
From: Nick McBride
Sent: Thursday, 16 February 2023 11:48 am
To: Sarah Exeter; Naomi Mitchell; Vikki Forster
Cc: Sarah Enslin
Subject: RE: IN CONFIDENCE - RE: Please review: draft MPC Appt Process March 2024

The process looks broadly OK to me. I think COI and competency criteria would need to factor in early, around step 2-3. As discussed with Sarah, the board needs to be clear about its attitude to including MP subject experts on the MPC and this should be resolved at the outset.

Nick

From: Sarah Exeter <Sarah.Exeter@rbnz.govt.nz>
Sent: Thursday, 16 February 2023 9:31 am
To: Naomi Mitchell <Naomi.Mitchell@rbnz.govt.nz>; Nick McBride <Nick.McBride@rbnz.govt.nz>; Vikki Forster <Vikki.Forster@rbnz.govt.nz>
Cc: Sarah Enslin <Sarah.Enslin@rbnz.govt.nz>
Subject: RE: IN CONFIDENCE - RE: Please review: draft MPC Appt Process March 2024

Thanks Naomi. I do not have a hard deadline for this work so please just send through when you can. Also note your point about market sensitive conversations.

Unfortunately I added the wrong Vikki to this email. Please include Vikki Forster. Vicki Condon has deleted the email.
Sarah

From: Naomi Mitchell <Naomi.Mitchell@rbnz.govt.nz>
Sent: Thursday, 16 February 2023 9:29 am
To: Sarah Exeter <Sarah.Exeter@rbnz.govt.nz>; Nick McBride <Nick.McBride@rbnz.govt.nz>; Vicki Condon <Vikki.Condon@rbnz.govt.nz>
Cc: Sarah Enslin <Sarah.Enslin@rbnz.govt.nz>
Subject: IN CONFIDENCE - RE: Please review: draft MPC Appt Process March 2024

Kia ora Sarah

Thanks for sharing, I do have quite a few thoughts/comments/suggestions – but I might not be able to get these back to you quickly today – when do you need feedback by?

Also, I think we should be treating these as market sensitive conversations (particularly given we are in an MPS period). Just wanted to flag that to those on this email we should not be sharing this widely.

Naomi

From: Sarah Exeter <Sarah.Exeter@rbnz.govt.nz>
Sent: Wednesday, 15 February 2023 5:21 pm
To: Nick McBride <Nick.McBride@rbnz.govt.nz>; Naomi Mitchell <Naomi.Mitchell@rbnz.govt.nz>; Vicki Condon <Vikki.Condon@rbnz.govt.nz>
Cc: Sarah Enslin <Sarah.Enslin@rbnz.govt.nz>
Subject: Please review: draft MPC Appt Process March 2024

Kia ora korua

We are anticipating that we will be running an appointment process for two new MPC external members later this year. The vacancies will arise in March 2024.

We will have a window between October 15 (the day after the general election), and approx 31 March 2024 to run the appointment process. There will ofcourse also be a no-fly zone over the 23/24 Xmas period.

I have drafted a detailed timetable for the appointment which I would like to consult with you on. I am also consulting with the Treasury Appt Unit.

In general pls can you consider:

- are there any steps missing?
- are there any efficiencies we can make?
- are there any stakeholders that we have not included here?

Specificially ;

Nick – I have read the pertinent part of the legislation – do you agree that this process complies? We would like you to be involved the due diligence process particularly around identification and management of Conflict of Interest, and possibly in the pre-sift of candidates. We would also like your view on recommending the criteria for appointment. Would you recommend any changes to the process?

Vicki – Can we use any RBNZ systems (workday?) to accept and process applications. We do not know what volume we will get, it will depend on what advertising is agreed to by the Board. But we will want a simple way to manage applications and allow the Appointments Panel to review them.

Naomi – please can you consider from a comms perspective, specifically correspondence with the ministerial office annoucements and anything else you might spot.

Really happy to catch up over a Teams call if this is easier.
Many thanks for your time,

Regards
Sarah

From: Sarah Exeter
Sent: Thursday, 23 February 2023 8:51 am
To: Naomi Mitchell
Subject: RE: IN CONFIDENCE - RE: Please review: draft MPC Appt Process March 2024
Attachments: March 2024 Appointment Process v2_4.docx

Thank you for these very valuable thoughts / knowledge / ideas Naomi. I have taken all of these points on board. I will not address every point you have made below, but I have incorporated them all into a 'feedback grid' to ensure we plan accordingly.

I have run a lot of public appointment processes in the past. I feel very strongly that we should run an open process ie put in to the public domain the role description, criteria for appointment, process and timetable. This is in the public interest. It is therefore important that we adhere to the process and timetable that we have set for ourselves. This should also mean that there are fewer OIAs.

Note that the proposed timetable has changed since you saw the document. Neil wants to start earlier, meaning we will have to be careful in the pre-election period. See attached.

Sarah

Ngā manaakitanga

Sarah Exeter

Senior Governance Adviser

Reserve Bank of New Zealand – Te Pūtea Matua

205 Queen Street, Auckland CBD.

Ts 9(2)(a)

E sarah.exeter@rbnz.govt.nz **W** rbnz.govt.nz



From: Naomi Mitchell <Naomi.Mitchell@rbnz.govt.nz>

Sent: Monday, 20 February 2023 5:05 pm

To: Sarah Exeter <Sarah.Exeter@rbnz.govt.nz>; Nick McBride <Nick.McBride@rbnz.govt.nz>; Vikki Forster <Vikki.Forster@rbnz.govt.nz>

Cc: Sarah Enslin <Sarah.Enslin@rbnz.govt.nz>

Subject: RE: IN CONFIDENCE - RE: Please review: draft MPC Appt Process March 2024

Hi Sarah

Thanks for your patience with this. Some quick notes from me – which I'm happy to explain further on a call if this helps. I wasn't involved in the previous appointment process, but did have some visibility of it all – so some of this advice might be broader than just comms and SE. Sharing it constructively in the hope it helps others too.

We can expect strong external interest in the MPC appointment process, regardless of who runs it. OIA requests were made for all sorts of info last time (age, gender of applicants, shortlisting advice etc) and these were very time consuming.

If the process is being run by Tsy, or us, we'll need to be very clear about who takes the lead on such responses – and who has the say on what goes out in response to OIA requests. If RBNZ manages the process – we'd have more control, but we should remind with anyone engaging that it's likely all material will be discoverable. As earlier pointed out, I'd also consider it sensitive if around an MPR/MPS decision time. It's possible you'll have candidates who are putting their hand up simply to get information about the process we're following. We should be mindful of this and ensure no-one gets what could be perceived to be inside information about what we are looking for. Happy to explain this further on a quick call – if you want to give me a buzz.

It would also be a good topic to consider proactive release for – I'm sure Lindsey and Adrienne would have some views on this, and how we can prepare for it. (Note – I'll let them know this process is underway, but won't share the process until you've got it agreed with Tsy/Neil etc).

Comms will need to be kept abreast of key developments with the process (extensions, applications closing etc) – so we can make sure AO (or any other MPC members) are prepared if they are before media. Depending on what's agreed with the process, we'd also likely recommend a media statement at the start and finish of the process, and a proactive response/key messages ready to give at every point of the process. Our econ/MP squad will be able to support this, when we know more about timing/process etc. When an appointment is made – we'd need bio information – and to support the person with media training/prep.

Is someone from Econ providing inputs into what they'd need (or could provide) from the process for any potential MPC member -- as from memory they had quite an intensive induction process for the externals – and that was a question asked by candidates during the recruitment process. I'm sure Emma Clark or Rebecca Williams could provide advice – post MPS on Wednesday?

I'll come back tonight on the way we can approach preparing AO for this Wednesday's media conference – if he's asked about current members.

Please call if I can explain any of these points further.

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Really happy to catch up over a Teams call if this is easier.
Many thanks for your time,

Regards
Sarah

Monetary Policy Committee Vacancies April 2024 Project Plan –

Contents

High level time table.....	2
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High-level Timetable

Phase 1	Feb – May 2023	Preparing for Appointment campaign
Phase 2	June – July 2023	Appointment Campaign goes live
Phase 3	August – Oct 2023	Selection of Candidates
Phase 4	Nov-Dec 2023	Seeking Ministerial Approval
Phase 5	Dec 2023 – April 1	Announcement of Appointments
Phase 6	April – May 2024	Induction and onboarding of MPC Appointees

Time	Action	Responsible
Phase 1 Preparing for Appointment campaign		
1 Mid/Late February 2023	Current MPC terms of appointment: Write a recommendation from Board to the Minister setting out request for 6 month extension for Peter Harris, and seeking a second appointment of 1 year for Proff Caroline Saunders.	Simone Robbers / Board Secretary
2 Late March 2023	April 2024 MPC vacancies: Draft a paper to go to the April Board meeting on MPC vacancies.	Board Secretary
3 20 April	<p>Board asked to make the following approvals:</p> <ul style="list-style-type: none"> a) Establishment of an appointments committee with delegated authority to shortlist and interview candidates for appointment to the MPC, and recommend to the Board. The power to make a recommendation to the Minister on candidates for appointment will remain with the Board b) Appointment of 3-4 members to sit on the Appointment Committee drawn from the Board c) Criteria for appointment (ie this is 5 to 6 key criteria against which each candidate is measured) d) Role description for MPC members, including remuneration e) Timetable and Appointments Process, this should include an approach to due diligence and identifying Conflicts of interest, also advertising the vacancy, detail about managing the pre-election period. f) Note the options for contracting an Executive search agency to identify candidates for appointment. <p>Application Pack Document Design commences</p>	Board Secretary / Chair of Board
		Scott Newlands

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Time	Action	Responsible
May	Share proposed criteria for appointment with Tsy and MOF. Address the conservative view of conflicts of interest management held that people actively engaged in research in monetary policy or macroeconomics couldn't be considered for the role.	Chair of Board / General Counsel/ Board Secretary
4 May	Ensuring a strong short-list: Executive search agency is contracted <u>to seek suitable applicants to apply for vacancies.</u>	Chair of Board / Director, Governance & Audit Chair
May	Preparation to launch appointment process i	
MPS -24 May		
Phase 2: Appointment Campaign goes live		
5 Early June	Open appointment process: The two MPC vacancies are advertised and communicated via agreed channels (for instance, on the RBNZ website, Treasury Appt Unit database names, the Herald, IOD Appoint Better Boards). The Application Pack is put on the RBNZ website. This includes role description, criteria for appointment, application process and timetable. The MOF is contacted to feed in names of people who should be approached to apply.	Board Secretary, Senior Manager, Communications Document designer
6	RBNZ media statement is made about the MPC vacancies	Snr Manager, Communications
7 Mid June	Ensuring a strong short-list: An Appointments Committee virtual meeting is held. The Executive Search agency report its long list to the Committee who select those who should be encouraged to apply for the vacancies	Search Agency to provide reporting Board secretary to schedule/minute meeting.
15 July	Pre-election period commences – no further communication undertaken with Members of Parliament on these appointments.	

