

**POST-CABINET PRESS CONFERENCE: MONDAY, 9 MAY 2016**

**PM:** Good afternoon. Can I start by making a couple of comments on foreign trusts, following the release of the Panama documents. It is my clear expectation that all New Zealanders will pay their full share of tax. As a result of the Panama Papers, IRD has set up a small group to review the papers, to ensure New Zealanders are meeting their tax obligations, and to support other countries if requests are made for further information. New Zealand has, and continues to have, a strong reputation when it comes to tax transparency and the exchange of information. The Government takes the issue seriously, and we have called for a review of disclosure rules for foreign trusts by tax expert John Shewan. One of our highest ranking tax officials attended an emergency meeting last month, called by the OECD, to discuss the issues raised by the Panama Papers.

As I've been saying for some time now, if there's any need for change in this area, the Government will consider it and, if necessary, take action. By way of summing up, it's important to note the existing rules already require foreign trusts to be registered and to keep detailed financial and other records. These can be requested by Inland Revenue, and passed on to tax authorities in other countries.

We also have a strong tax treaty and information exchange network. As of today, New Zealand has signed agreements with 109 countries, including many in Latin America. They include Brazil, Argentina, Mexico, Columbia, Chile, and El Salvador, just to name a few.

We've seen some people, including Opposition parties, claim that New Zealand is a tax haven. That is utterly incorrect. The OECD has four criteria for assessing whether a country has harmful tax practices, including making them a tax haven. New Zealand does not meet any of them. In fact, the OECD says we do not meet any of them. Just 3 years ago it said New Zealand was compliant in tax transparency, the highest possible rating. Further, since Budget 2012 we have invested more than \$205 million for the IRD to beef up its compliance work. We've introduced additional anti - money-laundering laws, and anti-corruption laws. We have entered into an automatic exchange of financial information with the United States—FATCA—and we plan to introduce legislation to enable the automatic exchange of financial information with up to a hundred other countries.

So there has been a lot going on in this area. If John Shewan or the OECD recommend further improvements, we are certainly open to them.

As you know, we are less than 3 weeks away from this year's Budget. Budget 2016 will advance the Government's work to support a strong, growing economy so we can meet the needs of New Zealand families in areas that really matter, like health and education. We'll include a wide range of initiatives that build on the good progress that's been made over the previous seven Budgets. Last week we made several pre-Budget announcements, including \$124 million for Pharmac, \$22 million to boost cyber security, and over \$20 million to protect our native wildlife. Today, as you will have seen, we've announced the Government will provide \$41 million over the next 4 years to assist emergency housing and grants. This will provide 3,000 emergency housing places across the country per year, and a new emergency housing special needs grant to support individuals and families with the cost of emergency housing for up to 7 days. The Government is focused on increasing the supply of social and affordable housing so people have a more permanent place to call home. We remain committed to growing a more diverse community housing sector and modernising Housing New Zealand's properties to ensure that they meet our modern needs.

Parliament this week: We're looking to progress the taxation bill, the social security legislation rewrite bill, and the Trans-Pacific Partnership agreement bill. In terms of my own activities, I am in Wellington tomorrow and on Wednesday, as per usual. I am in Auckland on Thursday and in Rotorua on Friday for the Trenz conference. Over the weekend I'll be in

Wanaka for a National Party conference, the third of the four, and just to let you know I'm a little bit short on time today so ideally I want to get out of here about 4.30-ish.

**Media:** Prime Minister, is New Zealand a tax haven?

**PM:** Definitely not. Good to see you were paying attention to the comments I've just read out!

**Media:** On the issue of the automatic—

**PM:** Exchange, yep.

**Media:** —handover of banking information, does that need to apply to all countries across the board and then you will remove this problem?

**PM:** Well, I think it would be any country that wants it, so it's important to understand that New Zealand is very high on the transparency index, very high in terms of its professional dealings in this area. Not every country is and wants that, but where countries want the information, we are giving it to them. It's important to understand that all the requests ever made of New Zealand, we've complied with all of them. But as of the work we are doing, which actually pre-dates the Panama Papers, we think the automatic exchange that we have with Australia and the work that we've done with the United States will mean that over 100 countries will have automatic exchange.

