

Reference: 20230314

4 August 2023

Michael Reddell
mhreddell@gmail.com

Dear Michael

Thank you for your Official Information Act (OIA) request, received on 22 June 2023.
You requested the following:

... all materials (including recall of any oral communications) relevant to the lines from the Treasury and the Minister of Finance quoted in this article [‘Over-zealous’ language causes confusion over who can join powerful RBNZ committee - NZ Herald](#)

notably this quote ascribed directly to The Treasury

The Treasury explained its 2019 comments were the result of a “misunderstanding post interviews around how a candidate might struggle to balance confidentiality of sensitive information with their academic freedom”.

It clarified “active monetary policy and macroeconomics researchers” were - and will continue to be - eligible for MPC membership.

This request encompasses any communications between Treasury and the Minister, the Minister's office, the Reserve Bank, the Reserve Bank Board chair, any internal clarifications/authorisations, as well as any communications with the Herald or its journalist.

The time to respond was extended by 10 working days.

Information being released

Please find enclosed the following information that we have found within the scope of your request:

Item	Date	Document Description	Decision
1.	22 June 2023	Email- MPC Appointment press	Release in full
2.	21 June 2023	FW: MPC appointments- URGENT APPROVAL REQUIRED	Release in part
3.	21 June 2023	Teams chat	Release in full

4.	21 June 2023	RE: MPC appointments	Release in full
5.	21 June 2023	FW: MPC appointments	Release in full
6.	21 June 2023	RE: MPC appointments	Release in full
7.	21 June 2023	RE: MPC appointments- URGENT APPROVAL REQUIRED	Release in part
8.	21 June 2023	Email: RE: Response	Release in full
9.	21 June 2023	Email: RE: MPC appointments	Release in part
10.	20 June 2023	Email: RE: MPC appointments	Release in part
11.	20 June 2023	Email: RE: MPC appointments	Release in part
12.	20 June 2023	Email: RE: MPC appointments	Release in part
13.	20 June 2023	Email: RE: MPC appointments	Release in full
14.	20 June 2023	Email: RE: MPC appointments TR	Release in full
15.	20 June 2023	Email: MPC external members- update on candidates who are active monetary policy researchers	Release in full
16.	25 May 2023	Email: FW: MPC appointment round	Release in full
17.	25 May 2023	Attachment: Application Pack MPC External Member draft 28 Feb 2023	Release in full
18.	25 May 2023	Attachment: MPC Appointment Process 2024	Release in full
19.	12 April 2023	Email: MPC appointment round	Release in full
20.	21 March 2023	Email: MPC external members- update on candidates who are active monetary policy researchers	Release in full
21.	20 March 2023	Email: RE: Advice on MPC appointments	Release in full
22.	20 March 2023	Teams Chat	Release in full
23.	20 March 2023	Teams Chat	Release in full
24.	31 January 2022	Email: FW: MPC appointments	Release in full
25.	25 January 2019	Email: FW: MPC APH process	Release in full
26.	15 January 2019	Email: RE: RBNZ Board Letter of Expectations	Release in full
27.	21 November 2018	Email: RE: MPC appointments	Release in full
28.	16 November 2018	Email: RE: External MPC candidates- Background checking	Release in full

29.	15 November 2018	Email: RBNZ Monetary Policy Committee	Release in full
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I have decided to release the relevant parts of the documents listed above, subject to information being withheld under one or more of the following sections of the OIA, as applicable:

- contact details of officials, under section 9(2)(g)(ii) – to maintain the effective conduct of public affairs through protecting Ministers, members of government organisations, officers and employees from improper pressure or harassment,
- certain sensitive advice, under section 9(2)(g)(i) – to maintain the effective conduct of public affairs through the free and frank expression of opinions, and
- direct dial phone numbers of officials, under section 9(2)(k) – to prevent the disclosure of information for improper gain or improper advantage.

Direct dial phone numbers of officials have been redacted under section 9(2)(k) in order to reduce the possibility of staff being exposed to phishing, social engineering and other scams. This is because information released under the OIA may end up in the public domain, for example, on websites including Treasury's website.

In making my decision, I have considered the public interest considerations in section 9(1) of the OIA.

Please note that this letter (with your personal details removed) and enclosed documents may be published on the Treasury website.

This reply addresses the information you requested. You have the right to ask the Ombudsman to investigate and review my decision.

Yours sincerely



PP

Stella Kotrotsos
Manager, Governance and Appointment

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From: Ben Gaukrodger [TSY]
Sent: Thursday, 22 June 2023 12:38 pm
To: Blair Teesdale-Moore [TSY]; Stella Kotrotsos [TSY]; Antony Byers [TSY]
Subject: MPC Appointment press

Follow Up Flag: Follow up
Flag Status: Completed

[IN-CONFIDENCE]

Hi all,

In case not seen, as well as Jenee's article in the herald, this has been picked up on Michael's blog too: [Mendacity | croaking cassandra](#)

Let us know if you need anything from macro on this.

Thanks
Ben



Ben Gaukrodger (he/him) | Poutaki – Acting Manager, Macroeconomic and Fiscal Policy | Te Tai Ōhanga – The Treasury

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From: Ben Gaukrodger [TSY]
Sent: Wednesday, 21 June 2023 6:20 pm
To: Neil Kidd [TSY]
Subject: FW: MPC appointments -URGENT APPROVAL REQUIRED

Importance: High

Apparently this is the final statement:

The paragraph you are referring to includes a line that states that 'individuals who are engaged in, or likely to engage in future, in active research on monetary policy or macroeconomics would be excluded from Monetary Policy Committee (MPC) consideration'. This line was included as a result of a misunderstanding post interviews around how a candidate might struggle to balance confidentiality of sensitive information with their academic freedom. This did not form part of the criteria for these appointments and does not reflect the Minister, RBNZ, or the Treasury's position.

Furthermore, this had no bearing on the RBNZ Board's approach to nominating MPC members or to the Minister of Finance's approach to appointing MPC members. Active monetary policy and macroeconomics researchers were considered as part of the 2018/2019 round and are to be considered in the current round in 2023.

From: Ben Gaukrodger [TSY]
Sent: Wednesday, 21 June 2023 5:45 pm
To: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>
Subject: FW: MPC appointments -URGENT APPROVAL REQUIRED
Importance: High

Not sure what happened after this.

From: Renee Philip [TSY] <renee.philip@treasury.govt.nz>
Sent: Wednesday, 21 June 2023 12:20 pm
To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Subject: FW: MPC appointments -URGENT APPROVAL REQUIRED
Importance: High

FYI

From: Stella Kotrotsos [TSY] <Stella.Kotrotsos@treasury.govt.nz>
Sent: Wednesday, 21 June 2023 11:51 am
To: Leilani Frew [TSY] <Leilani.Frew@treasury.govt.nz>
Cc: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>; Ian Green [TSY] <lan.Green@treasury.govt.nz>; Christiana Eligius [TSY] <Christiana.Eligius@treasury.govt.nz>; Renee Philip [TSY] <renee.philip@treasury.govt.nz>
Subject: RE: MPC appointments -URGENT APPROVAL REQUIRED
Importance: High

Hi Leilani

I have met with Renee this morning who has shed some more light on this. Here is our proposed response to the below. Please let **Blair/Antony know** asap you are happy with this. I am in a meeting from 12-1pm. Ian is available.

RESPONSE

The paragraph you are referring to was a misunderstanding of a debrief following an interview around how a candidate might struggle to balance confidentiality of sensitive information with their academic freedom. The discussion around conflicts and their management was taken out of context and applied more broadly to be termed as "Appointment criteria" in the Report rather than the approach to managing conflicts.

During the interview process candidates are questioned around conflicts of interest and answers are expected to demonstrate how any potential conflicts would be satisfactorily managed.

What was written in the Report had no bearing on the RBNZ Board's approach to nominating MPC members or to the Minister of Finance's approach to appointing MPC members. Active monetary policy and macroeconomics researchers were considered as part of the 2018/2019 round and are to be considered in the current round in 2023.

Ngā mihi nui
Stella



Stella Kotrotsos | Manager, Governance and Appointments | Te Tai Ōhanga – The Treasury

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From: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Sent: Wednesday, 21 June 2023 10:41 am
To: Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>; Stella Kotrotsos [TSY] <Stella.Kotrotsos@treasury.govt.nz>
Cc: Ian Green [TSY] <Ian.Green@treasury.govt.nz>
Subject: RE: MPC appointments

Morning Stella,

Is there any further steer on this? I know ELT are keen to get our response out asap today

Ngā manaakitanga,
Blair

From: Stella Kotrotsos [TSY] <Stella.Kotrotsos@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 4:24 pm
To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>; Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>
Subject: RE: MPC appointments

Hi Ben and Blair

I am not happy with this proposed response as I need to understand whether this was an actual error or whether the act changed post the appointment.

Please leave this with me for review and suggested response. Do we have a timeframe on this please?

Stella

From: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 3:47 pm
To: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>; Stella Kotrotsos [TSY] <Stella.Kotrotsos@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>
Subject: RE: MPC appointments

Thanks Blair.

Stella – FYI – there is a media enquiry about an error made in 2019, for which the response below has been drafted. The error cropped up in a report from G&A and really got legs in terms of people’s understanding of the appointment process for the RBNZ’s Monetary Policy Committee. The email attached gives a bit more background.

From: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 3:16 pm
To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>; James Beard [TSY] <James.Beard@treasury.govt.nz>; Tim Hampton [TSY] <Tim.Hampton@treasury.govt.nz>
Subject: RE: MPC appointments

Thanks Ben. Yes it’s gone to RBNZ – I’ll let you know if they have any changes

Ngā manaakitanga,
 Blair

From: Tim Hampton [TSY] <Tim.Hampton@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 3:04 pm
To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>; Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>; James Beard [TSY] <James.Beard@treasury.govt.nz>
Subject: RE: MPC appointments

Thanks Ben

James – FYI

From: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 3:02 pm
To: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>; Tim Hampton [TSY] <Tim.Hampton@treasury.govt.nz>
Subject: RE: MPC appointments

Hi Blair

I'm happy with that. Before sending it out I think it would be worth checking in with the RBNZ's media team to make sure they are happy too (particularly with respect to the last line).

Tim – FYI.

Cheers
Ben

From: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 2:58 pm
To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>
Subject: RE: MPC appointments

Thanks Ben – I've included what you've noted verbatim as I don't know the topic enough to re-word

Are you happy with the below?

The 2019 Treasury Report stated that individuals who are engaged in, or likely to engage in future, in active research on monetary policy or macroeconomics would be excluded from Monetary Policy Committee (MPC) consideration.

This line was included in error due to a misunderstanding and does not reflect the Minister of Finance, RBNZ, or the Treasury's position. The policy intent when amending the Reserve Bank Act was to ensure that people with suitable expertise could be appointed to the MPC as external members.

This has now been rectified, with the advertisement for new MPC members that was published yesterday clarifying active monetary policy researchers will be considered.

The error in the report had no bearing on the RBNZ Board's approach to nominating MPC members or the Minister of Finance's approach to appointing MPC members.

Ngā manaakitanga,
Blair

From: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 2:36 pm
To: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>
Subject: RE: MPC appointments

Hi Blair

Thanks for sending this through.

A couple of thoughts:

1. I think we could make clear in the second line that the policy intent when amending the Reserve Bank Act was to ensure that people with suitable expertise could be appointed to the MPC as external members.

2. On the yellow line, I think we could say that the error in the report had no bearing on the RBNZ Board's approach to nominating MPC members or the Minister of Finance's approach to appointing MPC members.

Thanks
Ben

From: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 2:27 pm
To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>
Subject: RE: MPC appointments
Importance: High

Hi Ben and team,

I would appreciate your thoughts on the draft response below. s9(2)(g)(i)
 s9(2)(g)(i)

This will then be signed out by Caralee's office and sent to Moffice and RBNZ before final send out.

The 2019 Treasury Report outlined that individuals who are engaged in, or likely to engage in future, in active research on monetary policy or macroeconomics would be excluded from Monetary Policy Committee (MPC) consideration.

This line was included in error due to a misunderstanding and does not reflect the Minister, RBNZ, or the Treasury's position.

This has now been rectified, with the advertisement for new members that was published yesterday clarifying active monetary policy researchers will be considered.

No individuals were excluded from MPC consideration as a result.

Ngā manaakitanga,
Blair

From: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 10:58 am
To: Communications [TSY] <Communications@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>
Subject: FW: MPC appointments

[IN-CONFIDENCE]

Hi all

Giles passed on the media query, which we'd been liaising with the office about earlier this morning.

As background, the attached email from Renee to Caralee provides details on what happened. Happy to have a look at any response before it goes out.

Thanks
Ben



Ben Gaukrodger (he/him) | **Poutaki – Acting Manager, Macroeconomic and Fiscal Policy | Te Tai Ōhanga – The Treasury**

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From: Giles Bollinger <Giles.Bollinger@parliament.govt.nz>

Sent: Tuesday, 20 June 2023 10:42 am

To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>; Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>

Cc: Carlos So [TSY] <Carlos.So@treasury.govt.nz>

Subject: FW: MPC appointments

FYI media query – will be finding its way to you now

From: Jenee Tibshraeny [<mailto:jenee.tibshraeny@nzme.co.nz>]

Sent: Tuesday, 20 June 2023 10:31 AM

To: media@treasury.govt.nz

Cc: Patrick O'Meara <Patrick.O'Meara@parliament.govt.nz>; James Weir <James.Weir@rbnz.govt.nz>

Subject: MPC appointments

Hi Treasury media team,

I am emailing in regard to the criteria used to appoint members to the RBNZ's MPC.

A report the Treasury prepared for MoF in 2019 said monetary policy and macroeconomic researchers would be excluded to avoid creating conflicts of interest.

Appointment criteria

As you previously agreed with the Board, a strict approach has been taken to exclude researchers with conflicts of interest. This has included excluding from consideration any individuals who are engaged in, or likely to engage in future, in active research on monetary policy and macroeconomics. In future appointments to the MPC, looser criteria could be used which would allow for a broader field of potential nominees from the Board, if desired.

You can see the snippet from the report on page 15 of this stack of OIAed

docs: <https://croakingcassandra.files.wordpress.com/2019/07/grant-robertson-oia-release-on-mpc-appointments.pdf>

Yesterday, the RBNZ said that as it recruits for two new MPC members, it will in fact consider researchers.

I understand the bit in the 2019 report was an error, as one of the current members (Bob Buckle) has done a lot of macroeconomic research.

Would the Treasury please be able to explain what's gone on?

I reported on that appointment criteria a couple of time in the past, as it seemed bizzare. I know people in the economics community also thought it was odd the govt didn't want monetary policy experts to be on the monetary policy committee.

It would be good to clear up the issue. A response ASAP would be appreciated.

Thank you,

Jenée Tibshraeny

NZ Herald Wellington Business Editor

M +64 27 324 5156

E jenee.tibshraeny@nzme.co.nz

T @JeneeTibshraeny

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Ben Gaukrodger [TSY] added Blair Teesdale-Moore [TSY] and Antony Byers [TSY] to the chat.

21/06 5:30 pm

Hi both, can I just check whether an MPC appointment response has been sent out? Renee forwarded me an email to Leilani for sign-out, which I thought contradicted the steer from James Beard about not going too strong on whether the mistake influenced decision-making.

Antony Byers [TSY] 21/06 6:03 pm

AB I believe it has Ben, based on Stella's conversations with Leilani

Blair Teesdale-Moore [TSY] 21/06 6:15 pm Edited

BT Hi Ben, yes it went out this afternoon after sign out from Leilani, Stella and RBNZ. It is not too materially different from the original:

The paragraph you are referring to includes a line that states that 'individuals who are engaged in, or likely to engage in future, in active research on monetary policy or macroeconomics would be excluded from Monetary Policy Committee (MPC) consideration'. This line was included as a result of a misunderstanding post interviews around how a candidate might struggle to balance confidentiality of sensitive information with their academic freedom. This did not form part of the criteria for these appointments and does not reflect the Minister, RBNZ, or the Treasury's position.

Furthermore, this had no bearing on the RBNZ Board's approach to nominating MPC members or to the Minister of Finance's approach to appointing MPC members. Active monetary policy and macroeconomics researchers were considered as part of the 2018/2019 round and are to be considered in the current round in 2023.

The team seemed sure it had not influenced the last appointment round

From: Blair Teesdale-Moore [TSY] on behalf of media@treasury.govt.nz
Sent: Wednesday, 21 June 2023 4:13 pm
To: 'Jenee Tibshraeny'
Subject: RE: MPC appointments

Kia ora Jenée,

Our response to your enquiry below. My apologies that we have not been able to meet your deadline in this instance.

The paragraph you are referring to includes a line that states that 'individuals who are engaged in, or likely to engage in future, in active research on monetary policy or macroeconomics would be excluded from Monetary Policy Committee (MPC) consideration'. This line was included as a result of a misunderstanding post interviews around how a candidate might struggle to balance confidentiality of sensitive information with their academic freedom. This did not form part of the criteria for these appointments and does not reflect the Minister, RBNZ, or the Treasury's position.

Furthermore, this had no bearing on the RBNZ Board's approach to nominating MPC members or to the Minister of Finance's approach to appointing MPC members. Active monetary policy and macroeconomics researchers were considered as part of the 2018/2019 round and are to be considered in the current round in 2023.

Ngā manaakitanga,



**TE TAI ŌHANGA
THE TREASURY**

Communications Team | Te Tai Ōhanga – The Treasury

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This reply addresses the information you requested. You have the right to ask the Ombudsman to investigate and review our decision.

From: Jenee Tibshraeny <jenee.tibshraeny@nzme.co.nz>
Sent: Wednesday, 21 June 2023 11:17 am
To: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Subject: Re: MPC appointments

You don't often get email from jenee.tibshraeny@nzme.co.nz. [Learn why this is important](#)

I really would appreciate a response to this ASAP - ie by lunchtime. Hope that's possible. Thank you!

From: Jenee Tibshraeny <jenee.tibshraeny@nzme.co.nz>
Sent: Wednesday, 21 June 2023 8:54 am
To: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Subject: Re: MPC appointments

Thanks Blair.

From: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 5:51 pm
To: Jenee Tibshraeny <jenee.tibshraeny@nzme.co.nz>
Subject: RE: MPC appointments

Hi Jenée,

I'm sorry we haven't managed to get this to you today but will fire it through as soon as possible tomorrow.

