

From: Chris Bloor
Sent: Thursday, 2 March 2023 3:30 pm
To: Sarah Exeter
Subject: RE: Emailing March 2024 Appointment Process v2.5 from Documentum

Thanks Sarah – interesting background to that 2018 appointment. We'd never seen any internal documentation of it, just the OIA release of the Treasury advice that you referred to.

From: Sarah Exeter <Sarah.Exeter@rbnz.govt.nz>
Sent: Thursday, 2 March 2023 12:13 pm
To: Chris Bloor <Chris.Bloor@rbnz.govt.nz>
Subject: RE: Emailing March 2024 Appointment Process v2.5 from Documentum

Kia ora Chris
Thanks for your mark ups – I will check them out.

Regarding the exclusion – Nick McBride brought this to my attn. about 6 months ago. In the past few weeks I think we have gotten to the bottom of what occurred there. I believe it is actually untrue that the Board agreed this with the Minister. I don't know the whole chronology but from what I understand the Manager of Governance and Appts at Treasury at the time, put this 'exclusion' in a briefing to the Minister which was her misinterpretation of something that was said by the panel during interviews for the 2018 vacancies. One candidate, who was an academic, said that they would not give up their academic freedom to speak publicly about MP, and Gael misinterpreted the panel's comments about this after the fact. This briefing that the Manager subsequently wrote, was released under the OIA and then this was discussed in the media.

Nick and I are going to do some planning about how the Due Diligence process will work, including how likely candidates such as those "individuals who are engaged in, or likely to engage in future, in active research on monetary policy or macroeconomics" will be treated in terms of conflict identification and management.

Very good of you to raise this though – and I will make a note to front foot this in our communications.

Regards
Sarah

From: Chris Bloor <Chris.Bloor@rbnz.govt.nz>
Sent: Thursday, 2 March 2023 11:57 am
To: Sarah Exeter <Sarah.Exeter@rbnz.govt.nz>
Subject: RE: Emailing March 2024 Appointment Process v2.5 from Documentum

Hi Sarah,

Thanks for sending this through. I've marked up a few comments about how we can address the direction it looks like we'll be going in for the Charter, as well as a few other random bits and bobs.

Just to put another issue on your radar screen, if it's not already. When we appointed the external members in 2018 the Board agreed with the Minister to exclude "individuals who are engaged in, or likely to engage in future, in active research on monetary policy or macroeconomics". This was done to manage perceived conflicts of interest that could arise, but it was noted that this exclusion should be revisited in future appointments.

It's fair to say this exclusion has been very controversial, and has been criticised by a number of external parties. We should consider whether this exclusion should still apply. But given that this exclusion is well known in the NZ macroeconomic community, we will need to publicise whether it still applies if we are to attract that type of candidate.

Let me know if you need anything more from me to support this process.

Cheers,
Chris

From: Sarah Exeter <Sarah.Exeter@rbnz.govt.nz>
Sent: Wednesday, 1 March 2023 12:23 pm
To: Chris Bloor <Chris.Bloor@rbnz.govt.nz>
Subject: Emailing March 2024 Appointment Process v2.5 from Documentum

Hi Chris

See attached

- 1) Strawman of the application pack so far. Adrian is currently looking at this document / the criteria for appt. Interested to hear more about how the new Charter could potentially change this.
- 2) More detailed Project Plan / Appointment Process - have incorporated your points so far - into this.

Sarah

Monetary Policy Committee Vacancies April 2024 Project Plan

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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	Aug– Oct 2023	Selection of Candidates
Phase 4	Nov-Dec 2023	Seeking Ministerial Approval
Phase 5	Dec 23 – Jan 24	Announcement of Appointments
Phase 6	Feb -March 2024	Induction and onboarding of MPC Appointees
Phase 7	1-10 April 2024	Appointment commences and first MPC Meetings

Time	Action	Who	Completed
Phase 1 Preparing for Appointment campaign			
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	√
March	Plan Due Diligence process (see step X) Develop Application Pack and process	Board Secretary / General Counsel	
March	Consider potential impact of the Remit Review and the proposed new MPC Charter – due to be finalised by the MoF in June 2023. Some of the considerations for the Charter and expectations around external members generally may make the role slightly bigger. In particular, there may be a greater expectation on MPC members giving public speeches, which may have implications for the number of days they are contracted for. Update: Governor advises that proposed Application Pack / Role Description fits current and future role of MPC members.	Board Sec/Economics/Board Chair/Governor	√
Late March 2023	Draft a paper to go to the April Board meeting on MPC vacancies.	Board Secretary	√

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Time	Action	Who	Completed
20 April	<p>Board asked to make the following approvals:</p> <p>That the Board:</p> <ol style="list-style-type: none"> 1. Approve the Application Pack, which includes the role description, criteria for appointment, a timetable and process (see Appendix 2) 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 (see draft Terms of Reference Appendix 1). 4. Approve the appointment of 5 members to the Appointments Committee: <ul style="list-style-type: none"> • 2 Board Members • Adrian Orr (MPC Chair and Governor) • Neil Quigley (Board Chair) • An external member (see Recommendation 5) 5. Approve, and formally offer, the appointment of 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. <p>Application Pack Document Design commences</p>	Board Secretary / Chair of Board	√
End April 2023	<p>Note: Remit Review Project: Advice is to be sent to the Minister on approval of a new MPC Charter. Possible that a new Charter will be approved by June 2023- ideally this timing will be prior to launch of appointment campaign in early June.</p>	Chris Bloor	√
May 2023	Share proposed criteria for appointment with Tsy and MOF.	Chair of Board / General Counsel/ Board Secretary	√

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Time	Action	Who	Completed
May 2023	Ensuring a strong short-list: Executive Search agency is contracted <u>to seek suitable applicants to apply for vacancies</u> , and also possibly to receive and process applications.	Chair of Board / Director, Governance & Audit	√
	Put exec search agency in touch with RBNZ Comms team to ensure alignment.	Board Secretary	
May	Preparation to launch appointment process		√
MPS 24 May			
Phase 2: Appointment Campaign goes live			
June	Note: New MPC Remit and Charter approved by MOF	Chris Bloor	
12 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 linked from the RBNZ website. This includes role description, criteria for appointment, application process and timetable.	Board Secretary, Senior Adviser, External Communications Document designer	√
	RBNZ media statement is made about the MPC vacancies	Senior Adviser, External Communications	√
13 June 8-9am	Ensuring a strong short-list: An Appointments Committee virtual meeting is held.	Search Agency to provide reporting Board secretary to schedule/minute meeting.	√
Early July	Note: MPR and OCR announced on 12 July		√
15 July	Note: Pre-election period commences		

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Time	Action	Who	Completed
20 July 9.15am	Board Sec and Legal to connect with Kerridge around any potential or actual COI held by candidates emerging during the search process	Board Sec Legal Kerridge	
31 July, 5pm	Deadline for applications (6-8 weeks duration) Ensure all applications are acknowledged.	Board secretary to close off applications.	
Phase 3: Selection of Candidates			
Early August	Pre-sift: Applications are pre-sifted by the Executive Search Agency against the criteria for appointment, and placed into probable/possible/unlikely lists. <ul style="list-style-type: none"> - Possible Conflicts of Interest are identified during review. - Eligibility for appointment considered - A brief overview of each candidate's suitability against the criteria is provided to the Committee. 	Search Agency and/or internal team	
3 August 10.30am	Board Sec and Legal to connect with Kerridge around any COI issues evident on the long list.	Board Sec Legal Kerridge	
10 August 8am	Longlist review – any candidates who are ineligible will be identified.	Chair / Deputy Chair / Governor / Kerridge / Legal	
14 August	Distribute applications: All applications are provided to the Appointments Committee by the Board Secretary a week prior to the short-listing meeting.	Board Secretary / Search Agency	
Mid August	Note: MPS and OCR announced 16 August		
21 August 1.30-3pm (Virtual)	Shortlisting meeting: The Appointments Committee convene for a virtual short listing meeting. <ul style="list-style-type: none"> • The top 5-6 candidates who best meet the criteria for appointment are chosen to be interviewed. 	Neil Quigley / Board Secretary/General Counsel /Search Agency	

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Time	Action	Who	Completed
	<ul style="list-style-type: none"> • 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. 		
	<ul style="list-style-type: none"> • 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 /Search Agency/Emma Clarke to arrange travel.	
30 August 8.30-5.30pm & 1 Sept 10-11am (placeholder) (virtual)	Interviews: Interviews take place, in-person in Wellington. Appointments Committee choose 2 candidates, who best meet the criteria, to recommend to the Board.	Appointments Committee	
Early September	Due diligence of candidates takes place: <ul style="list-style-type: none"> • references taken • eligibility for appointment tested • ID is checked • Background checks (ie police, bankruptcy) • conflict of interest discussions are held with each selected candidate. 	Board Secretary / General Counsel	
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/ General Counsel	
21 September	Board approves candidates for recommendation: Board meeting takes place. Board resolves to recommend 2 chosen candidates to the Minister for appointment on merit.	Neil Quigley Board Secretary	

