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New Zealand Defence Force
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OIA-2023-4607

16 February 2023

[Redacted]
[Redacted]

Dear [Redacted]

I refer to your email of 17 January 2023 to Ministry of Defence requesting, under the Official Information Act 1982 (OIA), the following:

- *Spending by the New Zealand government from 2016 until 2023 by year, and proposed spending for 2023 to 2030 - in respect of each branch: Navy, Air and Land.*
- *The total actual spend and proposed spend as a percentage of GDP for the periods mentioned.*
- *The total numbers of active personell for each branch for the period 2016 to 2023 by year*
- *The attrition rate for each branch for the period mentioned above.*
- *Recruitment numbers for each branch for the said years.*
- *The proposed numbers required for each branch to be at full strength and when this could feasibly be achieved.*
- *Current payrates for military personell and any proposed pay increases for 2023 and beyond.*
- *The army's plans for stimulating growth in its numbers post COVID, given the risk also that the increasing pay rates in the private sector may be tempting and opportunities to fight in Ukraine exist.*

On 18 January 2023, your request was transferred from the Ministry of Defence to the New Zealand Defence Force (NZDF) in accordance with section 14(b)(ii) of the OIA.

The majority of NZDF spending is appropriated and publicly reported to three outputs: Navy Capabilities Prepared for Joint Operations and Other Tasks; Army Capabilities Prepared for Joint Operations and Other Tasks; and, Air Force Capabilities Prepared for Joint Operations and Other Tasks. The actual spending for each output from the 2016/17 financial year to the 2021/22 financial year is provided in the table below.

| Financial Year | Navy Capabilities (\$000) | Army Capabilities (\$000) | Air Capabilities (\$000) |
|--------------------|---------------------------|---------------------------|--------------------------|
| 2016/2017 (Actual) | 441,766 | 778,690 | 742,601 |
| 2017/2018 (Actual) | 428,365 | 811,051 | 807,327 |
| 2018/2019 (Actual) | 448,417 | 867,559 | 856,870 |
| 2019/2020 (Actual) | 451,985 | 908,365 | 927,962 |
| 2020/2021 (Actual) | 499,020 | 879,513 | 907,902 |
| 2021/2022 (Actual) | 623,039 | 923,821 | 917,740 |

The current budgeted spending for each output for the 2022/23 financial year, and the estimated spending for the next three financial years, are provided in the table below. The estimated spending for additional years is withheld in accordance with section 9(2)(f)(iv) of the OIA as this information is not publicly reported and informs government Budget decisions.

| Financial Year | Navy Capabilities (\$000) | Army Capabilities (\$000) | Air Capabilities (\$000) |
|-----------------------|---------------------------|---------------------------|--------------------------|
| 2022/2023 (Budget) | 666,580 | 1,067,537 | 941,604 |
| 2023/2024 (Estimated) | 693,891 | 1,089,692 | 1,016,035 |
| 2024/2025 (Estimated) | 670,999 | 1,068,414 | 1,106,566 |
| 2025/2026 (Estimated) | 662,395 | 1,065,503 | 1,120,104 |

The NZDF has produced reporting on expenditure (personnel, operating, and capital) as a percentage of GDP. The table below reports that measure from the 2016/17 financial year to the 2021/22 financial year, as these are the years for which the GDP figure is available. This information is provided in the table below.

| Financial Year | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|-------------------|---------|---------|---------|---------|---------|---------|
| Percentage of GDP | 1.0% | 0.9% | 0.8% | 1.1% | 0.9% | 0.9% |

Enclosures 1 through 7 provide the number of NZDF personnel as reported in the NZDF Annual Reports from 2016. The most recent reporting figure for the current number of Regular Force personnel is at 31 December 2022, and is provided below.

| Service | Headcount |
|-----------------------------|-----------|
| Royal New Zealand Navy | 2,143 |
| NZ Army | 4,291 |
| Royal New Zealand Air Force | 2,396 |
| Total | 8,830 |

The NZDF attrition rate as at December 2022, broken down by Service, is provided at Enclosure 8. These figures capture all personnel who have been released from the NZDF, including those who were released from the Regular Force and enlisted into the Reserve Forces. It does not include Reserve Force personnel who transferred between the Regular and Reserve Forces on Short Term Regular Force Engagements.

The number of personnel enlisting into recruit course positions from the 2015/16 financial year to the 2021/22 financial year is provided at Enclosure 9.

With respect to proposed headcounts for the Services, information can be found in the NZDF Strategic Plan 2019-2025.¹ Please note, a Defence Policy Review is currently underway that will determine the policy, strategy and planned capability investments for the NZDF in line with government priorities. However, the current focus of the NZDF is to regenerate its core capabilities through training and exercising. The Chief of Defence Force stated at the February 2022 Foreign Affairs Defence and Trade Select Committee that it will take two to three years to return to normal capability and normal trained state.

Concerning remuneration for military personnel, the most informative readily retrievable information is the 2022 market assessment for the NZDF, provided at Enclosure 10. This assessment is carried out once each year, therefore an analysis of the 2022 base salary rates is not yet available. Military pay grades are at different sector placements (A-D) and tier (the

¹ <https://www.nzdf.mil.nz/assets/Uploads/DocumentLibrary/NZDF-Strategic-Plan-2019-2025-v2.pdf>

subsequent number). The military ranks are listed as rank equivalent (E) based on the New Zealand Army rank structure for consistency. Work is still underway to determine the 2023 NZDF remuneration package and relevant information is withheld in accordance with section 9(2)(f)(iv) of the OIA as explained above.

For your reference the New Zealand Army military ranks are: Private (PTE); Lance Corporal (LCPL); Corporal (CPL); Sergeant (SGT); Staff Sergeant (SSGT); Warrant Officer 2nd Class (WO2); Warrant Officer 1st Class (WO1); Officer Cadet (OCDT); Second Lieutenant (2LT); Lieutenant (LT); Captain (CAPT); Major (MAJ); Lieutenant Colonel (LTCOL); Colonel (COL); Brigadier (BRIG).

The current NZDF recruitment campaign, CODEWORDS, is aimed primarily at the 16 to 24 year old age group with the goal to raise awareness of the NZDF as a career option and change perceptions. As noted above, and following the drawdown of Operation Protect², the NZDF has shifted focus to the regeneration of its core capabilities through training and exercising. In November 2022, the New Zealand Army was brought together for Exercise Torokiki, the Service's first deliberate milestone activity in its five year regeneration plan. Army personnel reconnected with core combat skills by completing various activities that tested their mental and physical endurance.

You have the right, under section 28(3) of the OIA, to ask an Ombudsman to review this response to your request. Information about how to make a complaint is available at www.ombudsman.parliament.nz or freephone 0800 802 602.

Please note that responses to official information requests are proactively released where possible. This response to your request will be published shortly on the NZDF website, with your personal information removed.

Yours sincerely



AJ WOODS
Air Commodore
Chief of Staff HQNZDF

Enclosures:

1. NZDF Personnel numbers FY 2015-2016
2. NZDF Personnel numbers FY 2016-2017
3. NZDF Personnel numbers FY 2017-2018
4. NZDF Personnel numbers FY 2018-2019
5. NZDF Personnel numbers FY 2019-2020
6. NZDF Personnel numbers FY 2020-2021
7. NZDF Personnel numbers FY 2021-2022
8. NZDF Regular Force attrition rate
9. Enlistments into recruit course positions
10. NZDF 2022 Base Salary Market Assessment

² The operational name for NZDF support to the all of government response to the COVID-19 pandemic.