

Reference: 20240158

3 May 2024

Harry Chan
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Dear Harry

Thank you for your Official Information Act request, received on 7 March 2024. You requested the following:

*How many Directors has Treasury appointed over the past 12 months.
How many of those Directors were Maori?
How many Chairs or Deputy Chairs were appointed over the past 12 months?
How many of those Chairs/Deputy Chairs were Maori?
Please provide the criteria for assessing appropriate Director appointees.
Please advise number of times (over the last 2 years) where you have been searching specifically for Director who is Maori. What organisations were you appointing a Maori Director (as opposed to a Director who happened to be Maori)*

The time to respond was extended by 20 working days.

Information being released:

How many Directors has Treasury appointed over the past 12 months?

Over the past 12 months (7 March 2023 – 7 March 2024) the Treasury appointed 75 directors.

How many of those Directors were Māori?

Of the 75 directors appointed over the past 12 months; 16 directors identified as having Māori ethnicity, solely or part.

How many Chairs or Deputy Chairs were appointed over the past 12 months?

Over the past 12 months the Treasury has appointed nine Chairs and seven deputy chairs.

How many of those Chairs/Deputy Chairs were Māori?

Of the nine Chairs and seven deputy chairs appointed over the past 12 months; one Chair and three deputy chairs identified as having Māori ethnicity, solely or part.

As at April 2024, of the total 42 Chairs appointed to all boards of entities the Treasury are responsible for, three chairs are of Māori ethnicity. And, of the total 17 deputy chairs five are of Māori ethnicity.

Please provide the criteria for assessing appropriate Director appointees.

The Treasury provides Ministers regular updates and analysis on board composition, experience, skills and backgrounds of candidates as part of board appointment advice. We consider each company's or entity's performance, the strength of its current Board and its prospects in the medium term.

The relevant legislation or other enabling documents are referred to as they provide the overarching information on the board and either general or specific parameters for board appointments. For example, the Crown Entities Act 2004, the purpose of which is to reform the law relating to Crown entities to provide a consistent framework for the establishment, governance, and operation of Crown entities and to clarify accountability relationships between Crown entities, their board members, their responsible Ministers on behalf of the Crown, and the House of Representatives, and, to that end, —

- (a) to provide for different categories of Crown entities and for each category to have its own framework for governance (including the degree to which the Crown entity is required to give effect to, or be independent of, government policy):
- (b) to clarify the powers and duties of board members in respect of the governance and operation of Crown entities, including their duty to ensure the financial responsibility of the Crown entity:
- (c) to set out reporting and accountability requirements.

In particular, Section 29 specifies the criteria for appointments or recommendations by responsible Minister -

- (1) A responsible Minister of a statutory entity must appoint, or recommend the appointment of, members under section 28 in accordance with any criteria for members and any process for appointment under this or another Act.
- (2) A responsible Minister—
 - (a) may only appoint or recommend a person who, in the responsible Minister's opinion, has the appropriate knowledge, skills, and experience to assist the statutory entity to achieve its objectives and perform its functions; and
 - (b) subject to subsection (1), in appointing or recommending an appointment, must take into account the desirability of promoting diversity in the membership of Crown entities.

Other considerations

It's important that the board contains a balance of skills, knowledge, attributes, and experience that matches the strategic direction and needs of the entity and of New Zealand. The emphasis is on appointing the person with the best knowledge skills and experience whilst also taking in to account the overall composition of the board in terms of diversity and inclusion needs. The recruitment approach undertaken will directly

impact on the success of responses from potential candidates and help to ensure that effective members are appointed to boards.

Director capabilities upon which candidates are assessed are outlined in Treasury's Board Governance Capability Framework here:

<https://www.boardappointments.co.nz/Information/WhatWeLookFor>.

Please advise number of times (over the last 2 years) where you have been searching specifically for Director who is Māori.

Irrespective of whether a director identifies as Māori ethnicity, the Treasury searches specifically for required capabilities for a particular vacancy such as Te Ao Māori worldview and manawhenua engagement capabilities. Accordingly, there has been not one time (over the last two years) where the Treasury searched specifically for a director who is Māori.

What organisations were you appointing a Māori Director (as opposed to a Director who happened to be Māori)

In relation to organisations that the Treasury provide Ministers with appointments advice, over the last two years, not one single Māori director was appointed for being of Māori ethnicity, as opposed to a director who happened to be of Māori ethnicity.

Please note that this letter (with your personal details removed) may be published on the Treasury website. This reply addresses the information you requested. You have the right to ask the Ombudsman to investigate and review my decision.

Yours sincerely

A handwritten signature in black ink, appearing to be 'SK', with a long horizontal line extending to the right.

Stella Kotrotsos
Manager, Governance & Appointments