**Media:** But are you saying—you're signalling pretty clearly that you're open to a change whereby in future it has to be automatic?

**PM:** Well, we're actually doing that anyway, even outside of the Panama Papers, with up to 100. But we are quite happy to work with other countries to strengthen even further, if that's possible, both the tax, because of the mismatches around the world, but also on exchange of information.

**Media:** What should that automatic information be? Should it include who the settlor is—the whole gamut?

**PM:** Well, I think it would be enough information so that if an authority wanted to follow up for a particular reason, they could do that—and that's the most important thing. I mean, at the moment, we give that information to any jurisdiction of the 109 that ask us, and for every request we've had, we've complied with that.

**Media:** The papers show that a lot of the overseas people are using it for business interests not connected to inheritance or things that you've talked about in terms of opposition parties in countries that are unstable, and that sort of thing. What reason would someone, in Mexico for example, using a business deal, have to set up a trust here in New Zealand?

**PM:** So the first thing you'll appreciate is I haven't seen the papers, so it's very difficult to comment when I can't see the individual cases, nor am I a tax expert, so I can't comment on individual cases. But, you know, for example, apparently there was one case that I just heard someone talking about, saying that the person was Mexican and had set up a trust because they were uncertain about Mexican inheritance law—tax law. Well, that's legitimate.

**Media:** There are plenty of examples that just refer to straight business deals, so—

**PM:** I can't answer—I can't answer why that is but that's—

**Media:** —why would someone with no connection to New Zealand be setting up trusts here?

**PM:** Well, New Zealand is a jurisdiction which is a good jurisdiction to do that in, for all the reasons that we know: that we do have exchange of information, that we do have transparency, we do meet the highest possible code. So there's all sorts of reasons why people might. But you'd have to go and ask those who establish those why they do that. I'm just not the expert in that area.

**Media:** So the foreign trusts companies association representing the industry apparently argued for a new corporate registry and much more information, to get rid of the rogue operators. What do you think the Government's view on that—

**PM:** Yeah, so my understanding of it was they were looking at a suggestion about a registry. The view, I think, of IRD at the time was that, yep, that's possible, but it would be a whole new way of doing things, would require a lot of work. It wasn't something they could do immediately, and there were bigger priorities. So I don't think they believe that that would have really made much difference, but, again, they're all sorts of things you can look at.

**Media:** Do you still have bigger priorities though? If the industry itself wants to use it to clean up the industry, wouldn't that be a good idea?

**PM:** Well, the first thing, I think, is, you know, when people get a better chance to actually look at all the information, the question will be what is actually required. I mean, at the moment—because I'm, obviously, in the blind because I don't have access to the papers, but the way it's been presented this morning is that, at least in media reports that I've seen, they're not arguing that things aren't legitimate; they're arguing, they seem to be arguing sort of different reasons there. I don't know. We'd have to go and have a look at that.

**Media:** Are you happy for New Zealand's reputation to be touted by the likes of Mossack Fonseca very deliberately and including in South America that the reputation of New Zealand is a good reason for people in those countries to come and set up trusts—

**PM:** Well, it's—

**Media:** —that won't be looked in to too carefully because we're a reputable country?

**PM:** OK, so it's a statement of fact that New Zealand has a good reputation, and so, countries, you know, might want to, for instance, if you're in another jurisdiction, register a foreign trust here because we have a good reputation, but one of the reasons we have that good reputation is because we're compliant, because we exchange information, because we honour requests when they're asked of us. So, in fact, if you're looking for secrecy, New Zealand's the wrong place to come because we're not going to provide that secrecy. So I don't think that is, you know, entirely correct, actually—to say that—

**Media:** Some of the times when they're talking—when trust companies are talking about New Zealand—they actually say the disclosure set-up, that it's not that full is another good reason, and also look-through companies, which I see is in that tax bill. So what are you doing about look-through companies—?