Ngā manaakitanga,



Communications Team | Te Tai Ōhanga – The Treasury

Email: media@treasury.govt.nz

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This reply addresses the information you requested. You have the right to ask the Ombudsman to investigate and review our decision.

From: Media Enquiries [TSY]
Sent: Tuesday, 20 June 2023 12:19 pm
To: 'Jenee Tibshraeny' <jenee.tibshraeny@nzme.co.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>
Cc: ^Parliament: Patrick O'Meara <Patrick.O'Meara@parliament.govt.nz>; James Weir <James.Weir@rbnz.govt.nz>
Subject: RE: MPC appointments

[UNCLASSIFIED]

Hi Jenée,

Confirming we have received your request and will endeavour to provide a response as soon as possible.

Ngā manaakitanga,



Communications Team | Te Tai Ōhanga – The Treasury

Email: media@treasury.govt.nz

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This reply addresses the information you requested. You have the right to ask the Ombudsman to investigate and review our decision.

From: Jenee Tibshraeny <jenee.tibshraeny@nzme.co.nz>
Sent: Tuesday, 20 June 2023 10:31 am
To: Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>
Cc: ^Parliament: Patrick O'Meara <Patrick.O'Meara@parliament.govt.nz>; James Weir <James.Weir@rbnz.govt.nz>
Subject: MPC appointments

Hi Treasury media team,

I am emailing in regard to the criteria used to appoint members to the RBNZ's MPC.

A report the Treasury prepared for MoF in 2019 said monetary policy and macroeconomic researchers would be excluded to avoid creating conflicts of interest.

Appointment criteria

As you previously agreed with the Board, a strict approach has been taken to avoid conflicts of interest. This has included excluding from consideration any individuals who are engaged in, or likely to engage in future, in active research on monetary policy and macroeconomics. In future appointments to the MPC, looser criteria could be used which would allow for a broader field of potential nominees from the Board, if desired.

You can see the snippet from the report on page 15 of this stack of OIAed

docs: <https://croakingcassandra.files.wordpress.com/2019/07/grant-robertson-oia-release-on-mpc-appointments.pdf>

Yesterday, the RBNZ said that as it recruits for two new MPC members, it will in fact consider researchers.

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Would the Treasury please be able to explain what's gone on?

I reported on that appointment criteria a couple of times in the past, as it seemed bizarre. I know people in the economics community also thought it was odd the govt didn't want monetary policy experts to be on the monetary policy committee.

It would be good to clear up the issue. A response ASAP would be appreciated.

Thank you,

Jenée Tibshraeny

NZ Herald Wellington Business Editor

M +64 27 324 5156

E jenee.tibshraeny@nzme.co.nz

T @JeneeTibshraeny

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From: Media Enquiries [TSY]
Sent: Wednesday, 21 June 2023 4:01 pm
To: ^Parliament: Jordan Ward; ^Parliament: Patrick O'Meara; ^Parliament: Chris Bramwell
Subject: FW: MPC appointments

[UNCLASSIFIED]

Kia ora team,

FYI this is the final media response we will be sending to Jenée shortly. RBNZ have also been made aware.

The paragraph you are referring to includes a line that states that 'individuals who are engaged in, or likely to engage in future, in active research on monetary policy or macroeconomics would be excluded from Monetary Policy Committee (MPC) consideration'. This line was included as a result of a misunderstanding post interviews around how a candidate might struggle to balance confidentiality of sensitive information with their academic freedom. This did not form part of the criteria for these appointments and does not reflect the Minister, RBNZ, or the Treasury's position.

Furthermore, this had no bearing on the RBNZ Board's approach to nominating MPC members or to the Minister of Finance's approach to appointing MPC members. Active monetary policy and macroeconomics researchers were considered as part of the 2018/2019 round and are to be considered in the current round in 2023.

Ngā manaakitanga,
 Blair

Blair Teesdale-Moore ([she/her](#)) | Kaitohutohu Whakawhiti Kōrero, Kaitūhono Matua / Senior Advisor-
Communications & Engagement | Te Tai Ōhanga – The Treasury

Phone: s9(2)(g)(ii) or s9(2)(k) Email/IM: Blair.Teesdale-Moore@treasury.govt.nz

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**TE TAI ŌHANGA
 THE TREASURY**



From: Jenee Tibshraeny <jenee.tibshraeny@nzme.co.nz>
Sent: Tuesday, 20 June 2023 10:31 am
To: Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>
Cc: ^Parliament: Patrick O'Meara <Patrick.O'Meara@parliament.govt.nz>; James Weir <James.Weir@rbnz.govt.nz>
Subject: MPC appointments

Hi Treasury media team,

I am emailing in regard to the criteria used to appoint members to the RBNZ's MPC.

A report the Treasury prepared for MoF in 2019 said monetary policy and macroeconomic researchers would be excluded to avoid creating conflicts of interest.

Appointment criteria

As you previously agreed with the Board, a strict approach has been taken to avoid conflicts of interest. This has included excluding from consideration any individuals engaged in, or likely to engage in future, in active research on monetary policy and macroeconomics. In future appointments to the MPC, looser criteria could be used which would allow for a broader field of potential nominees from the Board, if desired.

You can see the snippet from the report on page 15 of this stack of OIAed

docs: <https://croakingcassandra.files.wordpress.com/2019/07/grant-robertson-oia-release-on-mpc-appointments.pdf>

Yesterday, the RBNZ said that as it recruits for two new MPC members, it will in fact consider researchers.

I understand the bit in the 2019 report was an error, as one of the current members (Bob Buckle) has done a lot of macroeconomic research.

Would the Treasury please be able to explain what's gone on?

I reported on that appointment criteria a couple of times in the past, as it seemed bizarre. I know people in the economics community also thought it was odd the govt didn't want monetary policy experts to be on the monetary policy committee.

It would be good to clear up the issue. A response ASAP would be appreciated.

Thank you,

Jenée Tibshraeny

NZ Herald Wellington Business Editor

M +64 27 324 5156

E jenee.tibshraeny@nzme.co.nz

T @JeneeTibshraeny

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From: Media Enquiries [TSY]
Sent: Wednesday, 21 June 2023 3:58 pm
To: James Weir
Subject: RE: MPC appointments

Hi again James,

FYI we now have a final response to go to Jenée shortly. A colleague has already had Neil Quigley sign it off but it is below for your information as well. Thanks for your assistance with this

The paragraph you are referring to includes a line that states that 'individuals who are engaged in, or likely to engage in future, in active research on monetary policy or macroeconomics would be excluded from Monetary Policy Committee (MPC) consideration'. This line was included as a result of a misunderstanding post interviews around how a candidate might struggle to balance confidentiality of sensitive information with their academic freedom. This did not form part of the criteria for these appointments and does not reflect the Minister, RBNZ, or the Treasury's position.

Furthermore, this had no bearing on the RBNZ Board's approach to nominating MPC members or to the Minister of Finance's approach to appointing MPC members. Active monetary policy and macroeconomics researchers were considered as part of the 2018/2019 round and are to be considered in the current round in 2023.

Ngā manaakitanga,
Blair

From: James Weir <James.Weir@rbnz.govt.nz>
Sent: Tuesday, 20 June 2023 6:02 pm
To: Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>
Subject: RE: MPC appointments

Good to hear!
Please say hi from me when he gets back.

For visibility, I have shared your reply to Jenee internally, but made it clear that the text was still pending final sign off.

Have a good night,
James

From: Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 5:55 PM
To: James Weir <James.Weir@rbnz.govt.nz>
Cc: Patrick O'Meara <Patrick.O'Meara@parliament.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>
Subject: RE: MPC appointments

He is thankfully, just unwell today 😊

Ngā manaakitanga,
Blair

rom: James Weir <James.Weir@rbnz.govt.nz>
Sent: Tuesday, 20 June 2023 5:32 pm
To: Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>
Cc: ^Parliament: Patrick O'Meara <Patrick.O'Meara@parliament.govt.nz>
Subject: RE: MPC appointments

Thanks Blair,
James

Is Bryan McD. still there?

From: Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 5:21 PM
To: James Weir <James.Weir@rbnz.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>
Cc: Patrick O'Meara <Patrick.O'Meara@parliament.govt.nz>
Subject: RE: MPC appointments

Thanks James,

We are still waiting on final sign offs, so this is unlikely to go to Jenée until tomorrow now. I will let her know

Ngā manaakitanga,
Blair

Blair Teesdale-Moore ([she/her](#)) | Kaitohutohu Whakawhiti Kōrero, Kaitūhono Matua / Senior Advisor-
Communications & Engagement | Te Tai Ōhanga – The Treasury
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Visit us online at <https://treasury.govt.nz/> and follow us on [Twitter](#), [LinkedIn](#) and [Instagram](#)



From: James Weir <James.Weir@rbnz.govt.nz>
Sent: Tuesday, 20 June 2023 4:19 pm
To: Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>
Cc: ^Parliament: Patrick O'Meara <Patrick.O'Meara@parliament.govt.nz>
Subject: RE: MPC appointments

Hi Blair,
Yes, that looks accurate
Thanks for sharing.
James

James Weir

Senior Advisor- External Stakeholders

Reserve Bank of New Zealand – Te Pūtea Matua

2 The Terrace, Wellington 6011. PO Box 2498, Wellington 6140

M + s9(2)(g)(ii) T + s9(2)(k)

E james.weir@rbnz.govt.nz W rbnz.govt.nz

-
-

From: Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 3:09 PM**To:** James Weir <James.Weir@rbnz.govt.nz>**Cc:** Patrick O'Meara <Patrick.O'Meara@parliament.govt.nz>**Subject:** RE: MPC appointments

Hi James,

Our proposed response below - I'm just waiting for final sign off. Are you happy with this?

The 2019 Treasury Report stated that individuals who are engaged in, or likely to engage in future, in active research on monetary policy or macroeconomics would be excluded from Monetary Policy Committee (MPC) consideration.

This line was included in error due to a misunderstanding and does not reflect the Minister of Finance, RBNZ, or the Treasury's position. The policy intent when amending the Reserve Bank Act was to ensure that people with suitable expertise could be appointed to the MPC as external members.

This has now been rectified, with the advertisement for new MPC members that was published yesterday clarifying active monetary policy researchers will be considered.

The error in the report had no bearing on the RBNZ Board's approach to nominating MPC members or the Minister of Finance's approach to appointing MPC members.

Ngā manaakitanga,
Blair

Blair Teesdale-Moore (she/her) | Kaitohutohu Whakawhiti Kōrero, Kaitūhono Matua / Senior Advisor- Communications & Engagement | Te Tai Ōhanga – The Treasury

Phone: s9(2)(g)(ii) or s9(2)(k) Email/IM: Blair.Teesdale-Moore@treasury.govt.nz

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**TE TAI ŌHANGA
THE TREASURY**



From: Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 12:19 pm

To: Jenee Tibshraeny <jenee.tibshraeny@nzme.co.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>
Cc: ^Parliament: Patrick O'Meara <Patrick.O'Meara@parliament.govt.nz>; James Weir <James.Weir@rbnz.govt.nz>
Subject: RE: MPC appointments

[IN-CONFIDENCE]

Hi Jenée,

Confirming we have received your request and will endeavour to provide a response as soon as possible.

Ngā manaakitanga,



Communications Team | Te Tai Ōhanga – The Treasury

Email: media@treasury.govt.nz

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This reply addresses the information you requested. You have the right to ask the Ombudsman to investigate and review our decision.

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It would be good to clear up the issue. A response ASAP would be appreciated.

Thank you,

Jenée Tibshraeny

NZ Herald Wellington Business Editor

M +64 27 324 5156

E jenee.tibshraeny@nzme.co.nz

T @JeneeTibshraeny

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From: Blair Teesdale-Moore [TSY]
Sent: Wednesday, 21 June 2023 3:56 pm
To: Stella Kotrotsos [TSY]; Antony Byers [TSY]; Leilani Frew [TSY]
Cc: Ian Green [TSY]
Subject: RE: MPC appointments -URGENT APPROVAL REQUIRED

Thanks, happy if you are and it's all been signed out. Will send it off shortly unless I hear otherwise

Ngā manaakitanga,
 Blair

From: Stella Kotrotsos [TSY] <Stella.Kotrotsos@treasury.govt.nz>
Sent: Wednesday, 21 June 2023 3:13 pm
To: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>; Leilani Frew [TSY] <Leilani.Frew@treasury.govt.nz>
Cc: Ian Green [TSY] <Ian.Green@treasury.govt.nz>
Subject: RE: MPC appointments -URGENT APPROVAL REQUIRED

Hi Blair and Antony

Please find the proposed response below if you are happy with this. This has been approved by Neil Quiqley (RBNZ).
[@Leilani Frew \[TSY\]](#) nothing fruitful from our search and contacts for further documentation/communications.

PROPOSED RESPONSE

The paragraph you are referring to includes a line that states that 'individuals who are engaged in, or likely to engage in future, in active research on monetary policy or macroeconomics would be excluded from Monetary Policy Committee (MPC) consideration'. This line was included as a result of a misunderstanding post interviews around how a candidate might struggle to balance confidentiality of sensitive information with their academic freedom. This did not form part of the criteria for these appointments and does not reflect the Minister, RBNZ, or the Treasury's position.

Furthermore this had no bearing on the RBNZ Board's approach to nominating MPC members or to the Minister of Finance's approach to appointing MPC members. Active monetary policy and macroeconomics researchers were considered as part of the 2018/2019 round and are to be considered in the current round in 2023.

Ngā mihi nui
 Stella



Stella Kotrotsos | Manager, Governance and Appointments | Te Tai Ōhanga – The Treasury
 Tel: +^{s9(2)(k)} | Mobile: +^{s9(2)(g)(ii)} | Email/IM: Stella.Kotrotsos@treasury.govt.nz
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From: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Sent: Wednesday, 21 June 2023 12:21 pm
To: Stella Kotrotsos [TSY] <Stella.Kotrotsos@treasury.govt.nz>; Antony Byers [TSY]

<Antony.Byers@treasury.govt.nz>

Cc: Ian Green [TSY] <Ian.Green@treasury.govt.nz>

Subject: RE: MPC appointments -URGENT APPROVAL REQUIRED

Thanks for the update, Stella.

I can get in touch with RBNZ now with what we have – unless it is likely to change substantively with what Leilani comes back with?

Ngā manaakitanga,
Blair

From: Stella Kotrotsos [TSY] <Stella.Kotrotsos@treasury.govt.nz>

Sent: Wednesday, 21 June 2023 12:04 pm

To: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>

Cc: Ian Green [TSY] <Ian.Green@treasury.govt.nz>

Subject: FW: MPC appointments -URGENT APPROVAL REQUIRED

Importance: High

Hi Blair and Antony

Leilani is wanting further confirmation on something before agreeing to this release, so we are on hold while we find a particular piece of communications.

Bear with us, sorry. We may also at Renees suggestion need to run this past RBNZ first.....

Stella

From: Renee Philip [TSY] <renee.philip@treasury.govt.nz>

Sent: Wednesday, 21 June 2023 11:55 am

To: Stella Kotrotsos [TSY] <Stella.Kotrotsos@treasury.govt.nz>

Subject: RE: MPC appointments -URGENT APPROVAL REQUIRED

Hi Stella, I presume you've thought of this but be good to make sure the Board are comfortable with our response before sending it publicly, just to double check we are now all on the same page

From: Stella Kotrotsos [TSY] <Stella.Kotrotsos@treasury.govt.nz>

Sent: Wednesday, 21 June 2023 11:51 am

To: Leilani Frew [TSY] <Leilani.Frew@treasury.govt.nz>

Cc: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>; Ian Green [TSY] <Ian.Green@treasury.govt.nz>; Christiana Eligius [TSY] <Christiana.Eligius@treasury.govt.nz>; Renee Philip [TSY] <renee.philip@treasury.govt.nz>

Subject: RE: MPC appointments -URGENT APPROVAL REQUIRED

Importance: High

Hi Leilani

I have met with Renee this morning who has shed some more light on this. Here is our proposed response to the below. Please let **Blair/Antony know** asap you are happy with this. I am in a meeting from 12-1pm. Ian is available.

RESPONSE

The paragraph you are referring to was a misunderstanding of a debrief following an interview around how a candidate might struggle to balance confidentiality of sensitive information with their

academic freedom. The discussion around conflicts and their management was taken out of context and applied more broadly to be termed as "Appointment criteria" in the Report rather than the approach to managing conflicts.

During the interview process candidates are questioned around conflicts of interest and answers are expected to demonstrate how any potential conflicts would be satisfactorily managed.

What was written in the Report had no bearing on the RBNZ Board's approach to nominating MPC members or to the Minister of Finance's approach to appointing MPC members. Active monetary policy and macroeconomics researchers were considered as part of the 2018/2019 round and are to be considered in the current round in 2023.

Ngā mihi nui
Stella



Stella Kotrotsos | Manager, Governance and Appointments | Te Tai Ōhanga – The Treasury

Tel: +s9(2)(k) | Mobile: +s9(2)(g)(ii) | Email/IM: Stella.Kotrotsos@treasury.govt.nz

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From: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Sent: Wednesday, 21 June 2023 10:41 am
To: Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>; Stella Kotrotsos [TSY] <Stella.Kotrotsos@treasury.govt.nz>
Cc: Ian Green [TSY] <Ian.Green@treasury.govt.nz>
Subject: RE: MPC appointments

Morning Stella,

Is there any further steer on this? I know ELT are keen to get our response out asap today

Ngā manaakitanga,
Blair

From: Stella Kotrotsos [TSY] <Stella.Kotrotsos@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 4:24 pm
To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>; Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>
Subject: RE: MPC appointments

Hi Ben and Blair

I am not happy with this proposed response as I need to understand whether this was an actual error or whether the act changed post the appointment.

Please leave this with me for review and suggested response. Do we have a timeframe on this please?

Stella

From: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 3:47 pm
To: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>; Stella Kotrotsos [TSY] <Stella.Kotrotsos@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>
Subject: RE: MPC appointments

Thanks Blair.

Stella – FYI – there is a media enquiry about an error made in 2019, for which the response below has been drafted. The error cropped up in a report from G&A and really got legs in terms of people’s understanding of the appointment process for the RBNZ’s Monetary Policy Committee. The email attached gives a bit more background.