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Time	Action	Who	Completed
Late September	Candidates agree in writing to accept the position if they are appointed by the Minister. A bio is obtained from candidates in anticipation of an announcement. Those candidates who are not successful are advised.	Board Secretary Legal Counsel Snr Adviser, Ext Comms	
Early October	Note: MPS and OCR announced 4 October		
14 October	Note: General Election		
Phase 4: Seeking Ministerial Approval			
Mid- Late October	Report to the MOF: Letter and Report issued to Minister with recommendation from the Board of two candidates for appointment to the MPC.	Board Secretary Simone Robbers to sign off	
Late Nov	Note: MPS and OCR announced 29 November		
Phase 5 Announcement of Appointments			
Approx Mid Oct 23- late Jan 24	Minister makes appointment of the two candidates. The first from 1 April 2024, and the second from 1 July 2024.	Minister's Office	
	Appointment Letter written to successful candidates	Ian Green, Treasury Appointments Unit	
	Appointments are announced in the Gazette	Minister's Office	
	RBNZ Media Statement released	Snr Adviser, Ext Communications	
	Successful candidates receive MPC meeting dates, Feb/March induction dates etc..	Karen Silk	
Late Feb	Note: MPS and OCR announced 28 February Peter Harris attends last scheduled MPC Meetings	Karen Silk	
Feb – March 24	Phase 6: Induction and onboarding of MPC Appointees		

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Time	Action	Who	Completed
Feb/March 24	<p>Successful Candidates attend induction sessions:</p> <p>This will include:</p> <ul style="list-style-type: none"> • media training • information security briefing • Sign an NDA <p>to ensure they are well briefed prior to the April MPC meetings.</p>	<p>Karen Silk</p> <p>Naomi</p> <p>Terry N</p>	
	Other onboarding tasks such as security, payment etc	Karen Silk / Emma Clark	
1 April 2024	The first statutory appointment begins.	Karen Silk	
1-10 April 2024	<p>Note: MPR and OCR announced 10 April 2024</p> <p>Caroline Saunders attends last scheduled MPC meetings.</p>		
1 July 2024	The second statutory appointment begins.	Karen Silk	

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Summary of Staff and Stakeholders' roles

Staff/Stakeholder	Contact Number	Role
MPC Appointments Committee		
Neil Quigley, Chair		Appointment Committee. Non-executive oversight of timetable and process. Selects shortlist, undertake interviews, recommend names to the Board.
Rodger Finlay,		
Susan Paterson		
Adrian Orr		
Leilani Frew - External member		
Governance		
Simone Robbers, Assistant Governor	s 9(2)(k)	Oversight, Sign off of reports to the Minister of Finance
John Grey, Manager, Governance		Oversight, coordination of Executive Search procurement.
Sarah Exeter, Board Secretary	s 9(2)(a)	Write reports to the board and appointments committee, support the MPC Appointments Committee, key liaison with the Executive Search Firm.
Desire Crous, Department Co-ordinator	s 9(2)(k)	Arrange meetings of the Appointments Committee and distribute papers
COMMUNICATIONS		
James Weir, Senior Adviser, External Stakeholders		Oversight, coordination of media release with Board secretary, advertising and communicating vacancies
Adrienne Martin	s 9(2)(a) s 9(2)(k)	Coordination with Minister's Office, OIA
LEGAL		
Nick McBride, Director of Legal Services, General Counsel		Oversight, due diligence/conflict of interest conversations, advising Appointments Committee meetings Candidates accept role
External Stakeholders		

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Minister's Office		Make appointment, Announce appointments in Gazette
Ian Green Treasury Appointment Unit		Letter to successful candidates
Money and Cash		
Karen Silk and Team		Arrange Induction and onboarding
Chris Bloor		Contact regarding Remit Review and new MPC Charter

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Due Diligence Process		Lead
Conflict of Interest		
1 st week of September	<p>Conflict of interest interviews take place between candidates, the General Counsel and Board Secretary</p> <p>Any pecuniary and non-pecuniary conflicts of interest are identified and documented in a Declaration of Interest.</p>	Nick McBride
	Eligibility for appointment is tested at the interview	
References		
	References are taken (shall we do this in-house or ask agency?).	Sarah Exeter
Check		
	Request several forms of Identification from candidate.	
	Bankruptcy check	
	Security Check	IT?
	Police Background Check	Who can help with this? HR? How long does this take?
	Qualification Check	HR?

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Project Risk Register

Project Risks Identified	Risk Mitigation	Action taken	Complete
Different opinion held by agencies on management of conflict of interest. The 2018 process generated a view by some that 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.	Feb 2023 Chair/Gov aligned – This was a misinterpretation by an administrator during the 2018 process. March 2023: Due Diligence process to be planned April/May: consult Tsy and MOF on criteria and approach to due diligence	Consultation has occurred with Board/Tsy/Comms on this matter. The criteria and the media release will explicitly work to clarify the situation.
Risks of running appointment campaign over MPS period and people using process to gain market sensitive information.	Ensure that interviews are not held over forecasting weeks. Ensure that interview questions are agreed ahead of time and panel are briefed by communications on potential risks.	Interviews are scheduled for 30 August which does not fall during forecasting week.	tbc
Remit Review - need to manage timing around announcement of Remit Review / new MPC Charter	Close communications with Remit Review Team.	Announcements did not co-incide.	Complete
Ensure induction of new members prior to 1 April 2024 as MPR and OCR announced 10 April 2024	Plan for Feb and March 24 induction and media training for new MPC members	tbc	tbc

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Project plan consultation and response

Feedback received		Response
1	<p>LEGAL:</p> <p>"The process looks broadly OK to me. I think COI and competency criteria would need to factor in early"</p>	Approach to Due Diligence and COI, and criteria for appointment are considered earlier in the process.
2	<p>"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."</p>	The criteria and the media release will work to clarify the situation.
3	<p>COMMUNICATIONS:</p> <p>"We can expect strong external interest in the MPC appointment process, regardless of who runs it.</p>	Included Media Statement Releases in the process timeline
4	OIA requests were made for all sorts of info last time (age, gender of applicants, shortlisting advice etc)	Discussion with Government and Industry Relations (GIR) team was had.
6	Sensitivity of MPR/MPS decision time should be factored in.	These dates have been noted on timetable
7	Consider proactive release	Application Pack will be proactively published.
8	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	Action: Sarah/ Sarah to discuss governance arrangements for this project, ie set up a steering group to include comms
9	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 in project plan.

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Feedback received	Response
<p>10 When an appointment is made – we’d need bio information – and potentially to support the person with media training/prep.</p>	<p>This has been included in the process</p>
ECONOMICS	
<p>11 We will be giving advice to the Minister on the Charter at the end of April, and it will be up to the Minister when he decides to take a decision on it. My best guess is that we might have a new Charter in June, so will be running close with the planned recruitment.</p>	<p>Try and co-ordinate launch of appointments campaign to follow this decision by the MOF. Application pack will ideally link to the new Remit and Charter.</p>
<p>12 When we appointed the external members in 2018 the Board agreed with the Minister to exclude “individuals who are engaged in, or likely to engage in future, in active research on monetary policy or macroeconomics”. This was done to manage perceived conflicts of interest that could arise, but it was noted that this exclusion should be revisited in future appointments.</p> <p>It’s fair to say this exclusion has been very controversial, and has been criticised by a number of external parties. We should consider whether this exclusion should still apply. But given that this exclusion is well known in the NZ macroeconomic community, we will need to publicise whether it still applies if we are to attract that type of candidate.</p>	<p>Action: Inform Comms of this matter and build it into comms plan.</p> <p>We believe it is actually untrue that the Board agreed this with the Minister. From what we understand the Manager of Governance and Appts at Treasury at the time, put this ‘exclusion’ in a briefing to the Minister which was her misinterpretation of something that was said by the panel during interviews for the 2018 vacancies. This briefing that the Manager subsequently wrote, was released under the OIA and then this was discussed in the media.</p>
<p>13 Some of the considerations for the Charter and expectations around external members generally may make the role slightly bigger, so that is something that should be considered in the process. In particular, there may be a greater expectation on MPC members giving public speeches, which may have implications for the number of days they are contracted for.</p>	<p>This was discussed with the Chair and Governor.</p>
<p>14 Induction and appointment date – we need to make sure that timing of Peter / Caroline finishing and new appointees starting is clear of MPR meeting that will occur in April 24. There is an MPR on 10 April 24 we need to be clear as to who will be appointed members for that round. If it is new appointees then they will need to have had access to the Handbook and be taken through that and charter well ahead of MPC meeting (8-10 April) for that round. We can sort induction details closer but important to note these</p>	<p>This timing has been factored into the schedule.</p>

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Feedback received	Response
MPC meeting dates if the FEB MPS is proposed as last meeting for Peter.	
15 Conflicts point regarding whether in their day job they can commentate on Monetary Policy is one to be considered carefully, particularly in light of the MPC Charter.	The application pack sign posts applicants to constraints on statutory appointees.

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 or 1 July 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 [\[links\]](#) and the RBNZ Act 2021.
- 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 Appointment

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.
8. A strong understanding of conflicts of interest, the sensitivity associated with "inside knowledge" of monetary policy decisions, and the constraints on other activities that are necessarily associated with membership of the MPC.

A list of disqualifications from the role is contained in the Appendix as per Schedule 3, Part 2, clause 14 (2) of the RBNZ Act 2021.

How to Apply

Candidates are invited to apply here [\[link\]](#) by providing a cover letter and CV that clearly address how they meet the criteria for appointment.

