



Report of the

REMUNERATION AUTHORITY

TE MANA UTU MATUA

for the year ended 30 June 2025

Presented to the House of Representatives Pursuant to
Section 27 of the Remuneration Authority Act 1977



30 September 2025

Hon Brooke van Velden
Minister for Workplace Relations and Safety
Parliament Buildings
WELLINGTON

Dear Minister

In accordance with section 27 of the Remuneration Authority Act 1977, I am pleased to submit the Annual Report on the operations of the Remuneration Authority | Te Mana Utu Matua for the year ended 30 June 2025.

Yours sincerely

A blue ink signature of the name 'Geoff Summers'.

Geoff Summers
Chair

REPORT OF THE REMUNERATION AUTHORITY

TE MANA UTU MATUA

FOR THE YEAR ENDED 30 JUNE 2025

Introduction

This report covers the 12 months to 30 June 2025.

The Remuneration Authority | Te Mana Utu Matua (**the Authority**) sets the remuneration for a wide range of senior public office holders and statutory officers who are required to exercise a high degree of independence. Authority decisions are called determinations.

During the year ended 30 June 2025, the Authority issued 152 determinations covering around 2500 role-holders. The number of determinations issued is similar to 2023/24.

Jurisdiction

The Authority is established under the Remuneration Authority Act 1977 (**the Act**). It is an independent statutory body which determines the remuneration (sometimes including superannuation/retirement savings, expenses and allowances) for a variety of senior public office holders and, in some cases, their spouses, partners and family members. These office holders, also known as the Authority's clients, include the Governor-General, members of Parliament (MPs), judicial officers, elected members of local authorities and a wide range of statutory officers.

In carrying out its duties the Authority is required to balance a number of statutory criteria (sections 18 and 18A of the Act and clause 7 of schedule 7 of the Local Government Act 2002), which include the need to:

- achieve and maintain fair relativity with the levels of remuneration received elsewhere;
- be fair both to the person, persons or group of persons whose remuneration is being determined and to the taxpayer or ratepayer;
- recruit and retain competent persons;
- take into account the requirements of the position concerned;
- consider the conditions of service enjoyed by the person or persons whose remuneration is being determined and those of persons in comparable roles;
- take into account any prevailing adverse economic conditions.

Economic Conditions

As required under section 18A of the Act, when making its determinations the Authority must take account of any prevailing adverse economic conditions, based on evidence from authoritative sources. In relation to its 2024/25 decisions, from the information available to it, the Authority formed the view that there was not a compelling case that meets the test in section 18A(2) of the Act that would have led the Authority to determine remuneration at a rate lower than it would have otherwise. However, the Authority decided that prudence was required to be exercised in all decisions.

Consultation

In all cases, the person, persons or client groups covered by a determination were consulted before a determination was issued. They are also entitled under the Act to make written or oral submissions to the Authority in relation to their determinations.

Any person or any organisation can make written submissions to the Authority in relation to its functions under the Act.

Section 15(6) of the Act states that “Except as expressly provided in this Act, determinations of the Authority shall not be published by the Authority”. Where permitted by legislation, determinations are published on the Authority’s website: www.remauthority.govt.nz.

Governor-General and Former Governors-General

Under the Governor-General Act 2010, the Authority determines the remuneration of the Governor-General and determines the rates of annuities for former Governors-General and their surviving spouses or partners.

The Authority made two determinations under the Governor-General Act:

- The **Governor-General (Salary) Determination 2024** increased the salary for the Governor-General by 1.8% from 1 November 2024.
- The second increased the annuities payable to former Governors-General (or surviving spouses or partners) by 3.3% from 1 April 2025 (**Governor-General (Annuities) Determination 2025**).

Members of Parliament

MPs’ salaries and allowances are set pursuant to section 8 of the Members of Parliament (Remuneration and Services) Act 2013 (**the MOP Act**) and to the Remuneration Authority Act 1977.

In accordance with sections 19(7) and (8) of the Act, the Authority makes a determination once in each term of Parliament as follows:

- a) the period beginning on the day after polling day and ending on the next 30 June; and
- b) the period beginning on 1 July after the 30 June referred to in paragraph (a) and ending on the next 30 June; and
- c) the period beginning on 1 July after the 30 June referred to in paragraph (b) and ending on the next 30 June; and
- d) the period beginning on 1 July after the 30 June referred to in paragraph (c) and ending on polling day for the next general election.

The Review

The Authority's review and three-year determination of MPs' remuneration was completed in the 2024 year; see the Authority's full report *Review of MPs salaries and allowances 2023/24 report* on its website.

Salaries from 1 July 2024 are set out in Part 2 of Schedule 1 of the Parliamentary Salaries and Allowances Determination 2024. The salary of an ordinary member of Parliament increased by 2.8% from 1 July 2024.

Former Prime Ministers

Under section 43 of the MOP Act, the Authority is required to determine the annuities of former Prime Ministers and their surviving spouses or partners.