From: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 3:16 pm
To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>; James Beard [TSY] <James.Beard@treasury.govt.nz>; Tim Hampton [TSY] <Tim.Hampton@treasury.govt.nz>
Subject: RE: MPC appointments

Thanks Ben. Yes it’s gone to RBNZ – I’ll let you know if they have any changes

Ngā manaakitanga,
 Blair

From: Tim Hampton [TSY] <Tim.Hampton@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 3:04 pm
To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>; Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>; James Beard [TSY] <James.Beard@treasury.govt.nz>
Subject: RE: MPC appointments

Thanks Ben

James – FYI

From: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 3:02 pm
To: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>; Tim Hampton [TSY] <Tim.Hampton@treasury.govt.nz>
Subject: RE: MPC appointments

Hi Blair

I'm happy with that. Before sending it out I think it would be worth checking in with the RBNZ's media team to make sure they are happy too (particularly with respect to the last line).

Tim – FYI.

Cheers
Ben

From: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 2:58 pm
To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>
Subject: RE: MPC appointments

Thanks Ben – I've included what you've noted verbatim as I don't know the topic enough to re-word

Are you happy with the below?

The 2019 Treasury Report stated that individuals who are engaged in, or likely to engage in future, in active research on monetary policy or macroeconomics would be excluded from Monetary Policy Committee (MPC) consideration.

This line was included in error due to a misunderstanding and does not reflect the Minister of Finance, RBNZ, or the Treasury's position. The policy intent when amending the Reserve Bank Act was to ensure that people with suitable expertise could be appointed to the MPC as external members.

This has now been rectified, with the advertisement for new MPC members that was published yesterday clarifying active monetary policy researchers will be considered.

The error in the report had no bearing on the RBNZ Board's approach to nominating MPC members or the Minister of Finance's approach to appointing MPC members.

Ngā manaakitanga,
Blair

From: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
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Subject: RE: MPC appointments

Hi Blair

Thanks for sending this through.

A couple of thoughts:

1. I think we could make clear in the second line that the policy intent when amending the Reserve Bank Act was to ensure that people with suitable expertise could be appointed to the MPC as external members.
2. On the yellow line, I think we could say that the error in the report had no bearing on the RBNZ Board's approach to nominating MPC members or the Minister of Finance's approach to appointing MPC members.

Thanks
Ben

From: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 2:27 pm
To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>
Subject: RE: MPC appointments
Importance: High

Hi Ben and team,

I would appreciate your thoughts on the draft response below. ^{s9(2)(g)(i)} [REDACTED]
_{s9(2)(g)(i)} [REDACTED]

This will then be signed out by Caralee's office and sent to Moffice and RBNZ before final send out.

The 2019 Treasury Report outlined that individuals who are engaged in, or likely to engage in future, in active research on monetary policy or macroeconomics would be excluded from Monetary Policy Committee (MPC) consideration.

This line was included in error due to a misunderstanding and does not reflect the Minister, RBNZ, or the Treasury's position.

This has now been rectified, with the advertisement for new members that was published yesterday clarifying active monetary policy researchers will be considered.

No individuals were excluded from MPC consideration as a result.

Ngā manaakitanga,
Blair

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Sent: Tuesday, 20 June 2023 10:58 am
To: Communications [TSY] <Communications@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>
Subject: FW: MPC appointments

[IN-CONFIDENCE]

Hi all

Giles passed on the media query, which we'd been liaising with the office about earlier this morning.

As background, the attached email from Renee to Caralee provides details on what happened. Happy to have a look at any response before it goes out.

Thanks
Ben



Ben Gaukrodger (he/him) | **Poutaki – Acting Manager, Macroeconomic and Fiscal Policy | Te Tai Ōhanga – The Treasury**

Tel: + ^{s9(2)(k)} | Email/IM: ben.gaukrodger@treasury.govt.nz

Visit us online at <https://treasury.govt.nz/> and follow us on [Twitter](#), [LinkedIn](#) and [Instagram](#)

From: Giles Bollinger <Giles.Bollinger@parliament.govt.nz>

Sent: Tuesday, 20 June 2023 10:42 am

To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>; Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>

Cc: Carlos So [TSY] <Carlos.So@treasury.govt.nz>

Subject: FW: MPC appointments

FYI media query – will be finding its way to you now

From: Jenee Tibshraeny [<mailto:jenee.tibshraeny@nzme.co.nz>]

Sent: Tuesday, 20 June 2023 10:31 AM

To: media@treasury.govt.nz

Cc: Patrick O'Meara <Patrick.O'Meara@parliament.govt.nz>; James Weir <James.Weir@rbnz.govt.nz>

Subject: MPC appointments

Hi Treasury media team,

I am emailing in regard to the criteria used to appoint members to the RBNZ's MPC.

A report the Treasury prepared for MoF in 2019 said monetary policy and macroeconomic researchers would be excluded to avoid creating conflicts of interest.

Appointment criteria

As you previously agreed with the Board, a strict approach has been taken to avoid conflicts of interest. This has included excluding from consideration any individuals who are engaged in, or likely to engage in future, in active research on monetary policy and macroeconomics. In future appointments to the MPC, looser criteria could be used which would allow for a broader field of potential nominees from the Board, if desired.

You can see the snippet from the report on page 15 of this stack of OIAed

docs: <https://croakingcassandra.files.wordpress.com/2019/07/grant-robertson-oia-release-on-mpc-appointments.pdf>

Yesterday, the RBNZ said that as it recruits for two new MPC members, it will in fact consider researchers.

I understand the bit in the 2019 report was an error, as one of the current members (Bob Buckle) has done a lot of macroeconomic research.

Would the Treasury please be able to explain what's gone on?

I reported on that appointment criteria a couple of times in the past, as it seemed bizarre. I know people in the economics community also thought it was odd the govt didn't want monetary policy experts to be on the monetary policy committee.

It would be good to clear up the issue. A response ASAP would be appreciated.

Thank you,

Jenée Tibshraeny

NZ Herald Wellington Business Editor

M +64 27 324 5156

E jenee.tibshraeny@nzme.co.nz

T @JeneeTibshraeny

A Parliamentary Press Gallery

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From: Stella Kotrotsos [TSY]
Sent: Wednesday, 21 June 2023 3:08 pm
To: Neil Quigley <Neil.Quigley@rbnz.govt.nz>
Cc: Ian Green [TSY] <Ian.Green@treasury.govt.nz>
Subject: RE: Response

Thank you Neil.

Take care and talk soon.

Ngā mihi nui
Stella



TE TAI ŌHANGA
THE TREASURY

Stella Kotrotsos | Manager, Governance and Appointments | Te Tai Ōhanga – The Treasury

Tel: + [s9\(2\)\(k\)](tel:s9(2)(k)) | Mobile: [s9\(2\)\(g\)\(ii\)](tel:s9(2)(g)(ii)) | Email/IM: Stella.Kotrotsos@treasury.govt.nz

Visit us online at <https://treasury.govt.nz/> and follow us on [Twitter](#), [LinkedIn](#) and [Instagram](#)

From: Neil Quigley <Neil.Quigley@rbnz.govt.nz>
Sent: Wednesday, 21 June 2023 3:03 pm
To: Stella Kotrotsos [TSY] <Stella.Kotrotsos@treasury.govt.nz>
Cc: Ian Green [TSY] <Ian.Green@treasury.govt.nz>
Subject: RE: Response

Stella

Thank you for checking with me. I only recently became aware of the comment extracted below when Nick McBride pointed it out to me in documents that had been released by Treasury. If I had seen the comment at the time that it was written I would have pointed out that as Chair of the search process for MPC members on that occasion I did not consider the comment to be correct. Having become aware of it, I rewrote the background material for the search this year to more accurately reflect my and the Board's views last time: that researchers are fine as long as they have a really clear understanding of the constraints that MPC membership would place on them.

Overall, your response seems appropriate and from my perspective is accurate.

Best wishes

Neil

From: Stella Kotrotsos [TSY] <Stella.Kotrotsos@treasury.govt.nz>
Sent: Wednesday, 21 June 2023 2:53 pm
To: Neil Quigley <Neil.Quigley@rbnz.govt.nz>
Cc: Ian Green [TSY] <Ian.Green@treasury.govt.nz>
Subject: Response

[IN-CONFIDENCE]

Hi Neil

This is the enquiry and below the proposed response.

ENQUIRY

Hi Treasury media team,

I am emailing in regard to the criteria used to appoint members to the RBNZ's MPC.

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It would be good to clear up the issue. A response ASAP would be appreciated.

Thank you,

Jenée Tibshraeny

NZ Herald Wellington Business Editor

M +64 27 324 5156

PROPOSED RESPONSE

The paragraph you are referring to includes a line that states that 'individuals who are engaged in, or likely to engage in future, in active research on monetary policy or macroeconomics would be excluded from Monetary Policy Committee (MPC) consideration'. This line was included as a result of a misunderstanding post interviews around how a candidate might struggle to balance confidentiality of sensitive information with their academic freedom. This did not form part of the criteria for these appointments and does not reflect the Minister, RBNZ, or the Treasury's position.

Furthermore this had no bearing on the RBNZ Board's approach to nominating MPC members or to the Minister of Finance's approach to appointing MPC members. Active monetary policy and macroeconomics researchers were considered as part of the 2018/2019 round and are to be considered in the current round in 2023.

Ngā mihi nui
Stella



**TE TAI ŌHANGA
THE TREASURY**

Stella Kotrotsos | Manager, Governance and Appointments | Te Tai Ōhanga – The Treasury

Tel: s9(2)(k) | Mobile: s9(2)(g)(ii) | Email/IM: Stella.Kotrotsos@treasury.govt.nz

Visit us online at <https://treasury.govt.nz/> and follow us on [Twitter](#), [LinkedIn](#) and [Instagram](#)

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- a. please immediately delete this email and notify the Treasury by return email or telephone (64 4 472 2733);
- b. any use, dissemination or copying of this email is strictly prohibited and may be unlawful.

From: Antony Byers [TSY]
Sent: Wednesday, 21 June 2023 5:48 am
To: Stella Kotrotsos [TSY]
Cc: Ian Green [TSY]; Blair Teesdale-Moore [TSY]
Subject: RE: MPC appointments

Thanks for the update Stella,
We'll get a suggested holding position together in case the subject comes up around FEC, along the lines: we're checking how that came to be and will let you know as soon as we have a better understanding.

Antony

Antony Byers | Kaiwhakahaere Whakawhiti Kōrero - Head of Communications and Engagement | Te Tai Ōhanga – The Treasury

Tel: + ^{s9(2)(g)(ii)}

From: Stella Kotrotsos [TSY] <Stella.Kotrotsos@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 10:55 pm
To: Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>
Cc: Ian Green [TSY] <Ian.Green@treasury.govt.nz>
Subject: RE: MPC appointments

Hi Antony, I sat with Leilani till almost 7pm tonight going through all relevant documentation as she too believes there was something prior to the report that led Treasury to advice what it did in the APH paper so saying that it was an error might not be accurate. I have yet to find the missing link, so am not confident we will have the details needed by the morning.

Will do what we can.

Stella

From: Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 6:57 pm
To: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>; Stella Kotrotsos [TSY] <Stella.Kotrotsos@treasury.govt.nz>; Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>
Subject: RE: MPC appointments

I think the desired response is ASAP ... and if it can be for the Treasury ahead of FEC tomorrow, so by 9 in the morn?

Antony

Antony Byers | Kaiwhakahaere Whakawhiti Kōrero - Head of Communications and Engagement | Te Tai Ōhanga – The Treasury

Tel: + ^{s9(2)(g)(ii)}

From: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 4:42 pm
To: Stella Kotrotsos [TSY] <Stella.Kotrotsos@treasury.govt.nz>; Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>
Subject: RE: MPC appointments

Hi Stella,

Thanks for clarifying. As soon as we can tomorrow would be best

Ngā manaakitanga,
 Blair

From: Stella Kotrotsos [TSY] <Stella.Kotrotsos@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 4:24 pm
To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>; Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>
Subject: RE: MPC appointments

Hi Ben and Blair

I am not happy with this proposed response as I need to understand whether this was an actual error or whether the act changed post the appointment.
 Please leave this with me for review and suggested response. Do we have a timeframe on this please?

Stella

From: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 3:47 pm
To: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>; Stella Kotrotsos [TSY] <Stella.Kotrotsos@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>
Subject: RE: MPC appointments

Thanks Blair.

Stella – FYI – there is a media enquiry about an error made in 2019, for which the response below has been drafted. The error cropped up in a report from G&A and really got legs in terms of people’s understanding of the appointment process for the RBNZ’s Monetary Policy Committee. The email attached gives a bit more background.

From: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 3:16 pm
To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>; James Beard [TSY] <James.Beard@treasury.govt.nz>; Tim Hampton [TSY] <Tim.Hampton@treasury.govt.nz>
Subject: RE: MPC appointments

Thanks Ben. Yes it’s gone to RBNZ – I’ll let you know if they have any changes

Ngā manaakitanga,
Blair

From: Tim Hampton [TSY] <Tim.Hampton@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 3:04 pm
To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>; Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
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Subject: RE: MPC appointments

Thanks Ben

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Hi Blair

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Tim – FYI.

Cheers

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The error in the report had no bearing on the RBNZ Board's approach to nominating MPC members or the Minister of Finance's approach to appointing MPC members.

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Importance: High

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[IN-CONFIDENCE]

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As background, the attached email from Renee to Caralee provides details on what happened. Happy to have a look at any response before it goes out.

Thanks
Ben



TE TAI ŌHANGA
THE TREASURY

Ben Gaukrodger (he/him) | **Poutaki – Acting Manager, Macroeconomic and Fiscal Policy | Te Tai Ōhanga – The Treasury**

Tel: +^{s9(2)(k)} | Email/IM: ben.gaukrodger@treasury.govt.nz

Visit us online at <https://treasury.govt.nz/> and follow us on [Twitter](#), [LinkedIn](#) and [Instagram](#)

From: Giles Bollinger <Giles.Bollinger@parliament.govt.nz>
Sent: Tuesday, 20 June 2023 10:42 am
To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>; Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>
Cc: Carlos So [TSY] <Carlos.So@treasury.govt.nz>
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Sent: Tuesday, 20 June 2023 10:31 AM
To: media@treasury.govt.nz
Cc: Patrick O'Meara <Patrick.O'Meara@parliament.govt.nz>; James Weir <James.Weir@rbnz.govt.nz>
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A report the Treasury prepared for MoF in 2019 said monetary policy and macroeconomic researchers would be excluded to avoid creating conflicts of interest.

Appointment criteria

As you previously agreed with the Board, a strict approach has been taken to avoid conflicts of interest. This has included excluding from consideration any individuals engaged in, or likely to engage in future, in active research on monetary policy or macroeconomics. In future appointments to the MPC, looser criteria could be used which would allow for a broader field of potential nominees from the Board, if desired.

You can see the snippet from the report on page 15 of this stack of OIAed

docs: <https://croakingcassandra.files.wordpress.com/2019/07/grant-robertson-oia-release-on-mpc-appointments.pdf>

Yesterday, the RBNZ said that as it recruits for two new MPC members, it will in fact consider researchers.

I understand the bit in the 2019 report was an error, as one of the current members (Bob Buckle) has done a lot of macroeconomic research.

Would the Treasury please be able to explain what's gone on?

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It would be good to clear up the issue. A response ASAP would be appreciated.

Thank you,

Jenée Tibshraeny

NZ Herald Wellington Business Editor

M +64 27 324 5156

E jenee.tibshraeny@nzme.co.nz

T @JeneeTibshraeny

A Parliamentary Press Gallery

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From: Ben Gaukrodger [TSY]
Sent: Tuesday, 20 June 2023 5:23 pm
To: Blair Teesdale-Moore [TSY]; Stella Kotrotsos [TSY]
Cc: Neil Kidd [TSY]; Carlos So [TSY]; Media Enquiries [TSY]; Antony Byers [TSY]
Subject: RE: MPC appointments

Hi Blair,

One bit of feedback from James Beard on this too – with any response he was keen to lose my suggested last line (“The error in the report had no bearing on the RBNZ Board’s approach to nominating MPC members or the Minister of Finance’s approach to appointing MPC members”) on the basis that it may be hard to prove and could lead us down a rabbit hole.

Other than that, very happy to leave any decisions about the response entirely to Stella and Comms.

Thanks,
Ben

From: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 4:42 pm
To: Stella Kotrotsos [TSY] <Stella.Kotrotsos@treasury.govt.nz>; Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
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Subject: RE: MPC appointments

Hi Stella,

Thanks for clarifying. As soon as we can tomorrow would be best

Ngā manaakitanga,
Blair

From: Stella Kotrotsos [TSY] <Stella.Kotrotsos@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 4:24 pm
To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>; Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>
Subject: RE: MPC appointments

Hi Ben and Blair

I am not happy with this proposed response as I need to understand whether this was an actual error or whether the act changed post the appointment.
Please leave this with me for review and suggested response. Do we have a timeframe on this please?

Stella

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Subject: RE: MPC appointments

Thanks Ben. Yes it’s gone to RBNZ – I’ll let you know if they have any changes

Ngā manaakitanga,
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From: Tim Hampton [TSY] <Tim.Hampton@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 3:04 pm
To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>; Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
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Hi Blair

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Tim – FYI.

Cheers
Ben

From: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
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Thanks Ben – I've included what you've noted verbatim as I don't know the topic enough to re-word

Are you happy with the below?

The 2019 Treasury Report stated that individuals who are engaged in, or likely to engage in future, in active research on monetary policy or macroeconomics would be excluded from Monetary Policy Committee (MPC) consideration.

This line was included in error due to a misunderstanding and does not reflect the Minister of Finance, RBNZ, or the Treasury's position. The policy intent when amending the Reserve Bank Act was to ensure that people with suitable expertise could be appointed to the MPC as external members.

This has now been rectified, with the advertisement for new MPC members that was published yesterday clarifying active monetary policy researchers will be considered.

The error in the report had no bearing on the RBNZ Board's approach to nominating MPC members or the Minister of Finance's approach to appointing MPC members.

Ngā manaakitanga,
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From: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
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Subject: RE: MPC appointments

Hi Blair

Thanks for sending this through.

A couple of thoughts:

1. I think we could make clear in the second line that the policy intent when amending the Reserve Bank Act was to ensure that people with suitable expertise could be appointed to the MPC as external members.
2. On the yellow line, I think we could say that the error in the report had no bearing on the RBNZ Board's approach to nominating MPC members or the Minister of Finance's approach to appointing MPC members.

Thanks
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Subject: RE: MPC appointments
Importance: High

Hi Ben and team,

I would appreciate your thoughts on the draft response below. ^{s9(2)(g)(i)} [REDACTED]
^{s9(2)(g)(i)} [REDACTED]

This will then be signed out by Caralee's office and sent to Moffice and RBNZ before final send out.

