Hon Heather Roy

Supporting Material for Discussion at ACT Caucus Meeting

on 17 August 2010

Contents

Part 1

Deputy Leader's Summary

Deputy Leader's Summary

I am determined that Caucus deal with the real issue that has brought us to this point, where we are wasting time on internal bloodletting once again. We are being left room by the National Party to establish ourselves as the party of high principle, yet this Caucus has allowed itself to be hijacked by lies and innuendo. Meanwhile, we are distracted from the policies and causes we are here to advance and we are losing the political authority that comes only to parties that patently live their principles.

Clearly it is open to the Caucus to change its office holders by majority vote, with the Board's approval. But if that is done in a way calculated to leave maximum damage to people involved, without concern about the damage to the Party, there comes a point where the Party is so compromised that it cannot convey its values to the public. They sense the lie in a big gap between promise and performance. They know it as hypocrisy. That is why the caucus insisted on Rodney's apology last November instead of just "moving forward". That is why I now ask you my colleagues, entrusted with the hopes of those who worked to put us here, to look at what has happened over the last few days to learn lessons for a fresh start.

Deputy Leader's Summary (contd)

I have been the target of false or misleading allegations during a meeting I was not at. The Leader set out, some time ago, to undermine my authority and my effectiveness as a Minister. He told Wayne Mapp I was going before ever talking to me about alleged unhappiness with my performance. He went hunting for things to trump up into complaint.

By the end of today's caucus meeting you will have the detail. But more importantly you will have a choice. On the one hand, a principled approach that says the means we are prepared to use can be as important to where we get as the ends we share. On the other hand, a view that I am not sure can even be dignified as "the end justifies the means". Instead, ACT risks being abandoned to a culture distinguished by a fascination with black political means. If that was accompanied by a mastery of them, shown by outstanding organisational talent and growth in membership and support and an ability to forge an ever-widening support base and understanding of our policies and principles, I could let this go.

Deputy Leader's Summary (contd)

But it is not, so I will use the hearing I am due under natural justice, and by your promise. I will propose ways to develop new protocols to turn this around. That may or may not affect the outcome of the motion for a change in the Deputy Leadership. But that motion is less important to what we become than how we deal with the ugliness revealed over the last few days.

I'll ask you to step outside the little hothouse that is our Caucus to see how this will be seen from outside.

I am a competent Minister. I have not embarrassed ACT. The 'Free to Learn' Education paper is widely known to be well done. I believe we have had an influence in the Defence portfolio that is respected, even if it has at times been uncomfortable for the establishment. What else would you expect from ACT?

Deputy Leader's Summary (contd)

I ensured in 2005 that ACT focus on Epsom. I persuaded John Boscawen to overcome his reservations. I called in the dues my fellow MPs owed me and got them to door-knock in Epsom. A board member and I organised, off our own bats, the Roy-Morgan poll showing Rodney would win Epsom and that a party vote for ACT would not be wasted.

In the 2005 -2008 Parliament, I maintained what I could of respectability for the Party through Rodney's journey of reinvention. I bit my tongue many times. I have maintained that in this term. Despite our deep embarrassment as the perks fiasco blossomed I was not part of any move to replace Rodney, indeed I was not aware of it, so far as it went, until it was largely over.

Deputy Leader's Summary (contd)

So I faced Rodney's vendetta, starting with a visit to my home on 21 Nov 09 when he refused to answer my queries about his attempts to damage me, and demanded an undertaking from me to support him unequivocally. I do not make promises to be broken and it was up to him, at that stage, to show that he was worthy of revived Caucus support. I did not do the easy thing and just say yes. Ever since he has been determined to discredit me, irrespective of the effect on the Party and our contribution to government.

If it had been the view of my colleagues, conveyed supportively but frankly by a Leader I could trust, or by my colleagues telling me directly, that the party's interests would be best served by replacing me, what complaint could I make? Instead, the conduct of this matter has established the opposite – that ACT sees team leadership as primitive combat, with a need to destroy a colleague's reputation to justify an otherwise inexplicable decision.

Deputy Leader's Summary (contd)

The country will probably be not much interested. Those bothering to think about it will see that Rodney has lost another woman from leadership. They'll find confirmation of their prejudices about the nasty party, comprised of bullies.

Be very sure that I have put so much into this Party and this effort that I will not allow that to happen without ensuring that the Party knows what is at stake. I will ensure that the Board is properly briefed, by myself if necessary, before they vote to ratify any decision made today.

I believe that the right thing to do is to maintain the status quo by retraction of the deputy leadership vote. This should be followed by a constructive, well managed process of continuous improvement, facilitated by experts as necessary, so that we can all re-discover our collegial spirit and improve individually as a team. I have the guts to do what's right. I hope that you can each find that within yourself also.

Part 2

Lack of Natural Justice

Lack of Natural Justice

1. On Tuesday 3 August 2010, in my absence due to illness, the ACT Party Caucus discussed what they have described as ‘issues of behaviour’ raised by Rodney Hide regarding me. Sir Roger Douglas later that evening relayed the issues raised. He said that I would be expected to respond at the next Caucus meeting, scheduled for Tuesday 17 August.

Lack of Natural Justice

1. Subsequently, on the morning of 5 August, the Leader Rodney Hide called an emergency Board Meeting for 6.30pm that evening. At that meeting the issues were raised again, this time with me in attendance. I was assured by the chair of the meeting David Garrett that natural justice would occur. I was twice promised (by David Garrett and Rodney Hide) a written statement of the allegations made by the Leader would be delivered to me the following day and I would be given the opportunity to respond either verbally or in writing at the next Caucus meeting to be held on Tuesday 17 August.

Lack of Natural Justice

1. Natural Justice has been subverted. I did not receive a written statement the following day and was not notified of this until I sent a text message to David Garrett (Enclosures 1 and 2).
2. I was then promised the written statement on Monday 9 August. Again the statement was not delivered. (Enclosures 3 and 4).

Lack of Natural Justice

1. On Wednesday 11 August, a letter from David Garrett was hand delivered to my office and emailed to me (Enclosure 5). It was clear from this letter that the situation had changed and it had been decided that the allegations had been dropped and only the Deputy Leadership motion would now be considered at the upcoming 17 August Caucus meeting.

Lack of Natural Justice

1. In the absence of a written statement of the allegations, I produced my own statement made from notes taken at the 5 August meeting (Enclosure 6). My rebuttal in Section 3 is based on these notes and others taken at the time the incidents in question occurred.
2. I responded to that letter on Friday 13 August (Enclosure 7) It was sent to David Garrett (as chair of Caucus) and Michael Crozier (as Board President). I asked David Garrett to confirm receipt of the letter which he did by text (Enclosure 8) and that it be distributed to caucus members. He replied that it would be distributed on Monday 16 August in the morning (Enclosure 9).

