHISHOLM:**

25 Q. We are well through, you will be pleased to know and I think what we might do at this stage I said to you I wanted to go through with you the evidence that Mr Slater has given us and I will give you the evidence. It is not complete because knowing that this topic had to be raised with you today, I asked the stenographer to zoom in on the October emails  
30 and I think probably the best approach to it is if I just give you the transcript and I have highlighted the relevant passages. What I think might be more efficient is for us to take a break now, you glance at them so that I can then go through with you and after that there are a few

general things I wanted to talk to you about including indicating in terms of section 14 the areas that I think we need to focus on and I want to talk about the Cabinet Manual. If we go through these highlighted passages, not necessarily reading in full but endeavouring to focus on what Mr Slater said. This is the email dated 3 October, Collins is gunning hard for Five Fingers Feeley. "She is disgusted by his indifference." At page 2 of the transcript his answer as to where that came from, "if I remember correctly she said to me why doesn't he do his job and stop talking to the media. I am probably over blowing this a little bit on my part not on her part." Does that comment or that answer by him give rise to any response on your part?

A. It does. For a start Adam Feeley was not indifferent to the situation. He had already written me an apology on the 1 October. It had already been passed to the SSC. He was clearly taking it seriously otherwise he wouldn't have written me an apology. The issue about why hasn't he stopped talking to the media, doing his job well that had already been commented on anyway now that things about Adam and various other stories over the years I have had those sorts of comments from other people. I think it was generally talked about quite a lot in the media who dealt with anything to do with the SFO. But that's his statement, that is not my statement. I wouldn't say that because there is no point in me doing it. It is good advice for any chief executive frankly but I wouldn't say it to him.

Q. One thing I am not sure about is whether it had been commented on in the media. It had been to my recollection commented on by the State Services Commission and also by you to him which would have dated back I think to 2010 and I am not sure that it was in the public arena at that stage.

A. I think it would have been otherwise I wouldn't have thought it was an issue and State Services wouldn't have thought it was an issue so there must have been something said at the time and I don't have that –

Q. We are at cross purposes. I am meaning your comment about him being in the media.



A. Well I wouldn't have commented to Cameron Slater or anyone else in the media about Adam being in the media. My comments would always be about, there is nothing wrong with being in the media, there is nothing wrong with Adam being in the media, you have just got to be very careful with it and that is what I think we saw in that review from 2010 about just making sure that it was that. One of the problems with Adam and the work that he was doing, I shouldn't say with Adam, one of the problems with the SFO and the work it was doing is it is quite often highly contentious work in dealing with multiple people, defendants or suspects on issues with lots of complainants and so it is always going to be a difficult situation for him, so he is always going to have lots of media wanting to talk to him. So I would not have said to Cameron Slater "Why doesn't he just do his job and stop talking to the media." He was doing his job and he was doing a good job and his media comments were well over a year ago that I had said before that, I had said anything around that and that was to protect him but I wouldn't have said that to Cameron.

Q. "Gunning hard for Feeley". He can't recall the conversation and he says "When I spoke to her about this sort of stuff it would have been along the lines of exactly what I have described where I said, well, you know, we were already talking about the newspaper coverage and things like that." Do you want to comment on that?

A. If Cameron spoke to me about these issues, it would be Cameron speaking to me about the issues. What I can see going through the emails and the blogposts that Cameron posted at that time is that he had nothing new that wasn't already in the mainstream media other than the names of the investigators and he had a story about the number of people who had left and how many were at the SFO. That is all I can see that wasn't already out there in the mainstream media and clearly it seems to me that his value to his group from what I can see now was not only his ability to have a lot of people read his blogposts and to get the messages out, but also because he was telling them that he was able to talk to me, which he could talk to me, that didn't mean to say I



was giving him any information and there are plenty of times when he would talk to me about all sorts of things, but he clearly got value out of that and I think he said what he wanted to hear actually.

5 Q. You will see at the bottom of the page he refers to phone conversations and this relates to the discussions about Mr Feeley's indifference. We have already covered this, but do you want to say anything more as to what Mr Slater says?

