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McCormick date:2006-02-02T07:15:00 source:Embassy Wellington origin:06WELLINGTON90 destination:VZCZCXYZ0008 RR RUEHWEB DE RUEHWL #0090 0330715 ZNY CCCCC ZZHR 020715Z FEB 06 FM AMEMBASSY WELLINGTON TO RUEHC/SECSTATE WASHDC 2348 INFO RUCPDOG/USDOC WASHDC 0028 classification:CONFIDENTIAL reference:05WELLINGTON807 C O N F I D E N T I A L WELLINGTON 000090 SIPDIS SIPDIS STATE PASS USTR-BWEISEL STATE FOR EB/TPP/MTA-MBGOODMAN AND EAP/ANP-DRICCI C.. C O N F I D E N T I A L WELLINGTON 000090 SIPDIS SIPDIS STATE PASS USTR-BWEISEL STATE FOR EB/TPP/MTA-MBGOODMAN AND EAP/ANP-DRICCI COMMERCE FOR ABENAISSA/4530/ITA/MAC/AP/OSAO E.O

12958: DECL: 02/01/2016 TAGS: ETRD, PGOV, PREL, NZ SUBJECT: NEW ZEALAND'S PM SORTS OUT MINISTERS' PORTFOLIOS REF: 05 WELLINGTON 807 (U) Classified by: Political-Economic Counselor Kat

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Reasons: 1.4 (b) and (d)

1

(C) New Zealand Prime Minister Clark has decided that Jim Sutton, who on December 31 wrapped up his tenure as trade negotiations minister, will remain a minister of state inside Cabinet

Former Foreign Minister Phil Goff has taken over as trade negotiations minister

The prime minister provided Sutton with a face-saving way to be eased out of an important role in government, while not answering critics who questioned why she put out to pasture a seasoned and effective trade negotiator at a critical stage in the World Trade Organization talks

2

(U) After the September 17 elections in which Sutton lost his electorate seat but returned to Parliament by virtue of his ranking on the Labour Party's at-large list, PM Clark designated Goff as the next trade negotiations minister -- a position that Sutton had held for six years

Clark on December 22 appointed Sutton as a minister of state, and the turn over in the trade negotiations portfolio was postponed to December 31 to allow Sutton to participate in the Doha Round negotiations in Hong Kong

In late January, Clark informed government ministers that Sutton would remain in Cabinet, a privilege not usually extended to ministers of state

3

(C) The prime minister had given Goff the option of removing from his portf

olio the responsibility for representing New Zealand at WTO talks, but he c
hose not to do so, according to an adviser
Goff -- who attended the WTO mini-ministerial in January in Davos, Switzerl
and -- also is the minister of defense, disarmament and arms control, Pacif
ic Island affairs and trade

4

(C) Sutton had lost touch with his electorate due in large part to his globe-tr
otting role as trade negotiations minister

At age 64, he is perceived to be in the twilight of his legislative career

There also is no love lost between the prime minister and Sutton, who in 1
996 was one of five Labour MPs who asked Clark to step aside as party lead
er

Meanwhile, giving Goff the trade negotiations portfolio was seen as a means
to compensate him for sacrificing his previous position as foreign ministe
r, which went to New Zealand First leader Winston Peters as a prize for his
support in forming the government (reftel)

5

(U) Sutton will focus on bilateral and regional trade issues, lead trade mis
sions and back up Goff in the WTO talks

6

(U) Biographies of Sutton and Goff can be found on Embassy Wellington's w
ebsite on the classified intranet: www.state.sgov.gov/p/eap/wellington
McCormick