**PM:** Yeah, so, again, there are changes that are happening—in fact, again, pre-dating the Panama Papers. One of the Cabinet Committees this week, actually, funnily enough, is looking at the base minimisation rules, and they are in relation, for instance, to look-through companies, because we've had concerns about that particular area—at least, they've been raised with us—and IRD have been working on that issue, to look at it.

It is worth making one other last point. When our senior official went to Paris to the OECD conference that was called as a result of the Panama Papers, New Zealand didn't get a single mention. So I accept that, you know, the Opposition parties and some journalists and people like Nicky Hager wanting to invent some tag that New Zealand is a tax haven. It's not true and it's not the way the international media see us. We have not been a major or dominant talking point when it's come to the Panama Papers.

**Media:** Prime Minister, is it acceptable in your view that overseas businesses use trusts in New Zealand to avoid tax? Well, we're not undermining our taxpayers, but is it acceptable that they use—

**PM:** OK, so one of the issues that you've got around the world is, every country has a unique tax system, and that's one of the challenges, actually. That they're all—there is no

universal global tax code, and so everybody's is a bit different. And it is possible for people to potentially, through the mismatches of the different tax systems, if they want to be creative and work hard, to significantly reduce their tax liability but in a lawful way. That is at least possible for what some multinationals are doing. And we don't like that and we'd like to close that down, and that's why we're working with the OECD on the base minimisation. But the problem we've got is we can't do that in isolation. We can't just magically say New Zealand can stop that. We need all of these other countries to work with us and that's what we've been doing. We've been very active in that fact. Again, a couple of our officials—because this work's been going on for a period time—have been chairing the committees on this sort of stuff.

So we're the first that want to do that, not the least of them being because, actually, if it comes to multinationals, that will add to New Zealand's tax base. If it comes to foreign trusts it might not because, you know, either those assets aren't in New Zealand not taxable anyway and unlikely to change. But that is something we're very focused on.

**Media:** Prime Minister, do you think that the growth—this industry has grown in the last 10 years or so—do you think there are some rogue operators that have come into the—

**PM:** It's always possible, and when you get the release of the papers you might get better information. The one thing I will say is if you go and have a look, people say there's been very substantial growth. Well, if you go all the way back a decade, about 900 foreign trusts were registered each year in New Zealand. Now the average is about 1,200. So there's a bit more.

**Media:** And do you think that there could be some rogue operators now?

**PM:** Oh, could there be? Well, it's always possible. I just can't rule that out. But what I can tell you is that there's a very thorough process you have to go through. If you're a trust company that establishes one of these foreign trusts, of which there are a number in New Zealand, you are subject to the anti - money-laundering rules. That means, not the least of them, you have to actually know your client and know the source of funds, and they are very strong legal obligations on people that do that. Even though, I think, according to—I don't exactly know how—but the officials say that on the Mossack Fonseca stuff they've seen today—must be stuff they've seen in the media—they were still registering those trusts with the correct IRD form, so with the correct, I think it's IR607, but I might be proved to be wrong. So the point being that, you know, we have to make sure that people comply with the law. If we can get examples where they are not, then we'll take very strong action against that.

**Media:** When are you going to shut the door on—are you going to close the door on look-through companies because, again, in 2013 that was specifically named as a reason to come to New Zealand. And, in fact, New Zealand was named as a new Mossack Fonseca jurisdiction along with Belize—all those companies. Are you going to shut the door on New Zealand being able to be used—

**PM:** OK, so, as I said to you, I can't really comment at the moment, simply because the work, or the bill as it's proposed, hasn't gone to—well, one part of it, I think one part's already in the House, so you'd need to ask Michael Woodhouse about that, because the most recent tax bill had some implications in that area, I think, from memory. But the second part of that, around base minimisation, is going off to our Cabinet committee. So when I can look at that I can give you much better information, or at least Michael Woodhouse's office can. But that's certainly one of the areas that's right in the sights of that and we're doing in that area, but that all pre-dates the Panama Papers.

**Media:** Are you satisfied that Inland Revenue is able to actually identify, have enough information? One thing the IRD's told us this week is that 968 trusts came to their attention only because of a change of ownership of the provider.