The 2019 Treasury Report outlined that individuals who are engaged in, or likely to engage in future, in active research on monetary policy or macroeconomics would be excluded from Monetary Policy Committee (MPC) consideration.

This line was included in error due to a misunderstanding and does not reflect the Minister, RBNZ, or the Treasury's position.

This has now been rectified, with the advertisement for new members that was published yesterday clarifying active monetary policy researchers will be considered.

No individuals were excluded from MPC consideration as a result.

Ngā manaakitanga,
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From: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
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Subject: FW: MPC appointments

[IN-CONFIDENCE]

Hi all

Giles passed on the media query, which we'd been liaising with the office about earlier this morning.

As background, the attached email from Renee to Caralee provides details on what happened. Happy to have a look at any response before it goes out.

Thanks
 Ben



Ben Gaukrodger (he/him) | Poutaki – Acting Manager, Macroeconomic and Fiscal Policy | Te Tai Ōhanga – The Treasury

Tel: +^{s9(2)(k)} [REDACTED] | Email/IM: ben.gaukrodger@treasury.govt.nz

Visit us online at <https://treasury.govt.nz/> and follow us on [Twitter](#), [LinkedIn](#) and [Instagram](#)

From: Giles Bollinger <Giles.Bollinger@parliament.govt.nz>
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Cc: Carlos So [TSY] <Carlos.So@treasury.govt.nz>
Subject: FW: MPC appointments

FYI media query – will be finding its way to you now

From: Jenee Tibshraeny [<mailto:jenee.tibshraeny@nzme.co.nz>]
Sent: Tuesday, 20 June 2023 10:31 AM
To: media@treasury.govt.nz
Cc: Patrick O'Meara <Patrick.O'Meara@parliament.govt.nz>; James Weir <James.Weir@rbnz.govt.nz>
Subject: MPC appointments

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From: Ben Gaukrodger [TSY]
Sent: Tuesday, 20 June 2023 5:15 pm
To: Stella Kotrotsos [TSY]
Subject: RE: MPC appointments

Hi Stella,

Absolutely, it is T2019/90. I don't have access to it in imanage (I'm sure you will), but the OIA link is on page 14 of this binder: [grant-robertson-oia-release-on-mpc-appointments.pdf \(wordpress.com\)](https://www.treasury.govt.nz/press-releases/grant-robertson-oia-release-on-mpc-appointments)

More than happy to defer to you on what the response should be given this relates to G&A advice. I was involved in the creation of the MPC at the time though, so happy to provide a bit more context and history if that is helpful for you to reach a view on what the response should be.

James Beard also just asked about it in the context of something else too, and he was keen to remove the last line in the proposed response just in case we can't back it up, which I will pass on to Blair now too.

Thanks
Ben

From: Stella Kotrotsos [TSY] <Stella.Kotrotsos@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 4:39 pm
To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Subject: RE: MPC appointments

Hi Ben
Can I please see the report this is referring to?
Is there a TR number?
Stella

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Sent: Tuesday, 20 June 2023 3:47 pm
To: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>; Stella Kotrotsos [TSY] <Stella.Kotrotsos@treasury.govt.nz>
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**TE TAI ŌHANGA
THE TREASURY**

Ben Gaukrodger (he/him) | Poutaki – Acting Manager, Macroeconomic and Fiscal Policy | Te Tai Ōhanga – The Treasury

Tel: s9(2)(k) | Email/IM: ben.gaukrodger@treasury.govt.nz

Visit us online at <https://treasury.govt.nz/> and follow us on [Twitter](#), [LinkedIn](#) and [Instagram](#)

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Sent: Tuesday, 20 June 2023 10:31 AM
To: media@treasury.govt.nz
Cc: Patrick O'Meara <Patrick.O'Meara@parliament.govt.nz>; James Weir <James.Weir@rbnz.govt.nz>
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NZ Herald Wellington Business Editor

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T @JeneeTibshraeny

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From: Tim Hampton [TSY]
Sent: Tuesday, 20 June 2023 3:43 pm
To: Ben Gaukrodger [TSY]
Subject: RE: MPC appointments

Ta

From: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 3:42 pm
To: Tim Hampton [TSY] <Tim.Hampton@treasury.govt.nz>
Subject: RE: MPC appointments

Yes and no – the appointments team isn't actually involved in MPC appointments at all, so they don't really have any background in this. They only were involved in 2019 because of they provided picked up some admin tasks during the transition to the new Act. The error was theirs, but the people who were involved have long since departed. I will let them know that this is coming though.

From: Tim Hampton [TSY] <Tim.Hampton@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 3:07 pm
To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Subject: RE: MPC appointments

Is this or the appointments team?

From: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 3:02 pm
To: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>; Tim Hampton [TSY] <Tim.Hampton@treasury.govt.nz>
Subject: RE: MPC appointments

Hi Blair

I'm happy with that. Before sending it out I think it would be worth checking in with the RBNZ's media team to make sure they are happy too (particularly with respect to the last line).

Tim – FYI.

Cheers
Ben

From: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 2:58 pm
To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>
Subject: RE: MPC appointments

Thanks Ben – I've included what you've noted verbatim as I don't know the topic enough to re-word

Are you happy with the below?

The 2019 Treasury Report stated that individuals who are engaged in, or likely to engage in future, in active research on monetary policy or macroeconomics would be excluded from Monetary Policy Committee (MPC) consideration.

This line was included in error due to a misunderstanding and does not reflect the Minister of Finance, RBNZ, or the Treasury's position. The policy intent when amending the Reserve Bank Act was to ensure that people with suitable expertise could be appointed to the MPC as external members.

This has now been rectified, with the advertisement for new MPC members that was published yesterday clarifying active monetary policy researchers will be considered.

The error in the report had no bearing on the RBNZ Board's approach to nominating MPC members or the Minister of Finance's approach to appointing MPC members.

Ngā manaakitanga,
Blair

From: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 2:36 pm
To: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>
Subject: RE: MPC appointments

Hi Blair

Thanks for sending this through.

A couple of thoughts:

1. I think we could make clear in the second line that the policy intent when amending the Reserve Bank Act was to ensure that people with suitable expertise could be appointed to the MPC as external members.
2. On the yellow line, I think we could say that the error in the report had no bearing on the RBNZ Board's approach to nominating MPC members or the Minister of Finance's approach to appointing MPC members.

Thanks
Ben

From: Blair Teesdale-Moore [TSY] <Blair.Teesdale-Moore@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 2:27 pm
To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>; Media Enquiries [TSY] <Media.Enquiries@treasury.govt.nz>; Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>
Subject: RE: MPC appointments
Importance: High

Hi Ben and team,

I would appreciate your thoughts on the draft response below. s9(2)(g)(i)
 s9(2)(g)(i)

This will then be signed out by Caralee's office and sent to Moffice and RBNZ before final send out.

The 2019 Treasury Report outlined that individuals who are engaged in, or likely to engage in future, in active research on monetary policy or macroeconomics would be excluded from Monetary Policy Committee (MPC) consideration.

This line was included in error due to a misunderstanding and does not reflect the Minister, RBNZ, or the Treasury's position.

This has now been rectified, with the advertisement for new members that was published yesterday clarifying active monetary policy researchers will be considered.

No individuals were excluded from MPC consideration as a result.

Ngā manaakitanga,
Blair

From: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 10:58 am
To: Communications [TSY] <Communications@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>
Subject: FW: MPC appointments

[IN-CONFIDENCE]

Hi all

Giles passed on the media query, which we'd been liaising with the office about earlier this morning.

As background, the attached email from Renee to Caralee provides details on what happened. Happy to have a look at any response before it goes out.

Thanks
Ben



Ben Gaukrodger (he/him) | Poutaki – Acting Manager, Macroeconomic and Fiscal Policy | Te Tai Ōhanga – The Treasury

Tel: +^{s9(2)(k)} | Email/IM: ben.gaukrodger@treasury.govt.nz

Visit us online at <https://treasury.govt.nz/> and follow us on [Twitter](#), [LinkedIn](#) and [Instagram](#)

From: Giles Bollinger <Giles.Bollinger@parliament.govt.nz>
Sent: Tuesday, 20 June 2023 10:42 am
To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>; Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>
Cc: Carlos So [TSY] <Carlos.So@treasury.govt.nz>
Subject: FW: MPC appointments

FYI media query – will be finding its way to you now

From: Jenee Tibshraeny [<mailto:jenee.tibshraeny@nzme.co.nz>]
Sent: Tuesday, 20 June 2023 10:31 AM
To: media@treasury.govt.nz

Cc: Patrick O'Meara <Patrick.O'Meara@parliament.govt.nz>; James Weir <James.Weir@rbnz.govt.nz>

Subject: MPC appointments

Hi Treasury media team,

I am emailing in regard to the criteria used to appoint members to the RBNZ's MPC.

A report the Treasury prepared for MoF in 2019 said monetary policy and macroeconomic researchers would be excluded to avoid creating conflicts of interest.

Appointment criteria

As you previously agreed with the Board, a strict approach has been taken to avoid conflicts of interest. This has included excluding from consideration any individuals who are engaged in, or likely to engage in future, in active research on monetary policy and macroeconomics. In future appointments to the MPC, looser criteria could be used which would allow for a broader field of potential nominees from the Board, if desired.

You can see the snippet from the report on page 15 of this stack of OIAed

docs: <https://croakingcassandra.files.wordpress.com/2019/07/grant-robertson-oia-release-on-mpc-appointments.pdf>

Yesterday, the RBNZ said that as it recruits for two new MPC members, it will in fact consider researchers.

I understand the bit in the 2019 report was an error, as one of the current members (Bob Buckle) has done a lot of macroeconomic research.

Would the Treasury please be able to explain what's gone on?

I reported on that appointment criteria a couple of times in the past, as it seemed bizarre. I know people in the economics community also thought it was odd the govt didn't want monetary policy experts to be on the monetary policy committee.

It would be good to clear up the issue. A response ASAP would be appreciated.

Thank you,

Jenée Tibshraeny

NZ Herald Wellington Business Editor

M +64 27 324 5156

E jenee.tibshraeny@nzme.co.nz

T @JeneeTibshraeny

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From: Blair Teesdale-Moore [TSY]
Sent: Tuesday, 20 June 2023 1:13 pm
To: Antony Byers [TSY]
Subject: RE: MPC appointments

Importance: High

Hi Antony,

My proposed response below. The line in yellow is something I'm not sure on, but imagine it will be the natural follow up question..

The 2019 Treasury Report outlined that individuals who are engaged in, or likely to engage in future, in active research on monetary policy or macroeconomics would be excluded from Monetary Policy Committee (MPC) consideration.

This line was included in error due to a misunderstanding and does not reflect the Minister, RBNZ, or the Treasury's position.

This has now been rectified, with the advertisement for new members that was published yesterday clarifying active monetary policy researchers will be considered.

No individuals were excluded from MPC consideration as a result.

Ngā manaakitanga,
Blair

From: Communications [TSY]
Sent: Tuesday, 20 June 2023 12:25 pm
To: Antony Byers [TSY] <Antony.Byers@treasury.govt.nz>
Subject: FW: MPC appointments

FYI

From: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 10:58 am
To: Communications [TSY] <Communications@treasury.govt.nz>
Cc: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>
Subject: FW: MPC appointments

[IN-CONFIDENCE]

Hi all

Giles passed on the media query, which we'd been liaising with the office about earlier this morning.

As background, the attached email from Renee to Caralee provides details on what happened. Happy to have a look at any response before it goes out.

Thanks
Ben



Ben Gaukrodger (he/him) | Poutaki – Acting Manager, Macroeconomic and Fiscal Policy | Te Tai Ōhanga – The Treasury

Tel: +s9(2)(k) | Email/IM: ben.gaukrodger@treasury.govt.nz

Visit us online at <https://treasury.govt.nz/> and follow us on [Twitter](#), [LinkedIn](#) and [Instagram](#)

From: Giles Bollinger <Giles.Bollinger@parliament.govt.nz>

Sent: Tuesday, 20 June 2023 10:42 am

To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>; Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>

Cc: Carlos So [TSY] <Carlos.So@treasury.govt.nz>

Subject: FW: MPC appointments

FYI media query – will be finding its way to you now

From: Jenee Tibshraeny [<mailto:jenee.tibshraeny@nzme.co.nz>]

Sent: Tuesday, 20 June 2023 10:31 AM

To: media@treasury.govt.nz

Cc: Patrick O'Meara <Patrick.O'Meara@parliament.govt.nz>; James Weir <James.Weir@rbnz.govt.nz>

Subject: MPC appointments

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docs: <https://croakingcassandra.files.wordpress.com/2019/07/grant-robertson-oia-release-on-mpc-appointments.pdf>

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It would be good to clear up the issue. A response ASAP would be appreciated.

Thank you,

Jenée Tibshraeny

NZ Herald Wellington Business Editor

M +64 27 324 5156

E jenee.tibshraeny@nzme.co.nz

T @JeneeTibshraeny

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From: ^EXT: Giles Bollinger
Sent: Tuesday, 20 June 2023 10:13 am
To: Carlos So [TSY]; Ben Gaukrodger [TSY]; Neil Kidd [TSY]
Subject: RE: MPC appointments TR

Brilliant – thanks Carlos



Giles Bollinger - Private Secretary (Finance)
Office of Hon Grant Robertson | Office of Hon Michael Wood
Minister of Finance | Associate Minister of Finance

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s9(2)(g)(ii)

E: giles.bollinger@parliament.govt.nz

From: Carlos So [TSY] [<mailto:Carlos.So@treasury.govt.nz>]
Sent: Tuesday, 20 June 2023 10:06 AM
To: Giles Bollinger <Giles.Bollinger@parliament.govt.nz>; Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>; Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>
Subject: RE: MPC appointments TR

The excerpt comes from T2019/90, available here (page 14 going by the page number at the top of the window):

<https://croakingcassandra.files.wordpress.com/2019/07/grant-robertson-oia-release-on-mpc-appointments.pdf>

From: Giles Bollinger <Giles.Bollinger@parliament.govt.nz>
Sent: Tuesday, 20 June 2023 10:04 am
To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>; Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>
Subject: RE: MPC appointments TR

Thanks Ben



Giles Bollinger - Private Secretary (Finance)
Office of Hon Grant Robertson | Office of Hon Michael Wood
Minister of Finance | Associate Minister of Finance

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M: s9(2)(g)(ii)

E: giles.bollinger@parliament.govt.nz

From: Ben Gaukrodger [TSY] [<mailto:Ben.Gaukrodger@treasury.govt.nz>]
Sent: Tuesday, 20 June 2023 10:03 AM
To: Giles Bollinger <Giles.Bollinger@parliament.govt.nz>; Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>
Subject: RE: MPC appointments TR

[IN-CONFIDENCE]

Hi Giles,

This is the best we can find, it is a message from Renee on Teams:

Hi team, thought I'd pass on an interesting piece of intel from our meeting with the RBNZ Board chair today. You may remember the issue that the Board apparently didn't recommend monetary policy experts as external members on the MPC due to concerns about conflict of interest (Michael has blogged about this a few times, and others picked up on it - eg Matt and I got asked about it while in Australia last year).

It turns out that this was actually a misunderstanding. The para below was included in a TR by the appointments team at the time, and was released under the OIA, which is why we all thought it was the case. However, the Board chair said the Board wasn't aware of this and the para below isn't correct, and the Board hadn't excluded experts from consideration.

A pretty unfortunate confusion, but the good news is that the Board would consider monetary policy experts on the MPC, which is what we'd intended all along.

Appointment criteria

As you previously agreed with the Board, a strict approach has been taken regarding conflicts of interest. This has included excluding from consideration any individuals who are engaged in, or likely to engage in future, in active research on monetary policy or macroeconomics. In future appointments to the MPC, looser criteria could be adopted that would allow for a broader field of potential nominees from the Board, if desired.

Thanks
Ben

From: Giles Bollinger <Giles.Bollinger@parliament.govt.nz>
Sent: Tuesday, 20 June 2023 9:53 am
To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>; Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>
Subject: RE: MPC appointments TR

Sorry - should have said I spoke to Neil about this yesterday. Was apparently a line in a TR that led to some misunderstanding about monetary policy researchers not being within MPC criteria.

Sent with BlackBerry Work
(www.blackberry.com)

From: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Date: Tuesday, 20 Jun 2023 at 9:49 AM
To: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>, Carlos So [TSY] <Carlos.So@treasury.govt.nz>, Giles Bollinger <Giles.Bollinger@parliament.govt.nz>
Subject: Re: MPC appointments TR

Hi Giles,

Sorry, this might was before my time. Can you provide a bit more context about what this is?

Cheers
Ben

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From: Giles Bollinger <Giles.Bollinger@parliament.govt.nz>
Sent: Tuesday, June 20, 2023 9:34:44 AM
To: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>;
Carlos So [TSY] <Carlos.So@treasury.govt.nz>
Subject: MPC appointments TR

G'day,

Could you please flick through the TR that led to some confusion around MPC member criteria? Be excellent if could get this by 9.50am (sorry!)

Cheers



Giles Bollinger - Private Secretary (Finance)
Office of Hon Grant Robertson | Office of Hon Michael Wood
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From: Renee Philip [TSY]
Sent: Tuesday, 20 June 2023 10:12 am
To: Ben Gaukrodger [TSY]
Subject: RE: MPC appointments TR
Attachments: MPC external members - update on candidates who are active monetary policy researchers

FYI – James asked me to ensure Caralee was aware of this at the time we discovered it – see attached

From: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 10:07 am
To: Renee Philip [TSY] <renee.philip@treasury.govt.nz>; Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>
Subject: RE: MPC appointments TR

Thanks all.

From: Renee Philip [TSY] <renee.philip@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 10:07 am
To: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>
Subject: RE: MPC appointments TR

Yep that's the one. It was from Gael Webster's team in 2019, in case that helps you track it down

From: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>
Sent: Tuesday, 20 June 2023 9:59 am
To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>; Renee Philip [TSY] <renee.philip@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>
Subject: RE: MPC appointments TR

This from Renee's teams chat post:

Hi team, thought I'd pass on an interesting piece of intel from our meeting with the RBNZ Board chair today. You may remember the issue that the Board apparently didn't recommend monetary policy experts as external members on the MPC due to concerns about conflict of interest (Michael has blogged about this a few times, and others picked up on it - eg Matt and I got asked about it while in Australia last year).