In making its determination *Parliamentary Annuities Determination 2024* for the year commencing 1 January 2025, the Authority continued to have regard to changes in public sector salary and wage rates as shown in the Labour Cost Index as published by Stats NZ. Annuities were increased by 3.8% for the 2024 year.

In addition to determining the annuities, the Authority also has the responsibility to determine the entitlements to travel services within New Zealand for former Prime Ministers and their spouses or partners. The determination applies to former Prime Ministers who ceased to hold office on or after 21 September 2014.

As in previous years, during the 2024/25 year, the travel service entitlements of the former Prime Ministers and spouses or partners were reviewed and guided by the following principles:

- former Prime Ministers and spouses or partners should not personally have to meet the expenses related to performing their role and functions; and

- any personal benefits to former Prime Ministers and spouses or partners should be kept to a minimum.

As a result of the review, and similarly to 2024, no changes were made to the travel services entitlements and their rates, and the rates contained in the *Members of Parliament (Former Prime Ministers Travel Services) Determination 2017* remains current.

Judicial Officers

The Authority determines the salaries, allowances and superannuation entitlements for the judges of the Supreme Court, the Court of Appeal, the High Court, the Court Martial Appeal Court, the District Court (including the Family Court, Youth Court and Environment Court), the Court Martial, the Employment Court and the Māori Land Court, as well as for coroners.

As in previous years, the Authority invited submissions from all the benches, met with a number of bench heads and representatives and other parties with relevant knowledge and experience, and considered a range of economic and remuneration-related data.

All Coroners (the Chief Coroner, Deputy Chief Coroner, Coroners, Relief Coroners, and Associate Coroners) have been paid a National Duty Coroner allowance separately to their yearly salary, as every Coroner is required to act as the National Duty Coroner from time to time. The allowance essentially formed part of their yearly salary. Therefore, the Authority decided to incorporate the allowance into base salaries from 1 October 2024.

The Authority noted that judicial officers are working in increasingly complex, demanding, and high-pressure environments with greater workloads and public scrutiny. However, it was of the view that simply increasing remuneration is not the long-term way of addressing these issues, although remuneration must continue to be fair and reflect the value of the roles.

Judicial Officers Salaries and Allowances (2024/25) Determination 2024

In determining the judicial officers' remuneration for the 2023/24 year, the Authority applied the mandatory criteria, that it must take into account, listed in sections 18 and 18A of the Act.

As a result of considering these criteria, most judicial officers received an increase to their remuneration of 3.1 % from 1 October 2024.

Local Government Elected Members

The Authority determines, under clauses 6 and 7A of schedule 7 of the Local Government Act 2002 (the LG Act), the remuneration, allowances and expenses

payable to local authority elected members.

Since 2019, when setting remuneration for mayors, regional council chairpersons, councillors, and local board members, the Authority has used a group of size indices covering territorial, regional, and unitary authorities and Auckland Council local boards. The relevant workload and responsibilities of each council are assessed using several criteria, and each council is placed within the relevant index in that framework.

Because the triennial local elections are scheduled for later in 2025, the Authority undertook a full review of the framework as it does in the year prior to each triennial local election. All councils were regularly consulted throughout the review process. The Authority found that the current approach was working well and no changes were made to the framework. As part of the review process, the Authority sought information relating to the time allocated by elected members to their local government roles. The Authority asked councils to complete a return giving an indication of time spent by councillors undertaking council-related duties. Although the response rate was disappointing, the Authority noted that workload had increased across some councils and this, together with updated size indices data and legislated criteria, resulted in variable increases in councils' governance remuneration pools, which will take effect following the October 2025 local elections.

Local Government Members (2025/26) Determination 2025

A determination for the remuneration of local government elected members was issued in June 2025 and will commence on 1 July 2025. This generally provided for an increase of 3.8% from 1 July.

From the 2025 election of members, after considering the mandatory criteria listed in the LG Act to which the Authority must have regard, the Authority decided to provide variable increases to the governance remuneration pools, which cover the councillors of each local authority, according to the outcome of the Framework review, and to set new minimum allowable remuneration for a Councillor and Mayor or Regional Council Chairperson. Following consideration of proposals presented after the election by Councils for the distribution of the pool, the Authority will determine new salaries for Councillors with and without responsibilities and issue amending determinations.

Allowances

The allowances and hearing fees covering the elected members of local authorities were updated as most of them are reviewed once per local authority triennium. The Authority also reviewed the entitlements for the payment of hearing fees and decided to exclude, in addition to a mayor or a regional council chair, the members of the governing bodies of Auckland Council, Christchurch City Council, and Wellington City Council, plus the chairpersons of Auckland Council local boards, from this entitlement because these are deemed to be full-time roles.

The vehicle-kilometre reimbursement allowance was maintained, which reflected the rates prescribed by the Inland Revenue Department at the time that the determination was made.

New home security system allowance

This year, the Authority introduced a new home security system allowance because it has become increasingly evident that public officials, including local government elected members, are experiencing increasingly threatening behaviour and they and their families are feeling less safe. The Authority based this reimbursement allowance on a similar provision for members of Parliament. Councils may now reimburse their elected members for installation, monitoring, call-outs, and repairs subject to the criteria set out in the determination.