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Time	Action	Responsible	
8	Late July	Deadline for applications (6 weeks duration) Ensure all applications are acknowledged.	Board secretary to close off applications.
Phase 3: Selection of Candidates			
9	Early August	Pre-sift: Applications are pre-sifted by internal team of 2-3 key staff drawn from governance, economics, legal etc into probable/possible/unlikely lists. - Possible Conflicts of Interest are identified during review. - A brief overview of each candidate is provided to the Committee.	Legal Counsel, Director Gov and Audit, MPS Secretary
10		Distribute applications: All applications are provided to the Appointments Committee by the Board Secretary 5-10 working days prior to the short-listing meeting.	Board Secretary
11	Mid August	Shortlisting meeting: The Appointments Committee convene for a virtual short listing meeting. • The top 6-8 candidates are chosen to be interviewed. • There may be a further group of candidates identified to be 'kept warm'. • There will be candidates identified who are unsuccessful. • Short listing Panel agree interview questions, including those addressing potential conflicts of interest that have been flagged by internal team.	Neil Quigley / Board Secretary/General Counsel
		• Candidates chosen for interview are informed and arrangements made for their travel. • Those candidates who are being 'kept warm' are communicated with. • Unsuccessful candidates are informed.	Board secretary
MPS August			
12	Late August	Interviews: Interviews take place, in-person in Wellington. Appointments Committee choose 2 candidates, who best meet the criteria, to recommend to the Board for appointment.	Appointments Committee
13	Early September	Due diligence of candidates takes place: • references taken • ID is checked • Background checks (ie police, bankruptcy)	Board Secretary / General Counsel

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Time	Action	Responsible
	<ul style="list-style-type: none"> conflict of interest discussions are held with each selected candidate. 	
14 Mid September	A paper is written for the Board with recommendations from the Appointments Committee on who to recommend to the MOF, and detailing any information gathered in the due dil process.	Board Secretary
15 21 September	Board approves candidates for recommendation: Board meeting takes place. Board resolves to recommend 2 chosen candidates to the Minister for appointment	Neil Quigley Board Secretary
16 Early-October	<p>Candidates agree in writing to accept the position if it is approved by the Minister.</p> <p>A bio is obtained from candidates in anticipation of an announcement.</p>	<p>Board Secretary</p> <p>Legal Counsel</p> <p>Snr Manager, Comms</p>
14 October	Election Day	
Phase 4: Seeking Ministerial Approval		
19 Mid- Late October	Report to the MOF: Letter and Report issued to Minister with recommendation from the Board of two candidates for appointment.	<p>Board Secretary</p> <p>Simone Robbers to sign off</p>
MPS – November		
Phase 5 Announcement of Appointments		
20 Early December 2023	Minister makes appointment of the two candidates from 1 April 2024.	Minister's Office
21	Appointment Letter written to successful candidates	Ian Green, Treasury Appointments Unit
22	Appointments are announced in the Gazette	Minister's Office
23	RBNZ Media Statement released	Snr Manager, Communications
23 Mid December 2023	Successful candidates receive MPC meeting dates, induction dates etc..	MPC Secretary

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Time	Action	Responsible
25 March 2024	Peter Harris and Caroline Saunders are farewelled and thanked.	MPC Secretary
Phase 6: Induction and onboarding of MPC Appointees		
26 1 April 2024	New MPC Members are welcomed and Induction takes place, including media training.	MPC Secretary

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Summary of Staff and Stakeholders' roles

Staff/Stakeholder	Contact Number	Role
		Appointment Committee
Governance		
Simone Robbers, Assistant Governor	s 9(2)(k)	Oversight, Sign off of reports to the Minister of Finance (Step 1 and 19)
Sarah Enslin, Director, Governance and Audit	s 9(2)(k)	Oversight, coordination of Executive Search procurement and liaison.
Sarah Exeter, Board Secretary	s 9(2)(a)	Write reports to the board and appointments committee (steps 1,2,7,11 14,19)
Desire Crous, Department Co-ordinator	s 9(2)(k)	Arrange meetings of the Appointments Committee and Internal pre-sift team (steps 7,9,10,11), distribute papers
COMMUNICATIONS		
Lindsey Birnie, Senior Manager Communications and Stakeholder Engagement		Oversight, coordination of media release with Board secretary (steps 6 and 23), advertising and communicating vacancies (step 5).
Scott Newlands		Application Pack Document Design
Adrienne Martin	s 9(2)(a) s 9(2)(k)	Coordination with Minister’s Office
LEGAL		
Nick McBride, Director of Legal Services, General Counsel		Oversight, due diligence/conflict of interest conversations (step 13), internal presift team, advising Appointments

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		Committee meetings (steps), Candidates accept role (step 16)
Adrienne Martin	s 9(2)(a) s 9(2)(k)	Coordination with Minister's Office
External Stakeholders		
Minister's Office		Make appointment (step 20) Announce appointments in Gazette (step 22)
Ian Green Treasury Appointment Unit		Letter to successful candidates (step 21)

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Project Risk Register

Project Risks Identified	Risk Mitigation
Different opinion held by agencies on management of conflict of interest. People actively engaged in research in monetary policy or macroeconomics couldn't be considered for the role	Agree way forward with the RBNZ Board and consult with MOF and Tsy.
Risks of running appointment campaign over MPS period and people using process to gain market sensitive information.	Ensure that interviews are not held over MPS forecasting weeks. Ensure that interview questions are agreed ahead of time and panel are briefed by communications on potential risks.

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Project plan consultation and response

Feedback received	Response
LEGAL: "The process looks broadly OK to me. I think COI and competency criteria would need to factor in early, around step 2-3"	Approach to Due Diligence and COI, and criteria for appointment are considered in Step 3.
"The board needs to be clear about its attitude to including MP subject experts on the MPC and this should be resolved at the outset."	
COMMUNICATIONS: "We can expect strong external interest in the MPC appointment process, regardless of who runs it.	Included Media Statement Releases in the process timeline Application Pack available on RBNZ website
OIA requests were made for all sorts of info last time (age, gender of applicants, shortlisting advice etc) and these were very time consuming"	tbc
Be very clear about who takes the lead on such responses – and who has the say on what goes out in response to OIA requests.	tbc
We should remind anyone engaging that it's likely all material will be discoverable.	tbc
Sensitivity of MPR/MPS decision time should be factored in.	These dates have been noted on timetable
Consider proactive release for – I'm sure Lindsey and Adrienne would have some views on this, and how we can prepare for it.	Application Pack will be proactively published. Seek further advice from Lindsey and Adrienne.

CHOOSE A CLASSIFICATION ENDORSEMENT

Feedback received	Response
Comms will need to be kept abreast of key developments with the process (extensions, applications closing etc) – so we can make sure AO (or any other MPC members) are prepared if they are before media	Include Comms in regular project meetings.
Depending on what's agreed with the process, we'd also likely recommend a media statement at the start and finish of the process, and a proactive response/key messages ready to give at every point of the process. Our econ/MP squad will be able to support this, when we know more about timing/process etc.	Included Media Statements.
When an appointment is made – we'd need bio information – and to support the person with media training/prep.	Included in Phase 6
ECONOMICS (still to obtain)	
HR (still to obtain)	

From: Neil Quigley
Sent: Thursday, 23 February 2023 10:24 pm
To: Sarah Exeter; Nick McBride
Subject: Re:

Sarah (cc Nick)

That is pretty unfortunate, s 9(2)(a) . In my view it does not accurately describe either the position we took or the decision-making process (remembering Gael was engaged in this process in an administrative capacity but not as a decision-maker). At least I now understand why this view is abroad with various commentators.

Neil

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From: Sarah Exeter <Sarah.Exeter@rbnz.govt.nz>
Sent: Thursday, February 23, 2023 2:18 PM
To: Neil Quigley <Neil.Quigley@rbnz.govt.nz>
Subject: FW:

Kia ora Neil

Further to my point about conflict of interest, and those who are / are not eligible – Nick has referred me to this OIA release. Pls see page 15 of the PDF.

Regards

Sarah

From: Nick McBride <Nick.McBride@rbnz.govt.nz>
Sent: Wednesday, 8 February 2023 5:29 pm
To: Sarah Exeter <Sarah.Exeter@rbnz.govt.nz>
Subject:

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Nick McBride

Director of Legal Services and General Counsel

Reserve Bank of New Zealand – Te Pūtea Matua
2 The Terrace, Wellington 6011. PO Box 2498, Wellington 6140

M + s 9(2)(a) **T** + s 9(2)(k)
E nick.mcbride@rbnz.govt.nz **W** rbnz.govt.nz



Hon Grant Robertson

MP for Wellington Central

Minister of Finance

Minister for Sport and Recreation

Associate Minister for Arts, Culture and Heritage



11 JUN 2019

Michael Reddell
mhreddell@gmail.com

Dear Michael

Thank you for your Official Information Act requests, originally received on 29 March 2019 and made to both the Minister of Finance and the Treasury.