Process and Timetable for Appointment

Monday 19 June 2023	The application period begins.
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 person who is a director or an employee of a regulated entity:
- a member of the Reserve Bank of New Zealand Board:
- a person who is an undischarged bankrupt:
- a person who is 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](#), the [Financial Markets Conduct Act 2013](#), or the [Takeovers Act 1993](#):
- a person who is subject to a property order under the [Protection of Personal and Property Rights Act 1988](#):
- a person in respect of whom a personal order has been made under that Act that reflects adversely on the person's—competence to manage their own affairs in relation to their property; or
- capacity to make or to communicate decisions relating to any particular aspect or aspects of their personal care and welfare:
- a person who has been convicted of a crime involving dishonesty as defined in [section 2\(1\)](#) of the Crimes Act 1961 within the past 5 years:
- a person who has been convicted within the past 5 years, in a country other than New Zealand, of an offence that is substantially similar to an offence specified in paragraph (g):
- a person who has been convicted of an offence punishable by imprisonment for a term of 2 years or more, or who has been sentenced to imprisonment for any other offence, unless that person has obtained a pardon, served the sentence, or otherwise suffered the penalty imposed on the person:
- a person who is a chief executive of a department or an employee of a department.

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 checked="" 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

Board Paper for Approval 2.7

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 establish 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 (see Appendix 2)
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 (see draft Terms of Reference Appendix 1).
4. **Approve** the appointment of 5 members to the Appointments Committee:
 - 2 Board Members
 - Adrian Orr (MPC Chair and Governor)
 - Neil Quigley (Board Chair)
 - An external member (see Recommendation 5)
5. **Approve**, and formally offer, the appointment of 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.

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

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.

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 2).

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 measure 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.

4.3 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 the opportunity will be taken to clear up a misunderstanding. RBNZ will clarify that individuals who are actively engaged in monetary policy research **are** eligible to apply for vacancies on the MPC. Following the last MPC appointment process in 2019, a memo written by a Treasury official was released under OIA by the Treasury and subsequently reported on in the media. The memo stated that the RBNZ and the Minister of Finance had agreed to take a strict approach to conflicts of interest which included 'excluding from consideration any individuals who engage in, or likely to engage in future, in active research on monetary policy or macroeconomics.' This is believed to be a misinterpretation of a discussion by the 2019 appointment panel, and is inaccurate. External communications will make it very clear that these individuals are eligible to apply for these vacancies.

4.4 Due Diligence and Conflict of Interest

A due diligence process will seek to confirm that short-listed candidates are eligible for appointment. The list of those who are disqualified from being appointed to the MPC is appended

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to the Application Pack and includes Members of Parliament, employees and directors of registered banks, NBDTs and licensed insurers.

The due diligence process will also seek to identify and explore whether any actual or perceived conflicts of interests are held by short-listed members. Consideration can then be taken to consider whether this conflict of interest can be managed or not.

The MPC Code of Conduct states that:

Each member must:

- Act in the interests of the Bank, and not pursue his or her own interests at the expense of the Bank.
- Declare relevant interests through disclosure to the chairperson.

There is a conflict of interest whenever a member's duty or responsibility to the Bank could be affected by some other duty or loyalty (i.e. the member's "interest") that the member may have.

Perception of a potential conflict of interest is as important a consideration as an actual conflict of interest.

In determining whether a conflict of interest exists, members should ask themselves: does their other interest or loyalty create an actual or perceived incentive for them to act in a way that may not be in the best interests of the Bank?

Could it undermine public trust and confidence in a member or in the Bank? Would a reasonable outside observer conclude that a conflict of interest existed? Members should err on the side of caution and treat the interest as a potential conflict of interest situation.

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.

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 5 members:

- The Board Chair
- The MPC Chair / Governor
- 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.

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Five 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.

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	<p>As required during MPC appointment processes.</p>
Composition, skills matrix of the Committee	<p>The Committee will have a membership of five members comprising:</p> <ul style="list-style-type: none"> • two RBNZ Board members • the MPC Chair/Governor • the Board Chair • an external member.
Quorum	<p>The quorum will be two members.</p>
Term	<p>The Committee will be dis-established following the appointment of the two 2024 MPC vacancies.</p>
Management and advisers	<p>AG/GM Strategy, Governance and Sustainability will be responsible for the effective operation of the committee.</p> <p>The Board Secretariat will support the Committee.</p>

From: Neil Quigley
Sent: Thursday, 6 April 2023 10:03 am
To: Sarah Exeter
Subject: RE: MPC Appointment Process - Paper for review
Attachments: MPC Appointment Process 2024.docx NQ.docx; Application Pack MPC External Member draft 28 Feb 2023.docx NQ.docx

Sarah

Just a small number of issues – the main one being the number of appointments committee members. Feel free to phone me if you want to discuss any of my suggestions.

Neil

From: Sarah Exeter <Sarah.Exeter@rbnz.govt.nz>
Sent: Wednesday, 5 April 2023 6:06 pm
To: Neil Quigley <Neil.Quigley@rbnz.govt.nz>
Subject: MPC Appointment Process - Paper for review

Kia ora Neil

Please can you provide me with feedback on this paper for the April Board? Happy to chat if easier.

Sarah

Ngā manaakitanga

Sarah Exeter

Senior Governance Adviser

Reserve Bank of New Zealand – Te Pūtea Matua

205 Queen Street, Auckland CBD.

T [s 9\(2\)\(a\)](tel:0922321000)

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



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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 2-3 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			
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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~~ **Three** 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.

Commented [NQ1]: I think it has to be three, because one will need to be Adrian (as MPC Chair) one should be Rodger, and we need the third slot to ensure the RBNZ members are not all blokes.

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	<p>As required during MPC appointment processes.</p>
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	<p>The Committee will wind-down following the appointment of the two 2024 MPC vacancies.</p>
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>

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 <u>or 1 July 2024</u> , 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 Appointment

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.
- 7-8. A strong understanding of conflicts of interest, the sensitivity associated with "inside knowledge" of monetary policy decisions, and the constraints on other activities that are necessarily associated with membership of the MPC.

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.
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Mid July	The pre-election period commences.
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Monday 31 July 2023, 5pm.	The application period ends. All applications are acknowledged by email.
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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
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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. <ul style="list-style-type: none"> • 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.



RBNZ Board Minutes

Date:	Thursday 20 April 2023
Time:	9.00-16.25
Location:	Treasury Room @ The George - Level 2, 50 Park Terrace, Ōtautahi Christchurch
Board:	<p>Neil Quigley, Board Chair Adrian Orr, Governor and Board Member Rodger Finlay, Board Member* Susan Paterson, Board Member Byron Pepper, Board Member* Rawinia Higgins, Board Member</p>
Attendees:	<p>Christian Hawkesby, Deputy Governor, GM Financial Stability Karen Silk, AG/GM Economics, Financial Markets & Banking Sarah Owen, AG/GM Risk, Compliance and Legal Simone Robbers, AG/GM Strategy, Governance & Sustainability Sarah Exeter, Senior Governance Adviser and Board Secretary Nick McBride, Director of Legal Services/General Counsel</p>
Presenters:	<p>Juliet Tainui-Hernandez , AG/GM People and Transformation Greg Smith, AG/GM Finance and Commercial Operations Piers Ovenden, Manager Strategy, Planning and Performance* Nick Jeffs, Director, Strategy and Business Performance Naomi Mitchell, Director of Communications and Stakeholder Engagement Kate Kolich, AG/GM Data, Information and Analytics John McDermott, AG/GM Digital Solutions and Security Chris Macdonald, Manager, Financial Systems Analysis* Ashley Farquharson, Senior Analyst, Financial Stability Assessment* Kerry Watt, Director, Financial Stability Assessment* Scott McKinnon, Director Prudential Supervision* Vanessa Balshaw, Director of Finance/Chief Financial Officer* Kerry Beaumont, Director, Enforcement and Resolution* Darren Hews, Adviser, Planning and Performance* Jazmen Rose, Manager, Supervision* Andrew Turner, Director of Financial Markets* Lewis Kerr, Economic Adviser* Chris Bloor, Manager, Policy Analysis* Matthew Brunton, Economic Adviser* John Grey, Manager, Governance Services* Paul Macpherson, Chief Information Security Officer* John Baddiley, Director of Digital Solutions* Greta Gordon, Strategic Adviser, Digital Solutions* Vikki Forster, Acting Director of People and Capability* Adrienne Martin, Manager, Government and Industry*</p> <p><i>*Joined the meeting virtually.</i></p>

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#	Item	Action
1.1.	Welcome, Karakia and Apologies The Chair welcomed members to the meeting and led a karakia. Apologies were received from Jeremy Banks and Hinerangi Raumati-Tu'ua. An apology was also received from Byron Pepper for an early departure.	
1.2.	Disclosure and Interests The Board noted the register. No new declarations were provided.	
1.3.	Minutes of Previous Meeting and Action List The minutes from the meeting of Thursday 16 March 2023 were confirmed as a true and accurate record of the meeting. The Action List was noted.	
1.4.	CE's Report and Group Reports The Governor and his team introduced the reports. The Board discussed: <ul style="list-style-type: none">• The cycle of work and the timeline for the passage of legislation prior to the general election.• RBNZ's response to the emergence of AI technology in terms of staff communications and current policy.• The draft Central Bank Indigenous Network (CB) symposium programme and speakers. The Board made the observation we need speakers who can speak on behalf of their iwi.• The recent staff workshop on how to embed Te Tiriti within the RBNZ. <i>Sarah Owen left the meeting.</i> The Board noted the positive progress made by the Staff Superannuation Fund Trust Board, and that the Trust are planning a meeting for all members of the Fund. <i>Sarah Owen, and Vanessa Balshaw joined the meeting.</i>	
1.5.	Finance Report The Board noted the Finance Report.	
1.6.	General Counsel Report Nick McBride introduced the report. The Board approved the legal advice protocol memo which will be incorporated as an appendix to the Board Charter.	