**PM:** Again, you'd have to ask them or Michael Woodhouse's office. I simply don't have all those details. I don't know.

**Media:** Doesn't that reflect, though, that Inland Revenue doesn't really have a handle on exactly who's behind or, you know, who's been registered with these trusts, beyond the lawyers in the trust firms.

**PM:** No, I don't think I would want to draw that assumption, but you need to get an answer from Michael Woodhouse's office.

**Media:** Prime Minister, has Michael Woodhouse or anyone in the ministry had an update from John Shewan as to what his early, kind of, thoughts are?

**PM:** I think Michael Woodhouse sat down with John Shewan and just caught up with him for a coffee last week. It's certainly—talking to the IRD officials on the weekend, and they've already had some discussions with John Shewan—they felt very confident in the work he's doing. He's extremely knowledgeable. It's a very detailed and complex area, and they thought he was really getting to the nub of any sort of issues that would need to be debated. The Government is more than happy to make changes. We're already making them proactively, as you can see, and if there are better recommendations, we'll do that. But we do need to do it in a very considered way.

I mean, yesterday, I think it was, you saw Andrew Little saying he's going to ban foreign trusts. Now he's walking away from that, saying he's not going to ban foreign trusts. I think in his mind he's going to—might ban some ones he doesn't like, but not other ones. And this is the point, isn't it?

Yet every country has quite a complicated tax structure. There are many layers to it. They evolve over time, and, actually, the important thing is that they work properly and they protect your base and, of course, your reputation. And I mean, at this point so far—I mean, this stuff's not in the public domain. The IRD will go through it all, but at this point it doesn't seem to be that the media's identified a New Zealander that's not paying their rightful amount of tax. And if you'd gone back to, say, prior to 1988, when the changes were made around taxing the settlor, I suspect you would have got a lot of New Zealanders that might of turned up on that list who were—maybe lawfully, but nevertheless, you know—using a foreign trust for reasons to divert their own taxation here in New Zealand. So at that level you have to say the tax system's working pretty well, on the best information we have at the moment.

**Media:** In that conversation with Michael Woodhouse, did John Shewan raise this issue, or had IRD raised this issue, of rogue operators? Has this sort of been raised in—

**PM:** He didn't raise the issue with me, no. I think it's just generally the work they're doing.

**Media:** Has the Government been too slow to react since the Panama Papers broke? Did you drag your feet on this issue?

**PM:** Well, I don't think so. You will always have your own assessment of my performance, and I accept that. But, you know, it got raised on the Monday, when this thing came out of nowhere. I didn't have any warning of that. I told you what I knew, which is what the official advice I have, which has been the consistent official advice the whole way through—New Zealand meets its obligations, it's highly regarded, and it's well-thought-of. As I said—I think even on the Monday—look, if there are issues, we'll look into those. In fact, you'll remember, on the Tuesday the *Dominion Post* headline was "Key softening stance"—or something like that—"towards greater change". That was on the Tuesday. I mean, with the greatest respect, the people who had the Panama Papers had them for a year. I mean, I still don't even have access to them.

So in that time, when not only have we taken it seriously, we've said there are two issues. One is around disclosure, and we've set up John Shewan's commission to look at that, and that'll be very thorough, I'm sure, John Shewan's work. And the second part of it has been around the tax treatment itself, and I believe we're doing the right thing working with our partners in the OECD. So I don't believe that we have been.

The third part of that now, of course, is the small crack group of officials that will go through all of the information when they get access to it tomorrow, and work with both our partners and make sure New Zealanders have paid their rightful amount of tax. So I think we've done everything that we can, you know. I don't know what more I could do more rapidly than that, really, to be honest.

**Media:** So is it time for the Government to accelerate the second round of anti - money-laundering reforms to include solicitors and real estate agents and lawyers, which would bring in some of these other foreign trust operators?

**PM:** I think so. I think part two of the anti - money-laundering legislation does need to be brought forward on the Order Paper. The focus was always, and I think rightfully so, on part one, because that was where the bulk of the work was done, but part two, yes, needs to move forward.

