



**GREENPEACE**

# The Politics of Climate Change

Where New Zealand's Political Parties Stand on the Biggest Challenge We Face

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## Where New Zealand's Political Parties Stand on the Biggest Challenge We Face

A survey of political parties' policies on climate change.

### Important disclaimer

Greenpeace is strictly independent and does not endorse any one political party. This survey is a snap-shot of where political parties stand on climate change. Greenpeace encourages every political party to adopt a stronger position of leadership on climate change.

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Published in March 2008  
by Greenpeace New Zealand  
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# Contents

<b>Summary .....</b>	<b>3</b>
Introduction .....	3
Why we have surveyed political parties now.....	3
We are not indicating how people should vote .....	3
The survey .....	3
Summary of results .....	4
<b>The Questionnaire .....</b>	<b>6</b>
A global target .....	6
A national emissions reduction target.....	6
Domestic emission reductions.....	6
Economics and climate change .....	6
Agriculture .....	6
Transport .....	7
Energy .....	7
Energy efficiency and conservation .....	7
Resource Management Act.....	7
Emissions trading.....	8
International Obligations and Negotiations.....	8
Assistance for households with low incomes.....	8
<b>Analysis of Responses .....</b>	<b>9</b>
Table of responses .....	9
ACT New Zealand.....	9
The Green Party.....	9
Labour .....	9
Māori Party .....	10
The National Party .....	10
New Zealand First .....	11
Progressive Party .....	11
United Future .....	11
<b>Political Party Responses to the Questionnaire .....</b>	<b>13</b>
ACT Party Response.....	13
Green Party Response.....	13
Labour Party Response .....	15
Māori Party Response.....	18
National Party Response.....	18
New Zealand First Response .....	18
Progressive Party Response .....	19
United Future Response.....	21

# Summary

## Introduction

Climate change is real and it is happening now. If we allow temperatures to rise more than 2 degrees Celsius above pre-industrial levels we will cross a dangerous threshold with dramatic and unmanageable consequences for our environment, society and economy.

Climate change and the environment are very important issues for New Zealanders - Greenpeace polling, as well as numerous other public surveys, confirm this. Political parties recognise this, and most are very happy to talk the talk on climate. However, this talk is yet to be translated into necessary action.

Greenpeace aims to cut through the political rhetoric to provide an easy snap-shot of how credible each party is when it comes to climate change.

## Why we have surveyed political parties now

We are at the start of an election year and political parties are already in election mode. Over the course of this year, political parties will be adopting policies on environmental issues such as climate change. This survey is intended to act as a wake up call to politicians, and to remind them what policies they must adopt to become credible climate change leaders.

## We are not indicating how people should vote

New Zealand is months away from an election and we have timed this questionnaire to give the political parties time to reflect on and improve their policies pre-election. Greenpeace does not support any one political party. We expect every political party to take climate change seriously and for their policies to reflect this.

## The survey

We've created a survey with 20 questions covering a range of issues around climate change:

- Emission reduction targets
- Domestic emission reductions
- Agriculture
- Transport
- Energy
- The New Zealand Emissions Trading Scheme
- International obligations
- Social equity

The questions are deliberately forward-looking and seek commitments from political parties on the basis of what they will do, rather than what they've already achieved. Some political parties may be disappointed with how they rate in the survey. But the fact remains there is a lot that needs to be done in New Zealand to tackle climate change, beyond what has been committed to by the parties.

The leaders and (where known) environment or climate change spokesperson of ACT New Zealand, Green Party, Labour Party, Māori Party, National Party, New Zealand First, Progressives, and United Future were all sent copies of the questionnaire,

An analysis and summary of the responses are provided below, along with the full response from those political parties that supplied them.

## Summary of results

TARGET	Act Party	Greens	Labour	National	NZ First	Māori Party	Progressives	United Future
1. Supports a global target of no more than 2 degrees warming	-	✓✓	✗	-	-	-	✓✓	-
2. Committed to a target of 80-90% emission reductions by 2050	-	✓	-	✗	-	-	✓✓	-
3. Committed to a target of 25-40% emission reductions by 2020	-	✓✓	✓	-	-	-	✓✓	✓
<b>DOMESTIC EMISSION REDUCTION</b>								
4. Policies to ensure New Zealand does not lag behind in emission reductions	-	✓	✓	✗	-	-	✓	✓
5. Supports a climate friendly policy over climate damaging policy (with higher short term economic growth)	-	✓✓	✓	✗	-	-	✓	✓
<b>AGRICULTURE</b>								
6. Supports the farming sector (rather than taxpayers) covering the cost of agricultural emissions	-	✓✓	✗	✗✗	-	-	✗	✗✗
7. Agrees that there are immediate steps agriculture can take to reduce emissions	-	✓✓	✓✓	✗	-	-	✓✓	✓
<b>TRANSPORT</b>								
8. Supports the Climate Change (Transport Funding) Bill which boosts public transport funding	-	✓✓	-	-	-	-	-	-
9. Agrees that air travel should be included in international climate change policies	-	✓✓	✓	-	-	-	✓✓	✗✗
<b>ENERGY</b>								
10. Supports 100% renewable energy by 2025	-	✓✓	✓✓	-	-	-	✓	✓
11. Supports the moratorium on new fossil fuel generation	-	✓✓	✓✓	✗	-	-	✓✓	✓
12. Committed to policies to promote renewable energy	-	✓✓	✓✓	✓	-	-	✓	✓✓
13. Sees no role for coal production in a climate friendly future	-	✓	✗	-	-	-	✓	✓
14. Supports an increase in funding for the Energy Efficiency and Conservation strategy	-	✓✓	-	-	-	-	-	✓✓
<b>RESOURCE MANAGEMENT ACT</b>								
15. Supports the Resource Management (Climate Change) Amendment Bill	-	✓✓	-	-	-	-	✗✗	✓
<b>EMISSIONS TRADING SCHEME</b>								
16. Disagrees with subsidising industrial and agricultural emissions until 2025	-	✓	✗✗	✗✗	-	-	✗✗	✗✗
<b>INTERNATIONAL OBLIGATIONS</b>								
17. Committed to New Zealand meeting its Kyoto obligations	-	✓✓	✓✓	✓	-	-	✓✓	✓✓
18. Committed to binding targets for the second commitment period of the Kyoto Protocol	-	✓✓	✓	-	-	-	✗	✗
19. Believes New Zealand should take a leadership role in international negotiations	-	✓✓	✓	✗	-	-	✓✓	✗
<b>EQUITABLE SUSTAINABILITY</b>								
20. Supports providing assistance for households with low incomes - directed at emissions reductions	-	✓✓	✓	-	-	-	✓	✓✓