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#	Item	Action
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2.1 Draft Budget FY23-24

Vanessa Balshaw and Greg Smith introduced the report. The Board discussed the draft budget including:

- the rate of churn, which is expected to remain at around 18% partly due to number of staff heading for overseas experience, delayed by the pandemic.
- project funding.
- staff remuneration.

The Board **endorsed** the draft budget in principle and **noted** that management will present the final budget for Board approval in June.

Vanessa Balshaw left the meeting.

2.2 Statement of Performance (SoP) 22/23 and design version of Statement of Performance Expectations (SPE) 23/24

Piers Ovenden, Nick Jeffs and Darren Hews joined the meeting.

Piers presented the design version of the SPE, noting that the RBNZ has an obligation to provide a draft to the Minister of Finance for feedback before the end of April. The final SPE will be presented to the Board at the June meeting.

The Board provided feedback on the SPE 23/24:

- It asked that the document clarifies that SPE 1, which relates to the monitoring and assessment of the Monetary Policy Committee (MPC), is a measure for the RBNZ and not the MPC.
- It supported the plan to develop clear, publishable targets which will provide an indication of progress in addition to 'achieved/not achieved'.
- It suggested extending measurement of performance to the area of financial compliance and conduct relating to the balance sheet.
- It asked that information on activity related to the Deposit Takers Act (DTA) and the Depositors Compensation Scheme (DCS) is included in the commentary or forward.

2.3 Review of Quarter 3 reports (Sol and SPE)

Nick Jeffs introduced the item which sought feedback on the Q3 Sol and SPE reports.

The Board commended the report for providing the Board with a good overview of performance. It considered SPE 4 which relates to short-term interest rates in financial markets, which did 'not achieve' the target in

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#	Item	Action
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Quarter 3. It asked that the document explains that this target sits outside of the RBNZ's control.

Nick Jeffs, Darren Hew and Piers Ovenden left the meeting. The meeting adjourned for morning tea.

2.4 Financial Resources to support implementation of Foreign Reserves Management and Coordination Framework (FRCF)

When the meeting resumed Kate Kolich, John McDermott and Nigel Prince had left the meeting. Andrew Turner, Naomi Mitchell and Lewis Kerr joined the meeting.

Karen Silk and Andrew Turner introduced the paper which provided recommendations to the Board on additional capital and a Crown indemnity.

The Board discussed the Crown indemnity and clarified that the indemnity is perpetual.

It noted that there are accounting implications related to acceptance of the capital, but these have been considered by RBNZ and Treasury and are considered manageable.

The Board **delegated** to the Governor and Chair the preparation of correspondence to the Minister of Finance reflecting positions taken by the Board, specifically:

- confirming the Reserve Bank's acceptance of additional financial resources of \$500 million of capital and a Crown indemnity of a value of \$1.5 billion
- confirming the Reserve Bank's agreement to the terms of the indemnity (as documented as of 6 April 2023).
- noting that officials are still working through the terms of the section 208 direction, but that in the Reserve Bank's opinion those discussions need not delay the implementation of the above items.
- noting any relevant progress on the wider review of the Reserve Bank's financial resources.

Andrew Turner, Naomi Mitchell and Lewis Kerr left the meeting.

2.5 Remit Review – Ministerial Advice

Chris Bloor and Matthew Brunton joined the meeting.

Chris introduced the report on the review of the Monetary Policy Remit, as required under the Reserve Bank of New Zealand Act 2021.

The Board **noted** RBNZ staff have identified options to meet the Minister of Finance's request to consider how the *Remit* could require MPC to consider

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#	Item	Action
	<p>house prices, use of AMP tools and Crown fiscal risk, and fiscal and monetary policy coordination when making monetary policy decisions.</p> <p>The Board endorsed the advice to the Minister of Finance that none of these factors should be incorporated into the <i>Remit</i> document.</p> <p>The Board endorsed Option 1 (see paragraph 6.12) is the preferred option should the Minister not accept the Reserve Bank's advice and seek to incorporate such factors into the <i>Remit</i> document.</p> <p>The Board endorsed the recommendation that the MSE objective be made subject to the price stability objective while noting that the Minister may not agree.</p> <p>The Board approved the recommendations for the Remit set out in Table 1 on page 7.</p> <p>The Board noted the MPC's views on the MPC Remit and Charter set out in Appendix 1.</p> <p>The Board approved the Remit Review Advice Document (Appendix 2) and Ministerial Cover Note (Appendix 3), and delegate to the Governor the approval of both documents for minor changes.</p> <p>The Board delegated to the Governor the discretion to provide advice in response to any subsequent requests from the Minister for further advice on the Remit.</p> <p><i>Chris Bloor and Matthew Brunton left the meeting.</i></p>	
2.6	Monetary Policy Review – April <p>Karen Silk spoke to the report noting that on 5 April 2023 the Monetary Policy Committee decided to raise the Official Cash Rate by 50 basis points from 4.75 to 5.25 percent.</p> <p>The Board discussed the MPC decision and noted that the Treasury observer attending the MPC provided a good contribution by highlighting risks, expectations and fiscal position.</p>	
2.7	MPC Appointments Process 2024 <p>The Chair introduced the report noting that the report presents for approval an application pack which includes a role description, criteria for appointment and timetable.</p> <p>The Board approved the Application Pack, which includes the role description, criteria for appointment, a timetable and process (see Appendix 2).</p> <p>The Board noted that the Application Pack will be published on the RBNZ website and used to advertise the position publicly.</p>	

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#	Item	Action
	<p>The Board approved the establishment of an Appointments Committee to select, interview and recommend candidates to the Board (see draft Terms of Reference Appendix 1).</p> <p>The Board approved the appointment of 5 members to the Appointments Committee:</p> <ul style="list-style-type: none">• 2 Board Members• Adrian Orr (MPC Chair and Governor)• Neil Quigley (Board Chair)• An external member (see Recommendation 5) <p>The Board approved to formally offer to Leilani Frew, (Deputy Secretary, Treasury) an appointment as an external member of the Appointments Committee.</p> <p>The Board noted 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.</p>	
2.8	<h3>Monetary Policy Committee (MPC) Assessment Process 2023</h3> <p><i>Piers Oviden and John Grey joined the meeting.</i></p> <p>Nick McBride introduced the paper noting that the RBNZ Act 1989 was amended in 2019 to create the MPC and set up the duty of the Board to monitor the MPC. The Assessment Framework was created to allow the Board to discharge that duty.</p> <p>The Board noted the Board is required under section 99 of the Act to review the performance of the MPC and its members in discharging their respective responsibilities under the Act and state in the Annual Report whether those responsibilities have been adequately discharged.</p> <p>The Board noted the Board is scheduled to undertake an assessment for this purpose in June 2023. It has delegated this task to be led by the People, Culture and Change Committee and will be reported back to the Board at its July Board meeting.</p> <p>The Board noted that through the RAFIMP the Board undertakes a performance related assessment every 5 years, and the annual review is currently a procedural based assessment.</p> <p>The Board requested that they are provided with advice on options for what would be practical and effective in respect of undertaking a performance related review of the MPC at a future date.</p>	

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#	Item	Action
	<p><i>John Grey and Piers Ovenden left the meeting. The meeting adjourned for lunch.</i></p>	<p>Action: Board Secretariat and Legal to connect with Economics to take forward.</p>
2.9	<p>Review of Macroprudential settings (Loan-to-Value Ratios)</p> <p><i>When the meeting resumed Byron Pepper, had left the meeting. Kerry Watt, Chris Macdonald, Ashley Farquharson joined the meeting.</i></p> <p>Rodger Finlay, Chair of the Financial Stability Oversight Committee (FSOC) presented the paper and made recommendations to the Board.</p> <p>The Board approved the Reserve Bank consulting with registered banks on a proposal to ease LVR restrictions with effect from 1 June 2023, from:</p> <ul style="list-style-type: none">10% limit for loans with LVR above 80% for owner occupiers, and5% limit for loans with LVR above 60% for investors <p>to:</p> <ul style="list-style-type: none">15% limit for loans with LVR above 80% for owner occupiers, and5% limit for loans with LVR above 65% for investors. <p>The Board noted that, subject to any issues raised in consultation, the proposal above will be implemented by management, acting under delegation, through changes to the conditions of licence applying to registered banks (section 74 Banking (Prudential Supervision) Act 1989).</p> <p>The Board noted that the Reserve Bank will announce publicly on 26 April 2023 that it is consulting with registered banks on its proposal to ease LVR restrictions.</p>	
2.10	<p>Financial Stability Report – May</p> <p>Rodger Finlay, FSOC Chair, presented the paper, briefly summarising the comments that the FSOC had made on the draft FSR particularly related to risk, and also the tone of the document.</p> <p>The Board commended the document. The Board will be asked to provide final sign off of the document and press release between 24 and 28 April 2023.</p>	
3.0	<p>Digital Solutions and Security Six Monthly Update</p> <p><i>John McDermott, Paul Macpherson, John Baddiley and Greta Gordon joined the meeting.</i></p>	

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#	Item	Action
	<p>John McDermott introduced the report. The Board discussed remote working and patching, risk management processes and vulnerabilities.</p> <p>The Board noted the report.</p> <p><i>Paul Macpherson, John Baddiley and Greta Gordon left the meeting.</i></p>	

3.1 Annual Remuneration Review 2023

Vikki Forster joined the meeting.