10 A. Adam clearly was not indifferent. The statement that he made to Jared Savage I think which was not great, that was the statement he made on the Friday 30 September, that Adam made. I think Adam was showing a frustration at the pettiness of the request from Jared Savage because they were petty but he was also I think quite concerned from that statement as to where this was going and I don't think he was flippant. I think he just, it would have been better if he hadn't said the things he said and I think he was having a degree of frustration which I  
15 can well imagine.

20 Q. I think we can now turn to page 9 which is the email at 3.41 on the 3 October, that is the second email, and there is reference to she is livid and he refers to the impression that you were very angry. Is there anything you want to add to what you have already said on that?

25 A. I have already said that I was very frustrated that this was at the story. I was obviously disappointed that Adam had let himself down and the SFO but the timing of it was really bad and the last thing I wanted was this story continuously running day in, day out. If I was livid as Cameron says then it would be livid at him, and I don't actually think it was livid, I think it would be frustrated that he was still running this story and encouraging it.

30 Q. It does mention at line 21 that she had referred Feeley to the State Services Commission, I believe she did say that and that may well have been the case.

A. That is what I would have said and I can well imagine that someone would take and so well therefore she is not hugely happy. Well clearly not.

Q. Towards the bottom of the page around line 30 he is acknowledging that he is talking it up from nothing. Then we go to the bottom of page 10, "she is now feeding me information." The issue is raised about feeding the information and his response in a nutshell is that was not based on anything you said. Then at line 7 the paragraph referring to Bill English's comment about a storm in a teacup he says the "gunning" is his phrase, but the sentiment he says reflects that there is no love lost between Mr English and you and the question isn't answered directly by him.

10 A. 9(2)(ba)(i) [REDACTED] To say that I was gunning for Bill over this is clearly not shown by the facts. I would never go out trying to take out the Deputy Prime Minister, particularly six weeks before an election. This is not a gun fight at the O.K. Corral. This is an election that is important for the country and me.

15 Q. On page 12 he says that there would have been some discussion along the lines of "Did you see what Bill English said, how dare he talk about this, it is not a small matter this is somebody stealing a bottle of wine." Any comment on that?

20 A. I think he is presuming something would have been said along that, and simply Prime Ministers and Deputy Prime Minister's comment all the time and having been faced with a situation where I have been asked to comment on something and have later found out all the facts I know that you never blame the poor old person who is trying to answer the question, so no I would not do that.

25 Q. Again this is ground that we have already covered but the suggestion that there would have been a discussion about Bill English –

A. Well he may have mentioned Bill to me. If he has mentioned Bill to me I can't imagine I would say anything like this because Bill is perfectly entitled as the Deputy Prime Minister to make a comment and he is not a lawyer, he doesn't necessarily have to see things the way I see them and the Prime Minister has backed him but they have also gone on to

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back the SSC inquiry so I think he was just trying to give it some perspective.

Q. Any suggestion that there was, over this particular matter animosity between you and the Deputy Prime Minister?

5 A. No. So I cannot recall ever for instance speaking to Bill English and saying why did you talk about my area, because he is entitled to talk about anything he wants. That is the form of being in those positions but what I felt what was right and the best thing to do was to send it to SSC and I think he has probably made the comment to the media  
10 without even knowing about that. This matter would have been taken to Cabinet, an oral item by me to inform everyone so that they all knew but that would have been on the Monday morning not in the weekend which is when I think Bill got asked and taken on the hop. So who knows what Cameron might have said. He might have said something about Bill but  
15 I can't imagine me saying "How dare he talk about this." That's not my phraseology.