**Media:** So what's the time frame, because there's—apparently it's been advised by the ministry for some time, it's just—

**PM:** Well, justice, I think, has always thought there are other priorities, and like anything—you know, higher priorities. But we're encouraging justice to see it a slightly different way.

**Media:** So how long ago did they actually argue that you should [*Inaudible*]

**PM:** No, I think we've been arguing that. I think justice have been arguing there are other priorities.

**Media:** So what sort of time frame are we looking at now [*Inaudible*]

**PM:** As soon as we rapidly can, but, I mean, it's within reason. We just need to work our way through it.

**Media:** So, Prime Minister, just to be clear, if John Shewan recommends changes to the disclosure regime so that people with trusts would have to actively disclose details about themselves—the Government will do that?

**PM:** Well, we're going to take John Shewan's recommendations very seriously. He comes up with some recommendations that we believe would enhance the disclosure regime of New Zealand, we will implement them. But I think it's really important to understand that we are seen as having best practice when it comes to disclosure. We do already proactively disclose, and even prior to the Panama Papers we were looking to advance that to over 100 countries.

**Media:** Because, you know, with a—you know, the term "bush lawyer" comes to mind—but that you had to disclose the identity of the beneficiaries of these trusts. They can still take advantage of the tax-free status, but their names would be out there. That could close this, couldn't it? That could close all these issues.

**PM:** Look, I'd hate to sort of make comments about that, because it's just very complicated in terms of particular issues. As I said, at the moment, all of that information is there and all of that information is made available and if it goes through somebody who is controlled by the anti - money-laundering rules they have to know the client already and they already have to know where the source of those funds came from.

**Media:** Do you expect the issue to come up when Judith Collins goes to London for this corruption meeting?

**PM:** Yes. So I was invited to go—I couldn't go, obviously, because it's around Budget time, so it didn't quite work. Yeah, it will be part of the overall thing, and I think the UK has been listed as one of the countries where they are in the top ten of tax havens—so we weren't, as you know. They were, along with the United States. We will be working with them. And they are one of our, you know, important partners so I suspect that will be talked about. And we will follow all of the logical strands that you would expect us to. But I am very

confident that we have very good practice: it doesn't mean that there can't be improvements, and if there are, we will follow them.

**Media:** When do you think John Shewan will report back?

**PM:** I honestly don't know. But I'd rather he get it right than do something, you know, in a sort of knee-jerk kind of way. And one thing will be that when the IRD officials have an opportunity to see the database—they're very complicated those databases, is my understanding—it will take them some time to work their way through it. But they are, at least, really knowledgeable in these areas and they will be able to get to the bottom of the situation and see if there are some learnings from it.

**Media:** Prime Minister, on another issue: I am just wondering are you talking to Jerry Mateparae about becoming the British High Commissioner?

**PM:** I saw your comments this morning. We are looking for a new High Commissioner when the current one retires, which happens at the end of this year, from memory early 2017. We haven't made a decision yet, and it would be inappropriate for me to talk to you about who we are talking to.

**Media:** Murray McCully did say you were talking—that you were quite a long way down that decision-making process.

**PM:** Yup. And I think he said there were a range of potential people that could be, you know, not necessarily a career diplomat or not necessarily a politician.

**Media:** So would it be wrong to say that Jerry Mateparae is in the mix there?

**PM:** Well I think that the right thing to say would be that the Government hasn't made a decision who the next High Commissioner will be.

**Media:** Prime Minister, why do so many Mexicans and South Americans and Central Americans have foreign trusts here?

**PM:** Well, I—firstly you want to be careful that that's correct, because you'd need to understand all of that information in the context. You're seeing a slice of Mossack Fonseca, they are a slice—or, you're seeing their information—but they are, of course, a slice of the foreign trust market that operates in New Zealand. Part of the first part of the question I can't tell you. But what I can tell you is that we have disclosure regimes and disclose all information to those relevant jurisdictions in Latin America, including Mexico, including Chile, including Brazil.