The Board discussed options to ensure that

The Board **approved in principle** the recommendation of a 4% remuneration pool or \$3.4million (of current staff salaries) for the FY23 ARR.

The Board **supported** the targeting of the areas of the organisation which are currently being paid less than the market rate or need to be retained, using a pool of up to a further 1%.

The Board **agreed** that it would like to receive an update on the outcomes of this process in mid-June, and an indication of whether the 1% pool has sufficiently addressed the needs of the targeted areas.

The Board **requested** that a DEI lens be run over the outcomes to ensure that inequities are not being further entrenched.

The Board **approved** the remuneration band increases effective 1 July 2023 (Appendix A)

The Board **approved** the 2023 Annual Remuneration Review Matrices and associated parameters.

The Board **approved** the Annual Remuneration Review timeline.

Vikki Forster left the meeting.

Action: J Tainui-Hernandez/ V Forster to provide a verbal update at the June Board meeting.

3.2 Exercise of Statutory Powers

Scott McKinnon, Kerry Beaumont and Jazmen Rose joined the meeting.

The Board received a verbal update on a credit union.

The Board **noted** that there are no plans for the use of sensitive significant operational powers this month.

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IN CONFIDENCE

#	Item	Action
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The Board **noted** the report including the matters set out in Tables 2 and 3 and the material in Appendix 1 and 2.

3.3 Board Work Programme

The Board noted the work programme.

The Chair noted that there may be a short online meeting required in May.

3.4 Any Other Business

The Board agreed that the September meeting will be in Hamilton or Napier.

Naomi Mitchell joined the meeting and provided a briefing on the Reserve Bank of Australia governance review.

Greg Smith, Karen Silk, Sarah Owen and Juliet Tainui-Hernandez left the meeting.

3.5 Board OIA briefing

Adrienne Martin joined the meeting.

Nick, Naomi and Adrienne provided the Board with a briefing on the Official Information Act.

3.6 Board Only Time (non-Executive Directors)

John Grey joined the meeting.

Board Evaluation: proposal from Cerno

The Board considered the Board evaluation proposal from Cerno. The Board asked that there should be an element of self-reflection included in the evaluation. The Board noted that Cerno would set up conversations with each member and some of the ELT.

3.7 The meeting concluded at 16.25 pm.



Board Chair

15 June 2023

From: James Weir
Sent: Tuesday, 30 May 2023 8:51 am
To: Neil Quigley
Cc: Adrian Orr; Sarah Exeter; Simone Robbers; Naomi Mitchell; Brendan Manning
Subject: SENSITIVE Emailing Media release for MPC recruitment - final draft from Documentum
Attachments: Media release for MPC recruitment - final draft.docx

Dear Neil and Adrian,

Please find attached a draft media release to go out when the MPC appointment process starts.

This is for the CEO/Chair/Board Sec meeting which is on Friday 2 June.

The draft has been reviewed by Simone Robbers, Sarah Exeter, Naomi Mitchell and other staff.

Neil, I have included draft quotes which you may want to adjust.

Please let me know if you'd like to make any changes.

Publication date is tentatively 12 June.

Thanks,

James

Details of the attached documents are as follows:

Media release for MPC recruitment - final draft 1.1

Last modified by: James Weir on: Mon, 29 May 2023 at 14:54.

20367670-1.1

From within the Reserve Bank you can also view and make changes using the following link

<https://docs/webtop/drl/objectId/090000c3809e338d>

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 +s 9(2)(a) **T** + s 9(2)(k)

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



Date	12 June 2023
Time	9:00am or later- not time sensitive

Recruitment of new External Members to the Monetary Policy Committee

A public appointment process has started for two external members of the Reserve Bank's Monetary Policy Committee (MPC) ahead of these members' terms expiring in 2024.

The MPC is responsible for achieving its remit of price stability and supporting maximum sustainable employment. Monetary policy decisions, such as setting the Official Cash Rate, are made by the seven members of the committee as a whole, rather than the single decision-maker model adopted by some other central banks. The MPC is made up of four internal RBNZ members and three external members.

MPC appointments are made by the Minister of Finance, on recommendations from the Board of the Reserve Bank of New Zealand - Te Pūtea Matua.

The new MPC members will replace current members Caroline Saunders and Peter Harris when their terms end in 2024. Mr Harris' term ends on 31 March 2024 and Professor Saunders' term ends on 30 June 2024.

Reserve Bank Board chair Neil Quigley thanked Professor Saunders and Mr Harris for their continued service, until their terms end next year.

"They have given their wisdom, experience and expertise as external members of the MPC", Mr Quigley said. "The external members of the committee, including Caroline, Peter and Bob Buckle bring a different perspective and add to a robust debate for the MPC."

"We look forward to recruiting new committee members over coming months, with applications now open to anyone and closing on 31 July," he said. "Suitably qualified candidates will be interviewed later this year. Then the names of nominated candidates, on merit against the criteria for appointment, will be provided to the Minister of Finance after the General Election."

Applications will be assessed by the MPC Appointments Committee against various criteria including relevant professional knowledge, skills and experience such as in the areas of economics, public policy, banking or monetary policy.

"For clarity, applications are encouraged from candidates with expertise in monetary policy and macroeconomics, including those who are carrying out ongoing research in these areas," he said.

"The final appointment decisions and timing is up to the Minister, but we expect appointments to be announced by early 2024," he said.

After the two new MPC members are inducted, they will officially begin their appointments on 1 April or 1 July 2024, respectively.

More information

- See full MPC Application Pack (add hyperlink)
- For further information on this appointment please contact:
- **[Name and details of Search Firm will be added]**

Length of appointments

MPC members serve fixed terms.

- Internal members must be appointed for up to a term of up to 5 years and can be reappointed for 2 further terms as an internal member of up to 5 years each.
- External members must be appointed for a term of up to 4 years and can be reappointed for 1 further term as an external member of up to 4 years.
- Monetary Policy Committee
- Latest OCR decision

Media contact

James Weir
 Senior Adviser External Stakeholders
 MOB: s 9(2)(a)
 Email: james.weir@rbnz.govt.nz

NOTES FOR RBNZ (NOT FOR PUBLICATION)

Status	DRAFT, Pending approval
Drafter	James Weir
Approvals required from	Chair Neil Quigley Adrian Orr By 2 June :
Any consultation or approvals?	<ul style="list-style-type: none"> • All MPC members as an FYI • Brendan Manning • Search Firm • Naomi Mitchell • Karen Wong on Remit Review matters • RBNZ Board • Reviewed by: <ul style="list-style-type: none"> ✓ Sarah Exeter 22/5/23

	<ul style="list-style-type: none"> ✓ Brendan Manning 22/5/23 ✓ Naomi Mitchell 22/5/23 ✓ Matthew Brunton 22/5/23 ✓ Chris Bloor TBC 29 May Karen Wong TBC 29 May <p>And CC Paul Conway as an FYI 29 May?</p>
Release date and time	TBC Monday 12 June, pending timing of Remit Review announcement
Information/data classification	Standard – normal website editing procedures
Distribution ahead of release to and who is sending	<ul style="list-style-type: none"> • Web team (James) • ELT, Board, MPC as an FYI (James) • MOF (James)
Recommended media response plan for if we get questions	Field questions via email, from Neil Quigley, via Sarah Exeter
Questions and Answers	
External recruitment firm They will be the point of contact for interested candidates	<p>To be confirmed</p> <p>To liaise with Sarah and James</p> <p>Application pack is the one source of information</p>
Remuneration	<p>Not providing a per day fee?</p> <p>But annual payments to existing MPC are noted in the Annual Report</p>
Who is on the appointment panel?	MPC Appointments Committee (Neil Quigley, Rodger Finlay, Susan Paterson, Adrian Orr, Leilani Frew)

From: Neil Quigley
Sent: Tuesday, 30 May 2023 5:50 pm
To: James Weir; Adrian Orr
Cc: Sarah Exeter; Simone Robbers; Naomi Mitchell; Brendan Manning
Subject: RE: SENSITIVE Emailing Media release for MPC recruitment - final draft from Documentum
Attachments: Media release for MPC recruitment - final draft.docx NQ.docx

Thank you James. I have tracked some further changes in the attached. I do not feel that this is the place to thank or reflect on the performance of Caroline Saunders and Peter Harris, especially given that their terms have some time to run. I also think that mention the assessment of candidates on merit looks like we are trying too hard. But if you and Adrian are happy with this version we are good to go from my point of view.

Neil

From: James Weir <James.Weir@rbnz.govt.nz>
Sent: Tuesday, 30 May 2023 10:39 am
To: Neil Quigley <Neil.Quigley@rbnz.govt.nz>; Adrian Orr <Adrian.Orr@rbnz.govt.nz>
Cc: Sarah Exeter <Sarah.Exeter@rbnz.govt.nz>; Simone Robbers <Simone.Robbers@rbnz.govt.nz>; Naomi Mitchell <Naomi.Mitchell@rbnz.govt.nz>; Brendan Manning <Brendan.Manning@rbnz.govt.nz>
Subject: RE: SENSITIVE Emailing Media release for MPC recruitment - final draft from Documentum

Thanks Adrian and Neil,

I have amended the text in tracked changes on Adrian's 2 points and added an extra line on the role description on Neil's request.

It now reads:

The MPC is responsible for achieving its remit of maintaining a stable general level of prices over the medium term and supporting maximum sustainable employment.