Q. Page 18, the next page, the first part I think we can skip over pretty quickly because it concerns the length of the discussion. We have got documentary records concerning that now. To page 19 at line 4 there is  
20 reference to the words "gunning for" and he says that they are his words. Later on he says when asked whether they were a pure creation on his part or they were words from what you had said, he suggests it is "an amalgam and perhaps for present purposes I need to concentrate on the displeasure that she would have passed on to me especially  
25 around him being in the media all the time and also comments that I received from Jared Savage and also just having a long term knowledge of Judith Collins. I am putting my words around these things and embellishing them and it has cost her, her job." Do you want to comment on the suggestion that in part they arose from what you might  
30 have said to him?

A. No, I believe what he's done, Commissioner, is he's taken my being very precise in my wording and the way I would have said it, which would be "The matter's been sent to the State Services Commission,

Cameron, and I can't talk about it". He would take that as me being grumpy about it, very angry about it and what I was is I was annoyed that Cameron was running these stories and making it worse. So any displeasure would have been directed at him but I wouldn't actually say, "Please stop doing these stories".

Q. No half way down the page at about line 20, the question how he knew that there was a concern about Mr Feeley being in the media all the time, "I've heard this from several people, not just from Judith Collins".

A. Yes.

Q. Repetitious I know, but is there anything you'd like to say about this suggestion it came from you that you were concerned about him being in the media all the time?

9(2)(g)(i)

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Q. Now at the bottom of the page, "Judith Collins did say to me at one point that she found this disquieting that he was conducting his job in the public domain and it's her view that he should be conducting his job in his office."

A. All in the public domain. So no, my concern is always with Adam that he be very careful. I suggested that he get the media help, to help him with it and the fact is he went on to get it. But would I have said that to Cameron? Certainly not during this, certainly not about Adam Feeley. Adam Feeley was my chief executive. Any undermining of him undermined me.



Q. Then he acknowledges that "any information that could be provided about Mr Feeley's background" was his creation.

A. That's true. Well we agree on that one.

5 Q. Then at line 23 "I have outlined for her a coming blog post about the massive staff turnover". That's the question. Do you have any recollection of discussing with him staff turnover that he intended to run in the blog?

10 A. I can't tell you, Commissioner, that he's never mentioned that he was going to post that blog, but the staff turnover, the levels, the numbers he's used, the names he used, I've seen those in his blog and that's the only place. I don't have that information. So if he has said it to me, then I will have heard it, but I don't know these names, other than his blogpost or these details. So if he said it to me, well I don't know what he said to me.

15 Q. Then if we turn to page 21 he says that you never solicited information from Cameron and I think as far as the adding – this is at line 50, adding the staff issues in the State Services Commission review, we can skip over that because plainly that is not the case.

A. Didn't happen.

20 Q. That's confirmed from the State Services Commission.

A. And I didn't ask for it is the thing.

Q. "The trawl looking for anything else" at the top of page 22, "I'm not sure that came from her. It's not the sort of thing she does". Anything more you wanted to add to those?

25 A. Well he's right on that, I didn't do it.

Q. Those are the matters that I want to directly discuss with you concerning the emails. Now just in terms of section 14, what I will have to weigh is the evidence arising from the emails suggesting that you were talking to him and undermining Mr Feeley against the other evidence on the topic and while that has to be analysed, I think it is extremely unlikely that I will come to the conclusion that you were attempting to undermine Mr Feeley so that's probably not something that you need to devote more time to. What I'm pretty sure I will find is that there were attempts

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to undermine Mr Feeley from within the SFO and also via Mr Slater, Ms Odgers and probably to a lesser extent Mr Graham. Initially I thought it was going to be necessary to interview Mr Hotchin and I've decided it's not because the information I have doesn't directly involve him in any undermining. So that really covers the general question that is posed by the terms of reference, "to inquire into and report on allegations that Ms Collins was involved in efforts to undermine Mr Feeley during his tenure as director of the SFO" including the first question, "whether there is any evidence Ms Collins acted inconsistently with the conduct expected of a minister by undermining or attempting to undermine". I note that there is reference to "any evidence" and under those circumstances I will have to traverse all the evidence that is there, as I already mentioned the primary evidence, as I see it, that might suggest an undermining or an attempt to do that comes from the emails, particularly the one that gave rise to the Inquiry. The second question is one that will need some attention I think. The issue is whether you provided information about Mr Feeley during his tenure as director of the Serious Fraud Office to Cameron Slater or any other party who did not have a proper entitlement to receive such information. 9(2)(ba)(i)

