

# The Treasury

## New Zealand Aluminium Smelters (NZAS) Information Release

September 2013

### Release Document

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Key to sections of the Official Information Act 1982 under which information has been withheld.

Certain information in this document has been withheld under one or more of the following sections of the Official Information Act, as applicable:

- [1] 9(2)(a) - to protect the privacy of natural persons, including deceased people
- [2] 9(2)(b)(ii) - to protect the commercial position of the person who supplied the information, or who is the subject of the information
- [3] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [4] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [5] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice
- [6] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [7] 9(2)(ba)(i) - to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied
- [8] 9(2)(h) – to maintain professional legal privilege

Where information has been withheld, a numbered reference to the applicable section of the Official Information Act has been made, as listed above. For example, a [3] appearing where information has been withheld in a release document refers to section 9(2)(f)(iv).

In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) of the Official Information Act.

## File Note

This is a file note of an external meeting with Pacific Aluminium (Phil Baker, David Bloor & Joe Dowling) and Sumitomo Chemical (Waichiro Arai) and Treasury (Chris White, Juston Anderson and [4] ) that took place on 8 July 2013.

This file note records:

- background details of the positions taken by Pacific Aluminium and Sumitomo Chemical ahead of the meeting between Ministers and Pacific Aluminium and Sumitomo Chemical on 9 July.

## Key Points

- Meridian and Pacific Aluminium (PacAl) have reached a final position in their negotiations. Documents are ready to be executed contingent on a satisfactory outcome being reached with Government.
- The agreement will still need board approval on the standard timeframe. For Rio Tinto the next board meeting is August 6 and for Sumitomo Chemical it is 5 August. Sam Walsh (CEO Rio Tinto) would be able to give a personal guarantee of the deal to give assurance ahead of formal approval.
- The internal committees of both Rio Tinto & Sumitomo have reviewed the deal and have had substantial input. Therefore approval should just be a matter of process if the deal that has been put on the table for Ministers is accepted.
- Phil Baker acknowledged that PacAl was aware of the 19 July deadline and would be happy to arrange any form of assurance the Crown was looking for.
- Phil Baker indicated that PacAl was indifferent to what form support takes so long as they get the cash necessary to get the required price. They were also indifferent in terms of whether this comes from the company or the government directly.
- Confidentiality is an important issue for PacAl as they operate in a global market where price is sensitive. Happy for all other matters in the contract to be released.
- PacAl understands that it is an independent body that makes a judgement on whether the information can be withheld. PacAl's expectation would be that the Crown acts diligently and in good faith in making an application.
- David Bloor asked if Ministers might raise the timing of the contract periods. This was answered with a view that Ministers were likely to see this as an issue between PacAl and Meridian and not have a view either way.