

13 December 2019

Michael Reddell
By email: mhreddell@gmail.com

Dear Michael Reddell

Thank you for your official information request of 1 November 2019, requesting the following (numbered for ease of reference):

- 1) *all communications received from outside the Bank by Board members (including the Governor) during October 2019 regarding the Governor's performance or conduct, including (but not limited to) issues raised in recent articles by Stuff's Kate MacNamara*
- 2) *any comments on those communications made by the Governor*
- 3) *details of any external speaking engagements, or contributions to written publications, where the Bank had initially indicated that the Governor would speak but which, during October 2019, were either rescheduled, cancelled, or assigned to some other Bank staffer.*

On 29 November, we extended the time limit for responding to your request to 16 December 2019. This was due to further consultations that were required to release the information.

Information for release

Please find enclosed the documents outlined in the tables below, relating to parts 1 and 3 of your request.

Part 1 of the request

All communications received from outside the Bank by Board members (including the Governor) during October 2019 regarding the Governor's performance or conduct, including (but not limited to) issues raised in recent articles by Stuff's Kate MacNamara.

Item	Date	Document description
1	13 October	Email to: <ul style="list-style-type: none">▪ Hon Grant Robertson▪ Paul Goldsmith▪ Reserve Bank Board Chair Professor Neil Quigley.
2	14 October	Email to Board Chair Professor Neil Quigley
3	22 October	Email to: <ul style="list-style-type: none">▪ Board Chair Professor Neil Quigley▪ Reserve Bank Governor Adrian Orr▪ Reserve Bank Deputy Governor Geoff Bascand.

A letter you sent to the Reserve Bank Board Chair Professor Neil Quigley on 15 October is also in scope of part 1 of your request. We have not enclosed this letter as you already have a copy of this information.

Part 3 of the request

Details of any external speaking engagements, or contributions to written publications, where the Bank had initially indicated that the Governor would speak but which, during October 2019, were either rescheduled, cancelled, or assigned to some other Bank staffer.

Only one event applies to part 3 of your request - where the Reserve Bank Governor had agreed to speak at an INFINZ conference in Auckland in the morning of 22 October 2019. On 17 October, the Governor assigned another Bank staff member to take his place as the conference clashed with a meeting (on Bank Capital requirements), which he was requested by the Minister of Finance to attend on the same day.

Copies of the following email discussions in relation to the INFINZ conference and the Bank Capital requirements meeting are enclosed.

Item	Date	Document description
4	14 October	Email conversation about the Bank Capital requirements meeting with the Minister and whether the time of the meeting could be changed due to it clashing with the INFINZ conference. This conversation was between Angus Hodgson (Private Secretary) and Geoff Bascand (Reserve Bank Deputy Governor).
5	17 October	Email to IFINZ from the Reserve Bank Governor advising that he cannot attend the INFINZ conference as he has a meeting with the Minister of Finance.

Part 2 of the request

Any comments on those communications made by the Governor.

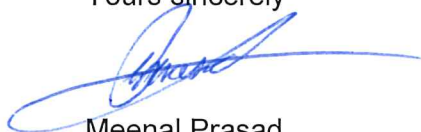
The Governor has not made any comments on the emails listed as items 1 - 3 in part 1 of the request. We are therefore declining this part of your request under section 18(e) of the OIA, as this information does not exist.

Comments on the 15 October letter you sent to the Reserve Bank Board Chair Professor Neil Quigley, have already been released to you on 28 November, under your recent Privacy Act request.

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at www.ombudsman.parliament.nz or freephone 0800 802 602.

We intend to publish a copy of this response on Reserve Bank's website at www.rbnz.govt.nz/research-and-publications/official-information-requests. We do this in order to improve transparency and provide an additional resource for anyone seeking information.

Yours sincerely



Meenal Prasad

Enclosed: items 1 – 5 for release

From: [Geof Mortlock](#)
To: [Hon Grant Robertson](#); paul.goldsmith@parliament.govt.nz; [Neil G](#)
Cc: [Adrian Orr](#); [Geoff Bascand](#)
Subject: Unfit to govern? | croaking cassandra - I urge the Minister, Opposition Spokesman on Finance and RBNZ Board Chairman to read Michael Reddell's post on Adrian Orr
Date: Sunday, 13 October 2019 2:31:20 AM

Mr Robertson, Mr Goldsmith, Mr Quigley,

I am sure you are aware of the growing concerns being expressed by many about the behaviour of Adrian Orr as governor of the RBNZ. Concerns have been raised by many commentators about his aggression, his mishandling of criticisms of RBNZ prudential policy, his nasty behaviour in news media conferences, his strong tendency to attack those who criticise his policies on an ad hominem basis, and the effect all this is having on the credibility of the RBNZ and the morale of RBNZ staff (many of whom have left because of concerns about RBNZ culture led by Orr).