[REDACTED]

So I think that is an area where when we come back to the question of submissions there is room for assistance and I've got a few more questions that relate to that aspect as well. 9(2)(g)(i)

[REDACTED]

Now just to cover a few finer things. Context

is, I think, important and I want to talk to you for a moment about your style as a minister and as the Inquiry has gone along I think gained some insight into that. You're pretty hands on?

A. How would you have got to that impression, Commissioner?

5 Q. Because I asked one of the witnesses and for the life of me I can't remember which one it was, that question and it might have been Mr Herrick actually and he thought, yes, that you would be and that's not intended as a criticism at all?

A. Well I'm not a lazy minister 9(2)(g)(i)

[REDACTED]

15 [REDACTED] So I think I would not say I was hands on in terms of interference in any way whatsoever.

Q. No, I should have made it clear. It's not critical and it's not suggesting that you would be interfering in any way. It's more inquiring whether you have - probably an attention to detail?

20 A. You see, that's any interesting comment, because I'm often accused by people of not having an attention to detail, but that's because I want to know that matters are being dealt with properly which is why I'm absolutely appalled that these comments were being made about me, when it was not true. I can't deal with people who lie about me.

25 Q. Expectations in terms of chief executives or the departments for which you have responsibility? High expectations?

A. I expect a good standard of behaviour and I also expect them to deliver on their outcomes and if they can't, if there's an issue, that they need to tell me about it.

30 Q. If there is an issue on which they can't deliver what is your attitude likely to be?

A. Well for instance, I'll give you an example. Modernisation of the Courts. The Ministry of Justice could not deliver on that promise or that undertaking in the timeframe that they had and it was obvious early in

this year. So they approached me, told me about it and put it on hold. So to me, it is I just want to know about the situation, if there's a problem we'll sort it out, or put it on hold and we'll find out what we do need to do. So chief executives that I deal with or have dealt with would know if there is an issue, bring it to me and we'll try and sort it. If not, we'll deal with what we can do. So it's not telling me about things that causes the problems.

Q. In other words, perhaps like all ministers you don't like surprises as –

A. Well that's why we have a no surprises policy. In the Cabinet Manual that's the attitude that people, chief executives have to have with their ministers. It's the surprises that mean you then have to react rather than to think about a planned response.

Q. You've mentioned the Cabinet Manual and I just wanted to cover one or two (inaudible 42:28) about that. The forward to it describes it as an authoritative guide. Do you see it that way?

A. I see it as a very important guide and, yes, absolutely. But it's still up to the Prime Minister obviously. It's his decision –

Q. And in terms of the conduct of ministers?

A. Absolutely, it's an authoritative guide. We always had a copy in the office.

Q. Very briefly, you haven't got this in front of you, but can I just briefly read – it's paragraph 2.50 "To protect the integrity of the decision-making process of executive government and to maintain public trust in" amongst others, "Ministers must conduct themselves in a manner appropriate to their office." Have you ever had occasion to reflect on what that actually means? Where the line is drawn?

A. 9(2)(a)

30 So yes, in that way. But as the Prime Minister has been quoted as saying, you know, you're still a human being, you still have to undertake your normal work. You're still entitled to have friends and you're still entitled to talk to people.



Q. Yes and in terms of talking to people, do you have a view as to how far a minister can go as a human being, perhaps talking in confidence to others?

9(2)(g)(i)

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Q. Are you talking in a past sense, before you resigned or –

A. Well I'm not going to go into that detail.

Q. I just want to understand what you're saying.

A. I know things have happened over the years where things – so to me I am very clear I did not tell Cameron Slater anything that was inappropriate and I don't care what he says about it, because I can't stop him saying what he says, any more than I could stop him, Commissioner, saying the things he said in his emails, some of which he now says, well, he sort of made up.

