

Climate Change Response (Zero Carbon) Amendment Act 2019 bill

Betsan Martin, 8 May 2019.

This bill has a lot of strengths, and there are reservations too.

The purpose of providing a framework for clear and stable climate change policies up to 2050 to limit global warming to 1.5 degrees. The Green House Gas reductions are to be achieved through a sustainable climate-resilient economy and a just and inclusive society.

The bill gives a framework for implementing a Commission, setting budgets and targets, and for 20150 goals for long lived gases and methane and nitrogen. Adaptation is included but with no clarity on implementation except to propose it is through the Commission. The Treaty of Waitangi is included in amendments with reference to taking account of Māori and iwi. It does not offer a specific structure for a Treaty framework, not specific outcomes for Māori.

The mentioning of effects on Māori, working people, regions needed a commitment to climate transitions accountabilities across all sectors. We needed workforce development and diversification strategy. It needs plans for Just Transitions.

Before going through more detail, the commitment to reducing methane by 10% by 2030 is too weak. A stronger ambition is needed to start the turn around on emissions.

These excellent purposes come with concerns raised by Generation Zero that the bill is an amendment to the 2002 Act which set up the Emissions Trading Scheme. They have commented that this weakens the purposes of the bill, whereas a stand alone bill would focus more on reducing emissions, rather than trading them.

The bill is released today, 8 May as people gather in Taranaki for the Just Transitions Summit. At the Summit and in the days ahead with submissions to the select committee we will be asking about achieving a 'just and inclusive society' with just transitions policies.

Commission

The bill provides for a seven member Commission, and recognition of the Crown's Treaty / Te Tiriti o Waitangi responsibilities including through seeking a Māori or Iwi representative on the Commission. (Part 1 Section 3A). it will not have stakeholder representatives. The Commission is to provide independent expert advice and accountabilities for achieving targets and reporting. Reporting includes the Minister requiring public sector agencies, local government and essential utilities (such as energy companies) to report on their emissions reductions and adaptation plans. Criteria for appointment to the Commission (Part 1 5H) include expertise in mitigation and adaptation, in local and central government policy, technical expertise, innovation, and expertise in te Tiriti o Waitangi and te Ao Māori.

Emissions Budgets

Budgets are to be set for reducing and limiting emissions between 2022 – 2050. Budgets provide stepping stones, or targets to achieving emissions reductions in 3 – 6 yearly periods. The bill distinguishes between long-lived cumulative CO2 and Nitrogen gases, and short lived but toxic methane. It sets specific targets to reduce long lived gases to net zero by

2050, and reducing methane to 24-47% below the 2017 level by 2050. We note that 2017 is a high baseline for methane emissions, which were up by over 6% from 1990.¹

Emission reduction plans are the centre-piece of the bill. Sections 5ZD and 5ZF require emissions reductions plans and include a strategy to recognize and mitigate effects on iwi and Māori, and that iwi and Māori must be consulted on the plan.

The plans for setting emissions budgets are where the social aspects will need policy development. The bill identifies the need to take account of effects on workers, regions, iwi, Māori, and wider communities. This encompasses changes in work and support for employment out of fossil fuel industries into renewables and other areas of employment. We welcome the taking account of effects of emissions reductions – however this will need a lot of fleshing out in terms of social equity, welfare support, capability building for the new economy. These are areas that will need a lot of development in submissions.

Adaptation

Planning for adaptation is included in the bill. Adaptation has been lacking from New Zealand climate change policy, and the bill requires climate change risk assessments to provide information on risks with plans for the government to address those risks. These include sea level rise, impacts of flooding and drought, biodiversity loss, ocean acidification, although specific risks are not identified and adaptation plans are very tentative. They could be included in the RMA and they could be implemented through a National Policy Statement. The bill recommends the Commission carries out adaptation plans.

In preparing these plans the Minister is required to take account of economic, social, health, environmental, ecological and cultural effects of climate change on iwi and Māori (Part 1, S. 5ZQ). There needs to be a corresponding strategies for marae, for climate resilient land use, for water safeguards and fisheries resources. Inequity of Māori access to water resources and allocations needs to be solved. Resourcing better education will have long term benefits of capability, adaptability, employment and innovation.

Real emission reductions or trading?

The commission is to set a limit on reductions that can be purchased overseas. The primary focus is to reduce emissions at home. Achieving reductions by purchasing offsets from overseas is not prohibited and can be used to meet Paris obligations. The Emissions Trading Scheme will be revised and activated for meeting emissions budgets.

Note on a 'Just and Inclusive Society'

While it is an optimum purpose to combine reducing emissions with a just and inclusive economy, pathways on how to achieve a just and inclusive society are not mapped out. They significantly link with other sectors: health, education, welfare, agricultural policy, forestry, technology.

The recommendations of the Welfare Expert Advisory Group spring to attention considering the social provisions in the Climate Change bill affirms the broad orientation of Welfare reforms recommended for an inclusive society. Minister Carmel Sepuloni said the government will be reviewing the recommendations for welfare reform in the coming

¹ Ministry for Environment (2019) New Zealand's Greenhouse Gas Inventory 1990-2017. P. 5.

months and looking at housing, justice, employment, education policies because they all affect welfare.

The Climate Change Response (Zero Carbon) Amendment bill (2019) provides a structure and a preliminary strategy for navigating towards a climate resilient economy. It meets the basic requirements of climate change legislation and policy, which is a relief in the face of New Zealand's inaction. It touches on points to be considered for social impacts but gives no substantive provisions for the social transformation that a net zero carbon society requires. One wonders is a seven member Commission is adequate – considering the Welfare Advisory Group had twelve members and the Tax Working Group had eleven.

The bill starts us on a pathway to low emissions and does not attempt to map out the transitions that are needed in different sectors. It recognizes the comprehensive scope of the climate change response, and we need corresponding thought and policy across welfare, employment, health, education, food security and housing. All sectors are presented with new opportunities and accountabilities. While a just and inclusive society is an important framework, we will want to see much clearer strategies for equity and wellbeing and recognition of biophysical limits. It is known that poorer people are most impacted by climate change – without resources for the higher costs of good food, fewer work options and more risk of unemployment. The profile of poorer health and lower educational attainment means less capacity for new areas of work. New Zealand needs social wellbeing strategies to support climate responsibility law. This requires more redistribution than we can achieve politically – certainly through taxation on capital gains. Perhaps the government budget in a few weeks will give more movement on wellbeing across all the living standards domains.

It is true that turning away from the legacy of neoliberal ideology will take time and significant investment. The only thing is that IPCC reports tell us that climate change is outpacing the social will and political mandate to make these investments and chart a course towards social wellbeing within biophysical limits.