Growing concerns are being raised by many commentators about the lack of professionalism in the way the RBNZ conducts its policy processes, the lack of research, the inadequate argumentation, the lack of proper costings. In my 40 years of observing and working in this field internationally, i have never seen a central bank governor behave in this way, and either supported by an incompetent board and senior management unable or unwilling to stand up to Orr and call him to account.

I urge you to read Michael Reddell's latest post - see link below - and my published comments on it.

I sincerely hope that you will take action to ensure that the standards of professionalism at the RBNZ are greatly lifted, that Adrian Orr is called to account, and the Board finally does its job (now wouldn't that be a refreshing change). And it would be refreshing to see a minister of finance actively engaged in scrutinising the Governor and the RBNZ and speaking out publicly, rather than sleep walking through it all.

Geof Mortlock
International Financial Consultant
Wellington

<https://croakingcassandra.com/2019/10/12/unfit-to-govern-2/comment-page-1/#comments>

From: Geof Mortlock [<mailto:geof.mortlock@gmail.com>]

Sent: Monday, 14 October 2019 11:18 p.m.

To: neil.quigley@waikato.ac.nz <neilq@waikato.ac.nz>

Subject: Neil - for your attention - Culture and conduct in question | croaking cassandra

Neil,

I hope you and your colleagues on the RBNZ Board are reading articles such as this one from Michael Reddell today and Kate MacNamara's one yesterday. You might also have seen my comments.

I will be publishing an article in the media in the next week on my criticisms of the Board in its failure to do its job in holding the governor to account and in scrutinising the RBNZ's performance generally. The Board's annual report was sadly most inadequate. It makes a mockery of the Board's role. I will be raising my concerns with the minister and opposition MPs as well.

I appreciate the difficulty you and colleagues have as regards what you can say publicly on the conduct of the governor and the shockingly irresponsible policy processes being followed by the RBNZ. However, your annual report reads as though you are basically unconcerned on these matters and that all is well in the RBNZ. If that is your genuine view, then you are failing in doing your job. It is time you and colleagues actually performed the role for which you were appointed and exercised robust scrutiny over the governor and the RBNZ. That includes engaging with people who have expressed serious concerns about Orr's conduct and about the inept and frankly quite dangerous policy process being pursued by the RBNZ. My forthcoming article will be direct and to the point in criticising the Board on its failures in these matters. It will also address the pressing need for a major change to the entire governance model (as has been proposed), but will highlight several new issues in that context that need to be addressed.

Regards

Geof Mortlock

<https://croakingcassandra.com/2019/10/14/culture-and-conduct-in-question/>

From: [Geof Mortlock](#)
To: [Neil G](#); [Adrian Orr](#); [Geoff Bascand](#)
Subject: Article in interest.co.nz on RBNZ Board and related issues
Date: Tuesday, 22 October 2019 11:02:34 AM

Hi Neil. I have written an article in [interest.co.nz](https://www.interest.co.nz) today on the RBNZ Board and related issues. The main theme is the need to strengthen performance assessment arrangements in respect of the RBNZ. Please see the link below.

Happy to discuss with you and fellow non-executive directors if you wish.

Regards

Geof Mortlock

<https://www.interest.co.nz/opinion/102225/geof-mortlock-argues-rbnz-board-needs-do-great-deal-more-demonstrate-it-performing>

From: [Geoff Bascand](#)
To: "[Angus Hodgson](#)"
Cc: [Emma Clark](#); [Bridie Cooper](#); "[Angela Bray](#)"
Subject: RE: Bank Capital Requirements
Date: Monday, 14 October 2019 1:47:00 PM
Attachments: [image001.jpg](#)

Hi Angus, thanks for trying,

Adrian has a speech in Auckland that morning so I expect it will be me, Toby and Ian. Will confirm soon.

Cheers
Geoff

From: Angus Hodgson <Angus.Hodgson@parliament.govt.nz>
Sent: Monday, 14 October 2019 1:42 PM
To: Geoff Bascand <Geoff.Bascand@rbnz.govt.nz>
Cc: Emma Clark <Emma.Clark@rbnz.govt.nz>; Bridie Cooper <Bridie.Cooper@rbnz.govt.nz>; Angela Bray <angela.bray@parliament.govt.nz>
Subject: RE: Bank Capital Requirements

Kia ora Geoff

Ange is on annual leave today. The Minister will be in the country next week for three days only, and the 8am time next Tuesday was actually the only time available in his diary. Is there any possibility that Adrian can rearrange his diary to attend?