Lack of Natural Justice

1. On Sunday 15 August, the Party President called an emergency ACT Board meeting for immediately after the Caucus meeting on Tuesday 17 August at 12 noon. An email notification was sent by the Party Secretary, Barbara Astill (Enclosure 10).

Lack of Natural Justice

1. Calling this meeting raises further serious process concerns. There is no agenda and as it follows immediately on from the Caucus meeting it can only be assumed it is intended to rubber stamp the decision made by the caucus regarding the Deputy Leadership. Again, no sense of natural justice is apparent. It would appear that the outcome has been decided and due process is not being followed. This is a disturbing feature of the way in which the whole matter is being dealt with.

Lack of Natural Justice

1. Natural justice has not been served. Due process has not been followed, promises made have not been adhered to, meeting plans have been changed without consultation of all parties and decisions have been made before I have been able to address allegations made against me. This is not befitting of a political party that prides itself on fairness and the principle of one law for all.

Part 3

Rebuttal of Rodney Hide's Allegations

Rebuttal of Rodney Hide's Allegations

Allegation 1:

Papers are out in Defence "flying solo". By this he said he meant that issues put forward from an ACT party perspective had not come to the Leader or caucus or the Board. He said there is a paper which was derogatory of Senior Officers. He said the Minister of Defence had contacted him (RH) after this paper was distributed then withdrawn. Rodney Hide said he had raised this with Heather Roy previously, Peter Keenan was present at the meeting, and he had asked these questions of Heather Roy: Did she prepare such a report? Were these things said in the paper? He then commented that she had denied these things.

Rebuttal of Rodney Hide's Allegations

Rebuttal 1:

I believe that the paper Rodney Hide referred to (he couldn't tell me what the paper was or what it was about) was an incomplete draft of a document entitled "*DEFENCE REVIEW 2009 - RESERVE FORCES DISCUSSION DOCUMENT".* It carries a *DRAFT* watermark and the dateline *"Incomplete Draft - Commenced 12 Feb 2010".* It has a header and footer carrying the national security classification *"RESTRICTED"* and the national privacy/sensitivity marking *"DEFENCE MINISTERS-IN-CONFIDENCE"* in the header and *"DEFENCE REVIEW 2009 IN-CONFIDENCE"* in the footer.

Rebuttal of Rodney Hide's Allegations

Rebuttal 1 (continued):

I had prepared this paper at the request of the Minister of Defence. It was aspirational in nature and traversed a wide range of areas in relation to what the Reserve Force could look like. There were some comments about the culture of the Defence Force and these have subsequently been referred to in a similar vein by the Auditor General, Lyn Provost, and by Dr Roderick Deane in his work on the Value For Money Exercise as part of the Defence Review. In an ACT Press Release on 14 May, 2002, Rodney attacked the culture of the NZDF top echelons This and many other attacks by him against the Defence Force are shown in a media summary at Enclosure 11.

Rebuttal of Rodney Hide's Allegations

Rebuttal 1 (continued):

The paper was (and remains) incomplete and it was only intended to be a document shared between the Minister of Defence and myself. As we were behind timelines for the Defence Assessment due to a range of other work and events, Minister Mapp decided to seek comment from CDF and Sec Def and asked for one paper copy to be given to each of them. When CDF admitted, about a week later, that the document had been copied and distributed more widely within NZDF, Minister Mapp ordered that all copies be given back and this happened in his office. He has subsequently told me all copies have been shredded. The document has subsequently been further developed as part of the Review.

Rebuttal of Rodney Hide's Allegations

Rebuttal 1 (continued):

This is not, as is alleged, 'Defence Papers flying solo'. I must, as an Associate Minister, have the ability to discuss issues freely and frankly with my primary Minister. The contents of the paper are entirely consistent with the ACT National Security Policy from the 2008 election which had sign-off from the policy committee. The paper in question was an incomplete draft (and was marked so) and it was not me who distributed the paper further than the intended recipient.

Rebuttal of Rodney Hide's Allegations

Rebuttal 1 (continued):

I specifically asked Wayne Mapp if he contacted Rodney Hide about any of the allegations made about myself or about my Senior Ministerial Advisor. He categorically stated, by phone and in person, that he had never initiated contact. He said that Rodney Hide had approached him on more that one occasion to tell him things (including a rumour about drug use and other defamatory statements) and to find out information about Defence. Rodney Hide also told Wayne Mapp that he wanted me removed from my Associate Defence Minister role. Wayne Mapp told me, subsequently, he protested vigorously about that saying that we (Mapp and I) were an effective team and I was well regarded by his colleagues and the Defence Force.

Rebuttal of Rodney Hide's Allegations

Allegation 2

Rodney Hide claimed he had asked Heather Roy for a copy of that report to be handed over after the meeting where this Defence document was raised and that she had replied by text saying 'No' as it was a classified document and she had discussed the matter with Wayne Mapp and the decision was hers. Rodney Hide claimed that he had discussed this (i.e. Heather Roy's reason for refusing access to the document) with Wayne Mapp and that the latter had denied saying that.

Rebuttal of Rodney Hide's Allegations

Rebuttal 2:

Rodney Hide did not ask for a copy of the document at the meeting. Immediately after the initial meeting in the Leader's office where this issue had been raised (Peter Keenan was present) Rodney sent me a text message asking for a copy of the Defence Document. I contacted Wayne Mapp to discuss this with him. I explained that the document was wanted because Rodney wanted to use it against me and that the 'need to know' provision in the security manual did not apply to him. I reminded him it was a draft intended for him only. He said it was my document and it was up to me. I said I was not going to give Rodney a copy and he said he understood and that was fine by him.

Rebuttal of Rodney Hide's Allegations

Rebuttal 2 (continued):

Rodney Hide did not ask for a copy of the document at the meeting. Immediately after the initial meeting in the Leader's office where this issue had been raised (Peter Keenan was present), Rodney sent me a text message asking for a copy of the Defence Document. I contacted Wayne Mapp to discuss this with him. I explained that the document was wanted because Rodney wanted to use it against me and, in any case, that the 'need to know' provision in the security manual did not apply to him. I reminded him it was a draft intended for him only. He said it was my document and it was up to me. I said I was not going to give Rodney a copy and he said he understood and that was fine by him.

