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Submission to the Emissions Trading Review Committee on the Emissions Trading Scheme Review

The National Council of Women of New Zealand (NCWNZ) is an umbrella organisation representing 46 nationally organised societies and National Members. It has 28 Branches throughout the country attended by representatives of those societies and some 150 other societies as well as individual members. The Council's function is to serve women, the family and the community at local, national and international levels through research, study, discussion and action.

Due to the short time available for consultation this submission is based on responses from the Conveners of Standing Committees and the many submissions our organisation has made on this subject. This submission has been reviewed by the Parliamentary Watch Committee and a Board member of the National Council of Women of New Zealand.

Introduction

This Emission Trading Scheme Review is being seen by our members as another attempt by a New Zealand government to procrastinate on this issue. There have been many studies, reports and submissions made to date. NCWNZ has made more than 20 submissions since 1990, in which we have urged the government to take action to counteract the effects of climate change, yet successive governments have made extremely little progress towards taking successful remedial action.

4. Identify the central/benchmark projections which are being used as the motivation for international agreements to combat climate change; and consider the uncertainties and risks surrounding these projections.

Since the first Intergovernmental Panel for Climate Change (IPPC) report in 1990, the voices of the world's climate scientists have become increasingly dire with each passing year to the extent that it is no longer a question of protecting the economy but whether we can retain a planet habitable for human kind. (*Ref. 1*).

The world's top climate scientists are saying that we may only have a window of not more than four years to start dramatically reducing emissions to get CO₂ levels back down to 300ppm (parts per million), the level that scientists now think we have to achieve to retain a habitable planet. It is therefore time for the government to act on the information already available to reduce emissions, and act to form an economy and society that will be resilient in that action.

There is growing scientific controversy over the 4th IPCC assessment report issued last year with challenges to its reference scenarios, which are felt to be overly optimistic especially in regard to the expectation that greater energy efficiency will be a by-product of economic development. Critics argue that this represents a leap of faith that understates the economic costs, technological hurdles and social changes required to stop the growth of emissions. European carbon emissions are still rising despite the European Union's much praised adoption of a cap and trade system in 2005. (*Ref.2*).

5. Consider the impact on the New Zealand economy and New Zealand households of any climate change policies, having regard to the weak state of the economy, the need to safeguard New Zealand's international competitiveness, the position of trade-exposed industries, and the actions of competing countries.

Members question the resumption of exploration for gas and oil in Taranaki. They believe that the funds would be better allocated to widely diversifying New Zealand's energy sources.

If Governments promoted small scale local ethanol production – see David Blume's book “Alcohol Can Be a Gas!”. It would give New Zealand the possibility of retaining emergency services, and the adoption of organic farming would ensure that New Zealand could feed itself.

The aim of the National Government to avoid large windfall gains from carbon trading is noted, but this would be difficult if not impossible to achieve, because our economy and monetary system is designed to encourage such behaviour.

One response from the Economics Standing Committee was considered so relevant that it is quoted below:

“One of the grumbles about the ETS is that it will cost us too much money. Another is that the only ones to benefit from it would be the corporate gamblers, with carbon credits becoming just another commodity to buy, sell and profit by. Losers would be small to medium businesses, unable to afford the price of carbon credits. They will start to go under, affecting employment, production, internal trade, exports, families and so on. The biggest losers would be the people of New Zealand, denied a healthy country to live in, and a real solution to the climate crisis.”

Members think that in the light of the world's economic collapse, depletion of fossil fuels, and the effects of climate change, the use of public funds to extend roading is no longer a wise option. We would rather see the Government provide funding to place solar panels on every building in the country. The National Council of Women of New Zealand would suggest that what is needed is an investment in localisation. Some of the forecasts are so dire that New Zealand may have to be self sufficient for a time during change-over periods, hence the growth of Transition Towns (towns making the transition from the oil age to the post oil age) in New Zealand. If business, manufacturing, farming and alternative energy were viewed in this way, employment opportunities could be created to replace those lost through globalization. Many of these could be carbon neutral. Organic horticulture can be carbon negative, although animal treatment might need specialised treatment.