On 9 April 2019, Treasury officials contacted you to discuss your request. You subsequently agreed to withdraw the Treasury request, under the acknowledgement that any relevant content would be covered by the Ministerial request. You also agreed to refine the scope of the combined request to exclude administrative aspects of the appointments. The final request was for:

"all material (written and oral) held by you or your office relating to the consideration of individuals for the Reserve Bank Monetary Policy Committee. Without limiting that request, it includes a request for any information relating to any approaches made by you or on your behalf (a) encouraging specific individuals to apply, (b) encouraging the Bank's Board to nominate or select any particular individual(s), or (c) discouraging the Bank's Board from nominating any particular person or type of person. This request will exclude any correspondence that relates to the administrative aspects of the appointments but does not relate to the actual consideration of individuals."

On 12 April 2019, we extended the time limit for responding to your request by an additional 22 working days. This was in order to account for the time required to search through a large quantity of information and for consultations required to make decisions on the information.

Information Being Released

Please find enclosed the following documents:

Item	Date	Document Description	Decision
1.	14 December 2018	Letter: RBNZ MPC Recommendations to MoF 14 December	Release in part
2.	14 January 2019	Email: RE: RBNZ issues	Release in part
3.	17 January 2019	Email: RE: MPC External Appointments	Release in part
4.	29 January 2019	Treasury Report: Monetary Policy Committee: Documentation to Confirm Appointments	Release in part
5.	1 February 2019	Email: RE: APH papers on MPC appointments	Release in part

IN-CONFIDENCE

Information to be Released

The following information is covered by the request and proposed to be released.

Item	Date	Document Description	Proposed Action	Previously Released?	Comms Risk?
1.	14 December 2018	<i>Letter:</i> RBNZ MPC Recommendations to MoF 14 December	Release in part	N	N
2.	14 January 2019	<i>Email:</i> RE: RBNZ issues	Release in part	N	N
3.	17 January 2019	<i>Email:</i> RE: MPC External Appointments	Release in part	N	N
4.	29 January 2019	<i>Treasury Report:</i> Monetary Policy Committee: Documentation to Confirm Appointments	Release in part	N	N
5.	1 February 2019	<i>Email:</i> RE: APH papers on MPC appointments	Release in part	N	N
6.	5 February 2019	<i>Email:</i> RE: MPC APH	Release in part	N	N
7.	5 February 2019	<i>Attachment to Item 6:</i> Monetary Policy Committee (MPC): Board Appointments	Release in part	N	N
8.	18 February 2019	<i>Aide Memoire:</i> Monetary Policy Committee: Appointments (at APH Committee 20 February 2019)	Release in part	N	N
9.	20 February 2019	<i>Email:</i> RE: MPC docs	Release in part	N	Y
10.	20 February 2019	<i>Email:</i> 4077020_MPC Consultation document.DOCX	Release in part	N	N
11.	20 February 2019	<i>Attachment to Item 10:</i> Monetary Policy Committee – Internal Member Appointment	Release in part	N	N
12.	21 February 2019	<i>Treasury Report:</i> Monetary Policy Committee: Documentation to Confirm Appointment	Release in part	N	N
13.	11 March 2019	<i>Aide Memoire:</i> Monetary Policy Committee: Appointment (at DEV Committee 13 March 2019)	Release in part	N	N

We recommend that you release the relevant parts only of the documents listed in the above table, subject to information being withheld under the following sections of the Official Information Act, as applicable:

- sensitive advice, under section 9(2)(g)(i) – to maintain the effective conduct of public affairs through the free and frank expression of opinions,
- confidential information, under section 9(2)(j) – to enable the Crown to negotiate without disadvantage or prejudice,
- confidential information, under section 9(2)(i) – to enable the Crown to carry out commercial activities without prejudice or disadvantage,
- personal contact details of officials, under section 9(2)(a) – to protect the privacy of natural persons, including that of deceased natural persons, and
- direct dial phone numbers of officials, under section 9(2)(k) – to prevent the disclosure of information for improper gain or improper advantage.

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

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

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Grant Robertson', written in a cursive style.

Hon Grant Robertson
Minister of Finance

20190157

Information for Release

1.	<u>RBNZ MPC Recommendations to MoF 14 December</u>	1
2.	<u>RE: RBNZ issues</u>	5
3.	<u>RE: MPC External Appointments</u>	7
4.	<u>Monetary Policy Committee: Documentation to Confirm Appointments</u>	10
5.	<u>RE: APH papers on MPC appointments</u>	13
6.	<u>RE: MPC APH</u>	16
7.	<u>Monetary Policy Committee (MPC): Board Appointments</u>	20
8.	<u>Monetary Policy Committee Appointments (at APH Committee 20 February 2019)</u>	33
9.	<u>RE: MPC docs</u>	35
10.	<u>4077020 MPC Consultation document DOCX</u>	37
11.	<u>Monetary Policy Committee – Internal Member Appointment</u>	38
12.	<u>Monetary Policy Committee: Documentation to Confirm Appointment</u>	39
13.	<u>Monetary Policy Committee: Appointment (at DEV Committee 13 March 2019)</u>	41



14 December 2018

Hon Grant Robertson
Minister of Finance
Parliament Buildings
Wellington

Dear Minister

At its meeting on 15 November the Board of the Reserve Bank of New Zealand considered a report on the interviews conducted with short-list candidates for the external members of the Monetary Policy Committee (MPC), being established under the Reserve Bank of New Zealand (Monetary Policy) Amendment Bill. It also considered a report from the Governor recommending the composition of the internal members of that Committee. The members of the Board resolved unanimously to make the recommendations to you that are contained in this paper.

Background

The search process for External MPC members has been conducted on the timeframes indicated when the process was communicated to you in late July, and in accord with your Letter of Expectations dated 13 August. Advertisement of the positions and search for candidates (conducted by Ichor Leadership Search) in September resulted in 75 candidates in total, including candidates identified through the search process. The Board reviewed a long list of candidates from this total at the end of September, against criteria set in your Letter of Expectations.

Candidates on the long list were approached to discuss their interest in the role, including conflicts of interest and their ability to commit the required time to the MPC. A short list of nine candidates was arrived at and interviews with this short list of candidates were conducted in late October and November.

In addition to seeking candidates with the appropriate expertise and experience, the Board has taken a rigorous approach to the identification of potential conflicts of interest of the candidates that we considered.

Interviews

All of the short-list candidates were interviewed by a panel comprising Neil Quigley, Adrian Orr and Chris Eichbaum. In addition, Keith Taylor participated in the interviews s9(2)(a) and Jonathan Ross participated s9(2)(a).

Candidates were all asked a series of questions including the following:

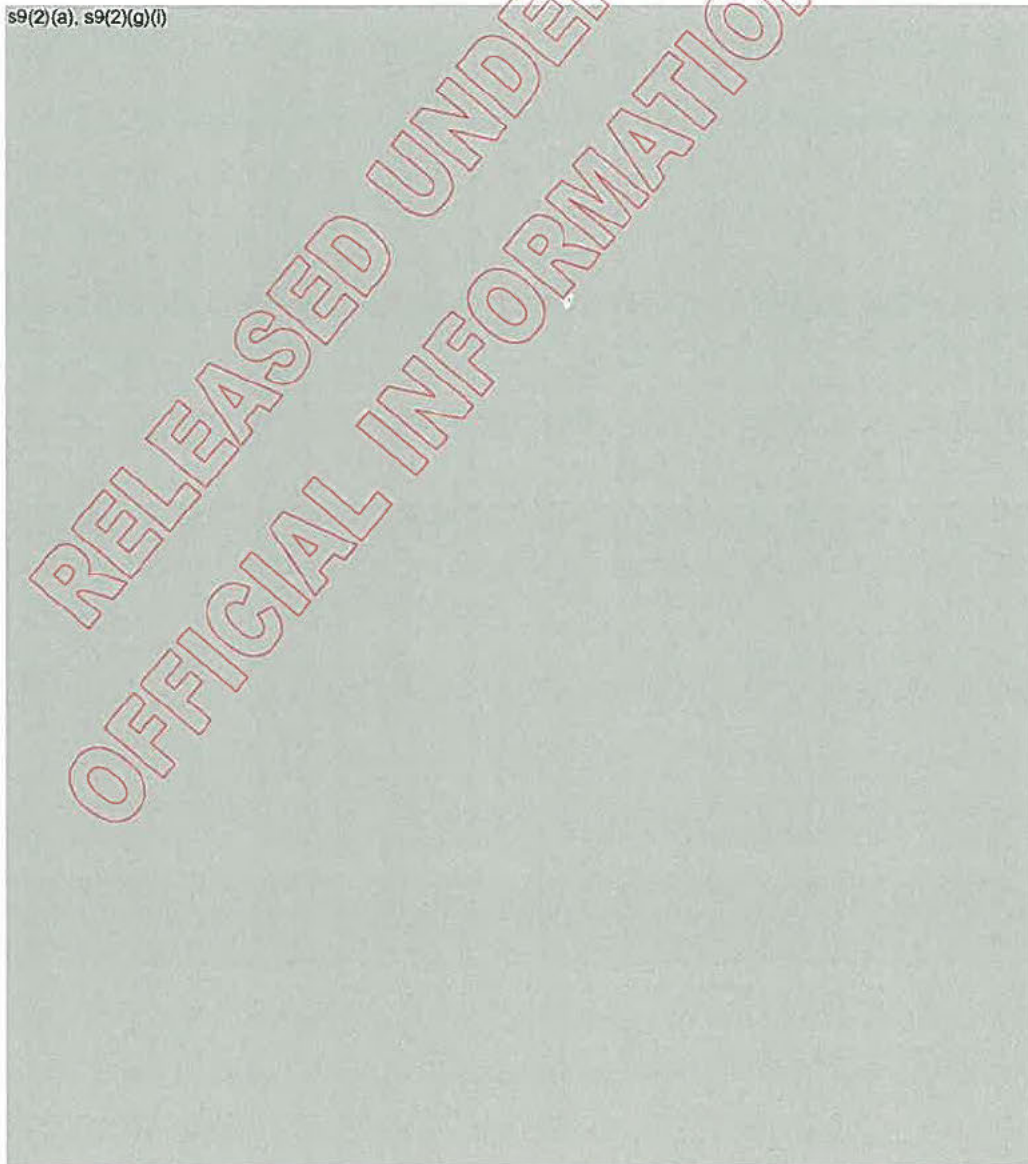
1. Motivation for their interest in the role and ability to make the time commitment required.
2. How their business experience would be relevant to the MPC.
3. Their understanding of the dual objective of monetary policy under the new PTA / legislation and its implications for monetary policy.