And further down:

Applications will be assessed by the MPC Appointments Committee against various criteria including: expertise in monetary policy and macroeconomics (including those carrying out ongoing research in these areas), and relevant professional knowledge, skills and experience in public policy and banking.

Applicants will require a strong understanding of conflicts of interest, the sensitivity associated with "inside knowledge" of monetary policy decisions, and the constraints on other activities that are necessarily associated with membership of the MPC.

Please let me know about further changes.

James

Media release for MPC recruitment - final draft 1.4

Last modified by: James Weir on: Tue, 30 May 2023 at 10:35.

20367670-1.4

From within the Reserve Bank you can also view and make changes using the following link

<https://docs/webtop/drl/objectId/090000c3809e3723>

From: Neil Quigley <Neil.Quigley@rbnz.govt.nz>
Sent: Tuesday, 30 May 2023 9:49 AM
To: Adrian Orr <Adrian.Orr@rbnz.govt.nz>; James Weir <James.Weir@rbnz.govt.nz>
Cc: Sarah Exeter <Sarah.Exeter@rbnz.govt.nz>; Simone Robbers <Simone.Robbers@rbnz.govt.nz>; Naomi Mitchell <Naomi.Mitchell@rbnz.govt.nz>; Brendan Manning <Brendan.Manning@rbnz.govt.nz>
Subject: Re SENSITIVE Emailing Media release for MPC recruitment - final draft from Documentum

Agree with Adrian's points.

On research etc I would like to use the words I wrote in the role description about appreciation of sensitivity and conflicts of interest. There are a couple of elements of the draft that I need to ponder, so more from me when I can look at it on my computer.

Neil

Get [Outlook for iOS](#)

From: Adrian Orr <Adrian.Orr@rbnz.govt.nz>
Sent: Tuesday, May 30, 2023 9:43:36 AM
To: James Weir <James.Weir@rbnz.govt.nz>; Neil Quigley <Neil.Quigley@rbnz.govt.nz>
Cc: Sarah Exeter <Sarah.Exeter@rbnz.govt.nz>; Simone Robbers <Simone.Robbers@rbnz.govt.nz>; Naomi Mitchell <Naomi.Mitchell@rbnz.govt.nz>; Brendan Manning <Brendan.Manning@rbnz.govt.nz>
Subject: RE: SENSITIVE Emailing Media release for MPC recruitment - final draft from Documentum

2 comments sorry James

- Please use the exact wording for our remit (maintain/support) – we are locked in debates on 'heirarchy' between inflation and employment – so no need to rekindle :)
- The final sections ...banking and monetary policy. I would also join the "for clarity... sentence to the previous para, drop the "For clarity.. It us unnecessary and could be misconstrued that the current committee doesn't have it.

e.g.,

Applications will be assessed by the MPC Appointments Committee against various criteria including: expertise in monetary policy and macroeconomics (including those carrying out ongoing research in these areas), and relevant professional knowledge, skills and experience in public policy and banking.

Nga mihi

From: James Weir <James.Weir@rbnz.govt.nz>
Sent: Tuesday, 30 May 2023 8:51 AM
To: Neil Quigley <Neil.Quigley@rbnz.govt.nz>
Cc: Adrian Orr <Adrian.Orr@rbnz.govt.nz>; Sarah Exeter <Sarah.Exeter@rbnz.govt.nz>; Simone Robbers <Simone.Robbers@rbnz.govt.nz>; Naomi Mitchell <Naomi.Mitchell@rbnz.govt.nz>; Brendan Manning <Brendan.Manning@rbnz.govt.nz>
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Neil, I have included draft quotes which you may want to adjust.

Please let me know if you'd like to make any changes.

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Thanks,

James

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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 + s 9(2)(a) T + s 9(2)(k)

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



Date	12 June 2023
Time	9:00am or later- not time sensitive

Recruitment of new External Members to the Monetary Policy Committee

A public appointment process has started for two external members of the Reserve Bank's Monetary Policy Committee (MPC) ahead of these members' terms expiring in 2024.

Under its remit, the MPC is responsible for ~~achieving its remit of maintaining a stable general level of prices over the medium term price stability~~ and supporting maximum sustainable employment. ~~Monetary policy decisions, such as setting the Official Cash Rate, are made by the seven members of the committee as a whole, rather than the single decision maker model adopted by some other central banks.~~ The MPC is made up of four internal RBNZ members and three external members. Monetary policy decisions, such as setting the Official Cash Rate, are made by the seven members of the committee as a whole, rather than the single decision maker model adopted by some other central banks.

MPC appointments are made by the Minister of Finance, on the recommendation ofs from the Board of the Reserve Bank of New Zealand - Te Pūtea Matua.

The new MPC members will replace current members Caroline Saunders and Peter Harris when their terms end in 2024. Mr Harris' term ends on 31 March 2024 and Professor Saunders' term ends on 30 June 2024.

Reserve Bank Board chair Neil Quigley ~~thanked Professor Saunders and Mr Harris for their continued service, until their terms end next year.~~

~~"They have given their wisdom, experience and expertise as external members of the MPC", Mr Quigley said. "The external members of the committee, including Caroline, Peter and Bob Buckle bring a different perspective and add to a robust debate for the MPC."~~

~~"We look forward to recruiting new committee members over coming months, with applications now open to anyone and closing on 31 July," he said. said that~~ "Suitably qualified candidates will be interviewed later this year and assessed against the appointment criteria, ~~t-~~ Then the names of ~~nominated~~ candidates recommended by the Board, on merit against the criteria for appointment, will be provided to the Minister of Finance after the General Election."

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~~Applications will be assessed by the MPC Appointments Committee against various criteria including relevant professional knowledge, skills and experience such as in the areas of economics, public policy, banking or monetary policy.~~

~~"For clarity, applications are encouraged from candidates with expertise in monetary policy and macroeconomics, including those who are carrying out ongoing research in these areas," he said.~~

~~Applicants will require a strong understanding of conflicts of interest, the sensitivity associated with "inside knowledge" of monetary policy decisions, and the constraints on other activities that are necessarily associated with membership of the MPC.~~

"The final appointment decisions and timing is up to the Minister, but we expect appointments to be announced by early 2024," he said.

After the two new MPC members are inducted, they will officially begin their appointments on 1 April or 1 July 2024, respectively.

More information

- See full MPC Application Pack (add hyperlink)
- For further information on this appointment please contact:
- **[Name and details of Search Firm will be added]**

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MPC members serve fixed terms.

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- External members must be appointed for a term of up to 4 years and can be reappointed for 1 further term as an external member of up to 4 years.
- Monetary Policy Committee
- Latest OCR decision

Media contact

James Weir
Senior Adviser External Stakeholders
MOB: **s 9(2)(a)**
Email: james.weir@rbnz.govt.nz

NOTES FOR RBNZ (NOT FOR PUBLICATION)

Status	DRAFT, Pending approval
Drafter	James Weir
Approvals required from	Chair Neil Quigley Adrian Orr

	By 2 June :
Any consultation or approvals?	<ul style="list-style-type: none"> • All MPC members as an FYI • Brendan Manning • Search Firm • Naomi Mitchell • Karen Wong on Remit Review matters • RBNZ Board • Reviewed by: <ul style="list-style-type: none"> ✓ Sarah Exeter 22/5/23 ✓ Brendan Manning 22/5/23 ✓ Naomi Mitchell 22/5/23 ✓ Matthew Brunton 22/5/23 ✓ Chris Bloor TBC 29 May Karen Wong TBC 29 May <p>And CC Paul Conway as an FYI 29 May?</p>
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Information/data classification	Standard – normal website editing procedures
Distribution ahead of release to and who is sending	<ul style="list-style-type: none"> • Web team (James) • ELT, Board, MPC as an FYI (James) • MOF (James)
Recommended media response plan for if we get questions	Field questions via email, from Neil Quigley, via Sarah Exeter
Questions and Answers	
External recruitment firm They will be the point of contact for interested candidates	To be confirmed To liaise with Sarah and James Application pack is the one source of information
Remuneration	Not providing a per day fee? But annual payments to existing MPC are noted in the Annual Report

Who is on the appointment panel?

MPC Appointments Committee (Neil Quigley, Rodger Finlay, Susan Paterson, Adrian Orr, Leilani Frew)

From: Sarah Exeter
Sent: Wednesday, 31 May 2023 8:14 am
To: Neil Quigley
Subject: MPC Appointments Memo for MOF June 2023
Attachments: Report #6035_MPC Appts Memo for MOF June 2023.pdf

Kia ora Neil

Please see attached a copy of the memo that went to the MoF yesterday, providing him with an update on progress on the MPC Appointments 2024.

Regards
Sarah

Sarah Exeter

Senior Governance Adviser

Reserve Bank of New Zealand – Te Pūtea Matua
Level 13, Tower Two, 205-209 Queen St, Auckland 1010
PO Box 5240, Victoria St West, Auckland 1142
Waea pūkoro/Mobile +s 9(2)(a)
Wāhitau imēra/Email sarah.exeter@rbnz.govt.nz
Pae tukutuku/Website rbnz.govt.nz



MPC Appointments 2024

To	Hon Grant Robertson Minister of Finance	Date	01 June 2023
Authorised by	Simone Robbers, Assistant Governor - GM Strategy, Governance and Sustainability	Report no	#6035
Prepared by	Sarah Exeter, Senior Governance Adviser and Board Secretary	Security	In-Confidence

Action Sought

Action sought	Deadline
<p>a) Note the commencement of an appointment process to fill the vacancies arising on the MPC in 2024.</p> <p>b) Note the criteria for appointment for the external members on the MPC.</p>	8 June 2023

Reserve Bank Contact for Telephone Discussion (if required)

Name	Position	Telephone
Simone Robbers	Assistant Governor, Strategy, Governance and Sustainability	s 9(2)(k)

Actions for the Minister's Office Staff

Return signed copy of the report

Note any feedback on the quality of the report.