Rebuttal of Rodney Hide's Allegations

Rebuttal 2 (continued):

I then sent Rodney a text message in reply to his claim that he had discussed this with the Minister of Defence, informing him that it was a classified document and that I wouldn't be giving it to him. I heard nothing more from him about this until he again raised the issue later in caucus (see allegation 5 response for complete picture of this issue)

Rebuttal of Rodney Hide's Allegations

Allegation 3

Rodney Hide then referred to a Paper dated 23 June 2010 which he had a copy of. He said it was a Cabinet paper with track changes containing unacceptable comments made by Simon Ewing-Jarvie, Heather Roy's Senior Ministerial Advisor. Heather Roy asked to see the paper and it was handed to her to look at. Rodney Hide also produced an email to the Deputy Secretary of Defence and Stuart Boag (Wayne Mapp's Ministerial Advisor). He said they state ACT party positions but have not been visible by the Leader or Caucus or the Board. Rodney Hide made specific reference to track change comments – "BS", "Sinking of the Titanic" and "Treasury should have no role in the White Paper"

Rebuttal of Rodney Hide's Allegations

Rebuttal 3:

Rodney Hide has a hard copy of a file entitled *"Defence Assessment ERD Cabinet Sub-Committee Final Draft Paper 22 June 2010- HHR Office Version.doc"* dated 22 June 2010. This was given to him by Wayne Mapp. It is a near complete final draft of the summary of the entire Defence Assessment and has now passed through ERD sub-committee making the final version now *'CABINET CONFIDENTIAL'.* It carries the national security classification *'RESTRICTED'.* It is extremely sensitive in nature and will not be released, as is, at the end of the Defence Review process but will be used to formulate the Defence White Paper – the Government's public policy document.

Rebuttal of Rodney Hide's Allegations

Rebuttal 3 (continued):

This paper was received in my office late on 22 June. I had been out of the office all day and had not been able to look at it until the evening but was asked for comments by early the next morning so the paper could go to ODESC. I had been waiting several days to receive it and it required a lot of scrutiny because of the new content in it. My Senior Ministerial Advisor and I discussed the paper by phone late in the evening and he then annotated it (tracked changes and embedded comments) with the points we had discussed.

Rebuttal of Rodney Hide's Allegations

Rebuttal 3 (continued):

There is a covering email that this document was sent with as an attachment (Enclosure 12). It is from my Advisor to his counterpart in the Mapp Office and the Deputy Secretary of Defence – the latter to whom feedback was asked to be directed. It states that in the event of having little time to scrutinise the paper he has made suggested changes but has not had time to run them past his Minister and, given the timeline for submission, he felt that he had no other choice and takes responsibility for this.

Rebuttal of Rodney Hide's Allegations

Rebuttal 3 (continued):

Rodney Hide states that my Advisor should not be making statements on ACT party positions. The comments made are all consistent with the ACT National Security policy for the 2008 election signed off by the policy committee and the email cover sheet covers off responsibility for comments.

Some of the language in the track changes is strong (Enclosure 13). The Minister of Defence raised this with me and I subsequently cautioned my Advisor about this.

Rebuttal of Rodney Hide's Allegations

Rebuttal 3 (continued):

Much more concerning about this paper is the fact that the Minister of Defence, Wayne Mapp, has told me that he has been informed by a National Party activist that ACT Board Member, Nick Kearney, has a copy of this paper. He said Nick Kearney has shown the activist the paper and encouraged him to write an article for the blog 'No Minister'. The activist has told me that he will not do anything with it – it is a sensitive document of national security significance and it was raised with Wayne Mapp because of this serious concern.

Rebuttal of Rodney Hide's Allegations

Rebuttal 3 (continued):

The Minister of Defence believes Rodney Hide has passed this paper on and he is upset that he could not trust a Ministerial colleague to keep a paper he gave him to himself. I have not passed this document to anyone – all classified or sensitive Defence documents I receive in my office are either securely stored in approved containers, returned to Defence or destroyed in the approved manner and I have a comprehensive record system to prove this.

Rebuttal of Rodney Hide's Allegations

Allegation 4

Rodney Hide then raised the matter of an email sent to him by Heather Roy where she was emailing as a Minister to say she would not meet with him alone because she didn't feel safe. Rodney Hide said he was not prepared to meet with Heather Roy on the strength of that.

Rebuttal of Rodney Hide's Allegations

Rebuttal 4:

After two very confrontational meetings with Rodney Hide in his office (both were called at very short notice with no indication of what they were about) and after discussion at a meeting with the Party President, I decided that I would not meet with the Leader alone. He routinely tries to bully and intimidate me and this is not conducive to a good working relationship. There was an instance recently where he was extremely angry at my staff, characterised by shouting abuse in offices and also as he stormed up and down the corridor After this occurred, Peter Keenan tried to calm the situation by telling staff "not to take it personally; Rodney had just come back from the gym and was all 'pumped up'".

Rebuttal of Rodney Hide's Allegations

Rebuttal 4 (continued):

Since the November publicity over his taxpayer-funded travel, he has barely spoken to me and at many of the meetings we have had, he has indicated that I am not performing to the level he would expect of the Deputy Leader of a party. His tone during these discussions is menacing.

My email to him and his response are shown at Enclosure 14.

Rebuttal of Rodney Hide's Allegations

Rebuttal 4 (continued):

I have asked that these meetings continue (including at caucus in front of Roger Douglas, David Garrett and Peter Keenan) and Rodney replied "Well you can ask". My note didn't say I refused to meet, as he states and has told others, but that I want to bring someone else with me to the meetings. The Party President, when I discussed the matter with him, said this was fair and reasonable.

Rebuttal of Rodney Hide's Allegations

Allegation 5:

Rodney Hide returned to the Defence paper that he claims criticises Generals. He said he was entitled to see it because he is the Leader. He said Heather Roy said it was classified and refused to hand it over. He said that Wayne Mapp had said he could see it. At Question time he said Wayne Mapp had told him he could see it so Kim McKenzie would come and get it. Heather Roy said she wouldn't give it to her, that he could come and get it from her office…

continues on next sheet

Rebuttal of Rodney Hide's Allegations

Allegation 5 (continued):

He went on to state that he had to come all the way back to Bowen House and, in her office, Heather Roy said it couldn't be taken away, Rodney Hide would have to read it there. He said he found this offensive. He said he put the document back on the desk, then Heather Roy sighed deeply and said he could take it away. At this point Heather Roy protested that this was incorrect – she said he had not put it down, but instead turned and left the office with the document. Rodney Hide then said that he read the report, and it was returned to Heather Roy by Kim McKenzie that afternoon.

Rebuttal of Rodney Hide's Allegations

Rebuttal 5:

I have already responded to the initial allegations regarding commentary about Generals or senior defence personnel, in my response to Allegation 1, and about the security classification of this Reserve Forces Discussion Paper.