It turns out that this was actually a misunderstanding. The para below was included in a TR by the appointments team at the time, and was released under the OIA, which is why we all thought it was the case. However, the Board chair said the Board wasn't aware of this and the para below isn't correct, and the Board hadn't excluded experts from consideration.

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From: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>

Sent: Tuesday, 20 June 2023 9:57 am

To: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Renee Philip [TSY] <renee.philip@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>

Subject: RE: MPC appointments TR

Renee – you mentioned to me that Gael Webster wrote something like this at some point which Nick McBride had dug up, but I wasn't aware it was a TR.

It will be ironic if we have set off a wild goose chase about an error in a TR that doesn't exist.

From: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>

Sent: Tuesday, 20 June 2023 9:56 am

To: Renee Philip [TSY] <renee.philip@treasury.govt.nz>; Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>

Subject: RE: MPC appointments TR

[IN-CONFIDENCE]

Renee – do you know what the TR was – see below?

From: Giles Bollinger <Giles.Bollinger@parliament.govt.nz>

Sent: Tuesday, 20 June 2023 9:53 am

To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>; Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Carlos So [TSY] <Carlos.So@treasury.govt.nz>

Subject: RE: MPC appointments TR

Sorry - should have said I spoke to Neil about this yesterday. Was apparently a line in a TR that led to some misunderstanding about monetary policy researchers not being within MPC criteria.

Sent with BlackBerry Work
(www.blackberry.com)

From: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>

Date: Tuesday, 20 Jun 2023 at 9:49 AM

To: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>, Carlos So [TSY] <Carlos.So@treasury.govt.nz>, Giles Bollinger <Giles.Bollinger@parliament.govt.nz>

Subject: Re: MPC appointments TR

Hi Giles,

Sorry, this might was before my time. Can you provide a bit more context about what this is?

Cheers
Ben

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From: Giles Bollinger <Giles.Bollinger@parliament.govt.nz>
Sent: Tuesday, June 20, 2023 9:34:44 AM
To: Neil Kidd [TSY] <Neil.Kidd@treasury.govt.nz>; Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>;
Carlos So [TSY] <Carlos.So@treasury.govt.nz>
Subject: MPC appointments TR

G'day,

Could you please flick through the TR that led to some confusion around MPC member criteria? Be excellent if could get this by 9.50am (sorry!)

Cheers



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Office of Hon Grant Robertson | Office of Hon Michael Wood
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E: giles.bollinger@parliament.govt.nz

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From: Ben Gaukrodger [TSY]
Sent: Thursday, 25 May 2023 2:06 pm
To: Mario DiMaio [DPMC]
Subject: FW: MPC appointment round
Attachments: Application Pack MPC External Member draft 28 Feb 2023.docx; MPC Appointment Process 2024.docx; RE: MPC appointment round

See attached and below. Our team isn't really involved any more, but Ian Green will be able to give you more information.

From: Melissa van Rensburg [TSY] <Melissa.vanRensburg@treasury.govt.nz>
Sent: Thursday, 25 May 2023 1:57 pm
To: Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Cc: Ash Dunstan [TSY] <Ash.Dunstan@treasury.govt.nz>
Subject: FW: MPC appointment round

Hi Ben,

As discussed. These are not the final ones though. Also our feedback attached.

Would you like me to get in touch with Ian to get a copy of the final advert?

Cheers,
Melissa

From: Ian Green [TSY] <Ian.Green@treasury.govt.nz>
Sent: Thursday, 6 April 2023 11:42 am
To: Zac Gadsby <Zac.Gadsby@treasury.govt.nz>; Andrew Wood [TSY] <Andrew.Wood@treasury.govt.nz>; Matthew Beilan [TSY] <Matthew.Beilan@treasury.govt.nz>; Melissa van Rensburg [TSY] <Melissa.vanRensburg@treasury.govt.nz>; Jessica Burns [TSY] <Jessica.Burns@treasury.govt.nz>; Stacey Lulham [TSY] <Stacey.Lulham@treasury.govt.nz>
Subject: MPC appointment round

[IN-CONFIDENCE]

Hi all,

I have received the attached information from Sarah Exeter covering the next appointment round for MPC asking for any comment or input.

I would value your review of this with any comment you may have especially around the Criteria for Appointment to make sure this covers our expectations.

RB have asked for feedback by 12 April.

Thanks and regards

Ian



Ian Green | Senior Advisor, Governance and Appointments | Te Tai Ōhanga – The Treasury

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Application Pack

External Member – Monetary Policy Committee (2 vacancies)

Organisation:	Reserve Bank of New Zealand Te Pūtea Matua
Time commitment:	6 weekly meetings (approx. 50 days per year)
Appointed by:	Minister of Finance on the recommendation of the RBNZ Board
Term:	Statutory appointment of up to four years, with potential for reappointment for one further term
Expected start:	1 April 2024, with induction sessions in February and March 2024
Remuneration:	\$1400 per day as well as any actual and reasonable expenses incurred.

The Monetary Policy Committee

The Monetary Policy Committee (MPC) is a committee of the Reserve Bank of New Zealand. It is, in accordance with the Reserve Bank of New Zealand Act 2021 [\[link\]](#), responsible for formulating monetary policy directed to the economic objectives of achieving and maintaining stability in the general level of prices over the medium term, and supporting maximum sustainable employment. The committee is chaired by the Governor and its membership includes senior employees and external members, all of whom are appointed by the Minister of Finance, on the recommendation of the Board of the RBNZ. Members do not represent a particular industry sector or perspective.

The Role

As an external member of the MPC you will be responsible for:

- Preparing for and participating in the monetary policy decisions made by the MPC by providing advice, contributing to discussion and sharing your perspective.
- Act in accordance with the MPC Charter [\[link\]](#) including by contributing collegially and constructively to the effective operation of the MPC.
- Acting consistently with the MPC Remit and the RBNZ Act 2021 [\[links\]](#).
- Adhere to the MPC Code of Conduct [\[link\]](#), which includes the need to proactively declare and manage conflicts of interest.

Time Commitment

MPC meetings will be held on a regular (e.g. 6-weekly) basis. External members should expect to spend approximately 50 days a year in this role, being a combination of formal meetings in Wellington (approximately 25 to 30 days) and individual study, analysis and reflection on the papers and background analysis relevant to the monetary policy decision.

The performance of the MPC and its committee members is reviewed by the Board of the RBNZ.

Criteria for Appoint

Candidates will be recommended for appointment on merit. Each candidate's application and potential interview will be assessed against the following criteria:

1. Relevant professional knowledge, skills and experience such as in the areas of public policy, banking or economics;
2. The ability to understand, analyse and utilise background information and economic analysis commonly utilised in the formulation of monetary policy.
3. Evidence of highly developed critical thinking skills;
4. Proven experience in making effective decisions in complex situations under uncertainty and ambiguity;
5. The ability to work collegially and constructively, respecting diverse views and perspectives and seeking to achieve the best outcome as a team;
6. Proven experience handling and safeguarding highly confidential information;
7. The ability to communicate in an effective and respectful manner, and to challenge the thinking of others while maintaining an open mind.

A list of disqualifications from the role is contained in the Appendix as per Schedule 1, Part 2, clause 14 (2) of the RBNZ Act 2021.

Process and Timetable for Appointment

Monday 19 June 2023 The application period begins. Candidates are invited to apply here [\[link\]](#) by providing a cover letter and CV that clearly address how they meet each of the criteria for appointment.

Mid July The pre-election period commences.

Monday 31 July 2023, 5pm. The application period ends. All applications are acknowledged by email.

Mid-August 2023 Shortlisting will be undertaken by an Appointments Committee made up of members of the RBNZ Board and a representative from Treasury. Those candidates who best meet the criteria for appointment will be contacted. Unsuccessful candidates will be acknowledged by email.

XX and XX August 2023 The Appointments Committee will conduct 1 hour interviews in Wellington on these dates. The Committee will recommend candidates for appointment to the RBNZ Board.

Early September Due diligence takes place.

- Candidates' eligibility for appointment, references and identification are checked
- Conflict of interest conversations take place guided by the provisions of the RBNZ Act 2021, the MPC Code of Conduct and MPC Charter.
- Candidates consent in writing to become a member if appointed

Late September 2023 The RBNZ Board considers the recommendation from the Appointments Committee.

Mid October 2023 Following the General Election the RBNZ Board will provide a recommendation to the Minister of Finance in the new Government.

Mid-January 2024 The Minister announces the names of the new External Members of the Monetary Policy Committee.

February and March 2024 The new External Members are inducted.

1 April 2024 and 1 July 2024 The two new External Members will have staggered start dates. They will officially begin their appointments on 1 April or 1 July 2024.

Contact

**For further information on this appointment please contact:
[Name and details of Search Firm will be added]**

Appendix – Candidates eligibility for appointment

Anyone meeting any of the following criteria is disqualified from holding office as a member of the MPC]

A person is disqualified if the person is –

- (a) a member of Parliament; or
- (b) a director or an employee of—
 - (i) a registered bank; or
 - (ii) a licensed NBDT as defined in the Non-bank Deposit Takers Act 2013; or
 - (iii) a licensed insurer; or
- (c) a chief executive of a Government department or an employee of a Government department, appointed under the State Sector Act 1988; or
- (d) a member of the RBNZ Board; or
- (e) subject to a property order under the Protection of Personal and Property Rights Act 1988; or
- (f) an undischarged bankrupt; or
- (g) a person who is convicted of any offence punishable by imprisonment for a term of 2 years or more; or
- (h) a person who is convicted of any offence punishable by imprisonment for a term of less than 2 years and is sentenced to imprisonment for that offence; or
- (i) prohibited from being a director or promoter of, or being concerned or taking part in the management of, an incorporated or unincorporated body under the Companies Act 1993, or the Financial Markets Conduct Act 2013, or the Takeovers Act 1993.

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Form for Author(s)

[Please complete and submit with your ELT approved paper and appendices. Board Secretariat will save and remove the form after the Governor's review and before uploading the document into the Board pack/Diligent.

0.	Title of Paper	MPC Appointment Process 2024
1.	Name of ELT Approver (Remember to diarise time for them to approve the paper). The paper has been reviewed and approved by the ELT Approver.	Simone Robbers <input type="checkbox"/> Completed
2.	Have any internal committees considered the paper?	No
3.	Which RBNZ departments have been consulted?	Legal, Econ, Comms
4.	Has your paper been peer reviewed?	<input checked="" type="checkbox"/> Completed
5.	Review the Delegations Framework (E.g. who makes decisions on the recommendations?) If unsure about the Delegations Framework, consult Legal or Board Secretariat.	<input checked="" type="checkbox"/> Reviewed and the Recommendations in the Board paper reflect this
6.	Publication on the Vault after the Board meeting	<input checked="" type="checkbox"/> OK to publish the whole paper <input type="checkbox"/> OK to publish part of the paper (sections to be redacted clearly marked as [Commercially sensitive] OR [privacy related people information])
7.	Draft the Board paper as per the template format and style. Keep the paper brief and succinct (2-4 pages). Ensure: <ul style="list-style-type: none"> Recommendations are drafted as note/discuss/approve/delegates/endorse Risks, and funding & budget sections are completed 	<input checked="" type="checkbox"/> Confirmed
8.	Has this paper been signed off by Legal?	<input type="checkbox"/> Completed
9.	Finalise paper and appendices and send them with this completed checklist to the Board Secretary by the deadline. <i>Reminder:</i> Ensure the attachments are referred in the paper as Appendix 1, 2, 3 etc. and marked as such on the top left.	<input type="checkbox"/> Completed

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Board Paper for Approval [#X]

From	Neil Quigley, Chair and Sarah Exeter, Senior Governance Adviser
Approved by	Simone Robbers, GM Strategy, Governance and Sustainability
Date	4 April 2023
Subject	MPC Appointment Process 2024
Value(s)	Integrity/Tauira Innovation/Wānanga Inclusion/Taura
For	Approval

1. Purpose

Two vacancies will arise on the Monetary Policy Committee on 1 April and 1 July 2024.

This paper presents for the Board's approval a public appointment process and application pack.

It also requests that the Board appoint an Appointments Committee to act on its behalf during this MPC appointment process.

2. Recommendations

That the Board:

1. **Approve** the Application Pack, which includes the role description, criteria for appointment, a timetable and process;
2. **Note** that the Application Pack will be published on the RBNZ website and used to advertise the position publicly.
3. **Approve** the establishment of an Appointments Committee to select, interview and recommend candidates to the Board.
4. **Approve** the appointment of 2 Board Members to join the Chair, Neil Quigley, as members of an Appointments Committee.
5. **Approve** and formally offer the appointment of and Leilani Frew, (Deputy Secretary, Treasury) as an external member of the Appointments Committee.
6. **Note** that MPC appointment processes are run by the RBNZ. It is intended that an executive search firm will be contracted to assist with candidate identification, processing of applications and communication with candidates.

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3. Background

The process for appointment of MPC members is set by Schedule 3, Part 2 of the RBNZ Act 2021. Internal and External members of the MPC are appointed by the Minister on the recommendation of the RBNZ Board.

MPC appointment processes are run by RBNZ, with the Treasury Appointments Unit providing advice and guidance as needed.

The current membership and terms of appointment of the MPC are set out in the table below:

Current Membership of the Monetary Policy Committee

Member	First Term of Appointment	First Term Expires	Second Term of Appointment	Second Term Expires	Extension of Term ends
Adrian Orr (Internal Member)	March 2018	February 2023	March 2023	March 2028	
Karen Silk (Internal Member)	May 2022	May 2027			
Christian Hawkesby (Internal Member)	January 2022	February 2027			
Paul Conway (Internal Member)	September 2022	September 2027			
Bob Buckle (External Member)	1 April 2019	31 March 2022	1 April 2022	31 March 2025	
Caroline Saunders (External Member)	1 April 2019	31 March 2023	1 April 2023	30 June 2024*	
Peter Harris (External Member)	1 April 2019	31 March 2022	1 April 2022	30 Sept 2023	31 March 2024

*Pending approval of the Appointments and Honours Cabinet Committee on 5 April 2023.

The Minister of Finance has recently extended Peter Harris's second term for a further 6 months from 30 September 2023 to 31 March 2024.

He has also approved a second term of appointment for Caroline Saunders for 15 months from 31 March 2023 to 30 June 2024.

4. Discussion

4.1 Appointment Process and timetable

This paper proposes a single public appointment process to find suitable candidates for the two vacancies that will arise on the MPC in 2024 when Peter and Caroline's terms end.

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The successful candidates will have staggered start dates – one on 1 April 2024, and the other on 1 July 2024.

The proposed process is set out in the Application Pack (Appendix 1). It is intended that a search firm will be contracted to help with identifying and building a strong long list of candidates. The search firm will also receive and process applications.

4.2 Role description and criteria for appointment

The role description and criteria for appointment are set out in the Application Pack.

The criteria for appointment are the benchmark against which each candidate is assessed at the shortlisting and interview phases.

The criteria for appointment have been devised with consideration of the RBNZ Act, the MPC Charter and Code of Conduct.

The RBNZ Act 2021 Schedule 3, PT 2, clause 20(1) states that:

20 Criteria for appointment of internal or external members

(1)

The Minister may only appoint as an internal or external member a person who, in the Minister's opinion, has the appropriate knowledge, skills, and experience to assist the MPC to perform its functions (for example, in economics, banking, or public policy).

(2)

A person must not be appointed on the basis that the person represents a particular industry sector.

A graphic designer and proof reader have been booked to ensure the Application Pack is ready for publication once it has been approved by the Board.

4.2.1 External Communications and Advertising the vacancies

Media statements will be issued at the beginning and the end of the appointment process. At the start of the process it will be clarified that academics and economists that are actively engaged in economic policy research are eligible to apply. Following the last MPC appointment process in 2019, a memo written by a Treasury official was released under OIA by the Treasury. This memo stated that the RBNZ regard that those candidates involved in economic policy research hold a conflict of interest and cannot be appointed to the MPC. This was a misinterpretation of a discussion by the appointment panel and is inaccurate. It is important that external communications make it very clear that economists are eligible to apply.

Advertising of the positions will occur in suitable publications both domestically and internationally where possible.

4.3 Establishing an Appointments Committee

It is recommended that the Board establish an Appointments Committee to guide the process, and shortlist and interview candidates on its behalf. The Committee will then recommend to the Board candidates for its approval and nomination to the MoF for appointment.

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Draft Terms of Reference (TOR) for the Appointments Committee are attached as Appendix 2. A sunset clause has been included to allow the Committee to wind down following the successful appointment of the MPC members in 2024. However, it should be noted that Bob Buckle's second term is due to end in 2025 so the Board may choose to review the Terms of Reference at this point and keep the Committee alive, potentially with a refreshed membership.

4.4 Appointing members to the Appointments Committee

This paper recommends that the Appointment Committee comprise 4 members:

- The Board Chair
- Two Board Members (expressions of interest should be sent to the Chair prior to the meeting)
- An External Member - the Chair has extended this offer to Leilani Frew (Deputy Secretary, Treasury) and it is recommended that the Board formalise this.

Four is considered to be a good sized panel for the interviewing and selection of candidates. A larger panel can run in to difficulties with scheduling meetings at short notice. The Committee will be supported by the Board Secretariat.

Next Steps

Following the Board's consideration and approval of these recommendations an executive search firm will be contracted to assist with the process. The timetable dates will be set in consultation with the Appointments Committee.