Confidential

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.

Comments on Individual Candidates

s9(2)(a), s9(2)(g)(i)



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s9(2)(a), s9(2)(g)(i)

Recommendation

On the basis of the interviews, all short-listed candidates were considered appointable. However, the Board recommends that, in appointing the external members of the MPC in accordance with the final Amendment Act, you select from the following candidates (listed in alphabetical order rather than in any particular order of priority):

s9(2)(a), s9(2)(g)(i)

The CVs of these seven candidates are appended to this paper.

Confidential

Internal Members of the MPC

As you may be aware, the Reserve Bank of New Zealand has just completed a change process for its senior management team, and this has resulted in some change to the titles of some senior roles, and also means that a number of senior positions are currently vacant. We expect any relevant vacant positions to be filled by the time that the Monetary Policy Committee becomes operational in early April.

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 endorses the proposal of the Governor, and recommends that you appoint the following internal members:

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

I am available to meet with you, or to discuss these recommendations by telephone, if you require further information.

Yours faithfully



Neil Quigley
Chair of the Reserve Bank of New Zealand Board

Deleted - Not Relevant to Request

From: Angus Hodgson <Angus.Hodgson@parliament.govt.nz>
Sent: Monday, 14 January 2019 11:23 AM
To: Angus Hawkins [TSY]
Cc: Renee Philip [TSY]; Ben Gaukrodger [TSY]
Subject: RE: RBNZ issues

Thanks Angus. I will be in touch regarding the issue of the remit, thoughts on the MPC membership relating to the current recruitment, and I expect to provide you with decisions regarding external MPC members within the next two weeks.

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

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s9(2)(k) | s9(2)(a)
E: angus.hodgson@parliament.govt.nz

From: Angus Hawkins [TSY] [mailto:Angus.Hawkins@treasury.govt.nz]
Sent: Monday, 14 January 2019 10:20 AM
To: Angus Hodgson <Angus.Hodgson@parliament.govt.nz>
Cc: Renee Philip [TSY] <renee.philip@treasury.govt.nz>; Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Subject: RBNZ issues

Morning Angus,

Happy new year – hope you had a good break!

A quick update on a few RBNZ bill implementation issues:

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- Following up from our phone call just before Christmas, the Bank now expects they'll be able to announce the new Assistant Governor role in time for them to be appointed to the MPC. It's unlikely the Chief Economist role will be filled by then. So the initial MPC will likely consist of 3 internal and 3 external members. We don't think it is an issue from a decision making standpoint for the MPC to briefly hold a vacancy until the Chief Economist arrives - but let us know if the Minister feels strongly otherwise and would like to explore having a temporary appointment.
- I assume you'll let us know as soon as you hear about external appointments. If we hear this week, we should be on track to have appointments agreed at Cabinet on 11 March. We can wait up to two more

weeks if the Minister is still deciding, but that creates risks of going over the deadline of anything gets delayed over background checks etc.

Happy to discuss any of the above if helpful.

Thanks,

Angus

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

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From: Angus Hodgson <Angus.Hodgson@parliament.govt.nz>
Sent: Thursday, 17 January 2019 11:15 AM
To: Carolin Marotzke [TSY]; Angus Hawkins [TSY]
Subject: RE: MPC External Appointments
Attachments: s9(2)(a)

Deleted - Not Relevant to Request

Kia ora

Thank you, Carolin. January 23 will be good. Please see the CVs attached.

Angus, Professor Quigley and Mike Hannah (who emailed the Board's recommendation letter and CV information) have been informed. I have asked Mike to ensure relevant RBNZ officials are aware, noting the sensitivity of this information.

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

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E: angus.hodgson@parliament.govt.nz

From: Carolin Marotzke [TSY] [mailto:Carolin.Marotzke@treasury.govt.nz]
Sent: Thursday, 17 January 2019 10:47 AM
To: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>; Angus Hodgson <Angus.Hodgson@parliament.govt.nz>
Subject: RE: MPC External Appointments

[IN-CONFIDENCE]

Hello

We can get those papers done next week. Would Wednesday (23 Jan) be ok?

If you could send the CVs to us, that would be very helpful.

Thanks.

Kind regards
Carolin

Carolin Marotzke | Governance and Performance | **The Treasury**
s9(2)(k) | Carolin.Marotzke@treasury.govt.nz

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From: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>
Sent: Thursday, 17 January 2019 10:29 AM
To: Carolin Marotzke [TSY] <Carolin.Marotzke@treasury.govt.nz>
Subject: FW: MPC External Appointments

Morning Carolin,

In Gael's absence – do you know what the rough timelines will be on preparing the APH papers for the candidates below? Full CVs etc. to support that should be forthcoming shortly.

Thanks,

Angus

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

From: Angus Hawkins [TSY]
Sent: Thursday, 17 January 2019 10:26 AM
To: Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>
Cc: Renee Philip [TSY] <renee.philip@treasury.govt.nz>; Ken Tsang [TSY] <Ken.Tsang@treasury.govt.nz>
Subject: FW: MPC External Appointments

[IN-CONFIDENCE]

Gael,

See below – we now have some names from MoF. Would you be able to let me/Angus know on timings for the papers 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: Thursday, 17 January 2019 10:18 AM
To: Renee Philip [TSY] <renee.philip@treasury.govt.nz>
Cc: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>; Ben Gaukrodger [TSY] <Ben.Gaukrodger@treasury.govt.nz>
Subject: MPC External Appointments

Kia ora Renee

The Minister of Finance has considered the candidates proposed by the Reserve Bank Board for the Monetary Policy Committee.

Please draft APH documentation for Cabinet to consider the following external appointments to the MPC:

- Bob Buckle

- Caroline Saunders
- Peter Harris

We would like to commence the consultation on these appointments as soon as practicable. Could you please advise when the APH papers will be ready for consideration?

Thank you.

Hei konā



Angus Hodgson, Private Secretary (Finance and State Owned Enterprises)
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E: angus.hodgson@parliament.govt.nz

APPOINTMENT-IN-CONFIDENCE



THE TREASURY

Kaitohutohu Kaupapa Rawa

Treasury Report: Monetary Policy Committee: Documentation to Confirm Appointments

Date:	29 January 2019	Report No:	T2019/90
		File Number:	MC-1-7-6

Action Sought

	Action Sought	Deadline
Minister of Finance (Hon Grant Robertson)	Agree to sign APH Committee documentation for submission to Cabinet Office	10.00am, Thursday 7 February 2019

Contact for Telephone Discussion (if required)

Name	Position	Telephone	1st Contact
Gael Webster	Manager, Governance and Appointments	s9(2)(k)	s9(2)(a) ✓

Actions for the Minister's Office Staff (if required)

If signed, lodge APH Committee documentation with Cabinet Office by 10.00am, Thursday 7 February 2019 for consideration at APH Committee on Wednesday 13 February 2019, or at a later APH date if necessary. Return the signed report to Treasury.

Note any feedback on the quality of the report

Enclosure: Yes (attached)

APPOINTMENT-IN-CONFIDENCE**Treasury Report: Monetary Policy Committee: Documentation to Confirm Appointments**

You previously agreed to the appointment of Peter Harris, Caroline Saunders, and Bob Buckle as the three external members to the Monetary Policy Committee (MPC) of the Reserve Bank.

The Board of the Reserve Bank has also recommended you appoint Christian Hawkesby, soon to become the Assistant Governor and General Manager of Economics, Financial Management and Banking as one of the internal members of the MPC.

You are now asked to sign the attached APH documentation confirming these appointments. The documentation should be lodged with Cabinet Office by 10.00am on Thursday 7 February 2019 for consideration at APH Committee on Wednesday 13 February 2019, or at a later APH date if necessary.

Following confirmation through Cabinet we will provide appointment letters for your signature.

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.

Term lengths

We recommend that the appointments of the external MPC members be staggered, to avoid all three terms expiring at the same time in future. This would create unnecessary uncertainty about the membership of the MPC. In particular, if all three external members were appointed for four year terms, they would also be up for reappointment at the same point as the Governor and Deputy Governor were to be considered for reappointment.

The Reserve Bank Act allows members to be appointed for up to four years, and reappointed once. We therefore recommend appointing one member for a term of four years, and two for a term of three years. All members would then be eligible for a second four year term, so could serve a total of seven or eight years in total.

There are no obvious grounds to determine which candidates should be appointed to terms of which length. We have left the term lengths open to allow you to specify the term for each member.

Further vacancies

Following these nominations, there will be one internal member vacancy on the MPC. The Reserve Bank Board has proposed to nominate the Chief Economist at the Reserve Bank to fill this, a role that is still being recruited for. When a new Chief Economist has been recruited, we will provide the documentation for you to sign and agree.

APPOINTMENT-IN-CONFIDENCE

Recommended Action

We recommend that you

- a. **select** the term length for each member (3 or 4 years)
- b. **agree** to sign the attached APH Committee documentation confirming appointments to the MPC for consideration at the APH Committee meeting on 13 February 2019.

Agree/disagree.

Gael Webster
Manager, Governance and Appointments

Hon Grant Robertson
Minister of Finance

Deleted - Not Relevant to Request

From: Angus Hodgson <Angus.Hodgson@parliament.govt.nz>
Sent: Friday, 1 February 2019 3:27 PM
To: Angus Hawkins [TSY]
Cc: Renee Philip [TSY]; Gael Webster [TSY]
Subject: RE: APH papers on MPC appointments

Deleted - Not Relevant to Request

Thank you.