On the day this occurred I wrote a file note immediately after Rodney Hide took the document from my office. I also asked my Senior Private Secretary to record what she had heard from the office next to mine. Both file-notes are at Enclosure 15.

Rebuttal of Rodney Hide's Allegations

Rebuttal 5 (continued):

Rodney took the document from my hands. At no stage did he attempt to give the document back to me, or put it down on my desk as he claims. I was concerned he would take the paper away and copy it, which is why I said he could read it in my office, but not take it away. It is a classified document and he does not meet the security regulation 'need to know' criterion. His purpose for wanting the document was to use it in a witch-hunt against me.

The document was returned to me about 2 hours later. I have no way of knowing if he took a copy of it or not.

Rebuttal of Rodney Hide's Allegations

Allegation 6:

Rodney Hide reported that the next day (Thursday) Heather Roy laid a complaint with Parliament's Security Officer alleging a breach of Ministerial Security against Rodney Hide. As a result, he said the Cabinet Office was appraised of the breach, the Prime Minister's office was advised of the complaint. An investigation was undertaken and "naturally enough" no breach was found. This was advised by email on Monday afternoon.

Rebuttal of Rodney Hide's Allegations

Rebuttal 6:

The next day I asked the Ministerial Services Departmental Security Officer (Richard McDonald) to come and see me. I began by saying that I was concerned about an incident that had occurred the previous day. I said I wasn't making a formal complaint but wanted advice on how to avoid a similar situation in the future. I outlined the situation to him and said that I shouldn't have let Rodney Hide have the document and accepted responsibility for that. He agreed, saying I should not have given him the document physically, or to read.

Rebuttal of Rodney Hide's Allegations

Rebuttal 6 (continued):

He said he would go away and think about the issue and come back to me with advice. He said he would have to contact the Cabinet Office in order to get that advice. I reiterated with him that I was seeking his advice relating to the security of documents, not making a complaint. He said I was entitled to seek advice and he was the appropriate person for that.

The following Monday he sent me an email, copied in to Wayne Eagleson, Janice Calvert and Rodney Hide (Enclosure 16).

Rebuttal of Rodney Hide's Allegations

Summary of Allegations:

Rodney Hide summarised the situation as follows:

1. *Rodney Hide and caucus have grave concerns about Heather Roy's behaviour.*
2. *ACT policy positions were stated without consultation with the Leader, Caucus or Board.*
3. *Heather Roy made a complaint about not wanting to meet with Rodney Hide.*
4. *Heather Roy laid a formal complaint about breach of security against Rodney Hide.*

Rebuttal of Rodney Hide's Allegations

Summary Position in Rebuttal:

I dealt with all of the issues, (allegations 1-6) above, as they occurred, on a case-by-case basis. They have been put together and presented as if there is an orchestrated grand plan in place. This is not the case but Rodney Hide has used all of these cases to present the appearance of behaviour not becoming a person fit to be a Minister or Deputy Leader.

I have received many reports of his agenda being to humiliate and discredit me so as to have grounds to place me well down the party list at the next list selection meeting.

Rebuttal of Rodney Hide's Allegations

Summary Position in Rebuttal (continued):

Rodney Hide has interfered in my Ministerial role to the extent of telling the Minister of Defence I need to be removed from my Associate Defence position. It is very difficult for me to work when my own Leader is determined to undermine me in this way and it is very clear to me that he has used others to further this agenda.

I believe I am a hard working and competent Minister. I try to fulfil my duties as Deputy Leader as best I can given the Leader has never discussed what these duties should be and how we can best work together, despite my repeated requests for indications of these as per caucus rules.

Part 4

The Context for the Current Situation

CONTEXT SECTION RESERVED

Relating to Stakeholder Conduct Since ACT's Formation

Part 5

Risks and Options

Risks and Options

Contents of Part 5

2. Media Risk Analysis
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7. Reaction of the National Party
8. Likely Exploitation by Other Political Parties
9. Alternate Courses of Action

Media Risk Analysis

Regarding The ACT Deputy Leadership Changing Hands Now

1.	Raises questions around unity in the Party and Rodney's inability to lead a team. This, in combination with disgruntlement about the way the super-city reforms have occurred, could be portrayed as his inability to be an effective Minister.	1. The public could buy in to the premise that ACT is in trouble and will be in disarray come election 2011 and therefore a party vote for ACT is wasted (similar to 2005 and the view of National in previous years).
3.	Leads to speculation that Heather was a serious contender for the ACT leadership in November and gives media another chance to re-hash those angles.	2. Raises questions about Heather's ability to manage Ministerial portfolios as it is rare for an MP in a minor Party to be a Minister of the Crown if they are not Leader or Deputy Leader.
5.	Makes it appear as though Rodney is afraid of Heather's ability and ambition regarding leadership and so feels the need to remove her before she becomes too powerful.	3. Will lead to questions to John Key as to his confidence: in Heather to fulfil her Ministerial duties; in ACT to remain a united and effective coalition partner. May also lead media to ask whether he played a part in Heather losing Deputy Leadership. These are all questions he will not want to be asked.
7.	Raises serious doubts about John's judgement in challenging for Deputy role before Natural justice had occurred. Unlikely he would be taken as a serious future leader or ministerial option after that.	

Media Risk Analysis

Summary

Any change in the Deputy Leadership of ACT now will serve to confirm media and public suspicions that Rodney's position as ACT Leader was in serious jeopardy in 2009 and has remained so. Suspicions and articles in this vein have always served to undermine a Party and draw attention from the actual work they are doing. This has the flow-on effect of creating uncertainty about ACT's ability to actually serve as an effective part of Government now and in the future (i.e. if ACT implodes during its first term as part of Government, who's to say it will ever be fit to govern?). The result of a change will be media slaughter, leading inevitably to a drop in ACT's public favour, a bad result in the election and quite possibly the end of ACT in Parliament altogether.

Reaction within the Party and by Funders

- Many party members will be extremely upset, especially female members and they may terminate their membership.
- Some may choose to speak out to the media on their concerns about the way this matter has been mismanaged.
- Some Board members and highly placed list candidates may publicly resign.
- A Special General Meeting could be called by 20% of the membership causing further unhelpful media scrutiny.
- Funders may see the damage done to the party brand as irreparable and withdraw funding.

Epsom

- National Party (and others) are regularly polling Epsom and informal advice is that the results show Rodney's hold is tenuous at best.
- Therefore, the price they extract for the pressure on the Govt through a change of Deputy Leader now, might be to stand a strong candidate in Epsom.
- Liberal voters, particularly women already disaffected with Rodney's divorce, might take this as the 'last straw' and not vote ACT causing the loss of the seat.
- Therefore it is more important than ever that ACT adjusts to a 'Five+' strategy and the leadership status quo remains.