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Appendix 1

Appointment Committee - Terms of Reference

Purpose of the Committee	<p>The purpose of the Committee is to assist the Board in filling vacancies that arise on the Monetary Policy Committee.</p> <ul style="list-style-type: none"> • Ensuring that Board approved appointment processes and timetables are adhered to where possible • Overseeing advertising and publicity of vacancies • Shortlisting and interviewing candidates • making recommendations to the Board on candidates to nominate to the Minister of Finance for approval.
Mandate	<p>The Committee is responsible for overseeing MPC Appointment Processes.</p> <p>The Committee is intended to consider relevant matters and make recommendations to the Board. It will have no decision-making authority unless specifically delegated or authorised by the Board.</p>
Meeting frequency	As required during MPC appointment processes.
Composition, skills matrix of the Committee	<p>The Committee will have a membership of two Board members and the Board Chair. The Board will appoint an external member.</p> <p>The Committee will put in place a skills matrix.</p>
Current Membership and Quorum	<p>TBC</p> <p>The quorum will be two members.</p>
Sunset Clause	The Committee will wind-down following the appointment of the two 2024 MPC vacancies.
Management and advisers	<p>AG/GM Strategy, Governance and Sustainability will have access to the Committee Chair at any time and will be responsible for the effective operation of the committee.</p> <p>ELT and other leadership team members as required to attend the Committee meetings, except for Committee only time or when the Committee Chair has determined that they should not attend.</p> <p>The Board Secretariat will support the Committee.</p>

From: Ian Green [TSY]
Sent: Wednesday, 12 April 2023 11:05 am
To: Melissa van Rensburg [TSY]; Zac Gadsby; Andrew Wood [TSY]; Matthew Beilan [TSY]; Jessica Burns [TSY]; Stacey Lulham [TSY]
Cc: Renee Philip [TSY]; Ash Dunstan [TSY]
Subject: RE: MPC appointment round

Hi Melissa,

Thank you for the feedback which I have passed on to Sarah

Regards

Ian



Ian Green | Senior Advisor, Governance and Appointments | Te Tai Ōhanga – The Treasury

Tel: +^{s9(2)(k)} | M: ^{s9(2)(g)(ii)} | Email: ian.green@treasury.govt.nz

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From: Melissa van Rensburg [TSY] <Melissa.vanRensburg@treasury.govt.nz>
Sent: Wednesday, 12 April 2023 9:14 am
To: Ian Green [TSY] <Ian.Green@treasury.govt.nz>; Zac Gadsby <Zac.Gadsby@treasury.govt.nz>; Andrew Wood [TSY] <Andrew.Wood@treasury.govt.nz>; Matthew Beilan [TSY] <Matthew.Beilan@treasury.govt.nz>; Jessica Burns [TSY] <Jessica.Burns@treasury.govt.nz>; Stacey Lulham [TSY] <Stacey.Lulham@treasury.govt.nz>
Cc: Renee Philip [TSY] <renee.philip@treasury.govt.nz>; Ash Dunstan [TSY] <Ash.Dunstan@treasury.govt.nz>
Subject: RE: MPC appointment round

Hi Ian,

Thanks for sharing. We were broadly happy with this and it's definitely clear that it allows monetary policy experts. We were a bit surprised that the disciplines listed in the first criteria had economics last, whereas the other paper had them in the opposite order – we think it would be better to have economics first to avoid further encouraging narratives that economics isn't a valued skill on the committee. Also, are they intending to clarify publicly that monetary policy experts are eligible by stating this explicitly – if not, they could add 'monetary policy' to this list to avoid any doubt about this.

Cheers,
 Melissa

From: Ian Green [TSY] <Ian.Green@treasury.govt.nz>
Sent: Thursday, 6 April 2023 11:42 am
To: Zac Gadsby <Zac.Gadsby@treasury.govt.nz>; Andrew Wood [TSY] <Andrew.Wood@treasury.govt.nz>; Matthew Beilan [TSY] <Matthew.Beilan@treasury.govt.nz>; Melissa van Rensburg [TSY] <Melissa.vanRensburg@treasury.govt.nz>; Jessica Burns [TSY] <Jessica.Burns@treasury.govt.nz>; Stacey Lulham [TSY] <Stacey.Lulham@treasury.govt.nz>
Subject: MPC appointment round

[IN-CONFIDENCE]

Hi all,

I have received the attached information from Sarah Exeter covering the next appointment round for MPC asking for any comment or input.

I would value your review of this with any comment you may have especially around the Criteria for Appointment to make sure this covers our expectations.

RB have asked for feedback by 12 April.

Thanks and regards

Ian



Ian Green | Senior Advisor, Governance and Appointments | Te Tai Ōhanga – The Treasury

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From: Renee Philip [TSY]
Sent: Tuesday, 21 March 2023 5:08 pm
To: Caralee McLiesh [TSY]
Cc: James Beard [TSY]
Subject: MPC external members - update on candidates who are active monetary policy researchers

[IN-CONFIDENCE]

Kia ora Caralee

Following a meeting with Neil Quigley yesterday, we wanted to give you a heads up/update on the issue of whether potential external MPC members who are actively researching monetary policy can be considered for appointment, which has been the subject of some mis-understanding.

You may know that previously, our understanding was that the Board and Minister ruled out monetary policy experts who are actively working in the area from becoming MPC members when the committee was established, due to them having a conflict of interest. This understanding was reflected in a Treasury Report, drafted by our appointments team in 2019, which was subsequently released under the OIA. The relevant para is:

Appointment criteria

As you previously agreed with the Board, a strict approach has been taken regarding conflicts of interest. This has included excluding from consideration any individuals who are engaged in, or likely to engage in future, in active research on monetary policy or macroeconomics. In future appointments to the MPC, looser criteria could be adopted that would allow for a broader field of potential nominees from the Board, if desired.

At the time, our team was surprised by this 'agreement' because the intent of the legislation had been to allow monetary policy experts to be appointed. This issue has been the subject of some criticism over the past few years in various blogs (mostly by Michael Reddell) and I've been asked externally about why we have this restriction (for example, by ex-RBA staff during last years trip to Sydney/Canberra).

Yesterday Neil Quigley informed us that this was never agreed by the Board and the Minister, he was unaware Treasury had put this in a report, and it did not reflect the Board's position. It sounds like there was an unfortunate mis-communication where comments about one particular candidate were interpreted to apply to candidates more generally in a way that was not intended.

The Board seemed aware of the need to clarify this point when it next advertises for external members, due to the unfortunate public mis-understanding about the issue.

In the meantime, we wanted to make you aware of this in case you are asked about it.

Ngā mihi o te ahiahi
Renee



TE TAI ŌHANGA
THE TREASURY

Renee Philip | Poutaki – Manager, Macroeconomic & Fiscal Policy | Te Tai Ōhanga – The Treasury

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From: Renee Philip [TSY]
Sent: Monday, 20 March 2023 5:41 pm
To: Ian Green [TSY]
Cc: Andrew Wood [TSY]; Stella Kotrotsos [TSY]
Subject: RE: Advice on MPC appointments

Hi Ian,

FYI - Today we met with the RBNZ Board chair, and I asked about the Board's view on potential conflicts around external MPC members, given the widespread impression that in NZ we exclude monetary policy experts from being external members due to conflicts of interest. I was keen to hear his explanation as its something I get asked about externally from time to time.

Interestingly, he said that it wasn't the Board's view that experts can't be considered for the MPC.

It turns out that the source of this mis-understanding was a Treasury Report which he said incorrectly stated the Board's position. That para in question is on page 15 of this binder [grant-robertson-oia-release-on-mpc-appointments.pdf \(wordpress.com\)](#):

Appointment criteria

As you previously agreed with the Board, a strict approach has been taken regarding conflicts of interest. This has included excluding from consideration any individuals who are engaged in, or likely to engage in future, in active research on monetary policy or macroeconomics. In future appointments to the MPC, looser criteria could be adopted that would allow for a broader field of potential nominees from the Board, if desired.

It seems that comments on one particular candidate at the time may have been mis-understood and incorrectly communicated as a general position.

This is good news that the Board isn't excluding experts from consideration in future, and be good to encourage the Board to be clear publicly about this when they do advertise for external members (sounds like he was aware of the need to do this)

So the main point from my email below has now been addressed. Just wanted to close the loop

Ngā mihi
Renee

From: Ian Green [TSY] <Ian.Green@treasury.govt.nz>
Sent: Thursday, 23 February 2023 6:01 pm
To: Renee Philip [TSY] <renee.philip@treasury.govt.nz>
Cc: Andrew Wood [TSY] <Andrew.Wood@treasury.govt.nz>; Stella Kotrotsos [TSY] <Stella.Kotrotsos@treasury.govt.nz>
Subject: RE: Advice on MPC appointments

Hi Renee,

Thanks for checking in regarding this. I have discussed with Stella and while we are not currently planning on providing MoF with any specific input we would like to be involved in the work you are doing.

We have already been engaging with RB on the MPC appointments and had a meeting today with the RB Chair, Director of Governance and Internal Audit and Senior Governance Advisor to discuss upcoming MPC appointments, process and timetable etc. We will be working with them providing guidance as required.

We briefly discussed the talent pool in NZ and the conflict issues. The problem is that those potential candidates who work in monetary policy are normally consultants providing advice to individuals or companies which of course is seen as not appropriate when you are on the committee setting the policy. The RB Chair, Neil Quigley outlined that he previously operated as a consultant in this area but gave it up before being appointed to the RB.

Interesting topic so please keep me in the loop and happy to input as required.

Cheers
Ian



Ian Green | Senior Advisor, Governance and Appointments | Te Tai Ōhanga – The Treasury

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From: Renee Philip [TSY] <renee.philip@treasury.govt.nz>
Sent: Wednesday, 15 February 2023 10:02 am
To: Ian Green [TSY] <Ian.Green@treasury.govt.nz>
Cc: Andrew Wood [TSY] <Andrew.Wood@treasury.govt.nz>
Subject: Advice on MPC appointments

[IN-CONFIDENCE]

Hi Ian

I'm just checking in about whether your team is planning to provide any advice to MoF about the MPC appointments in general (eg on the skills/characteristics of the appointments rather than the individual candidates).

The reason I'm asking is because we will be providing advice on the MPC charter in April (alongside the RBNZ). The charter covers the decision making process and communications of the MPC. Two important objectives are to minimise groupthink in order to get the best possible decisions, and to ensure sufficient transparency and accountability. Some of the issues are closely related to skills/characteristics of the external members. Eg, in the UK, members are held individually accountable for their votes and tend to talk publicly via speeches etc to explain their point of view. To do this effectively, they are often highly specialised in monetary policy, and are supported with analytical staff from the Bank of England. This is quite a different model than we have in NZ, and with the initial appointments here the Board ruled out monetary policy experts currently working in the area as having a conflict of interest (not entirely sure why). We think its important that if MoF is considering changes to the charter, he should think about the model as a whole (including skills of appointees) to ensure the model is coherent overall. You may be aware that there has been some public commentary on whether the appointees have enough speciality. There are also articles on the importance of diversity of views, which goes a bit the other way. The skills of external members is especially important in models where externals are in the minority on the committee.

At this stage, our working-level views are that

- Minimising groupthink is important, although at this stage we're not sure whether any changes to the charter would help minimise this risk further as there are arguments either way – we are still discussing internally

- We think more could be done to improve transparency around minority views, in cases where the 'consensus' decision reached was not unanimous – the MPC is already taking steps in this direction and there may be scope to go a bit further

We are still testing these views internally so they may be refined.

We're also not convinced about the conflict of interest point for people currently researching issues relating to monetary policy.

This is to let you know about this work, and test whether you are interested in inputting to this advice and/or whether this is cutting across any work you might be planning on MPC appointments.

Happy to discuss further

Ngā mihi
Renee



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[SEEMAIL]



Renee Philip [TSY] 20/03 5:28 pm

RP 

Hi team, thought I'd pass on an interesting piece of intel from our meeting with the RBNZ Board chair today. You may remember the issue that the Board apparently didn't recommend monetary policy experts as external members on the MPC due to concerns about conflict of interest (Michael has blogged about this a few times, and others picked up on it - eg Matt and I got asked about it while in Australia last year).

It turns out that this was actually a misunderstanding. The para below was included in a TR by the appointments team at the time, and was released under the OIA, which is why we all thought it was the case. However, the Board chair said the Board wasn't aware of this and the para below isn't correct, and the Board hadn't excluded experts from consideration.

A pretty unfortunate confusion, but the good news is that the Board would consider monetary policy experts on the MPC, which is what we'd intended all along.

Appointment criteria

As you previously agreed with the Board, a strict approach has been taken regarding conflicts of interest. This has included excluding from consideration any individuals who are engaged in, or likely to engage in future, in active research on monetary policy or macroeconomics. In future appointments to the MPC, looser criteria could be adopted that would allow for a broader field of potential nominees from the Board, if desired.



6



1



1

Jack Starrett Wright [TSY] 20/03 5:29 pm

JW 

That's a pretty unfortunate thing to have included in that note then!

20/03 5:16 pm

Interesting point of intel coming out of our meeting with Neil Quigley today. You may remember the issue that the Board apparently excluded monetary policy experts from the MPC due to concerns about conflict of interest (Michael has blogged about this a few times, and others picked up on it - eg I got asked about it while in Australia last year).

It turns out that this was actually a misunderstanding. The para below was included in a TR by Gael Webster at the time. However, Neil Quigley wasn't aware of this and said the Board never discussed it, it was news to him, and he had no idea Gael had put it in a TR.

A pretty unfortunate confusion, but the good news is the Board do want monetary policy experts, which is what we'd intended all along.

Appointment criteria

As you previously agreed with the Board, a strict approach has been taken regarding conflicts of interest. This has included excluding from consideration any individuals who are engaged in, or likely to engage in future, in active research on monetary policy or macroeconomics. In future appointments to the MPC, looser criteria could be adopted that would allow for a broader field of potential nominees from the Board, if desired.

James Beard [TSY] 20/03 5:22 pm

JB

Renee Philip [TSY] 20/03/2023 5:16 pm

Interesting point of intel coming out of our meeting with Neil Quigley today. You may remember the issue that the Board apparently...

Worth giving Caralee a heads up on this given the problems in this area.



From: Renee Philip [TSY] <renee.philip@treasury.govt.nz>
Sent: Monday, 31 January 2022 5:00 pm
To: Melissa van Rensburg [TSY] <Melissa.vanRensburg@treasury.govt.nz>
Subject: FW: MPC appointments

FYI (don't forward on at this stage)

From: Murray Costello [TSY] <Murray.Costello@treasury.govt.nz>
Sent: Monday, 31 January 2022 4:56 pm
To: Renee Philip [TSY] <renee.philip@treasury.govt.nz>; Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>
Subject: RE: MPC appointments

There's no new external members Renee. The Board's 27 October 2021 paper for the Minister is attached, recommending reappointments for continuity in membership while other changes are occurring.

Ngā mihi

Murray

From: Renee Philip [TSY] <renee.philip@treasury.govt.nz>
Sent: Monday, 31 January 2022 4:35 pm
To: Murray Costello [TSY] <Murray.Costello@treasury.govt.nz>; Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>
Subject: RE: MPC appointments

Thanks Murray. Perhaps after the new external members are announced I'd be keen to get an update on how the board ran the process this time, if possible. cheers

From: Murray Costello [TSY] <Murray.Costello@treasury.govt.nz>
Sent: Monday, 31 January 2022 4:28 pm
To: Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>
Cc: Renee Philip [TSY] <renee.philip@treasury.govt.nz>
Subject: RE: MPC appointments

[IN-CONFIDENCE]

Hi Renee

I understand there are two processes underway:

- 1) Reappointment of two of the external members - Bob Buckle and Peter Harris. The appointment paper went to the Minister on 9 December and we are expecting this to be considered at the APH Committee on 16 Feb.

- 2) Appointment of two internal members: they will be the new AG/GM Money Group and the new Chief Economist. Recruitment for these roles is underway so the board has not yet recommended these appointments to the Minister.

Ngā mihi

Murray



Murray Costello | Kaitohu Matua

Pou Tū Kāwanatanga | Governance & Appointments

Te Tai Ōhanga | The Treasury

s9(2)(g)(ii) | murray.costello@treasury.govt.nz

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From: Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>

Sent: Monday, 31 January 2022 2:21 pm

To: Murray Costello [TSY] <Murray.Costello@treasury.govt.nz>

Cc: Renee Philip [TSY] <renee.philip@treasury.govt.nz>

Subject: RE: MPC appointments

Murray

Can you please respond to Renee?

Thanks

Ngā mihi

Gael Webster | Poutaki – Manager, Governance and Appointments | Te Tai Ōhanga – The Treasury

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Visit us online at <https://treasury.govt.nz/> and follow us on [Twitter](#), [LinkedIn](#) and [Instagram](#)

From: Renee Philip [TSY] <renee.philip@treasury.govt.nz>

Sent: Monday, 31 January 2022 1:43 pm

To: Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>

Subject: MPC appointments

[IN-CONFIDENCE]

Hi Gael

I wondered whether there is any update on upcoming MPC appointments that you could give us, and whether you need anything from our team on this? One thing we'd be interested in is whether the Board are using the same criteria as last time ie excluding people who have current research interests in monetary policy (which we found a bit strange last time).

Ngā mihi

Renee



Renee Philip | Poutaki – Manager, Macroeconomic & Fiscal Policy | Te Tai Ōhanga – The Treasury

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[SEEMAIL]

From: Angus Hawkins [TSY]
Sent: Friday, 25 January 2019 2:19 pm
To: Renee Philip [TSY]
Subject: FW: MPC APH process

For info – let me know if you have views on the staggering.

Thanks,

Angus

Angus Hawkins | Senior Analyst - Macroeconomic & Fiscal Policy | **The Treasury**
+^{s9(2)(k)} | angus.hawkins@treasury.govt.nz

From: Angus Hawkins [TSY]
Sent: Friday, 25 January 2019 2:18 PM
To: Caitlin Andrews <Caitlin.Andrews@treasury.govt.nz>
Cc: Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>
Subject: RE: MPC APH process

Hi both,

Few updates on the below –

- With a little prompting, I've found out that the candidates apparently have been told they are being taken through background checks (the Bank we're previously a bit unclear on this). So I think nothing more for us to do.
- The advice of the Board chair on appointment staggering below. I'm not sure if it's our role to anticipate the political difficulty of the nominations, and in any case we/Neil may not get the judgement right. Keen to hear your views on this, but the safest criteria seems to be age, with the oldest member having the shortest initial term – on the basis that allows scope for retirement after one term (if they wish) at 74, 75 and 72 for Harris, Buckle and Saunders respectively.

I've updated the covering TR reflecting that advice, and made a few more clarifications – grateful if you could look that over and check all ok.

Let me know when you'd like me to take another look at the papers.

I think the best way is to say that in the absence of any criteria, it is not clear how the Board would give advice. The decision appears to be a political and pragmatic one.

However, I could suggest that one approach would be to appoint Saunders for two years, Harris for three and Buckle for four years. And my thinking about this is that reappointment of Saunders after two years (assuming she is making a good contribution) would probably be politically uncontroversial whoever is in government.

Thanks,

Angus

Angus Hawkins | Senior Analyst - Macroeconomic & Fiscal Policy | **The Treasury**

s9(2)(k) | angus.hawkins@treasury.govt.nz

From: Angus Hawkins [TSY]
Sent: Wednesday, 23 January 2019 4:37 PM
To: Caitlin Andrews <Caitlin.Andrews@treasury.govt.nz>
Cc: Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>
Subject: RE: MPC APH process

So they definitely haven't heard – the board had held off on the basis of background checks and the APH process providing a small risk they would not be appointed.