## KEY

- ✓✓ Strong climate-friendly stance/policy
- ✓ Weak climate-friendly stance/policy
- No stated stance/policy
- ✗ Climate-damaging stance/policy
- ✗✗ Very climate-damaging stance/policy

The Green Party has the strongest climate change policies of any party that responded to the survey. Their policy commitments were often well ahead of any other party in Parliament. The Progressive Party also has a strong set of climate change policies, second only to the Green Party, in terms of its commitment to confronting climate change.

Although the Labour-Progressive coalition has begun implementing a series of climate change policies, Labour refuses to commit to a significant number of the policies needed for strong leadership on climate change, particularly when it comes to land use decisions and emissions from the agricultural sector.

National chose not to answer the questionnaire but instead directed Greenpeace to their Blue-Green document and John Key's '50 by 50' speech from May last year. Due to large gaps in these documents, recent speeches from the first reading of the Emissions Trading Scheme Bill were also used to identify National's intention on climate change issues. Overall, National's response was disappointing and we hope that huge gaps in policy are filled in the coming months.

Both Labour and National have serious work to do to develop credible new climate change policies to take to the 2008 election.

United Future did better than might have been expected given past performance. Previously, United Future had championed the cause of climate change deniers and opposed the carbon tax. United Future's position on climate change has now improved, but it still has a long way to go before it could be considered to be a leader.

Disappointingly, ACT New Zealand, Māori Party and New Zealand First did not answer the survey. Judging by speeches on the emissions trading legislation, ACT is now the only party that denies the basic science of climate change.

Climate change is the most serious environmental threat we face. It requires urgent attention from all of our political leaders. Time is running out. If New Zealand's political parties are serious about tackling climate change they must urgently develop policies that will enable New Zealand to meet our share of the responsibility in tackling climate change.

# The Questionnaire

Below is an outline of each climate issue we raised in the questionnaire, and why.

## A global target

A rise in global temperature of 2° Celsius above pre-industrial levels is internationally regarded as the point beyond which the impacts of climate change may be irreversible. There is serious concern that above two degrees warming, positive feedback loops, such as the melting of the Greenland ice cap and the collapse of the Amazon rainforest, will lead to catastrophic climate change. Greenhouse gas emissions should be reduced to a level that avoids warming beyond this point.

The Intergovernmental Panel on Climate Change (IPCC) predicts that 510 parts per million (ppm) of carbon dioxide equivalent will only give us a 33% chance of remaining below 2 degrees while 590 ppm gives us a mere 10% chance. Current thinking suggests that stabilising greenhouse gases at 450 ppm will provide a good chance of avoiding the most severe impacts of climate change.

- 1) *Does your party support a global target of no more than 2 degrees warming on pre-industrial levels?*

## A national emissions reduction target

A clear message has emerged from both the scientific community and industry that climate change policy needs to strongly signal a long-term commitment from government that supports mitigation action. Industry is less likely to reduce emissions while uncertainty remains in government policy. For this reason, setting strong targets is an important component of any climate change policy. Strong domestic targets also make it clear to other countries that New Zealand is committed to our international obligations and to tackling climate change.

A 50% reduction in GLOBAL greenhouse gas emissions compared to 1990 levels is required by 2050 to avoid the worst effects of climate change. Experts agree that developed countries such as New Zealand need to make emission cuts of at least 80-90% so that this global target can be achieved in a way that is fair to both developed and developing countries.

- 2) *Do you agree that New Zealand should make emission reductions of between 80 -90% below 1990 levels of greenhouse gas emissions by 2050? If not, what is your target?*
- 3) *Do you agree with the findings of the IPCC that a 25% to 40% reduction in greenhouse gas emissions below 1990 levels in developed countries (including New Zealand) is needed by 2020? If not, what is your interim target to ensure the 2050 target is met?*

## Domestic emission reductions

New Zealand is lagging behind. A recent United Nations report shows that New Zealand's greenhouse gas emissions increased by 12 percent from 1999 to 2005, faster than our trading partners - Australia, US, Japan and the UK. In fact, the United Nations warns that by 2010 New Zealand's percentage increase in emissions could be greater than that of any other developed country.

- 4) *How does your party intend to ensure New Zealand does not continue to lag behind in terms of greenhouse gas emission reductions?*

## Economics and climate change

New Zealand's three major industries (agriculture, tourism and fisheries) are all directly dependent upon a healthy, sustainable environment, yet in the political arena, environmental issues are often separated and treated as subordinate to economic priorities. Delaying action to protect the environment is often attributed to protecting economic prosperity, but a degraded environment is the largest threat of all to New Zealand industry.