Reaction of the General Electorate

- Likely to be perceived by most as the bullying actions of white middle-aged men against women in leadership.

- Any remaining credit that Rodney gained from his ‘re-invention’ phase from dancing, swimming and the gym and self-declared ‘nice guy’ new style will be wiped out.

- ACT Party polling will plummet and support for the centre right Government will also be affected as John Key struggles to field the barrage of questions.

Stability of the Centre-Right Government

- This action, especially if linked to a subsequent attack on Heather Roy's warrants may well cause an early election as John Key is portrayed as 'hostage' to the Maori Party.

Reaction of the National Party

- The price extracted for the pressure on the Govt through a change of ACT Deputy Leader now, might be standing a strong candidate against Rodney in Epsom

Likely Exploitation By Other Political Parties

- Labour will use this as a distracter from Carter's expulsion and Phil Goff's low leadership rating.
- The PM will face a barrage of questions in Parliament about confidence in his Ministers.
- The Greens will likely offer a 'make-up' deal with National in an attempt to step into ACT's support party space.
- The Maori Party will seek to press home short term advantage with more policy concessions.
- Winston Peters will articulate how he can help form a stable centre-right Government and will close in on ACT's more right-wing policies eg law and order.

Alternate Courses of Action

- RESERVED

Part 6

Recommendations (Reserved)

Recommendations

- Maintain the leadership status quo
- Immediately conduct a comprehensive poll of Epsom to ascertain the premise that it is a ‘safe’ ACT seat
- Properly define the Deputy leader’s role as per the caucus rules
- Establish personal and team development programme facilitated by an outside expert
- Open the books on the Leader’s budget to Caucus and Board
- Conduct an internal inquiry into the leaking of information to the media

Part 7

Enclosures

Enclosures 1-4

1. ------ SMS ------
To: 021 427 738
Sent: Aug 6, 2010 3:55 PM
Subject: David - have been waiting in...
David - have been waiting in office all afternoon for your letter. When can I expect it?

2. ------ SMS ------
From: +6421427738
Sent: Aug 6, 2010 4:05 PM
Subject: Sorry..others need to sign it...
Sorry..others need to sign it off...it will b with you on Monday. I apologise for not letting u kno there was a delay

4. ------ SMS ------
To: 021 427 738
Sent: Aug 10, 2010 6:08 PM
Subject: David,
David, I have had your word on 3 occasions that I would have the written account of last Thursday's caucus meeting - first by last Friday, then by Monday. I have not received anything from you (or from anyone else). You said this was part of the natural justice process. Heather

6. ------ SMS ------
From: +6421427738
Sent: Aug 10, 2010 7:03 PM
Subject: Heather,
Heather, I can only apologise for not being able to honour the undertaking I gave you at the meeting.
I am assured that a summary of the issues covered at the meeting will be provided to you tommorrow. You may respond to that document - whether in writing or orally - if you wish at caucus next Tuesday.
Regards,
David

Enclosure 5

11 August 2010

By Hand
Private and Confidential

Hon Heather Roy
Bowen House
Parliament Buildings

Dear Heather

I can only apologise again for the delay in formally responding to you. From Friday 6 August until a few minutes ago, the matter was out of my hands.

I am instructed by the Leader to let you know that, while the promise to provide a summary of the points discussed at the Caucus meeting was appropriate given the possibility of a censure motion arising from the concerns raised, because of the challenge for the Deputy Leader position that is no longer under consideration. The issue now is the vote for the Deputy Leadership position. This is simply an issue for Caucus decision.

You may put your case for your holding your present position at Caucus next week. As part of that process, you may wish to address the concerns raised at the last meeting. You may bring a support person or other advisor with you to the meeting. It is your decision whether that person speaks on your behalf.

Yours sincerely

David Garrett MP
Whip

Enclosure 6-1

Urgent Caucus Meeting

Thursday 5 August, 2010

Notes as taken by Heather Roy

Meeting held in ACT Caucus Room, Level 11, Bowen House

Present : Rodney Hide, Heather Roy, John Boscawen, David Garrett, (on Conference phone) Michael Crozier, Bruce Haycock, Chris Simmons

Apologies : Sir Roger Douglas

Meeting opened : 1840 hrs

Chair : David Garrett

The chair opened the meeting by saying a special meeting had been called to relay to Heather Roy serious concerns around her behaviour and in particular her relationship with Rodney Hide and that these needed to be addressed.

Rodney Hide went over the issues in this regard that had been raised at the previous caucus meeting on Tuesday 3 August – Heather Roy had not been present due to illness.

David Garrett promised the issues would be submitted to Heather Roy in writing (Rodney Hide confirmed that this would be the case when asked) and she could respond verbally at this meeting, or verbally or in written form at the next caucus meeting. It was also explained that she could bring with her to the next meeting a support person should she wish.

Rodney Hide outlined his concerns:

- Papers are out in Defence "flying solo". By this he said he meant that issues put forward from an ACT party perspective had not come to the Leader or caucus or the Board. He said there is a paper which was derogatory of Senior Officers. He said the Minister of Defence had contacted him (RH) after this paper was distributed then withdrawn. Rodney Hide said he had raised this with Heather Roy previously, Peter Keenan was present at the meeting, and he had asked these questions of Heather Roy: Did she prepare such a report?, were these things said in the paper? and he then commented that she had denied these things.
- After the meeting where this was raised he said he asked Heather Roy for a copy of that report, she had replied by text saying 'No' as it was a classified document. Rodney Hide said he had discussed with Wayne Mapp (Minister of Defence) Heather Roy's refusal reason and Wayne Mapp had said he didn't say that.
- Rodney Hide then referred to a Paper dated 23 June 2010 which he had a copy of. He said it was a Cabinet paper with track changes containing unacceptable comments made by Simon Ewing-Jarvie, Heather Roy's Senior Ministerial Advisor. Heather Roy asked to see the paper and it was handed to her to look at. Rodney Hide also produced an email to the Deputy Secretary of Defence and Stuart Boag (Wayne Mapp's Ministerial advisor). He said they state ACT party positions but have not been visible by the Leader or Caucus or the Board. Rodney Hide made specific reference to track change comments – "BS", "Sinking of the Titanic" and "Treasury should have no role in the White paper"
- Rodney Hide then raised an email sent to him by Heather Roy where she was emailing as a Minister to say she would not meet with him alone because she didn't feel safe. Rodney Hide said he was not prepared to meet with Heather Roy on the strength of that.