Mauri ora



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

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From: Angus Hawkins [TSY] [mailto:Angus.Hawkins@treasury.govt.nz]
Sent: Friday, 1 February 2019 3:25 PM
To: Angus Hodgson <Angus.Hodgson@parliament.govt.nz>
Cc: Renee Philip [TSY] <renee.philip@treasury.govt.nz>; Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>
Subject: RE: APH papers on MPC appointments

We've been told by Nick McBride that a temporary appointment is the Governor's preference.

Thanks,

Angus

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

From: Angus Hodgson <Angus.Hodgson@parliament.govt.nz>
Sent: Friday, 1 February 2019 3:23 PM
To: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>
Cc: Renee Philip [TSY] <renee.philip@treasury.govt.nz>; Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>
Subject: RE: APH papers on MPC appointments

Thanks. The temporary appointment does make sense – simply given the public communication (as opposed to the provisions of the Act) has indicated four internal and three external members. Can you confirm whether the temporary appointment is the Governor's preference?

Mauri ora



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 E: angus.hodgson@parliament.govt.nz

From: Angus Hawkins [TSY] [<mailto:Angus.Hawkins@treasury.govt.nz>]
Sent: Friday, 1 February 2019 3:21 PM
To: Angus Hodgson <Angus.Hodgson@parliament.govt.nz>
Cc: Renee Philip [TSY] <renee.philip@treasury.govt.nz>; Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>
Subject: RE: APH papers on MPC appointments

We've had different messages from different people in the Bank. We've been trying to sort out a few contradictory messages today – but it now looks like a temporary appointment is Adrian's preference.

Thanks,

Angus

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

From: Angus Hodgson <Angus.Hodgson@parliament.govt.nz>
Sent: Friday, 1 February 2019 3:18 PM
To: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>
Cc: Renee Philip [TSY] <renee.philip@treasury.govt.nz>; Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>
Subject: RE: APH papers on MPC appointments

Thanks for the update. What changed between Wednesday, when we were confident the Chief Economist role would be appointed by March, and today?

Mauri ora



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

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 E: angus.hodgson@parliament.govt.nz

From: Angus Hawkins [TSY] [<mailto:Angus.Hawkins@treasury.govt.nz>]
Sent: Friday, 1 February 2019 3:17 PM
To: Angus Hodgson <Angus.Hodgson@parliament.govt.nz>
Cc: Renee Philip [TSY] <renee.philip@treasury.govt.nz>; Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>
Subject: APH papers on MPC appointments

[IN-CONFIDENCE]

Afternoon Angus,

You should have the draft APH papers for the MPC appointments for the Minister to review over the weekend.

Unfortunately there's likely to be a change in the approach to appointing the internals – the Bank has told us today they would like to appoint a temporary internal member until the Chief Economist comes into post, rather than leaving that spot on the MPC vacant as indicated in the papers.

We need to discuss with Neil what the Board's view on this is, and if they're likely to formally recommend it – we'll be meeting him on Monday and can update you then. We also need to check with legal what the alternative approaches could be if we don't want a temporary appointment.

Apologies, appreciate not ideal at this late stage – but if you could flag in your covering note that there may be a change in the approach to internal appointments, that would be very helpful. Obviously all the material on the externals is still valid and unchanged by this.

Feel free to give me a call if unclear.

Thanks,

Angus

Angus Hawkins | Senior Analyst - Macroeconomic & Fiscal Policy | The Treasury
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From: Angus Hawkins [TSY]
Sent: Tuesday, 5 February 2019 12:33 PM
To: 'Angus Hodgson'
Cc: Renee Philip [TSY]; Gael Webster [TSY]
Subject: RE: MPC APH
Attachments: 19.01 MPC APH memo Buckle, Saunders, Harris, Hawkesby. df

Angus – revised as just discussed.

Thanks,

Angus

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

From: Angus Hawkins [TSY]
Sent: Monday, 4 February 2019 6:06 PM
To: 'Angus Hodgson' <Angus.Hodgson@parliament.govt.nz>
Cc: Renee Philip [TSY] <renee.philip@treasury.govt.nz>; Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>
Subject: RE: MPC APH

Hi Angus,

As promised. Following our discussion with Neil, I've rephrased the para we discussed to the below.

"I also intend to appoint one further internal member to the MPC. I expect that the Board of the Reserve Bank will recommend an individual for this role following the conclusion of the recruitment of a new Chief Economist and Head of Economics. It is likely I will be able to appoint this member before the MPC becomes operational on 1 April."

Probably easiest to talk through the situation when we meet tomorrow morning – if we could grab 10 minutes at the end of the meeting (without RBNZ staff) that would be great.

Thanks,

Angus

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From: Angus Hodgson <Angus.Hodgson@parliament.govt.nz>
Sent: Monday, 4 February 2019 11:53 AM
To: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>
Cc: Renee Philip [TSY] <renee.philip@treasury.govt.nz>; Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>
Subject: RE: MPC APH

Cheers Angus.

Mauri ora



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

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s9(2)(k) | s9(2)(a)

E: angus.hodgson@parliament.govt.nz

From: Angus Hawkins [TSY] [<mailto:Angus.Hawkins@treasury.govt.nz>]
Sent: Monday, 4 February 2019 11:52 AM
To: Angus Hodgson <Angus.Hodgson@parliament.govt.nz>
Cc: Renee Philip [TSY] <renee.philip@treasury.govt.nz>; Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>
Subject: RE: MPC APH

Thanks Angus – that makes much more sense – will add that in.

On the sentence in purple – we're seeing Neil Quigley (on an unrelated matter) this afternoon, so I'd like to test this with him directly, given conflicted messages from the Bank so far. I'll confirm by close today and send you a combined pdf.

Thanks,

Angus

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

From: Angus Hodgson <Angus.Hodgson@parliament.govt.nz>
Sent: Monday, 4 February 2019 11:46 AM
To: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>
Cc: Renee Philip [TSY] <renee.philip@treasury.govt.nz>; Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>
Subject: RE: MPC APH

Kia ora Angus

Gender implications

The Minister has made it clear in the Reserve Bank LOE that he expects the Governor to improve the gender balance among the senior leadership team within the Bank. The additional sentence is intended to suggest that while there are three men in these roles now, with one vacancy currently in recruitment, the Minister is wanting to see more women among the senior positions. Your suggested edit could imply that the Minister is involved in the current recruitment, which is not correct.

"At this point the Board has only one women as a proposed external member, with all internal members being men. I have asked the Reserve Bank Board and the Governor to ensure that the Bank supports more women into its senior leadership which will help to see women appointed as internal members in the future."

Interim appointment

Yes, good point. Do we need to put up a paper to note the interim appointment if needed? Have made some changes. Are we confident enough with timing to add in this sentence?

"I also intend to appoint one further internal member to the MPC when the currently vacant role of Chief Economist and Head of Economics at the Reserve Bank is filled. However, if recruitment of a person for this position is delayed, I may make an interim appointment – conditional on the recommendation of the Board – to ensure the MPC has four internal members and three external members. At this stage, it is likely that the position will be filled in time for

the first Monetary Policy Statement in May but if needed I am confident that the Reserve Bank Board will put forward a suitably qualified interim appointment."

Mauri ora



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

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From: Angus Hawkins [TSY] [<mailto:Angus.Hawkins@treasury.govt.nz>]
Sent: Monday, 4 February 2019 10:34 AM
To: Angus Hodgson <Angus.Hodgson@parliament.govt.nz>
Cc: Renee Philip [TSY] <renee.philip@treasury.govt.nz>; Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>
Subject: RE: MPC APH

[IN-CONFIDENCE]

Thanks – will do. Though I'm not sure the extra quite makes sense as drafted – the below ok instead? It would have to be 'woman' rather than 'women' since there's only one internal vacancy.

"At this point the Board has only one woman as a proposed member. I am working with the Reserve Bank Board and the Governor to ensure that a woman can be included as an internal member."

Given that we now know the Bank would like an interim appointment, it feels sensible to acknowledge this as well. I'd suggest amending paragraph 3 to the below, if you think that works (while leaving MoF's options open).

"I also intend to appoint one further internal member to the MPC. I expect this will be the person to fill the currently vacant role of Chief Economist and Head of Economics at the Reserve Bank, although I may make an interim appointment, conditional on the recommendation of the Board, if recruitment of a person for that position is delayed."

Thanks,

Angus

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

From: Angus Hodgson <Angus.Hodgson@parliament.govt.nz>
Sent: Monday, 4 February 2019 9:56 AM
To: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>
Cc: Renee Philip [TSY] <renee.philip@treasury.govt.nz>; Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>
Subject: MPC APH

Kia ora Angus

Minister Robertson has agreed to release the APH paper for consultation in order to reach the 20 February APH meeting, subject to three changes:

- The terms will be staggered with Bob Buckle and Peter Harris having three year terms and Caroline Saunders having a four year term.
- Add this sentence to paragraph 12: "At this point the Board has only one women as a proposed member. I am working with the Reserve Bank Board and the Governor on ensuring that women can be as an internal member."

Could you please update the documentation and send me through a single PDF document?

Mauri ora



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
s9(2)(k) | s9(2)(a)
E: angus.hodgson@parliament.govt.nz

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APPOINTMENT-IN-CONFIDENCE

Minister of Finance

Memorandum for the Cabinet Appointments and Honours Committee

Monetary Policy Committee (MPC): Board Appointments

1. In this memorandum the Cabinet Appointments and Honours Committee is invited to note my intention to appoint four members to the MPC, as follows:

Person	Designation	Appointment/ Reappointment	Term	Replacing
Robert Allan (Bob) <u>Buckle</u>	External Member	Appointment	From 1 April 2019 up to 31 March 2022	n/a
Peter Stuart <u>Harris</u>	External Member	Appointment	From 1 April 2019 up to 31 March 2022	n/a
Caroline Mary <u>Saunders</u>	External Member	Appointment	From 1 April 2019 up to 31 March 2023	n/a
Christian <u>Hawkesby</u>	Internal Member	Appointment	From 1 April 2019 up to 31 March 2024	n/a

2. In addition, the individuals below will become members of the MPC as of 1 April 2019 by virtue of their roles at the Reserve Bank of New Zealand. They will remain members of the MPC until the expiry of their terms.