20 Q. So in terms of a discussion about politics, where do you draw the line?

A. Well politics would be around things like, I don't know, I would draw the line if I was trying to – we're coming back to this Inquiry, I presume is what we're coming to terms of reference.

Q. Sure.

25 A. I would not, for instance, undermine my chief executive at a time, at all actually, but particularly at a time where to do so would be nothing more than to hurt not only myself by my Government and which, by the way, I wanted to get re-elected. So I would certainly draw the line at undermining my chief executive. I would certainly draw the line at undermining the Prime Minister. I would certainly draw the line at undermining my colleagues. I would certainly draw the line at that, where they were clearly, you know, I wouldn't go out for instance and say about – I might say for instance how – let's say an example that I've

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been using recently. I believe that we as a Government has failed to bring about meaningful change in the Resource Management Act. That is a fact. Well it's my interpretation of the facts. I don't blame the minister in charge, but that is the nature of MMP, we couldn't get changes we wanted. So for me to say we haven't been able to secure that, we have failed on that. That's not undermining, that's stating. Well it's pretty obvious to everyone but it also shows my commitment to us going ahead with change.

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10 Q. As you understand it, is it a matter of personal judgement for a minister or is there a general standard that you would expect across the board?

A. Every minister has to answer to the Prime Minister under the Cabinet Manual and the Cabinet Manual is an authoritative guide, but it is ultimately up to the Prime Minister. So from my point of view every minister has to deal with that and every minister who fails or falls behind or does something that undermines the Government, it's going to be difficult for that Government because of it.

15 Q. Paragraph 2.62 and I'm not going to read it, but the effect of it is that a conflict can arise if people close to the minister might derive or be perceived as deriving some benefit from the actions of a minister. Now I want to ask you with reference to Mr Slater whether that paragraph could conceivably apply in the sense that if you provide him with information which is to publish for, we'll say, a reward in the sense of advertising, it could be contrary to the manual.

20 A. Well if that happened, yes. But quite clearly I did not – well it's up to you to decide. My view is very firm. I did not give him that information and I certainly did not know about his group and what they were doing.

25 Q. Had you been conscious of bloggers generally, without referring to Cameron Slater, over the last – well since 2010?

A. Absolutely. Part of the press secretary's job is to go through and check what's being said. So they would – Stefan and after him, other press secretaries would go through and check what was going on.

30 Q. When you say that you didn't know what he was doing, you mean in light of the revelations that we've now got?

9(2)(g)(i)

I did not know

that there was a group of people doing that. It's clear from Cameron Slater's blogposts that he and Cathy Odgers were talking to each other. He was using some of her blogs, he was referencing her, but that is not something that I knew that they were working in with anyone else. So just because they come up with crazy ideas and want to do things doesn't mean to say that I would know what they were actually doing, trying to do. But when I look at those blogposts again today and the emails, Commissioner, there is nothing in those that wasn't already well known in the public space or had just been written by Fran O'Sullivan or Jared Savage other than details around the numbers of staff who'd left and the names of investigators. By the way, I did not have either of those pieces of information. So I know that I would not have given him any information that could have been used against Adam Feeley or my – SFO, as I saw it, my organisation. That would have been totally counterproductive.

Q. The final paragraph is 2.66 which warns against becoming associated with a lobby group. To the extent that there is certainly in my assessment and I think yours a lobby against Adam Feeley, was it dangerous to even be talking to Mr Slater?

A. Well, Sir, I didn't know that there was a lobby group and in fact in my business in politics it's dangerous not to talk to the media, as I found out when I stopped talking to them and they interviewed each other. It's very dangerous not to talk to the media and to not take the phone calls. But also the Cabinet Manual I have to say is the lobby groups we're talking about are groups like – that get funding from Government. That's what we've always said. So for instance when I became a Cabinet Minister I had to resign my associate membership of the 9(2)(a) on the basis that the 9(2)(a) lobbies Government for law changes but also for money, for funding. But I didn't have to resign, I was able to be a member of Global Women after I was a Cabinet



minister because Global Women doesn't actually seek funding from the Government or lobby for particular law changes, although it will often make comments about how women are badly treated within Governments and they'd be right.

