



## **Proactive Release**

This proactive release includes the report by the Secretary of the Cabinet following the review of Hon Stuart Nash's ministerial communications with donors and the communications and documentation considered as part of the review.

## **Information Withheld**

Some parts of this information release would not be appropriate to release and, if requested, would be withheld under the Official Information Act 1982 (the Act). Where this is the case, the relevant section of the Act that would apply has been identified. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

- section 9(2)(a), to protect the privacy of individuals; and
- section 9(2)(b)(ii) - to protect the commercial position of the person who supplied the information or who is the subject of the information

[© Crown Copyright, Creative Commons Attribution 4.0 International \(CC BY 4.0\)](#)

**Communications with Greg Loveridge**

Date	Relevant communications (text messages in full)	Source
8 June 2020	Emails between Greg Loveridge (GL), Troy Bowker (TB) and Stuart Nash (SN) (email chain – containing emails of 2 and 5 June 2020)	Parliamentary
13 June 2020	Emails between GL, TB and SN (email chain – containing emails of 2, 5, 8 and 12 June 2020)	Parliamentary
23 June 2020	<p>GL texts SN:                      “Stuart, I looked at redrafted legislation. Clause that says either landlord or tenant can have less than 20 staff per site means every single landlord in nz apart from maybe 5 listed companies will have to give money to massive overseas corporations....1000s of us, and 10 of millions of dollars will be sacrificed because of inept drafting”.</p> <p>SN: “Mate, I think there is only one way thru this, I am going to try and work with NZF I see if we can pull this a bit to the original intention as per that doc I sent to you. No promises as I have lost control of this as Andrew little has taken back responsibility”.</p> <p>GL: “Thank you Stuart. That particular clause is clearly not the intent. Great headlines though – labour’s legislation allows big corporates to take advantage of NZers. I have sent comments to Jon J too.”</p> <p>SN: “I know. I will call a little later”.</p>	Texts

**From:** [Greg Loveridge](#)  
**To:** [Troy Bowker](#); Hon Stuart Nash  
**Subject:** Re: SME Lease relief proposal V1.docx  
**Date:** Monday, 8 June 2020 5:09:41 pm

---

Stuart,

I agree with Troy, the level of uncertainty about this now will cause considerable delays and uncertainty. Under your proposal focused on levels 3 and 4 we would have moved this week to make rebates, but now I suspect we will need to be arbitration with most tenants as they will be seeking rent rebates for 6 months from the date of the bill. Your proposal would have had a much greater immediate economic impact and have greatly lessened the tension between all the parties.

The fact that each of the parties' financial capabilities have to be taken into account will no doubt also lead to court cases. We would certainly not feel we should give a rental rebate to the Norman family who are richer than Sam who is a half owner of the particular building they tenant. We would need to know the value of all their holdings, trusts, residential property etc. I can't see that the arbitrator would be in a position to make judgements on this.

I note to the Cabinet paper only mentions eligibility for the wage subsidy as a factor in assessing whether a party is eligible for the arbitration subsidy, not as a determinant of whether they should be eligible for us to pay them...

Good luck over the next few months

cheers

---

**From:** Troy Bowker [s9\(2\)\(a\)](#)  
**Date:** Friday, 5 June 2020 at 4:21 PM  
**To:** Hon Stuart Nash  
**Cc:** Greg Loveridge [s9\(2\)\(a\)](#)  
**Subject:** Re: SME Lease relief proposal V1.docx

Thanks Stu

I know you are being totally upfront with us and it's much appreciated.

I feel very let down by Winston and Shane and I'm both surprised and annoyed that he would have supported the "20 staff per site" change as well the fact that the rent relief period is not actually specified as level 4 and 3 in the final cabinet paper.

So we could in theory end up arguing with tenants in arbitration who claim they've suffered through level down 2 and 1 as well!

Whereas clause 27.5 gives a much clearer outcome as it only applies for the period of shut out of premises.

The 20 staff per site opens up huge numbers of nationwide chains with less than 20 at each site - many or very large businesses and much bigger than some of the small landlords effected.

I think Winston and Shane either didn't understand the full impact. It makes no sense to me the fact that they delayed it pushed back on it for 4 weeks only to cave in and give it away completely at cabinet on Wednesday.

It will cost them.

Cheers

Troy

Sent from my iPhone

On 5/06/2020, at 4:08 PM, **Hon Stuart Nash** wrote:

Greg, Troy,

I am as annoyed (and surprised) about the final outcome of the 'commercial rent relief package' as you are.

I am sending you this document as this is the one I sent to Clayton Mitchell on Tuesday morning for his caucus to discuss and decide on – and the deal that I thought we had across the line (and the one I believe we could have done if it had been 100% supported by NZ first)

I should have argued much harder for this when I saw that things were changing; but without the support I thought I had, it would have been incredibly difficult.

Andrew Little was always extremely keen on arbitration (even though I had got Parker across the line on th 50:50 proposal).

Re the '20 employees per site' clause: I lost this argument around the cabinet table when it was suggested by David Parker and supported by Winston and Shane (even though I pointed out that it would include, for example, Rebel Sport in Napier) versus the fifty employee number.

