



Office of Hon Simon Power

MP for Rangitikei

Minister of Justice

Minister for State Owned Enterprises

Minister of Commerce

Minister Responsible for the Law Commission

Associate Minister of Finance

Deputy Leader of the House

08 APR 2010

Ms Grace Haden
grace@verisure.co.nz

Dear Ms Haden

Responses to Corruption

Thank you for your correspondence of 8 March 2010 asking a series of questions relating to measures that this Government is taking to combat corruption. I understand that you have spoken with my officials at the Ministry and you have agreed your letter is not a request for official information but rather an attempt to have me respond to the questions in that letter. I have responded to your letter on that basis.

An international treaty like the UN Convention against Corruption ("UNCAC") is only legally binding in New Zealand if the terms of the treaty are found in our domestic law. Although New Zealand law is generally consistent with UNCAC, a number of provisions of UNCAC still have to be implemented domestically by way of legislation. Cabinet agreed last year that New Zealand should ratify UNCAC and agreed to the proposals for legislative enactment. At this stage no date has been set for the introduction of this legislation. As you may appreciate, the Government has a full work programme and there are heavy demands on the legislative programme.

My officials at the Ministry of Justice are currently working with Parliamentary Counsel to draft the required legislation. Before that legislation can be introduced, UNCAC is required to undergo Parliamentary scrutiny by a select committee. This committee, the Foreign Affairs, Defence and Trade Committee, will determine whether it is in New Zealand's interests to ratify UNCAC and will report to Parliament accordingly. UNCAC was referred to the Committee last year but the examination process has yet to be completed.

This Government remains committed to combating corruption and agrees that we should do all we can to prevent this nefarious conduct and take strong action where there is evidence that it has taken place. However, I would caution against members of the public, who suspect individuals of acting corruptly, from making those allegations public. Such accusations are serious and, where ill-founded, have the potential to make a serious impact on the reputation of the individual concerned. If the person making the allegation is unable to prove their allegations, then it is possible that they may face civil action.

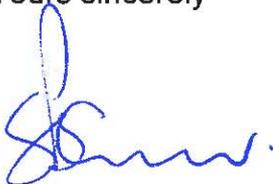
I consider that there are adequate opportunities for members of the public to avoid such a scenario by reporting suspicions of corruption to appropriate authorities. In the case of criminal offences, for example, these matters should be reported to the Police or even the Serious Fraud Office (SFO). The Audit Office is responsible for investigating and prosecuting offences under the Local Authorities (Members Interests) Act 1968 and will accept complaints from the public. The Police, SFO and Audit Office all have the expertise, resources and powers to enable them to thoroughly investigate any potential unlawful or criminal activity where there is some basis to the allegation.

I am confident that there are sufficient protections in New Zealand law for persons who wish to report suspicions of wrongdoing. The Protected Disclosures Act 2000 ("the PDA") for example, provides the legal basis for the protection of 'whistleblowers'. The PDA was reviewed in 2003 and amended in 2009 to provide additional protection for whistleblowers.

As a Minister of the Crown it is inappropriate for me to comment on the conduct and/or outcome of individual court cases. I would note, however, that the rights and freedoms in the New Zealand Bill of Rights Act 1990, including the right to a fair trial, are for the benefit of all New Zealanders. It is for the Judge in each case to weigh the interests of the different parties.

You have also made mention of the case of Mr Pickett. Without discussing the specifics of this case and the merits of the sentence Mr Pickett received, I would note that it is possible in individual cases for the Crown to seek to recover the assets of persons convicted of serious offending or, in limited circumstances obtain court orders for the restraint or forfeiture of assets without a conviction.

Yours sincerely



Hon Simon Power
Minister of Justice