- 5) *Would your party favour a climate-friendly policy over a climate-damaging alternative, even if the latter would result in a higher rate of economic growth in the short term?*

## Agriculture

New Zealand has a unique greenhouse gas profile with around 50% of our emissions coming from the agricultural sector, mostly in the form of methane and nitrous oxide. The Government currently has a Memorandum of Understanding (MOU) with the agriculture sector so that taxpayers will completely subsidise the agriculture sector's emissions until 2013 with taxpayers picking up an estimated \$1.4B price tag, but the agriculture sector has not met their side of the MOU, which was to conduct research into possible ways to reduce those emissions. Techniques currently exist to reduce emissions from the agriculture sector, ranging from using nitrification inhibitors, reducing fertiliser use and changing land use. Nitrogen fertilizers are responsible for a significant portion of agricultural emissions and a national shift toward organic farming has the potential to make substantial emission reductions in the industry while simultaneously taking advantage of a valuable niche market. The sector must be given an incentive to research and utilise these techniques.

- 6) *Does your party believe that the farming sector or taxpayers should cover the cost of the agriculture sector's greenhouse gas emissions until 2013 and beyond?*

7) *Does your party support the proposition that there are steps the agricultural sector can take immediately to reduce emissions such as using nitrification inhibitors, organic farming and adopting more sustainable land use practices? If so, how would your party promote such steps?*

## Transport

Transport in New Zealand is responsible for 40% of our carbon dioxide emissions and almost a fifth of our total greenhouse gas emissions. It is the fastest emission growing sector in the country.

In the 2007/2008 period, roading was given six times the amount of funding given to public and active transport. Active transport includes cycling and walking. This uneven ratio results in perverse incentives and does little to encourage alternatives to the private vehicle. As petrol prices increase, public and active transport will become more important to ensure that everyone can access the services they need. The Climate Change (Transport Funding) Bill before Parliament aims to shift the balance of funding towards more climate-friendly and lower cost public and active transport.

8) *Will your party vote for the Climate Change (Transport Funding) Bill which aims to balance the ratio of funding between public and active transport and roading? What would your ideal ratio of funding be?*

International air travel is currently responsible for between 4-9% of global emissions and is increasing rapidly. As aircraft emissions are released high into the atmosphere, the impact of aircraft emissions is two to four times greater than land emissions. Currently, international air travel emissions fall outside domestic emission reduction targets and therefore go unaccounted for in terms of global emissions.

9) *Does your party agree that the impact of emissions from international air travel should be included in international climate change policies?*

## Energy

The IPCC Fourth Assessment report notes that energy infrastructure investment decisions have 'long term impacts on GHG emissions because of the long life-times of energy plants and other infrastructure capital stock.' Through the recent NZ Energy Strategy, the current Government has committed, in principle, to achieving a 90% renewable electricity sector by 2025. This policy involves rejecting new fossil fuel generation development.

Coal is the most climate-damaging fuel. Burning coal also produces a raft of toxins while coal mining is highly destructive and polluting.

10) *Do you support Greenpeace's proposal that the electricity sector should be 100% renewable by 2025? If not, what is your target for renewables?*

11) *Does your party support the Government's proposed amendment to the Electricity Act that will prohibit new fossil fuel electricity generation? If not, why not?*

12) *What policies does your party have to promote renewable energy?*

13) *What role does your party see for New Zealand coal production in a climate-friendly future?*

## Energy efficiency and conservation

The NZEECS is New Zealand's action plan for increasing the uptake of energy efficiency, conservation and renewable energy programmes across the economy and to make doing so part of the normal behaviour of New Zealanders. Currently, Housing NZ is not covered by the programme to insulate older homes, while the programmes to lift the energy efficiency of New Zealand businesses are oversubscribed. These programmes offer a high return on investment.

14) *Would your party support an increase in funding above current levels for the Energy Efficiency and Conservation Strategy? If so, by how much?*

## Resource Management Act

In 2005, the Resource Management Act 1991 (RMA) was amended to remove explicit mention of consideration of the impacts and effects of climate change by local governments through the resource consent process. The change to the RMA was made prematurely in anticipation of the now abandoned carbon tax. The recent decision to grant Holcim Cement resource consent to build a new climate-damaging cement works shows that the proposed emissions trading scheme is not a barrier to new climate damaging development. The Resource Management (Climate Protection) Amendment Act will help remedy this problem by returning to central and local government the power to deal effectively with greenhouse gas emissions.

15) *Does your party intend to vote in favour of the Resource Management (Climate Change) Amendment Bill? If not, why not?*

## Emissions trading

The proposed emissions trading scheme (ETS) is designed to put a price on greenhouse gas pollution so market forces can be used to encourage climate friendly production and consumption. The scheme has the ability to support the 'polluter pays' principle that is recognised internationally as best practice.

If permits are simply gifted to the owners of polluting industries this principle is undermined and taxpayers pick up the tab. Giving away permits for free means that the Government has less money to spend on climate friendly measures such as improving public transport, insulating cold houses and helping workers in climate-damaging industries to find work in climate friendly industries.

The proposed ETS involves initially *gifting* up to 90% of the agricultural and industrial producers' emission permits until 2025 when the free pool of permits will be phased out. Methane emissions from coal mining are 100% cost-free. Prior to 2013, the Government intends to completely subsidise the agricultural sector's emissions at an estimated cost of around \$1.4B.

*16) Does your party agree with the percentage and timetable of free allocations of the current proposal to subsidise up to 90% of industrial and agricultural emissions under the emissions trading scheme until 2025? If so why? If not, what changes to the proposal would you make?*

## International Obligations and Negotiations

New Zealand ratified the Kyoto Protocol in 2002, committing the country to reducing its greenhouse gas emissions to 1990 levels during the period of 2008-2012. While these initial reductions alone are not likely to have a significant impact, the international buy-in to the agreement is in itself a major success paving the way for stricter targets in future commitment periods. Given the global nature of the problem, an international agreement is imperative for reducing emissions below dangerous levels.

