

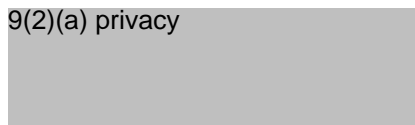


# Te Kawa Mataaho

Public Service Commission

5 November 2024

9(2)(a) privacy



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## Official Information Request Our Ref: 2024-0315

I refer to your official information request received on 15 October 2024. For ease of reference, I have listed each of your questions and our response directly below.

### Information being released

#### 1. What factors does the PSC consider when sizing the different Chief Executive roles across the public sector?

The Public Service Commissioner (the Commissioner) is the employer of chief executives of departments, departmental agencies and functional chief executives. The Commissioner engages a provider to independently size the different roles for which he is responsible. That provider uses their international methodology to size the roles.

Crown entity and tertiary education institution (TEI) chief executives are employed, and salaries set, by their respective boards, after receiving guidance and consent from the Commissioner on terms and conditions of employment. The guidance and consent are based on an independent job evaluation, commissioned by the board from one of the providers recommended by the Commissioner. Those providers use their international methodologies to size the roles.

#### 2. When did PSC set CE salaries for 2023/24?

Secretaries and chief executives' remuneration is reviewed annually effective from 1 January. The Commission in addition set the salaries of the chief executives of departments, departmental agencies and functional chief executives that were appointed or reappointed during 2023/24.

The Commissioner sets chief executive remuneration guidance to Crown entity and TEI boards each financial year, prior to consenting to outcomes of chief executive remuneration reviews. Remuneration review dates vary and are outlined in their individual employment agreement.

#### 3. Does the government's directive to reduce spending also apply to PSC when setting CE salaries?

Yes. The Commissioner sets the salaries on appointment in accordance with role size and having regard to the Government's Workforce Policy Statement.

Under section 117(2B) of the Crown Entities Act 2004, the Commissioner must have regard to a range of factors when considering Crown entity and TEI chief executive remuneration, including Government expectations.

**4. Why did some departmental CEs receive increases of more than 5% from 2022/23 to 2023/24?**

While the average salary increase in the 2022/23 year, excluding job size increases, was 2.2% and the median increase was 3%, the 1 January 2023 increases ranged from 0% to 6%.

The reasons those that increased more than 5% from 2022/23 to 2023/24 were for significant contributions for the previous years' work and ongoing work required in their role, reappointment and job resizing.

If you wish to discuss this decision with us, please feel free to contact [Enquiries@publicservice.govt.nz](mailto:Enquiries@publicservice.govt.nz).

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

Please note that we intend to publish this letter (with your personal details removed) on the Te Kawa Mataaho Public Service Commission's website.

Yours sincerely



Nicky Dirks  
**Manager – Ministerial and Executive Services**  
**Te Kawa Mataaho Public Service Commission**