5 Q. For a minister, what other guidance as to conduct is available? In your affidavit you've referred to responsibilities –

A. To the State Services Commission?

Q. When I read that it seemed to be someone's opinion with a view to change and I raised with Mr Rennie what status that document had. I'm  
10 wondering whether you can help me with it. If you can't, we won't spend time on it.

A. I think, Commissioner, that when I was putting my affidavit together I looked for anything which would assist you in working through these issues and one of the things I did was to look at the State Services  
15 Commission because they had a website and they talked about the minister's responsibility and I also – which is dated – last updated 28<sup>th</sup> of June 2010 and I also put to you as part of my affidavit from the Cabinet Manual roles and responsibilities of ministers in the public service to give you some help with that or to put you in that direction.

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**MR COOKE:**

In a way strictly speaking the State Services Commission doesn't really have responsibility for ministers at all actually. When this question came up in the Inquiry of the Audit Office on the Shane Jones immigration issue, there was  
25 that question of where ministers get their assistance and advice from and apart from the Cabinet Manual, I guess there is the Cabinet Office itself you can ask questions of, but there isn't a SSC for ministers, I don't think. The SSC don't really have that brief.

30 **QUESTIONS FROM THE HON L CHISHOLM:**

Q. I think that reflects the view that was expressed also by Mr Rennie because the minister is their own person, except to the extent and I don't think there's any dispute about this in terms of the employment



relationship there are boundaries between what the minister should probably do and what the minister shouldn't do.

5 A. Well to an extent I'd agree but I would also say, Commissioner, that we're not our own people because at a moment's notice, as I found out, we can lose our jobs and that is absolutely at the behest of the Prime Minister. So the Prime Minister wants us to serve, we serve. If the Prime Minister doesn't want us to serve, we don't serve. So we tend to take our guidance in practice from the Prime Minister, the Prime Minister's office, his chief of staff, his team and if there is an issue around constitutional issues, then definitely from the Cabinet office. But Cabinet office is not political, it's not in charge of appointing. It's available to give guidance on issues on constitutional issues but the way in which ministers behave about certain things or talk to certain people, that is absolutely a matter for the Prime Minister.

10 Q. That brings me to Sir Maarten Wevers' comments. I have to explain here that the interview of Sir Maarten Wevers very early in the piece and there was technological failure. Fortunately Victoria had taken very full notes. I think that if you want to look at them, you're welcome to look at the notes as they stand at the moment but it is my intention to have them checked by Sir Maarten to make sure that they are reasonably accurate. I think they are reasonably accurate.

**MR COOKE:**

What was the thrust of what he said?

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**QUESTIONS FROM THE HON L CHISHOLM:**

Q. First, if a minister undermined a chief executive, that would not be appropriate conduct.

A. Absolutely.

30 Q. And as Ms Collins has said, it would ultimately be a matter for the Prime Minister to sort out and I've traversed these various rules with him. So as I say, you're welcome to have a look at what he said, but one issue just diverting a little bit to the question of submissions, in relation to

question 2 who had a proper entitlement to receive information is something that inevitably I have to address and on which I would be pleased to receive any assistance that you might want to provide.

5 **MR COOKE:**

I was going to ask actually when you indicated that whether question 2 is the one we should focus on. Can you give us any indication of what the actual information is that might be said to have been passed onto Mr Slater? Because there's been so much said.

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**THE HON L CHISHOLM:**

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



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**MR COOKE:**

So what does that really leave? There is the reference in his transcript to Ms Collins making reference that she wished he wouldn't talk so much in the media. Is that really passing on information or –

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**QUESTIONS FROM THE HON L CHISHOLM:**

Q. Well yes, he constantly referred to Mr Feeley being in the media too much and my interpretation was that he was saying that this was information that had been passed on by the Minister to him and that – if you assumed that that was the case, one of the issues is whether it was appropriate for that information to be passed on and coupled with that is very likely a question as to whether it was in the public arena anyway

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and I'm doubtful at this stage – this is a possible adverse finding, that it wasn't in the media but it was passed on.