*17) Is your party committed to New Zealand meeting its current Kyoto obligations?*

In the past, New Zealand has had a somewhat contradictory international position on climate change. On the one hand, we are said to be an active UNFCCC member that takes climate change seriously and is taking action both domestically and in support of the Pacific Island nations. On the other hand we are quick to distinguish our unique greenhouse gas profile, dominated by agricultural emissions, and seek compensation and free credits to prolong taking real action where it matters the most. We are also known to highlight the fact that we only contribute a small percentage of global emissions to detract from the fact that we are in the top twelve polluting countries per capita in the world.

*18) Does your party agree that New Zealand should take on binding targets for the second commitment period of the Kyoto Protocol? If so, what should those targets be?*

*19) Does your party believe New Zealand's position in international negotiations should be as an international leader, a follower or in line with a large umbrella group?*

## Assistance for households with low incomes

The costs of the emissions trading scheme will fall disproportionately on households. The owners of businesses will have much of the cost of their emissions subsidised with free credits (including for the electricity they use) while the agriculture sector will be completely subsidised until 2013. The Government is proposing some kind of assistance for households with low incomes.

*20) Does your party support providing assistance to households with low incomes? If so, would your party prefer income support or support directed to assist emission reductions eg. energy efficiency and public transport?*

# Analysis of Responses

## Table of responses

### ACT New Zealand

Act New Zealand did not respond to the survey. From party leader Rodney Hide's first reading speech on the legislation to establish the emissions trading scheme, it is clear that ACT New Zealand is in denial of even the most basic science of climate change.

### The Green Party

The Green Party has the strongest climate change policies of any party that responded to the survey. Their policy commitments are well ahead of any other party in Parliament.

#### HIGH POINTS

The Green Party is committed to strong emission reduction targets and is the only party to support every climate-friendly piece of legislation presently before Parliament.

The Green Party took a leadership role in the development of the New Zealand Energy Strategy and implementation of a 90% by 2025 renewable electricity target.

The Green Party supports the farming sector taking responsibility for its emission growth since 1990 and recommends only a minimal delay in the sector entering the ETS. The party acknowledges that options such as nitrification inhibitors and organic farming are currently available but supports further research on the effects of inhibitors before widespread up-take of the technology. The Green Party emphasises the existence of cheap and effective solutions, such as reducing quantities and improving the timing and method of fertiliser application; both of which can have immediate results for the farming sector.

#### ROOM FOR IMPROVEMENT

The Green's emission reduction target of 60-90% by 2050 is weaker than the widely accepted minimum target for developed countries of 80-90% reductions below 1990 levels. The Green Party's reasoning for the wider target range is the current uncertainty behind feedback loops and the rate of emergence of new technology. Although left out of Intergovernmental Panel of Climate Change (IPCC) models, it is acknowledged that feedback loops are likely to exacerbate rather than diminish the effects of climate change. As a result the 60% lower end of the target is too low and the consequences of aiming too low could be disastrous.

The Green Party does consider that agricultural emissions should be included in the emissions trading scheme as soon as possible but does not commit to a year. The agricultural sector accounts for 50 per cent of New Zealand's emissions and must be brought into the ETS by 2010 at the latest if we are going to have any chance of setting New Zealand on a pathway for significant emission reductions within the next 10 years.

The Greens accept that some subsidy to industries is necessary to avoid weakening the economy and simply moving polluters overseas. The Green Party's aim is to charge for all of the emissions that could reasonably be avoided by better technology or management and then to reduce the level of allocated permits each year. However when polluters don't pay the full cost of their pollution, taxpayers have to instead. Forcing polluters to pay for all of their pollution could drive further emission reductions, for example by reducing or even reversing dairy expansion.

### Labour

By refusing to commit to a significant number of the policies needed for strong leadership on climate change, Labour has possibly not scored as well as it might have expected. For some policies, it may be that Labour's position improves after the 2008 Budget - there are hints in the party's response that there may be some climate-friendly Budget measures.

#### HIGH POINTS

Labour is strongly committed to New Zealand's Kyoto obligations and has led the development of an Emissions Trading Scheme that aims to eventually include all sectors.

The Labour-led Government is responsible for a proposed amendment to the Electricity Act, which would limit new fossil fuel electricity generation. If successful, this amendment should increase the proportion of renewable, low-carbon electricity generation.

Labour also sees potential for the agricultural industry to reduce its emissions immediately, for example through new technology and more effective fertiliser use.

#### ROOM FOR IMPROVEMENT

The Labour Party uses a target of 2-3°C warming above pre-industrial levels as the global target for the maximum level of warming. However, the IPCC has stated that *"If warming is not kept below two degrees centigrade ... substantial global impacts will occur, such as species extinctions, and millions of people at risk from drought, hunger, flooding."*

The difference between 2°C and 3°C warming is potentially catastrophic: it significantly increases the likelihood of crossing the dangerous threshold at which point serious harm to earth's climate system becomes inevitable. Labour's proposed global target is inadequate.

Labour still sees a future for coal production in New Zealand if carbon capture and storage technology (CCS) is developed. This approach will weaken New Zealand's resolve to phase out coal and raises questions about Labour's commitment to renewable electricity generation. CCS, especially by a state coal producer like Solid Energy, would expose New Zealand taxpayers to a massive financial liability in the event that greenhouse gases leaked. Burying carbon is a very dangerous proposal as there is no guarantee it will stay buried forever. Even if just 1% escaped it would lead to catastrophe. Furthermore, a recent report from the IPCC showed there are still far too many questions about environmental risk, safety and costs for CCS to be deployed on a scale that would make it economically viable. These methods will simply not be ready in time to provide us with the huge short term emissions cuts that we need in order to avoid catastrophic climate change. The current investment in CCS would be better spent promoting energy efficiency and conservation and developing new renewables.