--

Attachments – Draft Application Pack – MPC Appointments 2024

MPC Appointments 2024

Purpose

1. The purpose of this Memo is to provide you with information on the appointment process for the RBNZ Board to select and nominate two candidates for appointment as external members of the Monetary Policy Committee (MPC).

Background

2. Two vacancies will arise on the MPC when Peter Harris's term ends on 30 March 2024, and Caroline Saunders' term ends on 30 June 2024.
3. The MPC is comprised of seven members which includes the Governor who is the Committee Chair, 3 senior members of RBNZ staff, and 3 external members.

The Appointment Process

4. In April the RBNZ Board approved an application pack which sets out the role, the criteria for appointment, the process and timetable.
5. The Board also established a five person appointments committee to oversee the process. Its membership is comprised of Neil Quigley (Chair), Board members Rodger Finlay and Susan Paterson, the Governor and a representative from Treasury, Leilani Frew.
6. Applications are expected from early June, shortlisting and interviews are scheduled to take place from August to October, with a nomination to the Minister provided in October/November.
7. Once the appointments have been made, the new MPC members will be inducted in February and March 2024. One of the members will commence their appointment on 1 April 2024, and join the MPC when it meets between 1-10 April for a Monetary Policy Review.
8. The other member's term will commence on 1 July 2024 and will join the MPC when it meets between 1-10 July for a Monetary Policy Review.

Criteria for Appointment

9. Candidates will be recommended to the Minister for appointment on merit. Each candidate's application and potential interview will be assessed against the following criteria, which has been set with consideration to the RBNZ Act 2021, the MPC Charter and the MPC Code of Conduct:
 - a) Relevant professional knowledge, skills and experience such as in the areas of economics, public policy, banking or monetary policy.

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- b) The ability to understand, analyse and utilise background information and economic analysis commonly utilised in the formulation of monetary policy.
- c) Evidence of highly developed critical thinking skills;
- d) Proven experience in making effective decisions in complex situations under uncertainty and ambiguity;
- e) The ability to work collegially and constructively, respecting diverse views and perspectives and seeking to achieve the best outcome as a team;
- f) Proven experience handling and safeguarding highly confidential information;
- g) The ability to communicate in an effective and respectful manner, and to challenge the thinking of others while maintaining an open mind.
- h) A strong understanding of conflicts of interest, the sensitivity associated with “inside knowledge” of monetary policy decisions, and the constraints on other activities that are necessarily associated with membership of the MPC.

Recommendation

10. It is recommended that you:
- a) **Note** the commencement of an appointment process to fill the vacancies arising on the MPC in 2024.
 - b) **Note** the criteria for appointment for the external members on the MPC.



Hon Grant Robertson
Minister of Finance

Simone Robbers
Assistant Governor
Reserve Bank of New Zealand

01/06/2023

IN CONFIDENCE

From: Ian Green [TSY] <Ian.Green@treasury.govt.nz>
Sent: Friday, 16 June 2023 10:48 am
To: Sarah Exeter
Subject: RE: MPC Appointments

Follow Up Flag: Follow up
Flag Status: Completed

Hi Sarah,

Thanks for the update.

The process when preferred candidates are identified will be similar to that we did for the reappointments:

- RBNZ Chair writes to the MoF with a recommendation from the Board on the two names for appointment.
- Minister makes a decision on recommendation
- If approved, Ministers recommendation goes to APH and Cabinet for final approval (Treasury manages this)
- After Cabinet approval appointments can be announced and letters sent to candidates

Regards
Ian



Ian Green | Senior Advisor, 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: Sarah Exeter <Sarah.Exeter@rbnz.govt.nz>
Sent: Thursday, 15 June 2023 4:53 pm
To: Ian Green [TSY] <Ian.Green@treasury.govt.nz>
Subject: RE: MPC Appointments

Hi Ian

Thanks I have shared your points with our Government team and they are connecting with the relevant people.

Please can you advise what the process is once we have a name to give to the MoF in late October?

- Our Chair writes to the MoF with a recommendation from the Board on the two names for appointment.
- The minister makes a decision?
- Does this need to go to Cabinet or APH before it can be announced?

Thank you.

Sarah

From: Ian Green [TSY] <ian.green@treasury.govt.nz>
Sent: Thursday, 15 June 2023 4:13 pm

To: Sarah Exeter <Sarah.Exeter@rbnz.govt.nz>
Subject: RE: MPC Appointments

Here is the link <https://www.dpmc.govt.nz/sites/default/files/2023-01/co-23-1-government-decisions-and-actions-pre-election-period.pdf> regarding pre election period.

May pay to seek PSC input on the advertising timetable



TE TAI ŌHANGA
THE TREASURY

Ian Green | Senior Advisor, 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: Sarah Exeter <Sarah.Exeter@rbnz.govt.nz>
Sent: Thursday, 15 June 2023 3:44 pm
To: Ian Green [TSY] <Ian.Green@treasury.govt.nz>
Subject: RE: MPC Appointments

The application period runs 19 June to 31 July.
Interviews 30 August.

Recommendation to MoF after the election.

Sarah

From: Ian Green [TSY] <Ian.Green@treasury.govt.nz>
Sent: Thursday, 15 June 2023 3:38 pm
To: Sarah Exeter <Sarah.Exeter@rbnz.govt.nz>
Subject: RE: MPC Appointments

Just thinking that if the close off date in the ad is post-election it should be fine.

Send the ad through and I will check out to see if we can circulate

Cheers
Ian



TE TAI ŌHANGA
THE TREASURY

Ian Green | Senior Advisor, 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: Sarah Exeter <Sarah.Exeter@rbnz.govt.nz>
Sent: Thursday, 15 June 2023 3:30 pm
To: Ian Green [TSY] <Ian.Green@treasury.govt.nz>
Subject: RE: MPC Appointments

Hi Ian

We are only planning to advertise through Linked In and social media at the moment. We probably wont do print media.

Will you circulate the advert to your list?

Sarah

From: Ian Green [TSY] <Ian.Green@treasury.govt.nz>
Sent: Thursday, 15 June 2023 3:27 pm
To: Sarah Exeter <Sarah.Exeter@rbnz.govt.nz>
Subject: RE: MPC Appointments

IN-CONFIDENCE

Hi Sarah,

Will the search firm do media advertising or just search?

If they are advertising you should check with DPMC to make sure there are no issues pre election as although the process is run by RBNZ MoF still signs off so could potentially be an issue leading up to the election

Cheers
Ian



Ian Green | Senior Advisor, Governance and Appointments | Te Tai Ōhanga – The Treasury
Tel: s 9(2)(k) | M: s 9(2)(a) | Email: ian.green@treasury.govt.nz
Visit us online at <https://treasury.govt.nz/> and follow us on [Twitter](#), [LinkedIn](#) and [Instagram](#)

From: Sarah Exeter <Sarah.Exeter@rbnz.govt.nz>
Sent: Thursday, 15 June 2023 11:14 am
To: Ian Green [TSY] <Ian.Green@treasury.govt.nz>
Subject: MPC Appointments

Hi Ian
We will go live with the MPC appointments on Monday.
Would it be possible for you to circulate the advert to your list?
Thanks
Sarah

Sarah Exeter

Senior Governance Adviser

Reserve Bank of New Zealand – Te Pūtea Matua
Level 13, Tower Two, 205-209 Queen St, Auckland 1010
PO Box 5240, Victoria St West, Auckland 1142
Waea pūkoro/Mobile: s 9(2)(a)
Wāhitau imēra/Email: sarah.exeter@rbnz.govt.nz
Pae tukutuku/Website: rbnz.govt.nz



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From: Adrienne Martin
Sent: Friday, 16 June 2023 2:55 pm
To: Sarah Exeter; James Weir; John Grey
Cc: Naomi Mitchell
Subject: Fyi In Confidence FW: General Election query Reserve Bank of New Zealand

Hi everyone

No problems with us proceeding as planned – refer to Rose’s email down the chain a bit.

Thanks

Adrienne

From: Adrienne Martin
Sent: Friday, 16 June 2023 2:53 PM
To: 'Rose Goss [DPMC]' <Rose.Goss@dpmc.govt.nz>
Cc: Nicola Purvis [DPMC] <Nicola.Purvis@dpmc.govt.nz>
Subject: RE: In Confidence FW: General Election query Reserve Bank of New Zealand

Good afternoon Rose

Thank you for the prompt response. Your advice aligns with what we had thought, and it is most helpful to have that confirmed.

As you mentioned, we will need to keep our eye on things post the election as we may need to delay the next steps in the process until a government is formed.

We will certainly be in touch after the election if we need further advice.