Hei kona



Angus Hodgson, Private Secretary (Finance and State Owned Enterprises)
Office of Hon Grant Robertson | Office of Rt Hon Winston Peters
Minister of Finance | Minister for State Owned Enterprises

Level 7.6 Executive Wing, Parliament Buildings, PO Box 18041, Wellington 6160, New Zealand

E: angus.hodgson@parliament.govt.nz

From: Geoff Bascand [<mailto:Geoff.Bascand@rbnz.govt.nz>]
Sent: Monday, 14 October 2019 1:30 PM
To: Angus Hodgson <Angus.Hodgson@parliament.govt.nz>
Cc: Emma Clark <Emma.Clark@rbnz.govt.nz>; Bridie Cooper <Bridie.Cooper@rbnz.govt.nz>; Angela Bray <angela.bray@parliament.govt.nz>
Subject: RE: Bank Capital Requirements

Hi Angus / Angela,

Is there any flexibility on the meeting time?

I can do it then but Adrian can't. I realise the MoF has limited time availability and you are coordinating with Treasury also, so am hesitant about asking, but I am just wondering if there is any chance of the meeting being in the late afternoon window (between 3.30-5.30)?

Regards

Geoff

From: Angus Hodgson <Angus.Hodgson@parliament.govt.nz>
Sent: Monday, 14 October 2019 10:29 AM
To: Geoff Bascand <Geoff.Bascand@rbnz.govt.nz>; Bryan Chapple [TSY] <Bryan.Chapple@treasury.govt.nz>
Cc: Angela Bray <angela.bray@parliament.govt.nz>; David Bowden [TSY] <David.Bowden@treasury.govt.nz>; Francesca Crutchley <Francesca.Crutchley@parliament.govt.nz>; Ian Woolford <Ian.Woolford@rbnz.govt.nz>; Robbie Taylor [TSY] <Robbie.Taylor@treasury.govt.nz>; Mario DiMaio [TSY] <Mario.DiMaio@treasury.govt.nz>
Subject: Bank Capital Requirements

Kia ora koutou

Thank you for the recent advice from Treasury and the Reserve Bank in relation to the Bank's review of bank capital requirements. The Minister has considered the three reports and has scheduled a meeting for 8am-8:30am on Tuesday 22 October. The meeting is intended as a discussion and should involve senior officials only (e.g. Adrian, Caralee, Geoff, Bryan, Ian and a subject matter expert from Treasury).

Please confirm this time in the diaries and advise the confirmed attendees.

The Minister has not requested further advice as he is already in receipt of the three recent reports, however please let me know if you believe additional information is needed for the meeting.

Thank you very much.

Hei kona



Angus Hodgson, Private Secretary (Finance and State Owned Enterprises)
Office of Hon Grant Robertson | Office of Rt Hon Winston Peters
Minister of Finance | Minister for State Owned Enterprises

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E: angus.hodgson@parliament.govt.nz

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From: Adrian Orr <Adrian.Orr@rbnz.govt.nz>

Sent: Thursday, 17 October 2019 9:27 AM

To: Jim McElwain <exec@infinz.com>

Cc: admin@infinz.com; Simone Robbers <Simone.Robbers@rbnz.govt.nz>; Brendan Manning <Brendan.Manning@rbnz.govt.nz>; Christian Hawkesby <Christian.Hawkesby@rbnz.govt.nz>; Helen Kincaid <Helen.Kincaid@rbnz.govt.nz>

Subject: INFINZ Conference Tuesday, 22 October

Dear Jim

I am very sorry but I won't be able to attend the panel session for the INFINZ hui next Tuesday with Rob Everett. Simone Robbers and Christian Hawkesby will both attend from the Reserve Bank. I need to be available at another meeting with the Minister of Finance with no alternative dates.

Christian is comfortable taking my slot and is engaged with Brendan (our Communications guru and Fran O'Sullivan who is running the interview). Christian is Assistant Governor and General Manager of the Economics, Financial Markets and Banking teams here at the Bank. He is a very accomplished speaker and well versed on the topics that Fran has indicated she would like to traverse.

Thanks for your understanding, and I believe you will be present at the RBNZ Board Function here in Wellington this evening. Simone, Christian and I will also be there and I can make any necessary introductions.

Regards,
Adrian