Despite acknowledging that the agricultural sector could reduce its emissions immediately, the Labour Party would not require the sector to take responsibility for their emissions until 2013. This means there is no incentive for the sector to take action now or in the next five years. While the Labour party points to the threat of paying for emissions post-2013 as a reason for the sector to start reducing emissions now, this threat has effectively been in place since 2005 and has not slowed emissions growth from agriculture.

## Māori Party

Disappointingly, the Māori Party did not reply to the survey. Climate change is the biggest environmental threat civilisation has ever faced. All parties need to urgently develop robust policies to tackle climate change.

## The National Party

The National Party chose not to respond to the questionnaire, instead directing Greenpeace to its Blue Green document and leader John Key's '50 by 50' speech from May last year. Due to large gaps in these documents, recent speeches from the first reading of the Emissions Trading Scheme Bill were also used to identify National's intention on climate change issues. Most of the survey questions, which aimed to collect specific information, were not covered by either the Blue Green document or John Key's speech. Although the rhetoric is there, the policies are not.

## HIGH POINTS

Without commitments from National, there are no high points. However, National does deserve some credit for adopting a modest target and turning around its previously hostile approach to tackling climate change. New Zealanders now need to see stronger targets and some real policies from National.

## ROOM FOR IMPROVEMENT

There were very few actual commitments from National.

National's major climate change policy to date is their target of 50 percent emission reductions (below 1990 levels) by 2050. While this target has a catchy appeal, it is unfortunately well behind internationally accepted targets for developed countries.

This target was acknowledged by the IPCC as the lower limit for total *global* reductions. Given the difficulty for many developing countries to lower their often paltry *per capita* emissions, it is internationally accepted that developed countries, whose *per capita* emissions far exceed those of the developing nations, must take the lion's share of responsibility for reducing greenhouse gas emissions. This means that a country such as New Zealand is expected to reduce our emissions by at least 80% by 2050.

Comments such as National MP David Carter's, "*under no circumstance can I accept legislation that will significantly impact on our New Zealand economy...*" implies that National would not favour a climate-friendly policy over climate-damaging policy with higher economic growth in the short term and suggest that National have not cottoned on to the economic value of a low emissions economy. Other comments such as "... *we did not need to be ahead of our major trading partners,*" suggest that National favours taking a backseat on climate change policy rather than a leading role.

While National has sought political capital from criticising the Government for allowing emissions from Huntly coal fired power station to increase, this has to be set against Energy Spokesperson Gerry Brownlee's promotion of 'sexy coal'.<sup>1</sup>

The National Party performed badly in the agricultural section of the survey because it lacked any immediate action plan for the sector, choosing instead to adopt a "hope like hell" approach that research and development will yield solutions for agricultural emissions. In his ETS parliamentary speech, Nick Smith signalled National's wariness about bringing agriculture into the ETS when he refers to the need to '*heavily scrutinise the provisions of the bill*' given that New Zealand is the first country to include agricultural emissions in a trading scheme.

1 <http://brownlee.co.nz/index.php?archives/41-Video-Newsletter-5.html>

## New Zealand First

New Zealand First did not respond to the survey. As one of the parties that killed off what was to be a major climate change policy - the carbon tax – this survey would have been an opportune moment for New Zealand First to demonstrate whether it is now serious about tackling climate change.

## Progressive Party

The Progressive Party has a strong set of climate change policies and rates second, behind the Green Party, in terms of its commitment to confronting the problem.

### HIGH POINTS

The Progressive Party acknowledges and accepts the necessary emission reductions required as outlined by the IPCC.

They believe the greatest potential for reducing emissions lies with land-use management, *“...particularly the use of nitrogen management tools and inhibitors and biochar to reduce the amount of nitrogen applied to and lost from land and increasing nitrogen and carbon in soils, as well as large scale afforestation of highly erodible hill country.”*

This explicit identification of areas for improvement within the agricultural sector is a promising sign that indicates a genuine concern. Along with the Greens, the Progressives are the only party to unconditionally agree that New Zealand should be positioned as a leader in international negotiations. This includes supporting the inclusion of international air travel emissions being taken into account in global climate change policy.

### ROOM FOR IMPROVEMENT

Similarly to Labour, despite acknowledging a promising raft of currently available options to reduce emissions within the agricultural sector, the Progressives firmly believe that the sector should not enter into the emissions trading scheme prior to 2013.

In reference to the question regarding New Zealand adopting binding targets of 25-40 per cent emission reductions for the second commitment period of the Kyoto Protocol, the Progressives noted that an analysis of what is achievable must be undertaken before setting such a target. The reality is that if we are going to have any chance of tackling climate change, which simply *have* to achieve emission reductions within this range, as a minimum.

The Progressives are aiming for carbon neutrality by 2050. Unfortunately, carbon neutrality simply involves ensuring that all emissions within New Zealand are offset elsewhere. We could meet the goal of carbon neutrality even if emissions in New Zealand increased, as we could simply buy our way out of the problem. While it may make sense to offset some of our emissions offshore, we need to ensure that a large proportion of the 80-90% emission reductions needed by 2050 occur within New Zealand.

The Progressives do not support the Resource Management [Climate Protection] Amendment Act, which gives local authorities the power to take into account the effects of climate change when considering resource consents. The party believes this is a national issue that requires a national, rather than regional response. However, the recent consent granted for the construction of a new Holcim cement factory in Otago, which will increase national greenhouse gas emissions, demonstrates that the imminent emissions trading scheme will not be effective in deterring climate-damaging projects from proceeding. Giving local authorities the ability to factor climate change into their consent decisions will provide a further tool for preventing the continued growth of greenhouse gas emissions.