Enclosure 6-2

5. Rodney Hide then came back to the Defence paper that he claims criticises Generals. He said he was entitled to see it because he is the Leader. He said Heather Roy said it was classified and refused to hand it over. He said that Wayne Mapp had said he could see it. At Question time he said Heather Roy had told him he could see it so Kim McKenzie would come and get it. Heather Roy said she wouldn't give it to her, that he could come and get it from her office. He had to come all the way back to Bowen House and in her office Heather Roy said it couldn't be taken away, Rodney Hide would have to read it there. He said he found this offensive. He said he put the document back on the desk, then Heather Roy sighed deeply and said he could take it away.At this point Heather Roy protested that this was incorrect – she said he had not put it down, but instead turned and left the office with the document. Rodney Hide then said that he read the report, and it was returned to Heather Roy by Kim Mckenzie that afternoon.
6. Rodney Hide reported that the next day (Thursday) Heather Roy laid a complaint with parliament's Security Officer alleging a breach of Ministerial Security against Rodney Hide. As a result he said the Cabinet Office was appraised of the breach, the Prime Ministers office was advised of the complaint. An investigation was undertaken and "naturally enough" no breach was found. This was advised by email on Monday afternoon.

7. Rodney Hide summarised the situation:

Rodney Hide and caucus have grave concerns about Heather Roy's behaviour

ACT positions were stated without consultation with the Leader, caucus or board.

Heather Roy made a complaint about not wanting to meet with Rodney Hide

Heather Roy laid a formal complaint about breach of security against Rodney Hide.

David Garrett :

Reiterated that Heather Roy would receive a written statement of the allegations made against her and this would be hand delivered to her office the following day (Friday 6 August), in the afternoon. He said she could reply to these allegations by making a verbal statement tonight (this was declined) or a verbal or written submission at the next Caucus meeting (Tuesday 17 August). He restated that in the interests of Natural Justice Heather Roy could bring to that meeting a support person who could be a family member, colleague or lawyer. Heather Roy asked why she would need a lawyer, this question was not answered.

Enclosure 6-3

John Boscawen:

Said he was very disturbed at what he had heard over the past week. He was very concerned that Heather Roy was refusing to meet with the Leader but when challenged by her as to the truth of that statement he then admitted he had not seen the email containing the statement to which he was referring. Heather Roy said that she was not refusing to meet with the Leader but that she had said she wanted to bring someone else to those meetings. She said she had discussed this matter with the President a few weeks ago. When asked by the leader if this was true, Michael Crozier confirmed that it was. When asked by the Leader if it was because she didn't feel safe Michael Crozier said he couldn't recall the exact wording but that was certainly the tone of the discussion.

John Boscawen went on to say that there was clearly a serious breakdown in relationship between the Leader and Deputy Leader and that left him with no option but to challenge for the Deputy Leadership role. He formally challenged for the role indicating that a vote should be taken at the next caucus meeting.

Those on the phone were asked if they had any questions or comments – none were raised.

Heather Roy asked through the chair what outcome Caucus was hoping to achieve. The Chair said that there was absolutely no predetermined outcome and that natural justice would be followed. He said that there were a variety of views on what could happen but caucus would decide what will happen next after Heather Roy's submission had been made.

.Meeting Closed at 1910.

ACT CAUCUS AND BOARD
IN-CONFIDENCE

13 August 2010

David Garrett MP
Whip
ACT New Zealand

By Email

Dear David,

I am in receipt of your letter of 11 August. I am surprised that it took so long for you to follow up from last week's urgent Caucus meeting on Thursday 5 August and that you think it acceptable that the caucus can now simply decline to record the allegations directed at me in that meeting just because there might be a vote on John Boscawen's Deputy Leadership challenge.

The allegations were about probity. I welcomed the promise made by yourself and the Leader, at that meeting, to advise me in writing what I was charged with. While I took my own notes, I was not able to work out from them much more than that the Leader wished to destroy my reputation and that John's challenge, before I had the chance to put my case, indicated little commitment to the pursuit of natural justice.

Since caucus obliged the Leader to apologise for his travel perk behaviour last November, our relationship has been tense. It has become obvious by his actions that he has set upon a path to establish a foundation for humiliating me. After John announced his challenge for the Deputy Leadership at the end of the meeting, I realised that the intent to humiliate might have been thought merely necessary preparation, perhaps in the hope that I might fold my tent and walk.

However, as the allegations were made with the Board President, Vice President and Treasurer present via teleconference (the latter in breach of Clause 13.1 of the ACT constitution), I cannot let them go unanswered. I needed the allegations in writing, mainly to try to work out whether there were any genuine charges of real offences against the cause I'm here to serve, and the rules and customs that govern us all.

I'm left to conclude the allegations made against me were spurious, but the damage remains. Consequently, I will provide my written rebuttal of the charges as I noted them at the time, (and as I was invited to do), to the next caucus meeting on Tuesday 17 August. It will include a full account of my reasons for fearing for the sanctity of the principles on which we were founded. An unhealthy culture has emerged characterised by combative interpersonal relationships, innuendo and side-deals which is destructive to the integrity of the caucus as a whole. My written rebuttal will call on the Caucus and Board to censure such tactics and to adopt some resolutions that might help to protect our cause and our culture from the unhealthy situation that arises when such tactics can be used with impunity.

You should be aware that events since the 11 August meeting have borne out my concerns about the Leader's particular recent abuse of power and interference in my Ministerial functions involving third parties. I will know better, by next Tuesday's meeting, the scope of the damage, and how likely it is that it can be contained.

I expect you as Chair of Caucus will pass this letter to the other caucus members. I have forwarded a copy to the Party President in accordance with Clause 13.1 of the Constitution.

Yours sincerely,

Heather Roy

Heather Roy

Enclosure 7

Enclosures 8-9

8. ------ SMS ------
To: 021 427 738
Sent: Aug 14, 2010 1:05 PM
Subject: David,
David, can you please confirm you have received my response to your letter of 11 Aug and that you have distributed it to all caucus members. Thank you.
Heather

9. ------ SMS ------
From: +6421427738
Sent: Aug 14, 2010 2:29 PM
Subject: Heather,
Heather, Yes I confirm I have received your letter. I propose distributing it to caucus members on Monday morning which will allow ample time for members to read and digest it prior to caucus.
David Garrett

Enclosure 10

From: Barbara Astill [mailto:bka@xtra.co.nz]
Sent: Sunday, 15 August 2010 2:52 p.m.
To: 'Michael Crozier'; 'bhaycock@orcon.net.nz'; 'chris@simmons.net.nz'; 'Nick Kearney'; 'hamishs@xtra.co.nz'; 'tauranga.act@xtra.co.nz'; 'robandmeldouglas@hotmail.com'; 'davemoore@xtra.co.nz'; 'geoff@zapwall.com'; 'colinn@clear.net.nz'; 'rodney.hide@parliament.govt.nz'; 'heather.roy@paliament.govt.nz'; 'r.douglas@xtra.co.nz'
Cc: 'Barbara Astill'
Subject: ACT - BoT - meeting

This message gives you notice of an emergency meeting of the Board of Trustees under Rule 9.3(b), to be held at 12 noon on Tuesday 17 August.