Community boards

Determining community boards' remuneration remained problematic because of the large variations in their number of members, the populations they represent, and their respective roles and powers. The Authority's 2019 review of community board remuneration concluded that, because of those variations, a workable ranking of community boards or a robust and intuitively sensible size index could not be developed.

Therefore, the fixing of individual councils' community board members' remuneration over the past 6 years was informed, in part, by the population of each community board and by their individual current remuneration settings. This year, the Authority decided to continue with that practice for determining the remuneration of community board members for 2025 and during the next triennium. The Authority continues to communicate its concerns to the Community Board Executive Committee of Local Government New Zealand, the Department of Internal Affairs, and the Local Government Commission about the structural variances and inconsistencies surrounding the establishment and operations of community boards that are negatively impacting the Authority's ability to formulate a sound and consistent methodology for determining remuneration that can be applied across all community boards.

Statutory Officers

Statutory officers who fall under the Authority's responsibility include certain chief executives and other officers of public service and non-public service departments, officers of Parliament, members of all independent Crown entities, members of those Crown agents or autonomous Crown entities that are a corporation sole, and the heads and members of certain tribunals. These statutory officers are listed in schedule 4 of the Act, in the Crown Entities Act 2004 or within their own legislation.

The remuneration of statutory officers is determined on appointment and, thereafter, reviewed annually. The review date for most of these positions is 1 July each year,

while a number of positions are reviewed on 1 October each year.

The Authority has no statutory ability to consider performance in the role when determining a statutory officers' remuneration.

Section 15(6) of the Act does not allow the Authority to publish the determinations of statutory officers.

The Authority wrote to each statutory officer inviting them to make a submission on any matters which they thought it should take into account in its review of their remuneration.

After considering these submissions received and the market and prevailing economic indicators and forecasts, including wage inflation and market-related remuneration cost information, the Authority generally made adjustments to remuneration of between 0% to 7% with an average movement of 1.65%. Continuing its usual practice, determinations were made at and near this upper limit for a small number of roles where the Authority considered current remuneration fell short of its fair and proper level.

Authority Membership

The Authority is a small organisation made up of three members who are appointed by the Governor-General and supported by two permanent staff. The combination of the knowledge and skills of members and staff ensured that the Authority has available at all times a high level of technical competence as well as public management expertise. Consultants are engaged from time to time to draw on their specific advice and specialist services.

Geoff Summers has been Chair of the Authority from July 2022, following over six years as a member. Dallas Welch has been a member since September 2021 and the Deputy Chair since November 2022. Vern Walsh was appointed a Member in July 2022.

Appreciation

The Authority thanks the Parliamentary Counsel Office, Crown Law, Parliamentary Service, Ministerial Services, Inland Revenue Department, Stats NZ, Local Government Commission and Local Government New Zealand for the professional and timely advice, information and services they provide to it. It acknowledges the Ministry of Business, Innovation and Employment which provides the Authority with corporate and support services.

The Authority members also record their ongoing appreciation and thank the Executive Director and the Analyst/Administrator for their input and support during the last year.

Geoff Summers
Chair

Dallas Welch
Member

Vern Walsh
Member

Annex

Membership of Authority

- Mr Geoff Summers (Chair)
- Ms Dallas Welch (Deputy Chair)
- Mr Vern Walsh (Member)

Staff

The Authority is supported by an Executive Director of the Office of the Remuneration Authority and an Analyst/Administrator. Specialist consultants and advisers are engaged as the need arises.

Determinations

The Authority issued and/or oversaw the following determinations during the 2024/25 year.

Governor-General

- Governor-General (Salary) Determination 2024
- Governor-General (Salary) Determination 2023
- Governor-General (Annuities) Determination 2025
- Governor-General (Annuities) Determination 2024

Members of Parliament

- Parliamentary Salaries and Allowances Determination 2024
- Parliamentary Superannuation Determination 2003
- Members of Parliament (Accommodation Services for Members and Travel Services for Family Members) Determination 2023
- Parliamentary Annuities Determination 2024
- Parliamentary Annuities Determination 2023
- Members of Parliament (Former Prime Ministers Travel Services) Determination 2017

Judicial Officers

- Judicial Officers Salaries and Allowances (2024/25) Determination 2024
- Judicial Officers Salaries and Allowances (2023/24) Determination 2023
- Judicial Officers Superannuation Determination 2019

Local Government Members

- Local Government Members 2024/25 Amendment Determination 2024
- Local Government Members 2024/25 Amendment Determination (No 2) 2024
- Local Government Members 2024/25 Amendment Determination (No 3) 2024
- Local Government Members 2024/25 Amendment Determination 2025
- Local Government Members 2024/25 Amendment Determination (No 2) 2025
- Local Government Elected Members 2025/26 Determination 2025

Individual Independent Statutory Officers and Members of Boards

- 142 determinations were issued during the year.

Website

www.remauthority.govt.nz