## United Future

Overall, United Future did better than might have been expected given past performance. In the past United Future has championed the cause of climate change deniers and opposed the carbon tax. United Future's position on climate change has improved, but it still has a long way to go before it could be considered a leader on climate change.

### HIGH POINTS

United Future has a comprehensive energy strategy that includes a significant increase in funding for energy efficiency and conservation policies. They also have a number of policies to assist households with emission reductions.

They are committed to New Zealand's Kyoto obligations.

### ROOM FOR IMPROVEMENT

United Future did not clearly commit to the target of 80-90% emission reductions by 2050. Emissions reductions of 80-90% by 2050 are widely accepted as the minimum required for developed countries.

United Future has a “no regrets” approach to climate policy and believes that “... *the only effective course of action over the long-term is to work with private industry and individuals to find ways of maintaining economic growth and to better the living standards of New Zealanders while also meeting environmental targets.*” This statement reveals the subordinate position United Future sees environmental issues taking in relation to economic growth.

United Future would accept binding targets of 25-40 per cent emission reductions for the second commitment period of the Kyoto Protocol, but only under conditions that they were “achievable” and that “other developed and developing countries also set binding targets.” While this sounds a positive response, it is not really a commitment. The likelihood that *all* countries in the world will commit to binding targets is so low that this conditional acceptance has little significance. There are some countries that are so poor, or which have such low emissions, that it would be unreasonable to expect them to make the sort of commitments New Zealand can make. The United Future position is similar to that of the United States which has successfully used this argument to avoid taking responsibility for its own emissions. And as explained above, the IPCC has identified a range of 25-40% reductions by 2020 for developed countries as necessary in order to put the world on track. New Zealand should get on with adopting a target and doing what’s required to meet it.

United Future believe that taxpayers should pay for all of the agricultural sector’s emissions until 2013. They have no policies to encourage emission reductions from the agricultural sector.

United Future sees New Zealand’s current position on climate change as leading the world and supports this position. Unfortunately, as the 4<sup>th</sup> highest per capita emitters in the OECD, and amongst developed countries who have ratified the Kyoto Protocol the country with fastest emissions growth, New Zealand is lagging behind in tackling climate change. New Zealand is well behind countries in Europe, both in terms of emissions reductions and in international leadership.

# Political Party Responses to the Questionnaire

The responses are in alphabetical order.

## ACT Party Response

No response

## Green Party Response

### A global target

- 1) *Does your party support a global target of no more than 2 degrees warming on pre-industrial levels?*

Yes

### A national emissions reduction target

- 2) *Do you agree that New Zealand should make emission reductions of between 80 -90% below 1990 levels of greenhouse gas emissions by 2050? If not, what is your target?*

*Our policy currently sets a target of 60-90%, reflecting the current uncertainty of both climate feedback loops and the rate of emergence of new technology. It is too early to say how much should be done at home vs. how much we should transfer capital to developing countries to assist them with deep emissions reductions through new technologies. The most important thing is to start now and achieve early reductions – if we start of the right path quickly we can refine longer-term targets later.*

- 3) *Do you agree with the findings of the IPCC that a 25% to 40% reduction in greenhouse gas emissions below 1990 levels in developed countries (including New Zealand) is needed by 2020? If not, what is your interim target to ensure the 2050 target is met?*

*Yes, it's a good working target at this stage.*

### Domestic emission reductions

- 4) *How does your party intend to ensure New Zealand does not continue to lag behind in terms of greenhouse gas emission reductions?*

*We would set higher and earlier targets for improving the vehicle fleet and would accelerate public transport development. But the task is impossible unless we change the mindset that measures success by economic growth, of whatever sort, and links energy growth with economic growth.*

*Fast tracking the development of bio-char for improvement of soils would also give the double benefit of carbon sequestration and modifying soils to be more productive and more amenable to organic farming.*

## Economics and climate change

- 5) *Would your party favour a climate-friendly policy over a climate-damaging alternative, even if the latter would result in a higher rate of economic growth in the short term?*

*Of course*

## Agriculture

- 6) *Does your party believe that the farming sector or taxpayers should cover the cost of the agriculture sector's greenhouse gas emissions until 2013 and beyond?*

*Agriculture should be brought into the scheme earlier. However, NZ is accountable under Kyoto for only the growth in emissions since 1990 and given the limited technological options it does not make sense to require agriculture to pay for its total emissions. It should be required now to pay for all emissions above 1990 levels (that is mainly from dairying) and the delay in starting should be the minimum necessary to get the (non-trivial) arrangements in place for counting, verifying and registering.*

- 7) *Does your party support the proposition that there are steps the agricultural sector can take immediately to reduce emissions such as using nitrification inhibitors, organic farming and adopting more sustainable land use practices? If so, how would your party promote such steps?*

*If the industry was required to pay now for its emissions at the margin, nitrification inhibitors would become standard. We are still cautious about whether enough is known about their effects on soil ecology though. We have had policies to promote organic farming for many years and achieved funding for certification systems and a farmer advisory service. However I have searched for, and not found, any reputable evidence that organic cows produce less methane per kg milk solids than conventional cows. In the absence of that evidence, it is not clear how you would verify the carbon emissions.*

## Transport

- 8) *Will your party vote for the Climate Change (Transport Funding) Bill which aims to balance the ratio of funding between public and active transport and roading? What would your ideal ratio of funding be?*

*Yes. We support the ratio in the bill.*

9) Does your party agree that the impact of emissions from international air travel should be included in international climate change policies?

Yes

### Energy

10) Do you support Greenpeace's proposal that the electricity sector should be 100% renewable by 2025? If not, what is your target for renewables?