The President will chair the meeting from Wellington, and the Vice President will coordinate a gathering at Head Office in Newmarket. Please do not discuss this meeting with anyone else, ahead of time, except on a strictly need-to-know basis.

The usual telephone conference facilities will be available:

- Conference call number 001-605-477-3000
- Access code 189977#

For any last minute difficulties, use the following contacts:

- Michael Crozier 021 410 425
- Bruce Haycock 021 480 715
- Barbara Astill 021 920 079

Barbara Astill

Party Secretary

Enclosure 11

Rodney Hide described Labour's highly controversial purchase of the 105 Light Armoured Vehicles (LAVs) as Helen Clark's bungle after the Controller and Auditor-General's report tabled in Parliament showed that CDF didn't want 105 LAVs - ACT press release, Feb 8 2005

Rodney Hide was heartened that new Chief of Defence Force Bruce Ferguson spoke out against the destructive culture that developed amongst a few in the top ranks of the Army - ACT Press Release, May 14 2002

Brigadier Jerry Mateparae says all questions about the death of Private Leonard Manning in East Timor have been answered. He was responding to calls from Ron Mark, Rodney Hide and Max Bradford's call for an independent inquiry into Private Manning's death - Press, Jan 16 2002

Rodney Hide, Max Bradford and Ron Mark are calling for an independent inquiry into the killing of Leonard Manning Timor after a 'North & South' article raised questions about the death - including why it took seven hours to find his body, why an under-strength unit of six soldiers were hunting at least nine armed militiamen and why helicopters were not called in to help when the patrol came under fire - Herald, Jan 15 2002

Rodney Hide reveals that New Zealand soldiers serving in East Timor have accidentally let their weapons off 100 times since the first tour of duty began in October 1999. He obtained the figures from Mark Burton after battling to get answers to parliamentary questions about the unauthorised discharge of weapons in Timor - Herald, October 25 2001

Rodney Hide reveals that NZDF paid a management firm $350,000 to contract out a tender which was suspended without being awarded - SST, Sept 30 2001

Rodney Hide and other Opposition parties have called for a full, independent inquiry into the $700 million purchase of 105 light armoured vehicles for the army. Hide said the LAV-III purchase should be canned - Press, Aug 23 2001

Rodney Hide says the Auditor General's report into the acquisition of the Light Armoured Vehicles (LAVs) raised more questions than it answered and could be viewed only as a first step to providing properly for New Zealand's Defence Forces - ACT press release, Aug 22 2001

Rodney Hide called Mark Burton the "Weakest Link" Minister after the Govt gave three different answers to the simple question of whether the new LAV IIIs could have made it to the contact area where Private Leonard Manning was killed in Timor - Stuff, Aug 19 2001

Rodney Hide says there were more questions swirling around Mark Burton's attempts to mislead Parliament over the LAVs. Burton claimed the LAV IIIs could have been used to support the troops involved in the East Timor fire-fight in which Private Leonard Manning was killed but the army disagrees - ACT press release, Aug 17 2001

Rodney Hide claims that the army's official advice concerning the LAV IIIs was disregarded by Mark Burton - TVNZ, Aug 16 2001

Enclosure 12

From: Simon Ewing-Jarvie (MIN)
Sent: Wednesday, 23 June 2010 1:48 am
To: brook.barrington@defence.govt.nz
Cc: Stuart Boag (MIN)
Subject: RE: Defence Assessment Cab Paper

Hello Brook.

Apologies for the late night reply however, after a week in Australia, my 'in-tray over-floweth' and I have only just completed going through your draft paper. My earlier text messages refer.

HWM's Chief of Staff, Stuart Boag, forwarded me, mid Tuesday (22 Jun) morning, your draft paper for ERD, which appears due to be circulated to ODESC later today (WED 23 Jun) and asked (below) that I direct any feedback to you.

As you are aware, last week, I emailed you from Australia to advise that HHR had decided not to further delay the submission process for the Defence Assessment by SECDEF. However, I don't think that it is appropriate for our office nor the ACT Party to be potentially seen to be 'complicit by silence' when significant papers such as this one are being distributed.

Given more than a day's notice, I would have run my 'track change' version by my Minister before distributing. However, given the timeline, that is not possible and so I find myself in the invidious position of having to send my advice document to all parties simultaneously. I wish to emphasise that the annotations in the attachment are my personal view to my Minister but the constraints of time do not permit any other approach. Given that this email is now a discoverable document, I fully accept the consequences of this choice.

Regards

Simon

Dr Simon Ewing-Jarvie
Senior Ministerial Advisor
Office of Hon Heather Roy
Minister of Consumer Affairs, Associate Minister of Defence, Associate Minister of Education
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Private Bag 18041, Parliament Buildings
Wellington 6160, New Zealand

Enclosure 13

SEJ COMMENTS:

1. This is a new proposition that has not been consulted with AMINDEF.
2. This is a weak paragraph which would have little meaning if read for the first time,
3. The STR mix of Feb 2010 was nothing of the sort. It was a list of combat elements and platforms.
4. On its own, this is inconsistent with statements in para 7.
5. This is considered a low priority in the current resource-constrained environment. The first priority should be on people in the next 5 years as the NZDF is overcommitted (despite what the Chiefs say) and struggling to bulk up its middle ranks and technical trades.
6. This entire paragraph is nothing more than pure, unadulterated BS. The Defence Assessment is supposed to provide the expert opinion – not a 'dollar each way'. How can Cabinet Ministers be expected to make an informed assessment of the strategic risk out to 2035 when they have to first consider an election next year?
7. This approach is a decoy. None of the 'trajectories' represent fundamental change that will reverse the decline of NZDF capabilities. We have to stop kidding ourselves in papers such as this.
8. This approach is tantamount to declaring that the Govt does not believe its economic plan will work. On another tack – what would the impact on the economy be if our EEZ was pillaged because we couldn't defend it?
9. These calculations are all variations on the rate of sinking of the Titanic. They have dominated DR09 and indicate an unhealthy degree of manipulation by Treasury (a group not known for their presence on the battlefields of the world) on the defence of our nation.
10. Luxury item at this stage in the NZDF platform lifecycle and the only previous reference to this found in official public documents is in the case made by the former COMJFNZ and current Head of Customs (Martyn Dunne) in his Maritime Surveillance Strategy nearly a decade ago. Déjà vu?
11. See earlier comment about replacement versus upgrade.
12. This is an unfortunate and misleading Section Heading.
13. Are we seriously suggesting that Cabinet consider such heady matters as the disposal of an ammunition facility or a couple of buildings in Auckland? This rates, after the Treasury script, as one of the weakest paragraphs in this paper.
14. There is nothing strategic about these three points. They are 'motherhood and apple pie' statements and appear in every HRM 101 textbook. If this is the best that the MOD and the NZDF's new integrated personnel function can offer in advising the Secretary I predict tears before bed.
15. This entire section is a new approach on which the AMINDEF has not been consulted.
16. In the interests of transparency and accountability, my recommendation is that the agencies and individuals involved in the development of this Assessment should have no further role in the drafting of the Government's Defence White Paper.