**Media:** Have you seen the comments by Rear Admiral Mark Montgomery, who was one of the senior naval officers in the US Navy? Asked if the US was considering sending a naval ship to the New Zealand Navy's 75<sup>th</sup> anniversary, the Rear Admiral said that that is "under consideration" or "under review". So he's not ruling out sending a ship. Do you think they will send a ship down to [*Inaudible*]

**PM:** Well he's right. So what's happened is we're having the 75<sup>th</sup> anniversary; we have invited the Americans; we'd love them to come along. To do that they need to make sure that they could comply with the New Zealand law, because we're not changing that, and they are in the process of considering that. So they will make that decision relatively soon, because they need to make a decision before, obviously, the event takes place—which is at the latter part of the year.

**Media:** And do you expect them to comply with New Zealand law, which would mean they'd have to change their longstanding policy on confirm or deny?

**PM:** OK. So it's not quite as simple as that. I have to sign the—I don't know if it's a waiver—but it's a declaration; actually should get that right—I have to sign the declaration that says I'm satisfied they have complied with New Zealand law. So, for instance, if they send a coastguard ship, I would know that they've complied with New Zealand law, because of the public sort of statements they've made about the non-nuclear capability of

both their coastguard—and it wouldn't carry weapons. So the point is that they have to comply with the law. They can't comply with the law, I can't sign the declaration; and I can't sign the declaration if there's a chance it's incorrect because I would be breaking the law.

**Media:** So if the US Navy sends a coastguard ship, you will sign that waiver and that—

**PM:** Or any ship that I am confident allows me to sign the declaration.

**Media:** When the French or the British or the Chinese navies send a warship—something a bit bigger than a coastal vessel; they often send destroyers or frigates—what steps do you take? Do you discuss it with them at all or do you just make your own judgment based on the public available information?

**PM:** OK, so I get a declaration to sign and I get a briefing note from MFAT, and MFAT, in the briefing note, go through in some detail about why they're confident I can sign the declaration. Exactly the process of how they put together the briefing note to advise me and give me the confidence to sign the declaration, I would sort of refer you to MFAT and they'll tell you—they'll have a process for doing that. It's quite a thorough process.

**Media:** But doesn't this position mean that, you know, if the US finishes this review and sends a ship that is obviously not nuclear powered, that ship is coming in here in November?

**PM:** Oh, well, correct. I mean, we've invited them to send a ship; it needs to meet New Zealand law. As long as it does we'll be welcoming it to the anniversary.

**Media:** And how does that differ from the *Buchanan*-type situation where they sent an old military rust bucket down, essentially, and David Lange said no?

**PM:** Ah, well, I guess you can choose to say no. You know the history better than I can, but that is the law. The law says the ship can't be nuclear-armed or nuclear-powered. It must comply with New Zealand's anti-nuclear legislation, and I have to sign a declaration that says I'm satisfied it meets New Zealand law.

**Media:** But in the cases I cited before, the other countries are nuclear—

**PM:** Yeah, they have nuclear capability.

**Media:** You don't actually ever, as far as you know, ask them: "Could you confirm or deny that this has got nuclear weapons?"

**PM:** I don't know the process by which they give me the recommendation, but the recommendation is thorough that they are confident it meets our law.

**Media:** Do you think the ship will come in November—do you—

**PM:** That bit I don't know. It's obviously a big call for them. We'd love them to come because it's a big celebration for us, and a lot of our friends will be there. In fact, probably all of our friends would be there, so we'd like the Americans to be there. And I think it's a symbolic gesture, and realistically our relationship with the United States is in the best shape it's been for a very, very long period of time. So I think there's a reasonable chance it will happen, but I can't guarantee it will happen.