No. The modelling for this has been done very carefully, at my insistence, and it shows that once you get past 90% you have to waste a lot of capital on installing plant you will rarely need, to back up periods of low rainfall or low wind. This is not the best use of limited funds to address climate change. Electricity produces about 10% of our total greenhouse emissions. Moving from 90% renewable to 100% is a huge ask, compared with getting to 90% which is relatively easy, and would save only 1% of our current emissions, at very high cost. Far better to put that capital into transport solutions, which are our real problem. Time enough to worry about the emissions from the last 10% of our electricity (which will by then be gas, not coal) when we have reduced transport emissions to zero. We could continue burning a little gas in existing power stations like EP3 for a long time with negligible effect on our emissions. That might change if electric vehicles become common and a way can be found to limit their charging to off peak hours. But we are some way away from that now.

11) Does your party support the Government's proposed amendment to the Electricity Act that will prohibit new fossil fuel electricity generation? If not, why not?

Yes

12) What policies does your party have to promote renewable energy?

Feed-in tariffs could be useful for marine and solar electricity, as well as for biogas fed into the natural gas pipelines, but the first two technologies are not quite ready for it yet (there is so much renewable power available without subsidy) and biogas needs to be developed for on farm purposes first. The subsidies available now for biomass fuels in industry should help and we need more funding for this. Wood pellet burners and clean log burners for domestic heating should be preferred to heat pumps in many circumstances – at least they are now an option in the new programmes.

13) What role does your party see for New Zealand coal production in a climate-friendly future?

The Greens wish to phase out coal mining by preventing the opening of new mines. For the future we will need coal for steel making and when current mines are exhausted we may need to consider allowing limited continued production from new mines as society is unlikely to decide to do without steel. The best way to deal with those emissions is probably carbon capture and storage if it can be made to work. The same is true for cement emissions. We see no role for coal-fired electricity once Huntly is phased out, and no role for liquid fuels from coal.

### Energy efficiency and conservation

14) Would your party support an increase in funding above current levels for the Energy Efficiency and Conservation Strategy? If so, by how much?

Yes. Enough to retrofit all HNZ homes in 3 years and at least a doubling of the industry grants.

### Resource Management Act

15) Does your party intend to vote in favour of the Resource Management (Climate Change) Amendment Bill? If not, why not?

Yes

### Emissions trading

16) Does your party agree with the percentage and timetable of free allocations of the current proposal to subsidise up to 90% of industrial and agricultural emissions under the emissions trading scheme until 2025? If so why? If not, what changes to the proposal would you make?

1. Coal seam methane should be entirely captured in the ETS.
2. Agricultural emissions above 1990 levels should be captured as soon as possible (bearing in mind that a rushed scheme will not work) then that cap should be lowered each year.
3. Energy should come in a year earlier, at the same time as transport, even if industrial process emissions (cement, steel, etc) have to wait another year because of complexity.
4. We do agree with partial protection for industries at risk from trade competitors who face no price on carbon. There is no point in crashing the NZ economy while raising emissions elsewhere as firms move their operations. The detail of who will get how much protection has not been announced and will be left to regulation after the election. We believe Parliament should determine this through legislation.

5. As long as a firm faces a price on carbon at the margin of its activities it faces the full incentive to reduce emissions. You will not change its behaviour by charging it for its total emissions – it can only make changes at the margin of its activities, the rest is just a cost penalty for no climate gain. The aim must be to charge for all the emissions that could reasonably be avoided by better technology or better management, and then to keep that pressure on by reducing the cap every year. It remains to be seen whether the Government's ETS will achieve this or not.

#### International Obligations and Negotiations

17) Is your party committed to New Zealand meeting its current Kyoto obligations?

Yes – though it is obvious at this late stage that it will have to do so by purchasing credits from elsewhere, as we cannot make that level of reduction in 2-3 years.

18) Does your party agree that New Zealand should take on binding targets for the second commitment period of the Kyoto Protocol? If so, what should those targets be?

Yes. Equal to the highest commitments made by other countries.

19) Does your party believe New Zealand's position in international negotiations should be as an international leader, a follower or in line with a large umbrella group?

We should be part of the group that is leading. We are too small to be out on our own. Our own reductions will do less for the climate than what we can persuade others to do, by joining them.

#### Assistance for households with low incomes

20) Does your party support providing assistance to households with low incomes? If so, would your party prefer income support or support directed to assist emission reductions eg. energy efficiency and public transport?

Yes. The most important help is upgrading energy efficiency of homes and building more public transport. However some rise in the basic benefit is also overdue and would help.

## Labour Party Response

Please note this is a statement of Government policy as at February 2008. Further work is being done.

#### A global target

1 Does your party support a global target of no more than 2 degrees warming on pre-industrial levels?

Yes. The Labour-led Government believe to avoid some of the most extreme impacts of climate change, global mean temperatures need to be limited to no more than 2-3 degrees Celsius above pre-industrial levels.

#### A national emissions reduction target

2) Do you agree that New Zealand should make emission reductions of between 80 -90% below 1990 levels of greenhouse gas emissions by 2050? If not, what is your target?

We believe emission reduction targets should be based on the scientific advice of the IPCC. Very substantial cuts in greenhouse gas emissions are both feasible and necessary, especially for the main greenhouse gas CO<sub>2</sub>.

3) Do you agree with the findings of the IPCC that a 25% to 40% reduction in greenhouse gas emissions below 1990 levels in developed countries (including New Zealand) is needed by 2020? If not, what is your interim target to ensure the 2050 target is met?