Person	Designation	Appointment/ Reappointment	Term	Replacing
Adrian <u>Orr</u>	Ex-officio member (Governor) and Chair	Appointment	From 1 April 2019 up to 26 March 2023	n/a
Geoff <u>Bascand</u>	Ex-officio member (Deputy Governor)	Appointment	From 1 April 2019 up to 26 May 2023	n/a

3. I also intend to appoint one further internal member to the MPC. I expect that the Board of the Reserve Bank will recommend an individual for this role following the conclusion of the recruitment of a new Chief Economist and Head of Economics. I expect to be able appoint this member before the MPC becomes operational on 1 April. If this is not the case, I will appoint a suitably qualified member of the Bank's staff in the interim until an individual to fill this role for a full term is recruited.

Background

4. These appointments are made in accordance with the amended Reserve Bank of New Zealand Act which stipulates that the Minister of Finance appoint internal and external members of the MPC on advice of the Board of the Reserve Bank. External members are appointed for terms of up to four years and, guided by best practice and subject to their skills still being relevant to the committee business,

APPOINTMENT-IN-CONFIDENCE

may be reappointed for one subsequent term. Internal members can be appointed for up to five years, and may be reappointed for one subsequent term.

Monetary Policy Committee

5. The Monetary Policy Committee was established by the Reserve Bank of New Zealand Act (Monetary Policy) Amendment Bill 2018. It is responsible for formulating monetary policy, to achieve the dual economic objectives of price stability and supporting objectives set out in the Monetary Policy remit, as set by the Minister of Finance. It will consist of the Governor and Deputy Governor of the Reserve Bank, one or two other employees of the Bank (the internal members), and two or three external members to provide outside challenge and expertise.

Appointments

6. Bob Buckle has held recent positions in academia and public policy. He was Pro Vice-Chancellor and Dean of the Victoria Business School from 2008 to 2017; Principal Adviser at NZ Treasury from 2000 to 2008, Chair of the Economic Committee of APEC, Chair of the Government's 2009-10 Tax Working Group, and Chair of the External Panel for Treasury's Long-Term Fiscal Statement in 2012. He chairs review teams for European Foundation for Management Development (EFMD) and is an ambassador for Victoria Business School's 'Great Futures' scholarships. s9(2)(g)(i)
s9(2)(g)(i)
7. Peter Harris has labour market expertise, s9(2)(g)(i)
s9(2)(g)(i)
Mr Harris has been a member of the Electricity Commission, and an associate member of the Commerce Commission. He was a management head of the Public Service Association and a Member of PSIS Ltd and the NZ Universities Academic Audit Board. s9(2)(g)(i)
s9(2)(g)(i)
8. Professor Caroline Saunders holds a PhD in Agricultural Economics and has had a career in the University sector over the last 30 years. She is currently Professor of International Trade and the Environment and Director, Agribusiness and Economics Research Unit, at Lincoln University. Professor Saunders is a former director of AgriQuality and is currently a Council member for the Royal Society of New Zealand, a Director on the board of Landcare Research NZ, and sits on the Biosecurity Ministerial Advisory Committee. Professor Saunders has primary sector knowledge, general economics background, s9(2)(g)(i)
s9(2)(g)(i)
9. Christian Hawkesby is due to take up the role of Assistant Governor and General Manager of Economics, Financial Markets and Banking at the Reserve Bank. He is being appointed as an internal member of the MPC. Mr Hawkesby brings with

APPOINTMENT-IN-CONFIDENCE

him a wealth of public and private sector experience. Recently he has been operating in the competitive asset management industry as a senior member of the Wellington-based Harbour Asset Management team. He has significant experience in central banking, particularly at the Bank of England. Mr Hawkesby 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.

Appointment process

10. The appointment process for the external members was as follows:

- External positions advertised publically.
- The Board of the Reserve Bank interviewed and recommended a number of candidates to the Minister.
- The Minister has chosen to appoint the three candidates named above.

Conflicts of interest

11. Candidates have confirmed their willingness to be appointed, have certified that they are not disqualified from appointment, and disclosed the nature and extent of any interests they have in matters related to the MPC. No conflicts of interest have been identified.

Representativeness of appointments

12. I can confirm that full consideration has been given to the need for the membership of the MPC to have an appropriate gender, age, ethnic and geographical balance. At this point the Board has only one woman as a proposed external member, with all internal members being men. I have asked the Reserve Bank Board and the Governor to ensure that the Bank supports more women into its senior leadership which will help to see women appointed as internal members in the future.

Remuneration

13. Fees for the appointees will be drawn from the remuneration approved for the Committee by responsible Ministers. This allows a maximum unit rate of s9(2)(i), s9(2)(j) per day for an external MPC member.
14. Internal and ex-officio members do not receive any remuneration in addition to their salaries as employees of the Reserve Bank.

Publicity

15. The external members of the MPC will be announced in a press release following their formal acceptance of appointment.

APPOINTMENT-IN-CONFIDENCE**Recommendation**

16. It is recommended that the Cabinet Appointments and Honours Committee:

1. **note** the intention of the responsible Minister to make the following appointments to the Monetary Policy Committee:

Person	Designation	Appointment/ Reappointment	Term	Replacing
Robert Allan (Bob) <u>Buckle</u>	External Member	Appointment	From 1 April 2019 up to 31 March 2022	n/a
Peter Stuart <u>Harris</u>	External Member	Appointment	From 1 April 2019 up to 31 March 2022	n/a
Caroline Mary <u>Saunders</u>	External Member	Appointment	From 1 April 2019 up to 31 March 2023	n/a
Christian <u>Hawkesby</u>	Internal Member	Appointment	From 1 April 2019 up to 31 March 2024	n/a

2. **note** that the individuals below will also become members of the MPC as of 1 April 2019 by virtue of their roles at the Reserve Bank of New Zealand.

Person	Designation	Appointment/ Reappointment	Term	Replacing
Adrian <u>Orr</u>	Ex-officio member (Governor) and Chair	Appointment	From 1 April 2019 up to 26 March 2023	n/a
Geoff <u>Bascand</u>	Ex-officio member (Deputy Governor)	Appointment	From 1 April 2019 up to 26 May 2023	n/a

3. **note** that, once the Reserve Bank has filled the post of Chief Economist and Head of Economics, I intend to appoint that individual as an internal member of the MPC.

Authorised for Lodgement

Hon Grant Robertson
Minister of Finance

APPOINTMENT-IN-CONFIDENCE

Candidate CV Form – Bob Buckle

Name (family name in upper case; include title if appropriate)	Robert Allan (Bob) BUCKLE
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The Position

Organisation	Monetary Policy Committee
Position (chair/member etc)	External Member
Term	From 1 April 2019 up to 31 March 2022
Payment (per day and/or per year)	§9(2)(f), §9(2)(f) subject to negotiation

How the Candidate Meets the Needs of the Position

Skills and attributes the candidate will bring to the position (eg: business skills, community involvement, cultural awareness, regional perspective – as relevant to the needs of the position)	Professor Robert (Bob) Buckle has held recent positions in academia and public policy. He was Pro Vice-Chancellor and Dean of the Victoria Business School from 2008 to 2017; Principal Adviser at NZ Treasury from 2000 to 2008, Chair of the Economic Committee of APEC, Chair of the Government's 2009-10 Tax Working Group, and Chair of the External Panel for Treasury's Long-Term Fiscal Statement in 2012. He chairs review teams for European Foundation for Management Development (EFMD) and AACSB and is an ambassador for Victoria's 'Great Futures' scholarships. Professor Buckle is §9(2)(g)(i)
Possible conflicts of interest	None advised.
Proposals for conflict management (if applicable)	Not applicable.

APPOINTMENT-IN-CONFIDENCE

Name (family name in upper case; include title if appropriate)	Robert Allan (Bob) BUCKLE
Address	s9(2)(a)
Citizenship (if not New Zealand)	
Age	s9(2)(a)
Current or most recent employment (specify position and employer, include years)	Professor Emeritus, Victoria University of Wellington (2017- current)
Government board appointments held (current and previous, include years)	Chair, NZ Taxation Working Group (2009-2010)
Private and/or voluntary sector board appointments held (current and previous, include years)	Member of New Zealand Minister of Finance's Academic Economists Advisory Group (2011-2016) Chair, Buyers' Quality Assessment Panel, Ministry for the Environment (2011) Chair, External Panel for Treasury's Long-Term Fiscal Statement, New Zealand Treasury (2012-2012) Chair, Economic Committee, APEC (2007-2008)
Qualifications and experience (include significant work history and community involvement)	<u>Previous Employment</u> Pro Vice-Chancellor and Dean, Victoria University of Wellington (2008-2017) Principal Advisor, New Zealand Treasury (2000-2008) <u>Qualifications</u> BCom (Accounting), University of Auckland (1969) MCom (Economics), University of Auckland (1975)

Date: 29 January 2019

APPOINTMENT-IN-CONFIDENCE

Candidate CV Form – Peter Harris

Name (family name in upper case; include title if appropriate)	Peter Stuart HARRIS
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The Position

Organisation	Monetary Policy Committee
Position (chair/member etc)	External Member
Term	From 1 April 2019 up to 31 March 2022
Payment (per day and/or per year)	Max §9(2)(f), §9(2)(g) subject to negotiation

How the Candidate Meets the Needs of the Position

Skills and attributes the candidate will bring to the position (eg: business skills, community involvement, cultural awareness, regional perspective – as relevant to the needs of the position)	<p>Peter Harris has been a member of the Electricity Commission, and an associate member of the Commerce Commission. He was a Management head of the Public Service Association and a Member of PSIS Ltd and the NZ Universities Academic Audit Board. Mr Harris has labour market expertise, conceptual understanding of monetary policy and the macroeconomy, §9(2)(g)(i)</p> <div style="background-color: #cccccc; height: 100px; width: 100%;"></div>
Possible conflicts of interest	None advised.
Proposals for conflict management (if applicable)	Not applicable.