**Media:** Just to call everyone back to tax, why is Nicky Hager a conspiracy theorist?

**PM:** Because I think he is.

**Media:** Based on what?

**PM:** Well, you can draw your own conclusions.

**Media:** So you said that there had been no international media that had criticised New Zealand as a tax haven. Do you count the *Australian Financial Review* or Reuters—

**PM:** Yeah, OK, so the Aussie financial review—I have gone and done a bit of inquiries into that. I mean, they have made some comment or commentary of their own. That journalist has had a longstanding view that Australia cops it sometimes and New Zealand



doesn't, and, actually, that's because Australia has quite a different structure. But, actually, New Zealand is not a tax haven, it is not right, I think, some of the criticism, and actually we're quite confident that New Zealand meets its obligations. People are entitled to their own views. Journalists write all sorts of things all the time; sometimes I like it and sometimes I don't. It doesn't mean I have to agree with it or believe it's correct.

**Media:** Your former revenue Minister Peter Dunne, who was your Minister for a number of years, says that this does kind of prove that New Zealand is a tax haven.

**PM:** No, I don't think that's right. I had a look at his comments. What he said was he wasn't ever advised that there had been a substantial build-up in the number of foreign trusts, and that's because the numbers move from about 900, on average, to 1,200.

**Media:** I mean, we asked him straight, and he said: "Based on what I've seen today, yes."

**PM:** OK, well, in the end, he can make his own conclusions, but that, as you pointed out quite correctly, he was the revenue Minister for a very long period of time and I'll bet you if you go back and look at the advice he got, the advice he got was that New Zealand is extremely highly regarded, never considered to be a tax haven, undertaking best practice, and he was the Minister in 2013, when New Zealand received its rating at the highest possible level as compliant. I got to go in about 1 minute so if you've got one last question, throw it at me and then I'm out of here.

**Media:** Prime Minister, you talk about the Cook Islands having control of their tax laws and it's true, but New Zealand has more say over their foreign policy and more say over their policy than any other time. You talk about this being a necessarily international process—

**PM:** Is this for the Cook Islands?

**Media:** Yeah.

**PM:** Yeah.

**Media:** Would you be talking to Henry Puna at all about the *[Inaudible]*?

**PM:** I haven't spoken to him, but it's just a statement of fact. I have no responsibility for the Cook Islands tax policy. That is decided by their Parliament, and they make their own tax laws. What New Zealand has done for a very long period of time is provide them support so they can improve their tax system, and that includes, for instance, lending them tax officials, that's including, I think, helping them work on tax treaties and information-sharing agreements. Certainly around the Pacific, I think possibly the Cooks but around the Pacific, we send judges to operate and help their judiciary. We've certainly, again, around the Pacific, I'm not sure about the Cooks, sent police so that they can help work on the range of issues. So New Zealand can help support our Pacific neighbours including Niue and the Cooks and Samoa and the others, but I am not responsible for it. And for the whistleblowers that somehow claim that I'm curiously quiet about the Cook Islands, I was also curiously quiet about Russia, Uganda, and Argentina.

**Media:** What about Niue? Have you had any briefings about Niue—that it features extensively in the papers?

**PM:** I don't know, because I haven't seen the papers, but the advice I had from IRD was that, prior to 2006, there really were potentially some issues in Niue, that the New Zealand Government worked very hard with Niue to encourage them to do things a different way, and as of 31 December 2006, Niue completely changed the way they were doing things. But I think they do—they will focus, they will feature in the papers. In fact, my understanding—I may be proved to be wrong—is that their infrastructure was so limited in Niue that prior to that point they might have used Mossack Fonseca actually as a registry for certain information that they held, so—

**Media:** They are very close to New Zealand, governing in free association—you know, we're effectively responsible for them in some ways. Is there any concern about Niue, because it is more recent in the papers than '06 in terms of—

**PM:** OK, I haven't seen that—obviously, if we can get a chance to have a look at it, we will have a look. I'm not responsible for it, but certainly we've been working with them. I suspect there'll be other Pacific nations where there'll be concerns that will be raised as well. As I said, we take our responsibilities seriously in trying to help our Pacific friends, but we can't force them to do things. They have their own authority and their own responsibility.

**Media:** Have you personally had anything to do with Roger Thompson, or—

**PM:** Look, I looked at his picture, and I mean, he could have turned up to an event I'm at, but I don't think so.

**conclusion of press conference**