



## Te Ara Mahi Māori (Māori Employment Action Plan) Reference Group - Fees

**Date:** 9 June 2021

**Security Level:** IN CONFIDENCE

**Report No:** 2021/0149

**Contact:** Maria Harris, Senior Advisor, System and Agency Performance

**Telephone:** 9(2)(a) privacy

Actions Sought		Due Date
Hon Chris Hipkins, Minister for the Public Service	Sign the attached letter to Hon Carmel Sepuloni, Minister for Social Development and Employment	22 June 2021

Enclosure: Yes

### Minister's Office Comments

<b>Comments:</b>	
<b>Date returned to Te Kawa Mataaho:</b>	

## Executive Summary

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1. Hon Carmel Sepuloni, Minister for Social Development and Employment (the Minister), is seeking your support to increase the Te Ara Mahi Māori (Māori Employment Action Plan) reference group fees by 10% and backdate to the date of establishment on 1 August 2020.
2. As Te Ara Mahi Māori (Māori Employment Action Plan) reference group is a short-term body we recommend that you support a 10% increase of fees, effective from 1 August 2020 to better reflect the responsibility and scrutiny of Te Ara Mahi Māori (Māori Employment Action Plan) reference group members.

## Recommended Action

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We recommend that you:

- a **agree** to the Minister's proposal to increase the reference group's fees by 10% to \$275 per day for the Chair and \$209 per day for the members

☒ Agree/ ☐ disagree.

- b **support** the Minister's proposal to backdate the fee increase to 1 August 2020

☒ Agree/ ☐ disagree.

- c **agree** that this briefing not be published for reasons of privacy

☒ Agree/ ☐ disagree.

- d **sign** the attached letter to the Minister for Social Development and Employment

☒ Agree/ ☐ disagree.



Hon Chris Hipkins  
**Minister for the Public Service**

## **Te Kawa Mataaho Report: Te Ara Mahi Māori (Māori Employment Action Plan) Reference Group - Fees**

### **Background**

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3. Te Ara Mahi Māori (Māori Employment Action Plan) reference group (the reference group) was established in August 2020 for approximately 12 months to develop recommendations on the contents of the Māori Employment Action Plan.
4. At the time, the reference group was classified as a Group 4, Level 4 body according to the Cabinet Fees Framework for which the applicable fee ranges are \$205- \$1,150 per day for a chair and \$150 - \$865 per day for members. The Chair and members were paid fees of \$250 and \$190, respectively.
5. The Minister has recently appointed new members and extended the reference group's term (by one month) to the end of August 2021 to deliver their recommendations on the contents of the Māori Employment Action Plan.

### **Minister's proposal and Te Kawa Mataaho | Public Service Commission advice**

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6. The reference group fees were set pre-Covid, and since then the public and stakeholder interest in employment outcomes has increased substantially.
  7. The reference group is expected to undertake extensive consultation with targeted stakeholders which presents a greater risk of scrutiny for the body and members. The Minister believes this was not considered when originally setting the fees.
  8. The Minister has reassessed the reference group's work as an important contribution to the Government's priority of employment outcomes for Māori with a high level of public and stakeholder interest. As a result, she now considers that fees of \$275 for the Chair and \$209 for members (an increase of 10%) are more appropriate and is proposing to backdate the increase to 1 August 2020, the date the reference group was established.
  9. The Commission notes that the increase retains the fees at the lower end of the classification range. For your information, the proposed rates equate to annual fees of \$71,500 and \$54,340 for the Chair and members, respectively.
  10. A 10% increase is significant, particularly in the current period of restraint, however we acknowledge the Minister's view that the original fees do not reflect the complexity and importance of the work, and that the term of the reference group is for such a short time.
  11. Accordingly, we recommend you agree to the Minister's proposal.
  12. The Minister is proposing to backdate the fee increase to 1 August 2020. The Framework provides that the Minister may make this decision. We recommend you support this decision.
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# Office of Hon Chris Hipkins

MP for Remutaka

Minister for COVID-19 Response

Minister of Education

Minister for the Public Service

Leader of the House



9 June 2021

Hon Carmel Sepuloni  
Minister for Social Development and Employment  
Parliament Buildings  
Wellington

Dear Minister

## **Te Ara Mahi Māori (Māori Employment Action Plan) Reference Group - Board Fees**

Thank you for your letter of 31 May 2021 seeking my agreement for a 10% increase in fees for Te Ara Mahi Māori (Māori Employment Action Plan) reference group (the Reference Group) and to backdate the increase to 1 August 2020.

I accept your view that the fees for Te Ara Mahi Māori (Māori Employment Action Plan) reference group were not appropriately set when the group was established and acknowledge that there has been a significant increase in public and stakeholder interest resulting in greater scrutiny of the group during the engagement phase.

I agree to your proposal to increase the fees for Reference Group to \$275 per day for the Chair and \$209 per day for members until the end of August 2021. I also support your decision to backdate this increase to be effective from 1 August 2020, when the group was established.

Yours sincerely

A handwritten signature in blue ink, appearing to be 'CH', over a blue circular official stamp.

Chris Hipkins  
Minister for the Public Service