If your usual practice is to let them know they are being taken through the process (subject to final confirmation and background checks), I think that's fine to do (and avoids the risk of them hearing through another route).

I'm just going to confirm with MoF's office that they're happy with that – there's a degree of market sensitivity around the appointments, so just want to be absolutely sure.

Thanks,

Angus

Angus Hawkins | Senior Analyst - Macroeconomic & Fiscal Policy | **The Treasury**
s9(2)(k) | angus.hawkins@treasury.govt.nz

From: Angus Hawkins [TSY]
Sent: Wednesday, 23 January 2019 4:21 PM
To: Caitlin Andrews <Caitlin.Andrews@treasury.govt.nz>
Cc: Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>
Subject: RE: MPC APH process

No worries at all!

Have gone back to Board, and will let you know once I hear.

Thanks,

Angus

Angus Hawkins | Senior Analyst - Macroeconomic & Fiscal Policy | **The Treasury**
s9(2)(k) | angus.hawkins@treasury.govt.nz

From: Caitlin Andrews <Caitlin.Andrews@treasury.govt.nz>
Sent: Wednesday, 23 January 2019 4:17 PM
To: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>
Cc: Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>
Subject: RE: MPC APH process

Thanks Angus, apologies for all of these questions.

We would usually tell the candidates at this stage (emphasising that everything is subject to further approval), just to ascertain their continued interest and availability. If the board hasn't communicated with them, we think it would be worth doing, unless a reason not to has already been established.

Many thanks,

Caitlin

**Caitlin Andrews | Advisor | Governance and Appointments |
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From: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>

Sent: Wednesday, 23 January 2019 3:50 PM

To: Caitlin Andrews <Caitlin.Andrews@treasury.govt.nz>

Cc: Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>

Subject: RE: MPC APH process

As far as I know, candidates are not aware – though I will confirm that the Board hasn't communicated anything to them.

We should allow for two weeks consultation – also noting that the background checks will ideally be done by the time we go to APH, which probably means aiming for a date of February 18th.

Gabs has been told.

Thanks,

Angus

Angus Hawkins | Senior Analyst - Macroeconomic & Fiscal Policy | **The Treasury**

s9(2)(k)

| angus.hawkins@treasury.govt.nz

From: Caitlin Andrews <Caitlin.Andrews@treasury.govt.nz>

Sent: Wednesday, 23 January 2019 3:45 PM

To: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>

Cc: Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>

Subject: RE: MPC APH process

Excellent, thank you.

I was just chatting with Gael and we have a couple more quick questions if you don't mind:

- Are the candidates aware they are at this stage of the process?
- Do we need to allow for two weeks consultation period? (this effects APH dates)
- Has Gabs been informed of the proposed candidates?


Thanks again,

Caitlin

**Caitlin Andrews | Advisor | Governance and Appointments |
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From: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>
Sent: Wednesday, 23 January 2019 3:17 PM
To: Caitlin Andrews <Caitlin.Andrews@treasury.govt.nz>
Subject: RE: MPC APH process

Great – and forgot to say, I have also gone back to the Reserve Bank board to confirm how they want to stagger the terms. They should be letting me know by Monday, then we can fill that section in.

Thanks,

Angus

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From: Caitlin Andrews <Caitlin.Andrews@treasury.govt.nz>
Sent: Wednesday, 23 January 2019 3:16 PM
To: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>
Subject: RE: MPC APH process

Great, thanks so much for that.


I'll look into your comments this afternoon and seek input from others in the team if necessary.

That's good to know re timing – yes we will need time to QA on our end etc.

Thanks,

Caitlin

Caitlin Andrews | Advisor | Governance and Appointments |
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PO Box 3724, Wellington
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From: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>
Sent: Wednesday, 23 January 2019 3:11 PM
To: Caitlin Andrews <Caitlin.Andrews@treasury.govt.nz>
Subject: RE: MPC APH process

Hi Caitlin,

Thanks – I've made some changes to the docs, and posed a couple of questions in comments. Most of the changes are just clarifications around how the committee works, plus there're a few comments on whether we need to include more info from the CVs.

I saw Angus this morning – he said early next week will be fine to these up, so no urgency on getting them sent today. I assume you'll also need time for QA and for Gael to sign out at your end?

Thanks,

Angus

Angus Hawkins | Senior Analyst - Macroeconomic & Fiscal Policy | **The Treasury**
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From: Caitlin Andrews <Caitlin.Andrews@treasury.govt.nz>
Sent: Wednesday, 23 January 2019 2:49 PM
To: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>
Subject: RE: MPC APH process

Hi Angus,

What are your initial thoughts around required changes to this? I think it would be worth updating Angus Hodgson as to when we would be able to get it over to him.

Cheers,

Caitlin

From: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>
Sent: Wednesday, 23 January 2019 8:54 AM
To: Caitlin Andrews <Caitlin.Andrews@treasury.govt.nz>
Subject: RE: MPC APH process

Thanks Caitlin – just having a look at these now. I don't have access to the report though (or doc 4062505) – would you be able to add me to those too?

Thanks,

Angus

Angus Hawkins | Senior Analyst - Macroeconomic & Fiscal Policy | **The Treasury**
 +^{s9(2)(k)} | angus.hawkins@treasury.govt.nz

From: Caitlin Andrews <Caitlin.Andrews@treasury.govt.nz>
Sent: Tuesday, 22 January 2019 4:34 PM
To: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>
Subject: RE: MPC APH process

Hi Angus,

I've got the APH docs to a relatively finished position. This is a bit different from our usual appointments so please let me know if anything doesn't look right.

There's just a few gaps/things that could use your input. I have left comments/highlighted those for you to review. The report is T2019/90 – all of the attachments are there in Moto, which are the more important parts. I've added the security permissions for you to view also.

There are some things like the term dates for example, that we would ideally put in the APH papers, but if that isn't possible we could work around – we could write something like “from date of appointment, for up to 4 years,” and specify exact dates in appointment letters that would be sent once it's gone through APH.

Thanks for your help with this.

Caitlin

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From: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>

Sent: Friday, 18 January 2019 3:50 PM

To: Caitlin Andrews <Caitlin.Andrews@treasury.govt.nz>

Subject: FW: MPC APH process - Christian Hawkesby and declared Conflicts of Interest all nominated candidates

Hi Caitlin – see below and attached, Christian Hawkesby's CV, and below that some blurbs for all the candidates. They've also got no conflicts of interest.

Let me know if you need anything else!

Thanks,

Angus

Angus Hawkins | Senior Analyst - Macroeconomic & Fiscal Policy | The Treasury

+s9(2)(k) | angus.hawkins@treasury.govt.nz

From: Lindsay Jenkin <Lindsay.Jenkin@rbnz.govt.nz>

Sent: Friday, 18 January 2019 2:39 PM

To: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>

Cc: ^RBNZ: Mike Hannah <mike.hannah@rbnz.govt.nz>

Subject: RE: MPC APH process - Christian Hawkesby and declared Conflicts of Interest all nominated candidates

Hi Angus

Please find Christian's CV attached. Note it includes personal contact details so please keep confidential to the APH process.

Christian has no conflicts of interest which would prevent him from being the Assistant Governor/General Manager Economics, Financial Market and Banking.

Here is the extract from the public announcement for his blurb.

“Christian brings with him a wealth of public and private sector experience. Most recently Christian has been operating in the competitive asset management industry as a senior member of the Wellington-based Harbour Asset

Management team. Christian, who worked at the Bank as a graduate early in his career, has significant experience in central banking, particularly at the Bank of England.

Christian worked as Head of Market Intelligence for the Bank of England during the extremely trying time of the global financial crisis, charged with bringing together disparate teams to share insight into the banking system and financial markets more generally for key decision makers.”

External Candidates

Here are the details on conflicts of interest from the Search company on each of the three external candidates.

Each of the three candidates was asked about conflicts of interest and no conflicts of interest were disclosed. The Search company also reviewed each candidate’s CV and public profile for potential conflicts. The Board also did not identify any conflicts of interest for the candidates.

If helpful, the comments below are extracted from the Short List (S/L) report provided to the Board.

Bob Buckle

From the S/L Report – *“We are unaware of any issues that could result in Bob being perceived as conflicted.”*

Caroline Saunders

From the S/L report – *“No conflicts of interest were highlighted in terms of Caroline’s current commitments.”*

Peter Harris

From the S/L Report – *“No concerns of significance were identified by either Peter or ourselves.”*

Angus, I think this covers all your requests for the draft APH paper. Contact me on Tuesday if you need anything else. Have a great weekend

Regards

Lindsay

From: Mike Hannah <Mike.Hannah@rbnz.govt.nz>

Sent: Friday, 18 January 2019 1:34 PM

To: Angus Hawkins <Angus.Hawkins@treasury.govt.nz>

Cc: Lindsay Jenkin <Lindsay.Jenkin@rbnz.govt.nz>

Subject: RE: MPC APH process

Hi Angus

Below are comments taken from the Board’s recommendations to the Minister. I’ve added the set of questions they were all asked to indicate the scope of the role they were asked to meet. These notes can supplemented form the CVs that you have, as needed.

I’ve also added the formal note regarding the internal appointments.

Mike

Comments on Individual Candidates

Bob Buckle: Professor Buckle is deeply versed in macroeconomics and monetary policy decision-making, with a technical expertise at a level that will most effectively challenge the Bank’s view of theory and policy.

Caroline Saunders: Professor Saunders has primary sector knowledge, general economics background, and personal characteristics to make a strong contribution to the MPC. Personable, and forthright in her views, her knowledge of and connections into the primary sector would be helpful.

Peter Harris: Mr Harris has labour market expertise, excellent conceptual understanding of monetary policy and the macroeconomy, and is highly experienced in a public sector decision context. He displays an outstanding level of knowledge of the Reserve Bank’s role in the formulation and setting of monetary policy, and the history of the current Act and of the rationale for the reforms. He displays a very strong understanding of labour market issues, and of the dual mandate.

All of the short-list candidates were interviewed by a panel of Board members. Candidates impressed with their answer to a series of questions including the following:

1. Motivation for their interest in the role and ability to make the time commitment required.
2. How their business experience would be relevant to the MPC.
3. Their understanding of the dual objective of monetary policy under the new PTA / legislation and its implications for monetary policy.
4. Ability to interrogate and work with technical economic analysis while not being the technical expert.
5. Their understanding of the world since the GFC, and in particular, the potential “new normal” of low inflation despite robust growth.
6. Ability to provide leadership in reaching a consensus in a context like the MPC.
7. Their understanding of monetary policy communication, and the sequential nature of communication and decision-making in this policy area.
8. Confidentiality and their ability to manage the burden of a decision that might shock the market.

Internal Members of the MPC

The Amendment Bill before Parliament stipulates that the Governor and Deputy Governor are members of the MPC by virtue of their roles. The Bill is permissive on the basis for nominating the other two members. They may be determined by role or by personal selection, and the Governor has made two recommendations to the Board.

In respect of the internal members of the MPC, the Board endorsed the proposal of the Governor, and recommends that the following internal members be appointed:

1. **Governor (Adrian Orr)**
2. **Deputy Governor (Geoff Bascand)**
3. **Assistant Governor, and General Manager of Economics, Financial Markets and Banking (Christian Hawkesby)**
4. **Chief Economist and Head of Economics (currently vacant).**

From: Lindsay Jenkin <Lindsay.Jenkin@rbnz.govt.nz>

Sent: Friday, 18 January 2019 1:21 PM

To: Mike Hannah <Mike.Hannah@rbnz.govt.nz>; Angus Hawkins <Angus.Hawkins@treasury.govt.nz>

Subject: RE: MPC APH process

Perfect thanks Mike.

Regards

Lindsay

From: Mike Hannah <Mike.Hannah@rbnz.govt.nz>

Sent: Friday, 18 January 2019 12:47 PM

To: Lindsay Jenkin <Lindsay.Jenkin@rbnz.govt.nz>; Angus Hawkins <Angus.Hawkins@treasury.govt.nz>

Subject: RE: MPC APH process

I thought the Board blurbs would work fine for the externals - I'll dig them out.

Mike

Sent with BlackBerry Work

(www.blackberry.com)

From: Lindsay Jenkin <Lindsay.Jenkin@rbnz.govt.nz>

Date: Friday, 18 Jan 2019, 12:11 PM

To: Angus Hawkins <Angus.Hawkins@treasury.govt.nz>
Cc: Mike Hannah <Mike.Hannah@rbnz.govt.nz>
Subject: RE: MPC APH process

OK thanks Angus

Should be able to get Christian's to you by Tuesday. Christian's blurb could be cut and pasted from our public announcement on Monday – have a look and see if that will be suitable.

Good you have the CV's of the externals already. I'll look into their declared conflicts of interest. The blurbs from the Board might work for the externals – Mike what do you think?

I don't have an update for you on the replacement for the Chief Economist. We are about to kick off recruitment so unlikely that an appointee will be known in time for this APH cycle but might be for a later cycle.

Kind regards
Lindsay

From: Angus Hawkins <Angus.Hawkins@treasury.govt.nz>
Sent: Friday, 18 January 2019 12:03 PM
To: Lindsay Jenkin <Lindsay.Jenkin@rbnz.govt.nz>
Cc: Mike Hannah <Mike.Hannah@rbnz.govt.nz>
Subject: RE: MPC APH process

We've said that we'll get draft APH papers to MoF's office next week, so early next week if that's possible?

Hopefully this all already exists – if not (e.g the blurbs) we can always draft something on the basis of their CVs.

Thanks,

Angus

Angus Hawkins | Senior Analyst | **The Treasury**
s9(2)(k) | angus.hawkins@treasury.govt.nz

From: Lindsay Jenkin <Lindsay.Jenkin@rbnz.govt.nz>
Sent: Friday, 18 January 2019 12:01 PM
To: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>
Cc: ^RBNZ: Mike Hannah <mike.hannah@rbnz.govt.nz>
Subject: RE: MPC APH process

Thanks Angus
When do you need all of this by?
Regards
Lindsay

From: Angus Hawkins <Angus.Hawkins@treasury.govt.nz>
Sent: Friday, 18 January 2019 11:47 AM
To: Lindsay Jenkin <Lindsay.Jenkin@rbnz.govt.nz>
Subject: RE: MPC APH process

[IN-CONFIDENCE]

Hi Lindsay,

Yes – I just emailed Mike Hannah about this - I'm picking this up from our end rather than Ben.

For the APH process, we need CVs and any conflicts of interest declared, and ideally a short blurb on why they're suitable for the role (if this is available from what the Board provided to the Minister). We have the CVs of the externals from Angus, but grateful if you're able to provide material on the other points.

And we will do Christian Hawkesby as part of the same round – would you be able to provide the above for him too (including CV)?

Finally, am I right in thinking there's a chance the Chief Economist will be appointed before April 1? If so, we'd ideally run them through the same APH process – do you know when we're likely to have a name for who's filling that role?

Give me a call to discuss any of the above if easier.

Thanks,

Angus

Angus Hawkins | Senior Analyst | **The Treasury**
s9(2)(k) | angus.hawkins@treasury.govt.nz

From: Lindsay Jenkin <Lindsay.Jenkin@rbnz.govt.nz>
Sent: Friday, 18 January 2019 11:35 AM
To: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>
Subject: MPC APH process

Hi Angus
Just tried emailing Ben below but got an out of office. Can you help?
Regards
Lindsay

Hi Ben
Happy new year! Hope you had a good break and got some well-deserved R&R.

I see this is at the next stage with the Minister selecting his three candidates. Can you let me know what is required for the APH process and do you want to include Christian Hawkesby in this round? We will kick off the background checks for the three candidates today. Christian's have already been done as part of the recruitment process.
Kind regards
Lindsay

Lindsay Jenkin
Assistant Governor/General Manager People and Culture | Reserve Bank of New Zealand | Te Pūtea Matua
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Email: lindsay.jenkin@rbnz.govt.nz | www.rbnz.govt.nz



From: Ken Tsang [TSY]
Sent: Tuesday, 15 January 2019 1:40 pm
To: neil.quigley@waikato.ac.nz
Cc: Angus Hawkins [TSY]; Ben Gaukrodger [TSY]; ^RBNZ: Mike Hannah; Renee Philip [TSY]
Subject: RE: RBNZ Board Letter of Expectations

Dear Neil,

Thanks for getting back to me with that, I've noted that meeting at least once a year is important.

All the best,
Ken

Ken Tsang | Analyst - Macroeconomic & Fiscal Policy | **The Treasury**
s9(2)(k) | ken.tsang@treasury.govt.nz

From: neil.quigley@waikato.ac.nz <neilq@waikato.ac.nz>
Sent: Monday, 14 January 2019 3:51 PM
To: Ken Tsang [TSY] <Ken.Tsang@treasury.govt.nz>
Cc: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>; Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>; ^RBNZ: Mike Hannah <mike.hannah@rbnz.govt.nz>; Renee Philip [TSY] <renee.philip@treasury.govt.nz>
Subject: RE: RBNZ Board Letter of Expectations

Dear Ken

Yes, I have had a nice holiday, thank you, and trust that you and your colleagues at Treasury also got a break from work.

I think it is important that the Minister meet with the full Board once per year. More frequent meetings might be desirable, but practically speaking are not likely to happen. However, terminology that captured the idea that a meeting once each year, with additional meetings should any major issues arise, might be useful.

With respect to the MPC appointments, given that the process has been led by the RBNZ Board I am expecting that the Minister's office will communicate with me directly and so I have been acting accordingly. Mike Hannah is available any time to discuss with you and your colleagues the various points of RBNZ / Treasury co-ordination as we go through the APH process and prepare for the Minister's public announcement of the appointments in March.

Best wishes

Neil

From: Ken Tsang [TSY] [mailto:Ken.Tsang@treasury.govt.nz]
Sent: Monday, 14 January 2019 12:09 p.m.
To: neil.quigley@waikato.ac.nz
Cc: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>; Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>; ^RBNZ: Mike Hannah <mike.hannah@rbnz.govt.nz>; Renee Philip [TSY] <renee.philip@treasury.govt.nz>
Subject: RBNZ Board Letter of Expectations

[IN-CONFIDENCE]

Dear Neil,

I hope you had a restful break over the holidays.

As you may recall, as part of our report on Board appointments the Minister also agreed to send the Board a new Letter of Expectations, which we are now in the process of drafting.

As part of this, we want to set out the approach of communication between the Minister and the Board and how frequently this should occur.