A. So Commissioner I've have a look to see references in the media.

Q. Well all of that is important from my perspective because I want to be as  
5 thorough as I possibly can and also accurate in the analysis of the evidence.

**MR COOKE:**

Can I ask one question about the terms of reference? I can see that there's a  
10 sub category that has to be addressed but the passing on of information to those who didn't have an entitlement, that's all the subpart of the involvement in efforts to undermine Mr Feeley, isn't it? Which is the real thrust of the terms of reference?

15 **THE HON L CHISHOLM:**

Well it is, except that it is, as I see it, and feel free to make submissions on this, as I see it, a specific question in itself but it is still within the subject matter of undermining Mr Feeley and the timeframe too while Mr Feeley is in office. So I'm very open to submissions on the terms of reference.

20

**MR COOKE:**

The way I'd read that is whether he was being undermined by these various subcategories of activity, including was he undermined by the Minister providing information that shouldn't have been provided.

25

**THE HON L CHISHOLM:**

That's something that I would have an open mind on at the moment, whether it is a separate category itself or whether it is, as you're suggesting, coloured by the general issue which is obviously the main issue of whether Ms Collins  
30 undermined Mr Feeley during his tenure.

**MR COOKE:**

If you are able to give us greater help with what information might be, it would easier to make submissions.

**5 QUESTIONS FROM THE HON L CHISHOLM:**

10 Q. Ultimately once I have completed my thinking, you will get the draft report so that you will be able to have another go at it, but I'm keen to have submissions from you at a stage where I can consider them before the draft report is completed. So as far as the section 14 warnings are concerned, I've gone as far as I can, as I see it, to cover the possible findings. Whether that will prove to be the case is another thing, but I think I'm obliged to do that. Core participant, I don't think I need to comment any further except to say that having decided that you are a core participant you are entitled to give evidence but also it's your  
15 entitlement to make submissions and if you want to resume the interview once you've had a look at any material, feel free to do that. Except that in all reality it will have to be probably tomorrow. I wouldn't rule out next week but I really want to be able to concentrate on the report at that stage and I wouldn't rule out a telephone conference if  
20 there are aspects that are troubling you both.

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



25

Q.

A.

30

Q.



A.

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

5

**MR COOKE:**

Did Sir Maarten make any comment in his evidence about – you referred to it as difficulty of working out how you deal with situations like this. Obviously this matter had become public, it was going to be on the front page of the *Herald* on Saturday and the *Herald* had contacted Mr Feeley on the Friday so it was becoming a matter of public debate already. Mr Feeley had made a comment and it was going to be on the *Herald*. So this is this typical area about ministers in that situation but does it become a public issue. When do you have an obligation of confidentiality in relation to all matters when they are in the public domain, so did Sir Maarten give any guidance about that?

**THE HON L CHISHOLM:**

I think it's best if you have a look what Sir Maarten said and if you want to –

**MS CASEY:**

I think paraphrasing I think he said "it's tricky".

**25 THE HON L CHISHOLM:**

He was in no doubt that as I recall it in a situation where issues involving a chief executive come to a minister, the appropriate course is generally anyway for the minister to refer it to the State Services Commission as you did. So I think it's best that you look at what he told us, rather than –

30

**MR COOKE:**

That's sort of understandable, but it also has a political dimension then too. We've heard what Ms Collins has to say but for a minister to say in those

circumstances, "I wish the chief executive wouldn't say things in the media" may not be surprising, if you see what I mean. For a minister to say or comment that she would have appreciated it if it hadn't been released to the media or the chief executive hadn't said so in the media it wouldn't be a surprising comment to make. I'm not suggesting Ms Collins said that but it develops a political dimension and a publicity dimension that has to be managed as well as everything else.