APPOINTMENT-IN-CONFIDENCE

Name (family name in upper case; include title if appropriate)	Peter Stuart HARRIS
Address	s9(2)(a)
Citizenship (if not New Zealand)	
Age	s9(2)(a)
Current or most recent employment (specify position and employer, include years)	Consultant (2002 – current)
Government board appointments held (current and previous, include years)	Member, Electricity Authority Establishment Board (2009) Associate Member, Commerce Commission (2006-2007)
Private and/or voluntary sector board appointments held (current and previous, include years)	External Member, Wellington City Council (2015-current) Trustee, FireSuper (2010-2018) Member, Electricity Commission (2003-2010) Chair, Workplace Savings Group (2004)
Qualifications and experience (include significant work history and community involvement)	<u>Previous Employment</u> Economic Advisor to the Minister of Finance (1999-2002) <u>Qualifications</u> Bachelor of Commerce (Honours) with First Class Honours in Economics

Date: 29 January 2019

APPOINTMENT-IN-CONFIDENCE

Candidate CV Form – Caroline Saunders

Name (family name in upper case; include title if appropriate)	Caroline Mary SAUNDERS
The Position	
Organisation	Monetary Policy Committee
Position (chair/member etc)	External Member
Term	From 1 April 2019 up to [tbc]
Payment (per day and/or per year)	Maximum s9(2)(i), s9(2)(i) subject to negotiation

How the Candidate Meets the Needs of the Position

Skills and attributes the candidate will bring to the position (eg: business skills, community involvement, cultural awareness, regional perspective – as relevant to the needs of the position)	Professor Caroline Saunders holds a PhD in Agricultural Economics and has had a career in the University sector over the last 30 years. She is currently Professor of International Trade and the Environment and Director, Agribusiness and Economics Research Unit, at Lincoln University. Professor Saunders is a former director of AgriQuality and is currently a Council member for the Royal Society of New Zealand, a Director on the board of Landcare Research NZ and sits on the Biosecurity Ministerial Advisory Committee. Professor Saunders has the primary sector knowledge, general economics background, s9(2)(g)(i)
Possible conflicts of interest	None advised.
Proposals for conflict management (if applicable)	Not applicable.

APPOINTMENT-IN-CONFIDENCE

Name (family name in upper case; include title if appropriate)	Caroline Mary SAUNDERS
Address	s9(2)(a)
Citizenship (if not New Zealand)	
Age	s9(2)(a)
Current or most recent employment (specify position and employer, include years)	Professor of International Trade and the Environment and Director, AERU Research Centre, Lincoln University (2002- current)
Government board appointments held (current and previous, include years)	Director, Landcare Research New Zealand Ltd (2015-current) Deputy Chair, Biosecurity Ministerial Advisory Committee (2010-current) [<i>Deputy Chair since 2014</i>] Director, AgriQuality Ltd (2006-2007)
Private and/or voluntary sector board appointments held (current and previous, include years)	Member, Economics and Insights Advisory Board, Beef and Lamb New Zealand (2017- current) Council Member, Royal Society of New Zealand (2004- current) Member, Advisory Committee on Economics Statistics, Statistics New Zealand (2010-2014) Strategy Director, Ministry of Transport (2014-2015) Chair, Social Sciences Committee, Royal Society of New Zealand (2004-2008) Member, National Science Panel (2006-2008) Director, Centre of Excellence in Farm Management (2011- 2013)

APPOINTMENT-IN-CONFIDENCE

Qualifications and experience (include significant work history and community involvement)	<u>Qualifications</u> BSc (Hons) (Agriculture and Agricultural Economics), University College of North Wales (1980) PhD (Agricultural Economics), Newcastle University (1984) Chartered Member, Institute of Directors <u>Previous employment</u> Portfolio Manager, Landcare Research (2012-2015) Associate Professor in Economics, Commerce Division, Lincoln University (1999-2001) Senior Lecturer in Economics, Commerce Division, Lincoln University (1996-1999)
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Date: 29 January 2019

APPOINTMENT-IN-CONFIDENCE

Candidate CV Form – Christian Hawkesby

Name (family name in upper case; include title if appropriate)	Christian HAWKESBY
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The Position

Organisation	Monetary Policy Committee
Position (chair/member etc)	Internal Member
Term	From 1 April 2019 up to 31 March 2024
Payment (per day and/or per year)	No additional remuneration

How the Candidate Meets the Needs of the Position

Skills and attributes the candidate will bring to the position (eg: business skills, community involvement, cultural awareness, regional perspective – as relevant to the needs of the position)	Christian Hawkesby brings a wealth of public and private sector experience. Most recently Mr Hawkesby has been operating in the competitive asset management industry as a senior member of the Wellington-based Harbour Asset Management team. Mr Hawkesby 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. He is to be appointed for a term of 5 years.
Possible conflicts of interest	None advised.
Proposals for conflict management (if applicable)	Not applicable.

APPOINTMENT-IN-CONFIDENCE

Name (family name in upper case; include title if appropriate)	Christian HAWKESBY
Address	s9(2)(a) 
Citizenship (if not New Zealand)	
Age	Unknown
Current or most recent employment (specify position and employer, include years)	Executive Director, Head of Fixed Income & Economics, Harbour Asset Management (2011-current)
Government board appointments held (current and previous, include years)	Nil
Private and/or voluntary sector board appointments held (current and previous, include years)	Treasurer, Ngalo School Board of Trustees (2016-current) [Chair from 2017]
Qualifications and experience (include significant work history and community involvement)	<u>Qualifications</u> Master of Commerce (First Class Honours) Economics (1997) Bachelor of Science (1996) <u>Previous Experience</u> Head of Market Intelligence, Bank of England (2009-2010) Chief Manager, Sterling Markets Division, Bank of England (2008-2010) Private Secretary to Sir John Gieve, Deputy Governor, Bank of England (2006-2008) Analyst/Manager, Financial Stability Directorate, Bank of England (2001-2006) Macroeconomist, Reserve Bank of New Zealand (2000-2001) Analyst, Financial Markets Department, Reserve Bank of New Zealand (1998-2000)

Date: 29 January 2019

APPOINTMENT-IN-CONFIDENCE

Reference: T2019/324 MC-1-7-6

Date: 18 February 2019

To: Minister of Finance (Hon Grant Robertson)

Deadline: None
(if any)**Aide Memoire: Monetary Policy Committee: Appointments (at APH Committee 20 February 2019)**

In this memorandum the Cabinet Appointments and Honours Committee is invited to note my intention to appoint four members to the Monetary Policy Committee (MPC), as follows:

Person	Designation	Appointment/ Reappointment	Term	Replacing
Robert Allan (Bob) Buckle	External Member	Appointment	From 1 April 2019 up to 31 March 2022	n/a
Peter Stuart Harris	External Member	Appointment	From 1 April 2019 up to 31 March 2022	n/a
Caroline Mary Saunders	External Member	Appointment	From 1 April 2019 up to 31 March 2023	n/a
Christian Hawkesby	Internal Member	Appointment	From 1 April 2019 up to 31 March 2024	n/a

I also intend to appoint one further internal member to the MPC before it becomes operational.

Appointments – Members

Bob Buckle has held recent positions in academia and public policy. He was Pro Vice-Chancellor and Dean of the Victoria Business School from 2008 to 2017; Principal Adviser at NZ Treasury, Chair of the Economic Committee of APEC, Chair of the Government's 2009-10 Tax Working Group, and Chair of the External Panel for Treasury's Long-Term Fiscal Statement in 2012.

Peter Harris has labour market expertise and s9(2)(g)(i) Mr Harris has been a member of the Electricity Commission, and an associate member of the Commerce Commission. He was a management head of the Public Service Association, a Member of PSIS Ltd and the NZ Universities Academic Audit Board.

APPOINTMENT-IN-CONFIDENCE

Caroline Saunders holds a PhD in Agricultural Economics and has had a career in the University sector over the last 30 years. She is currently Professor of International Trade and the Environment and Director, Agribusiness and Economics Research Unit, at Lincoln University. Professor Saunders is a former director of AgriQuality and is currently a Council member for the Royal Society of New Zealand, a Director on the board of Landcare Research NZ, and sits on the Biosecurity Ministerial Advisory Committee.

Christian Hawkesby is due to take up the role of Assistant Governor and General Manager of Economics, Financial Markets and Banking at the Reserve Bank. He is being appointed as an internal member of the MPC. Mr Hawkesby brings with him a wealth of public and private sector experience. Recently he has been operating in the competitive asset management industry as a senior member of the Wellington-based Harbour Asset Management team.

Treasury officials will be in the Committee room lobby during the meeting.

Gael Webster, Manager, Governance and Appointments, s9(2)(k)

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From: Renee Philip [TSY]
Sent: Wednesday, 20 February 2019 4:31 PM
To: ^EXT: Angus Hodgson
Cc: Ben Gaukrodger [TSY]; Angus Hawkins [TSY]
Subject: RE: MPC docs

Hi Angus

With respect to the length of term, we've had a look at the Act.

Once the Minister appoints a person, there is no provision to remove them during that term other than in limited circumstances such as breaching their duties under the Act. However, it is possible that the person could resign. This means an interim person could be appointed for a longer term, and resign early if they are not subsequently appointed chief economist. However, we would not recommend this option as it creates other issues, such as a perception that the person is the preferred candidate for a position in which a recruitment process is not complete, and perceptions that it would affect incentives on the voting behaviour of that person.

Let me know if you need anything else.

Cheers
 Renee

From: Angus Hodgson <Angus.Hodgson@parliament.govt.nz>
Sent: Wednesday, 20 February 2019 9:08 AM
To: Renee Philip [TSY] <renee.philip@treasury.govt.nz>; Gael Webster [TSY] <Gael.Webster@treasury.govt.nz>
Cc: Angus Hawkins [TSY] <Angus.Hawkins@treasury.govt.nz>; Carolin Marotzke [TSY] <Carolin.Marotzke@treasury.govt.nz>
Subject: RE: MPC docs

Scratch that. RBNZ has already done this. Let me know when the APH documentation will come across.