NCWNZ learned recently that the Kyoto Protocol does not recognise the sequestration of carbon in the soil because there is no exact way to measure it, so it is completely ignored. There is a large difference in the sequestration of carbon in exhausted, chemically fertilised paddocks, and land that has had its biodiversity restored with bacteria, fungi, worms and other forms of life that are necessary for any plant to thrive. Research has been successfully carried out in Australia. (Ref. 5). Our members are concerned that the ETS in any form does not provide direct help to restore our depleted farmland, or clean up our waterways.

7. Consider the case for increasing resources devoted to New Zealand-specific climate change research examine the relative merits of an emissions trading scheme or a tax on carbon or energy as a New Zealand response to climate change.

A re-examination of the Emissions Trading Scheme, as listed in the *Terms of Reference*, would be long, involved and complex, and will delay any decisions that are now of utmost urgency. NCWNZ originally supported the concept of a carbon tax, rather than ETS, since it was thought that this would be more effective in reducing emissions. A carbon tax was thought to be easier to set up, and harder to evade the purpose, which must be reduced emissions.

Our members still consider that the distribution of specific climate information is a priority, since it is vital that government obtain public support for any measures taken. Members were impressed with the presentation (notes attached) from IPCC Climate Scientist Richard Nottage at the NCWNZ Conference in 2008 and have taken his predictions to heart (Ref. 1.)

9. Consider the timing of introduction of any New Zealand measures, with particular reference to the outcome of the December 2009 Copenhagen meeting, the position of the United States,

and the timetable for decisions and their implementation of the Australian government .

The *Terms of Reference* encourage New Zealand to align any New Zealand measures with the planned Australian Carbon Pollution Reduction Scheme, which aims for a reduction of 60% below 2000 levels by 2050, and a top Greenhouse Gas emission figure of 450 ppm. (Ref.3). NCWNZ believes this is nowhere near enough, and nowhere near soon enough. The stated aim for the USA is a reduction of 80% by 2050 (Ref.3). NCWNZ thinks that New Zealand and Australia should at least match the USA figure. Australia is already one of the countries worst affected by climate change in the world, with a decline in stream flows in the South of 75% of average since 1970. Although Australia and New Zealand have comparatively low populations, they are both near the top of per capita emissions globally, and NCWNZ believes our exports will suffer if we are seen to ignore climate change.

Conclusion:

Instead of an Emissions Trading Scheme, NCWNZ would propose a whole raft of guidelines, educational tools, incentives and maybe taxes that will encourage people to take this crisis seriously. We need a lot more help to insulate our homes, eat and travel and work in healthy ways, and nurture our children and our planet. We need to help each other, we need policies that will not knee-cap small communities, but instead will support their efforts to work together for a better life.

What did Einstein say? "We cannot solve our problems with the same thinking we used to create them.."

NCWNZ would suggest that Government policy and funding be directed to constructing an alternative energy base, and environmentally sound farming and business communities. We would support adopting measures from countries which have succeeded in reducing emissions. The International Energy Agency (IEA) proposes that national rationing schemes be prepared, ((Ref 4) and NCWNZ would suggest that consideration be given to a rationing scheme for petrol rather than waiting for a crisis. New Zealand must stop using fossil fuels.

If we do not have a sustainable environment, we will not have an economy.

Elizabeth Bang
National President

Sara Dickon,
Convener, Environment Standing Committee

References

- Ref. 1: Enc: Notes from speech by Climate Scientist Richard Nottage, NCWNZ Conference, October 2008
Ref. 2: <http://www.timesonline.co.uk/tol/news/environment/article4009254.ece> UK CO2 emissions rise faster than EU average despite carbon trading scheme : May 27 2008
Ref. 3: <http://www.frazerlindstrom.com/nzets2.htm>
Ref. 4: <http://www.energybulletin.net/node/47872>> Fuel emergency part 2: IEA Plan
Ref. 5: <http://www.soilcarbon.com.au/>