**QUESTIONS FROM THE HON L CHISHOLM:**

10 Q. Well there doesn't seem to be any doubt in this case that Ms Collins said once she'd referred it to the State Services Commission that it had been referred, that didn't appear in the *Weekend Herald* and that was because the information hadn't been conveyed to the *Herald* on the evidence we've got until the Saturday morning but later in the day it  
15 appeared on the electronic version of the *Herald*.

A. So it was on the *Herald*, on their website, was it?

Q. Yes. So in terms of any submissions that you want to make, I'm anxious to receive any information that you're able to present. I know the timeframe is tight and I'm just not worried about form at all. It's the content that is likely to be of assistance to me.  
20

A. I'll get onto that tonight, [REDACTED]

Q. If you want to have a look in the morning. I think it's best looked at here. Is there anything else that you want to cover at the moment?

A. I think the issues you've raised with me, Commissioner, is the issue around whether or not I would have said to Cameron Slater, "I wish he'd stop talking in the media" or words to that effect and whether or not that's an appropriate to say if I did say it.  
25

Q. Probably as a precaution you ought to look at those things that Cameron Slater said that you had passed onto him, just in case there was a finding that way, but I think that's pretty unlikely but I just need to work my way through all this information.  
30

A. So in the issues that he has said in his statement where he said there's some things he made up, some things he didn't make up –

Q. Where he has said that he created it, I'm reasonably clear in my mind that that is the truth of the matter.

**QUESTIONS FROM MS CASEY:**

5 Q. The ones that are left are probably how you felt about it, so the emotional response.

**QUESTIONS FROM THE HON L CHISHOLM:**

10 Q. We can skip through them if you like. "Disgusted by his indifference" which is on page 2. "In my recollection the Minister must have said something to that effect." That's on page 2 and 3 of the – top of page 3. Now on page 9 that she'd referred Feeley to the State Services Commission, "I believe she did say that". Well that's true. That's not in issue. At page 11 the reference to Bill English's comment but excluding  
15 the "gunning" connotation. Well whether there was discussion about Bill English's comment.

A. I'm sorry Commissioner but I'm also supposed to have said – I said anything about Bill English why wouldn't I say something about the Prime Minister?

20 Q. No, all I'm trying to do is to alert you to possible adverse findings.

A. Yes, okay. I'm just frustrated at Mr ...

Q. It's actually on page 12. "We would have had a discussion and she would have said something along the lines 'Did you see what Bill'" et cetera. At line 10, "especially around him being in the media all the  
25 time".

A. I just note at 21 where he said he'd heard that from several people.

Q. Yes, sure. Then at the bottom of page 19 "he was conducting his job in the public domain and it's her view that he should be conducting his job in his office".

30 A. So how does that ring with me taking him around the media to try and get him to build relationships?

Q. True.

A. So I will deal with that.

Q. The only one is the trawl, "I'm not sure it came from her". Well I think there's going to be a fairly clear finding that it didn't. 41, reference to "chief executive being constantly in the media is my impression and hers as well" because he'd been told.

5

**QUESTIONS FROM MS CASEY:**

Q. There's a reference at 42 to emails coming through from Mr Slater but nothing's come through on that.

10 A. He also says there was never any discussion about his work. So we'll deal with those matters and did you say that to that we will do a submission on what it is appropriate to talk to people who are the media?

**MR COOKE:**

15 Because the terms of reference ask about what's inappropriate and there is a question of when an issue's in the public domain and, you know, whether Mr Feeley himself was saying things in the public domain, well how much is the Minister hamstrung from comment. It's a difficult issue as probably Sir Maarten indicated.

20

**MS COLLINS**

And certainly under the OIA – so we are under constant pressure as ministers to provide information we're asked by the media if we can give it, given that it's a proper use of that information but also there's the issue, Commissioner,  
25 around Official Information and the fact that we under an obligation to provide information that we have that is probably in the public domain. So that's an issue that we will address that. It would be quite nice to run Government without having to talk to the media.

30 **INTERVIEW CONCLUDES**