Kind regards

Adrienne

Adrienne Martin
Manager Government and Industry Relations

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 adrienne.martin@rbnz.govt.nz **W** rbnz.govt.nz



From: Rose Goss [DPMC] <Rose.Goss@dpmc.govt.nz>
Sent: Friday, 16 June 2023 2:21 PM
To: Adrienne Martin <Adrienne.Martin@rbnz.govt.nz>
Cc: Nicola Purvis [DPMC] <Nicola.Purvis@dpmc.govt.nz>
Subject: RE: In Confidence FW: General Election query Reserve Bank of New Zealand

[IN-CONFIDENCE]

Kia ora Adrienne,

Thanks for checking in. We don't see any issues with the timeline you propose:

- As the appointments will be made *after* the general election, the restraints on significant appointments in the pre-election period don't apply. The caretaker convention will apply immediately after the election, and might be in place at the time you expect the Minister to make the appointments (depending on how long government formation takes after the election). That might mean some delay to the appointments at that point (that is something we will be able to provide further advice on closer to the time, if it is looking like the caretaker convention will be in force when you planned for the Minister to make the appointments).
- We don't think there is an issue with the roles being advertised in the pre-election period. The reason for the restraint on government advertising in that time is to avoid a perception that government funds are being used for electioneering/party political purposes, and we don't think your situation will give rise to concerns of that nature.

Let us know if you have any questions.

Ngā mihi
Rose



Rose Goss (she/her)
Senior Legal and Constitutional Advisor
Cabinet Office, Executive Wing,
Parliament Buildings, Wellington 6011, New Zealand

DDI: +64-4-830-6435

The Cabinet Office is a business unit of the Department of the Prime Minister and Cabinet.

From: Adrienne Martin <Adrienne.Martin@rbnz.govt.nz>
Sent: Friday, 16 June 2023 1:50 pm
To: Nicola Purvis [DPMC] <Nicola.Purvis@dpmc.govt.nz>; Rose Goss [DPMC] <Rose.Goss@dpmc.govt.nz>
Subject: In Confidence FW: General Election query Reserve Bank of New Zealand

You don't often get email from adrienne.martin@rbnz.govt.nz. [Learn why this is important](#)

Good afternoon

Please see below the recruitment advert that we wish to use for our MPC member search. It may be of assistance to you in providing us with advice, as per my earlier email.

.....
.....

Reserve Bank of New Zealand | Te Pūtea Matua
External Member - Monetary Policy Committee (2 vacancies)

June 2023

The Reserve Bank of New Zealand | Te Pūtea Matua is New Zealand's central bank. Its purpose is enabling economic prosperity and well-being for all New Zealanders | Toitū te Ōhanga, Toitū te Oranga. Responsible for maintaining price stability and supporting maximum sustainable employment, these economic objectives sit alongside ensuring the stability of the financial system and otherwise acting as Aotearoa's central bank. 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 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.

Criteria for Appointment

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

- Relevant professional knowledge, skills and experience such as in the areas of economics, public policy, banking or monetary policy.
- The ability to understand, analyse and utilise background information and economic analysis commonly utilised in the formulation of monetary policy.
- Evidence of highly developed critical thinking skills;
- Proven experience in making effective decisions in complex situations under uncertainty and ambiguity;
- The ability to work collegially and constructively, respecting diverse views and perspectives and seeking to achieve the best outcome as a team;
- Proven experience handling and safeguarding highly confidential information;
- The ability to communicate in an effective and respectful manner, and to challenge the thinking of others while maintaining an open mind.
- A strong understanding of conflicts of interest, the market sensitivity associated with monetary policy decisions, and the constraints on other activities that are necessarily associated with membership of the MPC.

We’re building diversity and inclusion into everything we do. Our differences seed our innovation and help us deliver our best work – reflective of the needs of society. We welcome and value knowledge of Te Ao Māori, Te Tiriti and Tikanga.

How to Apply

To express interest, please email our advisors Kerridge & Partners at rbnz@kerridgepartners.com or phone +64 (09) 969 9900 to speak with Asher Lewis.

.....
.....

Thank you for your assistance.

Kind regards
Adrienne

Adrienne Martin
Manager Government and Industry Relations

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 adrienne.martin@rbnz.govt.nz W rbnz.govt.nz



From: Adrienne Martin
Sent: Friday, 16 June 2023 1:11 PM
To: Purvis <Nicola.Purvis@dpmc.govt.nz>; Rose Goss <Rose.Goss@dpmc.govt.nz>
Cc: James Weir <James.Weir@rbnz.govt.nz>; John Grey <John.Grey@rbnz.govt.nz>; Sarah Exeter <Sarah.Exeter@rbnz.govt.nz>
Subject: FW: General Election query Reserve Bank of New Zealand

Good afternoon Nicola and Rose

are you able to help us with an election related question please - I have outlined it in the first email of this chain, in the email to Cathy Adank of PSC who has suggested I now contact you.

I am happy to have a conversation about this if you wish to discuss it – my mobile number is in the signature block below.

As you will see we were hoping to commence our recruitment advertising on Monday 19 July.

I look forward to your advice.

Kind regards

Adrienne

Adrienne Martin
Manager Government and Industry Relations

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 adrienne.martin@rbnz.govt.nz W rbnz.govt.nz



From: Cathy Adank <Cathy.Adank@publicservice.govt.nz>
Sent: Friday, 16 June 2023 12:56 PM
To: Adrienne Martin <Adrienne.Martin@rbnz.govt.nz>
Cc: James Weir <James.Weir@rbnz.govt.nz>; John Grey <John.Grey@rbnz.govt.nz>; Sarah Exeter <Sarah.Exeter@rbnz.govt.nz>; Kate Salmond <Kate.Salmond@publicservice.govt.nz>
Subject: RE: General Election query Reserve Bank of New Zealand

Kia ora Adrienne

I've spoken with colleagues here and given this query relates most directly to significant appointments, we recommended you contact the Cabinet Office in DPMC, as they look after the significant appointments process.

Our contacts at the Cab Office are Nicola Purvis Nicola.Purvis@dpmc.govt.nz and Rose Goss Rose.Goss@dpmc.govt.nz.

Ngā mihi
Cathy

From: Adrienne Martin <Adrienne.Martin@rbnz.govt.nz>
Sent: Friday, June 16, 2023 11:27 AM

To: Cathy Adank <cathy.adank@publicservice.govt.nz>

Cc: James Weir <James.Weir@rbnz.govt.nz>; John Grey <John.Grey@rbnz.govt.nz>; Sarah Exeter <Sarah.Exeter@rbnz.govt.nz>

Subject: General Election query Reserve Bank of New Zealand

This email was sent from someone outside of Te Kawa Mataaho. Please take extra care.

Good morning Cathy

Thanks for your time this morning regarding my query. The matter we would appreciate some guidance on is our upcoming process to search and recruit for two new external Monetary Policy Committee members, as the terms of two existing external members end in March or June 2024 and the recruitment process takes some time. We were asked yesterday afternoon by our Treasury monitor, who has been over this process with us, to seek your input regarding the advertising element of this recruitment that partly falls within the pre-election period. The Minister is aware of the timeframe having been briefed on these appointments a number of weeks ago.

The Monetary Policy Committee (MPC) is responsible for making decisions regarding monetary policy in New Zealand. Every quarter they meeting to determine the Official Cash Rate (OCR) that influences bank interest rates – the MPC has a reasonably high public profile.

The MPC has seven members: the RBNZ Governor (Chair), three senior RBNZ staff, and three external members. There is more about the MPC on this link; [Monetary Policy Committee - Reserve Bank of New Zealand - Te Pūtea Matua \(rbnz.govt.nz\)](https://www.rbnz.govt.nz/monetary-policy-committee)

We had scheduled to start the search process for new external members this coming Monday 19 July, using a search company. The search company will advertise the positions and I have been advised, since our conversation, that they will advertise on Linked in and SEEK, the Institute of Directors site, Government Jobs and the Māori Pacific Jobs portal. Print runs could also be done in the Dom Post and Herald. The application period will close on 31 July which means there is a two week period of advertising that falls into the pre-election period. It is this short period of advertising that we wish to have some advice on.

Final decisions on the new members is made by the Minister of Finance on the recommendation of the RBNZ Board, the Minister then takes the decision to APH and Cabinet, however all of these steps will happen post-election. The new MPC members will not take up their appointments until 2024. These are important positions for the RBNZ and new appointments need to be made with the terms of both existing members having previously been extended.

The timeline for this process is shown below.

Timeline of the application process

Date	Action
Monday 19 June 2023	Applications open.
5pm Monday 31 July 2023	Applications close. All applications are acknowledged by email.
21 August 2023	The recruitment Appointments Committee (made up members of our Board and a representative from Treasury) will shortlist candidates. Those who best meet the

Date	Action
	eligibility criteria will be invited for an interview. We will acknowledge unsuccessful candidates by email.
30 August 2023	The Appointments Committee will interview candidates in Wellington. Interviews last for 1 hour. After the interviews, the Committee will recommend candidates for appointment to the Board.
Early September 2023	We check references, identification and eligibility for appointment. Candidates will be asked to declare any potential conflicts of interest, according to the provisions of the Reserve Bank of New Zealand Act 2021, the MPC Code of Conduct and MPC Charter.
Late September 2023	Our Board considers the recommendation from the Appointments Committee.
Mid – late October /November 2023	The Board makes a recommendation to the Minister of Finance after the New Zealand general election. Minister takes the decision to APH/Cabinet
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 2 new external members will officially begin their appointments on 1 April 2024 or 1 July 2024.

We would appreciate your advice on our intention to advertise these positions into mid-late July as part of the recruitment search. Given the decisions on appointments will not be made until after the election, when the next government is formed, we do not consider there are any concerns there.

Thank you for your assistance and particularly given short notice. I look forward to hearing from you.

Kind regards
Adrienne

Adrienne Martin
Manager Government and Industry Relations

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