Mauri ora



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
 s9(2)(k) | s9(2)(a)
 E: angus.hodgson@parliament.govt.nz

From: Angus Hodgson
Sent: Wednesday, 20 February 2019 9:07 AM
To: Renee Philip [TSY] <renee.philip@treasury.govt.nz>; 'Gael Webster [TSY]' <Gael.Webster@treasury.govt.nz>
Cc: Angus Hawkins <Angus.Hawkins@treasury.govt.nz>; 'Carolin Marotzke [TSY]' <Carolin.Marotzke@treasury.govt.nz>
Subject: FW: MPC docs

Kia ora

It would be ideal if we could get this MPC interim appointment through APH on the 13th or the 20th at the latest. Could Treasury please send through a truncated version (bio, general details) for us to consult with, and have the APH documentation to me by Thursday next week? Is that doable?

Mauri ora



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

s9(2)(k) | s9(2)(a)

E: angus.hodgson@parliament.govt.nz

From: Mike Hannah [<mailto:Mike.Hannah@rbnz.govt.nz>]

Sent: Wednesday, 20 February 2019 8:57 AM

To: Angus Hawkins <Angus.Hawkins@treasury.govt.nz>; Angus Hodgson <Angus.Hodgson@parliament.govt.nz>

Cc: Rebecca Williams <Rebecca.Williams@rbnz.govt.nz>; Nick McBride <Nick.McBride@rbnz.govt.nz>; Naomi Mitchell <Naomi.Mitchell@rbnz.govt.nz>

Subject: MPC docs

Good morning

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The Board also approved a proposal to recommend to the Minister a one-year temporary internal appointment of Yuong Ha to the MPC, due to John McDermott's resignation from the Bank. So I'll send you suggested wording for inclusion in the APH papers.

Regards

Mike

Mike Hannah

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

P O Box 2498, Wellington 6140

s9(2)(k)

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



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From: Gael Webster [TSY]
Sent: Wednesday, 20 February 2019 2:47 PM
To: ^EXT: Angus Hodgson
Cc: Ken Tsang [TSY]; Caitlin Andrews; Carolin Marotzke
Subject: 4077020_MPC Consultation document.DOCX
Attachments: 4077020_MPC Consultation document.DOCX

[IN-CONFIDENCE]

Kia Ora Angus

Attached is a brief on Yuong Ha for consultation with the coalition parties.

The APH documentation will be completed and sent over asap before Thursday.

Nga Mihi

Gael Webster | Manager, Governance and Appointments | The Treasury
s9(2)(k) s9(2)(a) | Gael.Webster@treasury.govt.nz

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APPOINTMENT-IN-CONFIDENCE**For Consultation with Coalition Parties****Monetary Policy Committee –Internal Member Appointment**

Person	Designation	Appointment/ Reappointment	Term	Replacing
Yuong Ha	Internal Member	Appointment	From 1 April 2019 up to 31 March 2020	n/a

Yuong Ha is being appointed as an internal member of the MPC to cover the vacancy created by the resignation of the Chief Economist, Dr John McDermott (effective 28 February 2019).

The recommended fixed-term appointment to the MPC for one year is to ensure an appropriate period for the Bank to appoint and on-board a new Chief Economist, ahead of their being considered for an MPC role. Mr Ha's current employment status at the Bank implies he is eligible for 2 terms on the MPC, with each being a maximum of 5 years.

Appointment – Yuong Ha

Mr Ha's career has spanned several economics and financial markets roles at the Reserve Bank of New Zealand since graduating in 1997, with secondments to the IMF and to Statistics NZ. From 2017, he has been Manager International and Markets Analysis, Financial Markets, responsible for reporting on international economy and financial market developments, and providing advice to policymakers on the impact of these developments on the outlook for the NZ economy.

Prior to this, he was Manager Modelling in the Economics Department, overseeing the building and maintenance of the key economic models used in the Bank's forecasting process. Other roles in the Bank have included Manager Forecasting, and a Special Adviser in Macro-Financial Stability. This latter role involved developing the Bank's understanding of the nature of the emerging macroprudential issues and corresponding toolkit, how they overlapped with financial stability and monetary policy frameworks, and helping to shape the Bank's macroprudential policy framework.

Mr Ha is well versed in the monetary policy framework and tools of the RBNZ, and has provided monetary policy and financial advice to the Governor over many years, through a wide range of business cycles and events.

APPOINTMENT-IN-CONFIDENCE


Treasury Report: Monetary Policy Committee: Documentation to Confirm Appointment

Date:	21 February 2019	Report No:	T2019/431
		File Number:	MC-1-7-6

Action Sought

	Action Sought	Deadline
Minister of Finance (Hon Grant Robertson)	Agree to sign APH Committee documentation for submission to Cabinet Office	10.00am, Thursday 7 March 2019

Contact for Telephone Discussion (if required)

Name	Position	Telephone	1st Contact
Gael Webster	Manager, Governance and Appointments	s9(2)(k)	s9(2)(a) ✓

Actions for the Minister's Office Staff (if required)

If signed, lodge APH Committee documentation with Cabinet Office by 10.00am, Thursday 7 March 2019 for consideration at APH Committee on Wednesday 13 March 2019. Return the signed report to Treasury.

Note any feedback on the quality of the report

Enclosure: Yes (attached)

APPOINTMENT-IN-CONFIDENCE**Treasury Report: Monetary Policy Committee: Documentation to Confirm Appointment**

Executive Summary

You previously confirmed your intention to appoint external members Bob Buckle, Caroline Saunders and Peter Harris and internal member Christian Hawkesby to the Monetary Policy Committee (MPC) from 1 April 2019.

There is still one internal member vacancy on the MPC and the Reserve Bank Board has proposed to nominate the Chief Economist at the Reserve Bank to fill this vacancy, a role that is still being recruited for. In the meantime the Board of the Reserve Bank has recommended you appoint Mr Yuong Ha as one of the internal members of the MPC for a shortened term of one year during which time the Bank seeks to appoint a new Chief Economist who will then be considered for an MPC role.

You are now asked to sign the attached APH documentation confirming this appointment. The documentation should be lodged with Cabinet Office by 10.00am on Thursday 7 March 2019 for consideration at APH Committee on Wednesday 13 March 2019, or at a later APH date if necessary.

Following confirmation through Cabinet we will provide appointment letters for your signature.

Recommended Action

We recommend that you **agree** to sign the attached APH Committee documentation confirming the appointment of Mr Yuong Ha to the MPC for consideration at the APH Committee meeting on 13 March 2019.

Agree/disagree.

Gael Webster
Manager, Governance and Appointments

Hon Grant Robertson
Minister of Finance

APPOINTMENT-IN-CONFIDENCE



Reference: T2019/279 CM-0-2-9-2019

Date: 11 March 2019

To: Minister of Finance (Hon Grant Robertson)
cc: Associate Minister of Finance (Hon James Shaw)Deadline: None
(if any)**Aide Memoire: Monetary Policy Committee: Appointment (at DEV Committee 13 March 2019)**

In this paper the Cabinet Economic Development Committee is invited to note the Minister of Finance's intention to appoint one member to the Monetary Policy Committee (MPC), as follows:

Person	Designation	Appointment/ Reappointment	Term	Replacing
Yuong <u>Ha</u>	Internal Member	Appointment	From 1 April 2019 up to 31 March 2020	n/a

Background

The Monetary Policy Committee was established by the Reserve Bank of New Zealand Act (Monetary Policy) Amendment Act 2018. It will be responsible for formulating monetary policy, to achieve the objectives set out in the Monetary Policy remit, as set by the Minister of Finance.

The Committee will be made up of the Governor and Deputy Governor of the Reserve Bank of New Zealand, two other employees of the Bank (the 'internal members') and three members who are not employees of the Bank (the 'external members').

Other appointees

Person	Designation	Term
Robert Allan (Bob) <u>Buckle</u>	External Member	From 1 April 2019 up to 31 March 2022
Peter Stuart <u>Harris</u>	External Member	From 1 April 2019 up to 31 March 2022
Caroline Mary <u>Saunders</u>	External Member	From 1 April 2019 up to 31 March 2023
Christian <u>Hawkesby</u>	Internal Member	From 1 April 2019 up to 31 March 2024

The MPC will take responsibility for formulating monetary policy on 1 April 2019, at which time the terms of the appointees will commence. The appointment of the three external members and other internal member was noted by Cabinet on 25 February 2019.

APPOINTMENT-IN-CONFIDENCE**Appointment – Yuong Ha**

Yuong Ha has had several roles at the Reserve Bank of New Zealand, with secondments to the IMF and to Statistics NZ. From 2017, he has been Manager International and Markets Analysis, Financial Markets, responsible for reporting on international economy and financial market developments, and providing advice on the impact of these developments on the outlook for the NZ economy. Other roles in the Bank have included Manager Modelling in the Economics Department, Manager Forecasting, and Special Adviser in Macro-Financial Stability. Mr Ha is well versed in the monetary policy framework and tools of the RBNZ.

Mr Ha is being appointed as an internal member of the MPC to cover the vacancy created by the resignation of the Chief Economist effective 28 February 2019. The appointment for one year is to ensure an appropriate period for the Bank to appoint and on-board a new Chief Economist, ahead of their being considered for an MPC role.

Diversity

Following these appointments, the MPC will have only one woman as a member, with all internal members being men.

The Minister of Finance has asked through the letters of expectation to the Board of the Reserve Bank and the Governor to focus on supporting more women into senior leadership at the Bank. Both the Board and the Governor have confirmed that this is a matter of priority for them.

The Minister of Finance has also asked the Governor to write to him and the Minister for Women to set out the steps he intends to take to support and encourage more women into leadership positions in economics in New Zealand, and what Ministers can do to support this important priority. The Board and Governor's focus on increasing the representation of women in the Bank and in economics should see gender balance on the MPC improve over time.

Treasury officials will be in attendance in the Committee room lobby during the meeting.

Gael Webster, Manager, Governance and Appointments, §9(2)(k)