I wondered if you had any particular preferences on this issue or are content with the current arrangements?

In terms of MPC appointments, I understand you are communicating directly with the Minister's office – we expect to hear back on this shortly.

Best wishes,
Ken

Ken Tsang | Analyst - Macroeconomic & Fiscal Policy | **The Treasury**
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From: Angus Hawkins [TSY]
Sent: Wednesday, 21 November 2018 4:50 pm
To: ^EXT: Angus Hodgson
Cc: Renee Philip [TSY]
Subject: RE: MPC appointments

Just spoke to the Bank about this. Apparently Neil was going to send the names on Monday – colleagues at the Bank are under the impression that he had, but aren't 100% sure. It's possible he's sent directly to the Minister (or directly to someone else in the office), or that he delayed sending the names. He's been in China since Tuesday, so isn't immediately contactable, but may have something to do with it.

We're speaking to him on Friday, so can give you a firm answer then – though happy to try and get in touch with him earlier if you're sure they've not been received, and the Minister would like them now.

Thanks,

Angus

Angus Hawkins | Senior Analyst | **The Treasury**
 +s9(2)(k) | angus.hawkins@treasury.govt.nz

From: Angus Hodgson <Angus.Hodgson@parliament.govt.nz>
Sent: Wednesday, 21 November 2018 3:29 PM
To: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>
Cc: Renee Philip [TSY] <renee.philip@treasury.govt.nz>
Subject: RE: MPC appointments

Kia ora Angus

The office has not received a list of candidates. You may want to correct this with your information source. I am awaiting the list but do not have an expected date for when. We anticipate making a decision before Christmas and will advise officials of those decisions.

Hei konā



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
 T: s9(2)(k) | M: s9(2)(g)(ii)
 E: angus.hodgson@parliament.govt.nz

From: Angus Hawkins [TSY] [<mailto:Angus.Hawkins@treasury.govt.nz>]
Sent: Wednesday, 21 November 2018 12:01 PM
To: Angus Hodgson <Angus.Hodgson@parliament.govt.nz>
Cc: Renee Philip [TSY] <renee.philip@treasury.govt.nz>
Subject: RE: MPC appointments

Hi Angus – just caught up with Mike, who said that the list of candidates should have gone to MoF on Monday.

As below, let us know if you think there's likely to be any problem reaching a decision before Christmas. And grateful if you could make sure we know once MoF's made a decision so we can start the approvals process.

Thanks,

Angus

Angus Hawkins | Senior Analyst | **The Treasury**
s9(2)(k) | angus.hawkins@treasury.govt.nz

From: Angus Hawkins [TSY]
Sent: Friday, 16 November 2018 10:24 AM
To: ^EXT: Angus Hodgson <Angus.Hodgson@parliament.govt.nz>
Cc: Renee Philip [TSY] <renee.philip@treasury.govt.nz>
Subject: MPC appointments

[IN-CONFIDENCE]

Angus,

Just as a heads up, I've heard from Mike Hannah that MoF should be receiving the Board's shortlist of MPC candidates early next week.

I've revised the appointment timetable I gave you in hard copy, below. As discussed, we're working on the basis that we'll hear back on the chosen candidates this side of Christmas – if you get wind once MoF gets the list that won't be the case, grateful if you could let us know asap. As below, it's feasible to do in time if it will take a little longer, but will be cutting it very close to the commencement date.

	Who responsible?	Work days allowed	Estir comp d
Board meets to agree shortlist of external candidates	RBNZ		15 No
Shortlist of external & internal candidates sent to MoF, with report.	RBNZ		20 No
MoF decides on final candidates (internal and external)	MoF	20	17 De
MoF office advises Board and Tsy of choice	MoF office		17 De
CV & background checks of chosen candidates	RBNZ	20	25 Ja
Board informs Tsy with candidate CVs & info	RBNZ		25 Ja
Prepare APH papers including TR, CV & memo	Appointments Team	28	7 Fe
Draft appointment letters	RBNZ	28	7 Fe
Submit draft appointment letters to MoF	Appointments Team		7 Fe
Finalise appointment letters following feedback	Appointments Team		13 Fe
Submit APH paper	Appointments Team		14 Fe
APH approves appointments	APH		20 Fe
Submit for Cabinet to note	Appointments Team		21 Fe
Cabinet notes appointment	Cabinet		25 Fe
Appointment letters sent to candidates	MoF's office		26 Fe
Candidates accept appointment in writing	Candidates		11 M

Thanks,

Angus

Angus Hawkins | Senior Analyst | **The Treasury**
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-

From: Angus Hawkins [TSY]
Sent: Friday, 16 November 2018 9:52 am
To: ^RBNZ: Mike Hannah; Renee Philip [TSY]
Cc: Lindsay Jenkin
Subject: RE: External MPC candidates - Background checking

Brilliant, thanks Mike.

Thanks,

Angus

Angus Hawkins | Senior Analyst | **The Treasury**
 + s9(2)(k) | angus.hawkins@treasury.govt.nz

From: Mike Hannah <Mike.Hannah@rbnz.govt.nz>
Sent: Friday, 16 November 2018 9:51 AM
To: Renee Philip [TSY] <renee.philip@treasury.govt.nz>; Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>
Cc: Lindsay Jenkin <Lindsay.Jenkin@rbnz.govt.nz>
Subject: External MPC candidates - Background checking

[In-Confidence]

Hi Renee and Angus

Next steps from yesterday's RB Board meeting:

- Neil will put the Board's recommendation paper to the MoF early next week – so don't expect it today. It will include names, the recruitment process, and CVs.
- Background checks on the Minister's final choice of 3 external candidates will be the Bank's responsibility.
- All candidates who were interviewed will preferably not be informed of progress until the final 3 are known from the Minister.

Regards

Mike

Mike Hannah

Board Secretary | Reserve Bank of New Zealand | Te Pūtea Matua

P O Box 2498, Wellington 6140

M. s9(2)(g)(ii)

Email: mike.hannah@rbnz.govt.nz | www.rbnz.govt.nz



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From: Angus Hawkins [TSY]
Sent: Thursday, 15 November 2018 8:41 am
To: Gael Webster [TSY]; Renee Philip [TSY]
Subject: RE: RBNZ Monetary Policy Committee

I'll be taking the lead on that from our side. We spoke to MoF's office today, who are keen for some advice on the issue. His office expect MoF would like to take all three appointments together, and do so after receiving some advice on the overall balance of skills on the Board, and after appointing the MPC.

That would mean starting the process in January, assuming we get up advice in December. Would that still work from our perspective?

Thanks,

Angus

Angus Hawkins | Senior Analyst | **The Treasury**
+s9(2)(k) | angus.hawkins@treasury.govt.nz

From: Gael Webster [TSY]
Sent: Tuesday, 13 November 2018 8:48 AM
To: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>; Renee Philip [TSY] <renee.philip@treasury.govt.nz>
Subject: RE: RBNZ Monetary Policy Committee

Understood re 30 Nov date.

Agree re future skill needs of the Board.

If we need to assist the MoF's thinking in this regard who is best placed in your team to advise on this?

Gael Webster | Manager, Governance and Appointments | **The Treasury**
Tel: +s9(2)(k) s9(2)(g)(ii) | Gael.Webster@treasury.govt.nz

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From: Angus Hawkins [TSY]
Sent: Monday, 12 November 2018 4:51 PM
To: Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>; Renee Philip [TSY] <renee.philip@treasury.govt.nz>
Subject: RE: RBNZ Monetary Policy Committee

Thanks Gael, for both this, and your comments on the timeline. I'll revise as you suggest. It's worth noting, however, that the date of the 30th for the Minister to select the candidates is just one we've picked to fit the rest of the timeline – we need to test this with MoF's office, so it may very well be later.

On the Board appointment questions, we'll be speaking to MoF's office on Wednesday, and hopefully can give you an initial steer following that conversation. However, our intention had been to provide MoF an opportunity to think more strategically about Board appointments before Christmas, such as asking what balance of skills he wants, especially given the somewhat changed role of the Board.

That would suggest we'll be appointing the three through one process commencing just before or shortly after Christmas, but that will be subject to MoF's view.

Thanks,

Angus

Angus Hawkins | Senior Analyst | **The Treasury**
 +s9(2)(k) | angus.hawkins@treasury.govt.nz

From: Gael Webster [TSY]

Sent: Monday, 12 November 2018 3:22 PM

To: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>; Renee Philip [TSY] <renee.philip@treasury.govt.nz>

Subject: RE: RBNZ Monetary Policy Committee

[IN-CONFIDENCE]

Hi Renee

My questions regarding the Reserve Bank Board are as follows.

1. There is currently one vacancy. TSY have been advised by the Chair that the MoF does not wish to pursue filling this vacancy until the MPC candidates have been chosen. I understand that the MoF considers that some of the shortlisted candidates may be suitable for the Reserve Bank Board. Can TSY resume the process searching for a candidate to fill the vacancy once the MPC candidates have been selected by the Minister (30th November)
2. Two candidates complete their terms in June 2019.
 Tania Simpson 15 June 2019 – served one term
 Keith Taylor 30 June 2019 – served two terms
 TSY would normally commence the appointments process prior to Christmas for June end term dates. When does the MoF wish TSY to commence the process to consider these appointments and if required run a process for new appointments.
3. Does MoF wish to run a combined appointment process and consider all three together?

Gael

Gael Webster | Manager, Governance and Appointments | **The Treasury**

Tel: +s9(2)(k) s9(2)(g)(ii) | Gael.Webster@treasury.govt.nz

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From: Angus Hawkins [TSY]

Sent: Monday, 12 November 2018 11:55 AM

To: Renee Philip [TSY] <renee.philip@treasury.govt.nz>; Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>

Subject: RE: RBNZ Monetary Policy Committee

Hi Gael,

As I believe Renee's mentioned to you, I'll be picking up the process for this on our side.

I've put the points outlined below in a timetable attached, alongside the current expected dates for each milestone, and the backstop date (working back from having the MPC in post by April 1st).

Would you be able to have a look over and let me know (1) if everything you think should be included is, and (2) whether you think the timetable is accurate, particularly for drafting of the papers and letters from your team. Happy to discuss if easier.

I'm also checking this with Mike for the RBNZ elements. We're meeting MoF's office on Wednesday to discuss timings for this and a few other implementation issues, so if you could get back to be by then that would be perfect.

Thanks,

Angus

Angus Hawkins | Senior Analyst | **The Treasury**
 +s9(2)(k) | angus.hawkins@treasury.govt.nz

From: Renee Philip [TSY]
Sent: Thursday, 8 November 2018 11:50 AM
To: Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>
Subject: RE: RBNZ Monetary Policy Committee

Hi Gael

Thanks for the email below. This is where I think we got to yesterday in terms of process and who will do what:

- We will complete the timeline below with the aim of identifying when the Minister will need to make a decision on names and who will do what. We will then consult you, Mike, and the Ministers office to ensure everyone agrees.
- We will also raise the issue of Board appointments with the Ministers office – you will send me some specific questions you'd like answers to before next Wednesday.
- In terms of appointment process, ideally the Bank should do any reference checks before nominating names to the Minister
- The Minister should receive a due diligence report when he receives the final short-list of names that the Board is recommending. This report should include the following information which will inform the APH paper:
 - An outline the process – what was the advertisement process, how were other candidates identified, a breakdown of applicants, who was interviewed, who was on the panel, etc
 - Assessment of the candidates being nominated
 - CVs for the candidates being nominated
 - Make recommendations with agree recs for the Minister to circle those he wishes to appoint
- We will check with Mike whether this matches up with the Board's expectation
- Full background checks would be done by CV Checks after the Minister has chosen the final 3. The Bank should commission the checks but we should inform them of the level of checks that we think are needed for these roles. We need to confirm with Mike that the Bank will commission the checks.
- Reference and background checks are probably not necessary for internals, but this is contingent on the Bank having done appropriate checks when the internal candidates were appointed
- Treasury can do the APH papers but will need the information to be supplied by the Bank. We will need the information 1-2 weeks before the APH papers need to be lodged.
- Your team will be responsible for getting the papers lodged and leading the administrative side of the papers, by getting in a contractor if necessary, which can be funded from my cost centre. We can provide information about what needs to be included in the appointment letters, and can provide general QA on the papers and information about the new body being established.

Let me know if I've missed anything or if this doesn't line up with your understanding.

Thanks
 Renee

From: Gael Webster [TSY]
Sent: Wednesday, 7 November 2018 4:53 PM
To: Renee Philip [TSY] <renee.philip@treasury.govt.nz>
Subject: RE: RBNZ Monetary Policy Committee

[UNCLASSIFIED]

Renee

Hope this helps.

Process with elements required and with dates – Calendar is now available- attached for your info.

Action	Date
Minister agrees position specification	
Caucus and agency consultation and public call for nominations	
Minister short-lists candidates	
Due diligence interviews- TR Due Diligence Report which describes interview panel, process and candidates as identifies preferred candidates for appointment	October 2019
Reference checks Consultation with coalition partners based on bios Minister confirms final decisions	November/December 2019
APH Documentation derived from Database which comprises TR, CV forms, Memorandum (which describes appointment, Organisation Form and Cab100 CV Background checks undertaken APH , Cabinet and Caucus	January 2019 APH (13 February 2019) Cabinet (18 Feb/2019)
Letters of appointment signed by Minister New terms commence	Late February 2019 1 April 2019

Gael Webster | Manager, Governance and Appointments | The Treasury

Tel: + s9(2)(k) s9(2)(g)(ii) Gael.Webster@treasury.govt.nz

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From: Renee Philip [TSY]
Sent: Sunday, 4 November 2018 7:18 PM
To: Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>; Stephen Platts [TSY] <Stephen.Platts@treasury.govt.nz>
Subject: Re: RBNZ Monetary Policy Committee

Hi Gael

Let's meet to discuss. I think it would be unusual for the Bank to do the APH papers as they are Ministerial appointments not bank appointments. We had indicated to Neil Quigley some time ago that if the board ran the process as far as getting the names recommended then we could do the APH papers, as we do with the Governor appointment. The bank is supporting the Board with this process. (From memory the Bank itself didn't want to run the recruitment at all but the Board wanted them to run the search and interview process, which meant we got the bit at the end given the Minister has a role at that point). I hadn't thought through the background checking part, agree the bank may be able to do that, but we would probably need to discuss again with the Board. On the drafting of papers etc its possible we could push back but given other issues going on we may not want to. We are the lead agency advising on the reforms.

Our team may be able to party resource this first round of appointments but would need some support with stepping through the process. In future the appointments will be staggered so it should be less work going forward.

Stephen - could you please set up a time for Gael and I to meet about this

Thanks
 Renee

Sent from my iPhone

On 2/11/2018, at 6:07 PM, Gael Webster [TSY] <Gael.Webster@treasury.govt.nz> wrote:

Hi Renee

I would like to discuss your expectation of the governance and appointments team as I don't consider we have the capacity to do this largely administrative work for the MPC and that it should be undertaken by the Reserve Bank. The Reserve Bank would already have procedures in place to undertake background checks and I understand they use the same company Treasury does - 'CV Check'.

Regards
 Gael

Gael Webster | Manager, Governance and Appointments | **The Treasury**

Tel: s9(2)(k) s9(2)(g)(ii) Gael.Webster@treasury.govt.nz

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From: Renee Philip [TSY]
Sent: Wednesday, 31 October 2018 4:57 PM
To: Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>
Subject: RE: RBNZ Monetary Policy Committee

Hi Gael

I'm wanting to confirm that your team will be able to take the lead on the APH process for the MPC appointments early next year (late Jan/early Feb depending on the Minister's return from holiday). The RBNZ Board are currently interviewing candidates, and will be making recommendations to the Minister later this year, for appointment to occur after the Reserve Bank Amendment Bill has received Royal Assent (expected to be late Dec/early Jan)

We would also need to be involved as there are some things that we need to make sure are included in the APH paper and the appointment letters. But just checking that you will still be able to take the lead on the formal appointment process (since it was a while ago I emailed about this).

As well as the 3 external members to the MPC, the Minister will also need to appoint 4 internal members, which we expect to happen at the same time, so there will be 7 appointments in total. (For the internals, the Minister only appoints to their role on MPC and not to their substantive role.)

The lead on this from our team will be Angus Hawkins. Let us know once you've decided who will lead from your side

Thanks
Renee

From: Gael Webster [TSY]
Sent: Wednesday, 27 June 2018 6:30 PM
To: Renee Philip [TSY] <renee.philip@treasury.govt.nz>
Cc: Bill Frecklington [TSY] <bill.frecklington@treasury.govt.nz>
Subject: RE: RBNZ Monetary Policy Committee

[UNCLASSIFIED]

Hi Renee

Bill will be able to assist on this regarding the fees question. Bill is also assisting regarding the Reserve Bank board.

We can sort out who assists with the appointment process later in the year.

Regards
Gael

Gael Webster | Acting Head of Governance and Appointments | **The Treasury**

Tel: s9(2)(k) s9(2)(g)(ii) Gael.Webster@treasury.govt.nz

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From: Renee Philip [TSY]
Sent: Friday, 22 June 2018 3:47 PM
To: Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>
Subject: RBNZ Monetary Policy Committee

[IN-CONFIDENCE]

Hi Gael

I'd be keen to discuss a couple of RBNZ issues that we're keen to get your team's help on. This is in relation to the new Monetary Policy Committee which is being established and will be operational from April next year (assuming the legislation passes)

- We need to advise the Minister about the level of fees for external committee members. Ideally we would provide this advice before he meets the RBNZ Board chair in early August 2018 (the Board will be doing the recruitment for MPC members). The Minister has already agreed that the fees will be set with reference to the Cabinet Fees Framework, but we are expecting we would need to apply for an exemption. We have some benchmarks but would like some help with this, finding other appropriate benchmarks and a framework for thinking about how we advise on this. Would you have anyone free in July that could work with one of my team members on this?
- Once the Board has nominated members, the Minister will need to decide and appoint them. There will likely be 3 external members appointed for 4 year terms. The RBNZ Board will run the nomination process, but will be looking to the Treasury to do the formal appointment process (APH papers etc) and support the Minister. I expect this expertise sits better with your team. We don't need to decide who will do it now given that we are not expecting to appoint anyone until early next year, but just wanted to get it on your radar.

Please let me know on the first issue, and happy to set up a meet to discuss if that would help.

Thanks,
Renee

Renee Philip | Manager, Macroeconomic & Fiscal Policy | **The Treasury**

Tel: s9(2)(k) | Renee.Philip@treasury.govt.nz

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