Thanks

Stuart

---

**From:** Hon Stuart Nash

**Sent:** Tuesday, 2 June 2020 9:27 AM

**To:** Clayton Mitchell <Clayton.Mitchell@parliament.govt.nz>

**Subject:** SME Lease relief proposal V1.docx

**Importance:** High

---

**From:** [Troy Bowker](#)  
**To:** [Greg Loveridge](#)  
**Cc:** Hon Stuart Nash  
**Subject:** Re: SME Lease relief proposal V1.docx  
**Date:** Saturday, 13 June 2020 9:55:59 am

---

The other thing I've just picked up on is commercial Landlords cannot kick tenants out or enforce their rights until December.

So now Tenants can pay no rent and force arbitration and we can't end any leases .

So we are guaranteed to lose a lot of money if a tenant wants to go to arbitration and have no recourse to get new tenants in .

I cannot see how you can ignore prior arrangements already completed or arrangements put in place under clause 27.5.

These are completely irrelevant under the draft legislation so the tenants get to double dip !

Sent from my iPhone

On 12/06/2020, at 5:34 PM, Troy Bowker [s9\(2\)\(a\)](#) wrote:

The draft legislation is out for comments.

It's far worse than I expected . It's nothing like the cabinet paper !

Here are some of the worst parts :

1. If you've already come to a deal with your tenants that isn't taken into account unless it's solely a rent relief deal and includes a period after June 4

So all deals done for example that a tenant gets full rent relief for 3 months in exchange for a longer lease don't count for anything- the tenant can have another go now.

2. The "affected period " is 6 months from June 4 to December 4th. Meaning tenants can potentially get 6 months rent relief.

3. The possible outcomes explicitly reference a full rent reduction to zero - not 50% max

4. If you have clause 27.5 and you've already used it - again that counts for nothing - the tenant gets another crack at free rent from June 4 to December 4.

5. Tenants have to show "material " income reduction which could include a covid 19 reason but isn't expressly required to show it's a covid 19 reason

6. Large tenants with more than 20 employees at a single location can have a crack at arbitration with landlords who have less than 20 employees.

This makes absolutely no sense.

7. The overseas owned provision isn't clear and doesn't seem to work.

Sent from my iPhone

On 8/06/2020, at 5:09 PM, Greg Loveridge  
s9(2)(a) wrote:

Stuart,

I agree with Troy, the level of uncertainty about this now will cause considerable delays and uncertainty. Under your proposal focused on levels 3 and 4 we would have moved this week to make rebates, but now I suspect we will need to be arbitration with most tenants as they will be seeking rent rebates for 6 months from the date of the bill. Your proposal would have had a much greater immediate economic impact and have greatly lessened the tension between all the parties.

The fact that each of the parties financial capabilities have to be taken into account will no doubt also lead to court cases. We would certainly not feel we should give a rental rebate to the Norman family who are richer than Sam who is a half owner the particular building they tenant. We would need to know the value of all their holdings, trusts, residential property etc. I can't see that the arbitrator would be in a position to make judgements on this.

I note to the Cabinet paper only mentions eligibility for the wage subsidy as a factor in assessing whether a party is eligible for the arbitration subsidy, not as a determinant of whether they should be legible for us to pay them...

Good luck over the next few months

cheers

---

**From:** Troy Bowker s9(2)(a)

**Date:** Friday, 5 June 2020 at 4:21 PM

**To:** Hon Stuart Nash

**Cc:** Greg Loveridge s9(2)(a)

**Subject:** Re: SME Lease relief proposal V1.docx

Thanks Stu

I know you are being totally upfront with us and it's much appreciated.

I feel very let down by Winston and Shane and I'm both surprised and annoyed that he would have supported the "20 staff per site " change as well the fact that the rent relief period is not actually specified as level 4 and 3 in the final cabinet paper.

So we could in theory end up arguing with tenants in arbitration who claim they've suffered through level down 2 and 1 as well !

Whereas clause 27.5 gives a much clearer outcome as it only applies for the period of shut out of premises.

The 20 staff per site opens up huge numbers of nationwide chains with less than 20 at each site - many or very large businesses and much bigger than some of the small landlords effected.

I think Winston and Shane either didn't understand the full impact . It makes no sense to me the fact that they delayed it pushed back on it for 4 weeks only to cave in and give it away completely at cabinet on Wednesday .

It will cost them.

Cheers

Troy

Sent from my iPhone

On 5/06/2020, at 4:08 PM, san  
**Hon Stuart Nash** wrote:

Greg, Troy,

I am as annoyed (and surprised) about the final outcome of the 'commercial rent relief package' as you are.

I am sending you this document as this is the one I sent to Clayton Mitchell on Tuesday morning for his caucus to discuss and decide on – and the deal that I thought we had across the line (and the one I believe we could have done if it had been 100% supported by NZ first)

I should have argued much harder for this when I saw that things were changing; but without the support I thought I had, it would have been incredibly difficult.

Andrew Little was always extremely keen on arbitration (even though I had got Parker across the line on th 50:50 proposal).

Re the '20 employees per site' clause: I lost this argument around the cabinet table when it was suggested by David Parker and supported by Winston and Shane (even though I pointed out that it would include, for example, Rebel Sport in Napier) versus the fifty employee number.

Thanks

Stuart

---

**From:** Hon Stuart Nash

**Sent:** Tuesday, 2 June 2020 9:27 AM

**To:** Clayton Mitchell

<Clayton.Mitchell@parliament.govt.nz>

**Subject:** SME Lease relief proposal V1.docx

**Importance:** High

---