Enclosure 14

Dear Heather.
I am sorry you feel the way you do.
We wont meet.
We can cover all the issues at caucus and at the board.
Rodney

On 21/07/2010, at 3:58 PM, "Hon. Heather Roy (MIN)" <Heather.Roy@parliament.govt.nz> wrote:

Dear Rodney,

I am writing regarding our monthly meetings to advise that from now I intend to bring someone with me to these meetings and others that sometimes occur at short notice. I think it is important that we have regular meetings to discuss party and parliamentary issues and it was at my instigation initially that they occur.

At the last few meetings I have found you confrontational and aggressive. In the interests of my safety I am no longer happy attending these alone. Peter Keenan has been present at some of these meetings, the subject matter has been pre-rehearsed and he is obviously there to back you up on points you wish to make. This creates an intimidating atmosphere and I feel I am in a disadvantaged position.

I would also prefer that we have an agenda for the meetings. As they approach I have no idea what you wish to raise with me or vice versa and an agenda provides structure and allows us both to be prepared. I have attached below a draft agenda for our next meeting, tomorrow (Thursday) at midday with items I would like to discuss.

Heather

Tuesday 27 July, 2010 : 1130
Meeting held in the ACT Caucus Room, Level 11, Bowen House

At the end of the regular ACT Caucus meeting today (around 1130 hrs and in the presence of Sir Roger Douglas, David Garrett, Peter Keenan, and on the phone Michael Crozier and Bruce Haycock) Rodney Hide raised the issue of wanting to see a Defence Document (Reserves Paper) written by myself to Hon. Wayne Mapp. I had previously refused to release it to him following discussion with Dr Mapp because it is classified as "Restricted, Defence Ministers In Confidence" and was written by me for Dr Mapp only.

Rodney Hide said that he had spoken to Dr Mapp who had told him that it was up to me whether or not I released the paper to him. After being badgered in front of the other meeting attendees I agreed to let him see it later in the day.

Rodney Hide has no Defence responsibilities as a Minister and does not sit on cabinet committees that have viewed any Defence Review material previously. I pointed this out saying it would be like me demanding to see background Local Government documents. He said he was entitled to see my documents as Leader of the ACT party. I don't accept this argument.

Tuesday 27 July, 2010 : 1455
Debating Chamber

I advised Rodney Hide I had the document (above) he wanted to see. He said I was to give it to his SPS Kim McKenzie. I said I couldn't as it is classified 'Defence Ministers In Confidence' and refused when he argued the point. He said I was to bring it to his office at 1510 and I responded by saying he could come and read it in my office – he agreed.

1505
On returning to my office I asked Sarah-Rose Burke (my SPS) to stay in her office while Rodney Hide came to read the Defence Document above and listen to any conversation that ensued.

Enclosure 15-1

LEGALLY PRIVILEGED IN-CONFIDENCE

Enclosure 15-2

1510
As previously arranged Rodney Hide came to my office to view the Defence Document mentioned above. He took it from me and turned to leave. I explained that he wasn't to take it away but could read it in my office and explained again the security classification that it holds. He said I couldn't seriously be suggesting he couldn't take it to his office and read it. I said I was serious and asked him again to stay in my office and read it here. He refused to do this and again turned to leave my office. I said again that it was a classified document and that I wanted it back. He continued to walk out of my office and I called after him asking when I would get it back. He said in a couple of hours when he had read it.

27/7/10

Short of standing up and moving to stand in the doorway or coming from behind my desk and taking the document from him I couldn't stop him from taking it from my office.

Heather Roy
27/7/10

Enclosure 15-3

Sarah-Rose Burke (MIN)

From: Sarah-Rose Burke (MIN)
Sent: Tuesday, 27 July 2010 3:34 pm
To: Hon. Heather Roy (MIN)

3:05pm (approx) HHR advised me that HRH would be coming by to sit in her office and read a document. HHR asked me to stay at my desk.
3:10pm (approx) HRH arrived, queried if HHR was in, I affirmed and added "go on through".
HRH entered HHR's office. There was some discussion that I could not hear.
I heard HRH say "Oh you can't do this" and words indicating he was unhappy with sitting in HHR's office to read the document. Cannot recall exact words.
HHR "Look at the classification, I can't have you walking around with it"
HRH queried where the classification was on the document
HHR advised it was at the top of the page "like it always is"
There was a further short conversation that I could not hear. HRH left HHR's office with the document.
HHR "When can I have it back?"
HRH "When I've read it ... probably a couple of hours"

Sarah-Rose Burke

Senior Private Secretary
Office of Hon Heather Roy
Minister of Consumer Affairs, Associate Minister of Defence, Associate Minister of Education
Parliament Buildings, Wellington

DDI +64 4 817 6623 / Mobile +64 21 569 353 / Fax +64 4 817 6524
Sarah-Rose.Burke@parliament.govt.nz

Enclosure 16

Minister

On 29th July, in my capacity as Departmental Security Officer, you advised me of your concerns regarding a possible security breach, when a copy of a document authored by you with a low level classification was taken away by another Minister after you had agreed to allow him to read it in your office.

I have reflected on the circumstances outlined by you and do not consider a security breach to have occurred. In so doing I have considered the following:

the low level of classification (RESTRICTED- Sensitive),

the fact you had agreed to divulge the contents to the Minister,

the fact that it was not cabinet material,

the fact that All Ministers are part of the Executive and there is a fundamental assumption of trust and confidentiality between Ministers when exchanging information in the collective governance environment that makes up the Executive. This is reflected in the fact that, as a matter of course, Ministers are NOT required to hold national security clearances.

However, I do note your concerns regarding the ultimate fate of the document that has passed from your control. So, for completeness, I have copied key interested parties to this e-mail and, in my security officer capacity only, have discussed with the other Minister your security concerns.