Yes. The Labour-led Government supports aggregated emission reductions for Annex 1 Parties of 25 – 40 percent below 1990 levels by 2020, indicated by the IPCC to correspond to global emissions scenarios characterised by stabilisation at 450ppm CO<sub>2</sub>-e. Support is conditional on and in the context of:

- a global package of commitments that has a high probability of achieving global emissions scenarios characterised by stabilisation at 450ppm CO<sub>2</sub>e;
- a global package of commitments that contains flexibility mechanisms so that the cost of reducing emissions to is kept to achievable levels that also encourage emission reductions in developing countries as low as possible;
- Individual countries' commitments reflect equitable burden sharing between countries;
- the rules governing the accounting for carbon are clear.

## Domestic emission reductions

- 4) *How does your party intend to ensure New Zealand does not continue to lag behind in terms of greenhouse gas emission reductions?*

The following document gives a summary of the solutions the Labour-led government is putting in place to address climate change: <http://www.climatechange.govt.nz/files/NZ-Climate-Change-Solutions.pdf>. The following are a few examples:

- The Labour-led Government recently announced an emissions trading scheme designed to make all sectors of the economy responsible for the carbon cost of their activities and provide an incentive to reduce emissions. For more information on the emissions trading scheme visit [www.climatechange.govt.nz](http://www.climatechange.govt.nz);
- Review of building code;
- For households: Energywise Homes ([www.energywise.org.nz](http://www.energywise.org.nz)) and Smarter Homes ([www.smarterhomes.org.nz](http://www.smarterhomes.org.nz)) provide homeowners with information to help cut energy and heating costs. The government has also launched a new website; ([www.sustainability.govt.nz](http://www.sustainability.govt.nz)) to encourage individuals to lead more sustainable lifestyles and another website; ([www.reducerubbish.govt.nz](http://www.reducerubbish.govt.nz)) focuses on reducing household waste;
- For vehicles: [www.fuelsaver.govt.nz](http://www.fuelsaver.govt.nz) provides information to help drivers improve their fuel efficiency. The new emissions standards will improve average fuel efficiency across the New Zealand vehicle fleet and biofuel sales targets will cut overall greenhouse emissions.
- Public transport use has been boosted by an 11 fold increase of investment in addition to substantial investment in the electrification of suburban rail and the purchase of the rail track;
- Substantial funding is being put into research into agricultural greenhouse gas emissions (for an example of funding for agriculture see <https://www.pggrc.co.nz/default2.asp>);
- There is now a raft of programmes and grants to promote sustainable business (<http://www.eecabusiness.govt.nz>) and other development of energy efficiency technologies like solar heating (<http://www.solarsmarter.org.nz>), other low carbon energy and marine energy.

## Economics and climate change

- 5) *Would your party favour a climate-friendly policy over a climate-damaging alternative, even if the latter would result in a higher rate of economic growth in the short term?*

Our economic modelling gives us confidence that any short term decrease in economic growth will be small with the economy continuing to grow strongly.

## Agriculture

- 6) *Does your party believe that the farming sector or taxpayers should cover the cost of the agriculture sector's greenhouse gas emissions until 2013 and beyond?*

Transport and energy emissions from agriculture will be covered by the ETS from the same time as other sectors.

In 2003 the agriculture sector entered into a memorandum of understanding with the Government. Under this agreement the government agreed that it would bear the cost of the agricultural sector's non-carbon dioxide emissions during the first commitment period (2008-2012) of the Kyoto Protocol, provided that the sector contributes to research into ways to reduce greenhouse gas emissions from agricultural activities.

The target of that research (coordinated through the Pastoral Greenhouse Gas Research Consortium) is to deliver abatement technologies that will lower total ruminant methane and nitrous oxide emissions by at least 20 per cent from business as usual levels by the end of 2012.

Beyond 2012 the government has decided in principle to bring all agricultural greenhouse gases into the New Zealand Emissions Trading Scheme on 1 January 2013.

In the meantime, the government proposes that agricultural sector participants in the scheme be required to begin monitoring their emissions before 2013. The government will also work with the farming sector to pursue emission reductions before 2013. Although the agricultural sector will not have to cover the cost of their emissions until 2013 this sector is responsible for their emissions from 2005 which means there is an economic incentive to reduce emissions.

For further information on how the government is helping the agriculture sector address climate change see the Sustainable Land Management and Climate Change: Plan of Action (<http://www.maf.govt.nz/climatechange/sustainable-land-management-poa/>).

- 7) Does your party support the proposition that there are steps the agricultural sector can take immediately to reduce emissions such as using nitrification inhibitors, organic farming and adopting more sustainable land use practices? If so, how would your party promote such steps?

Yes. The Labour-led Government expects the agricultural sector to start taking steps towards reducing emissions before 2013. There is currently greater opportunity to reduce nitrous oxide emissions, such as through the use of nitrogen inhibitors and more effective fertiliser use. Increased use of these technologies will also reduce impacts on water quality, supporting broader sustainable land use practices.

During the five-year period before agriculture enters the emissions trading scheme the Government will require the sector to monitor and report its emissions as early as 2011, increase its contribution towards research in mitigation and adaptation, and increase its contribution to technology transfer; in particular commitments to roll out mitigation technology such as nitrification inhibitors, and promote energy efficiency on farms.

The document entitled Sustainable Land Management and Climate Change: Plan of Action (<http://www.maf.govt.nz/climatechange/sustainable-land-management-poa/>) outlines work programmes on how the government is working with the farming sector to identify opportunities for reducing emissions before 2013

## Transport

- 8) Will your party vote for the Climate Change (Transport Funding) Bill which aims to balance the ratio of funding between public and active transport and roading? What would your ideal ratio of funding be?

The Government is considering its position on the Bill.

- 9) Does your party agree that the impact of emissions from international air travel should be included in international climate change policies?

The Labour-led Government supports action at an international level to reduce emissions from international air travel, but has not yet reached a view on the most appropriate way to achieve this. The government is working through ICAO and the UNFCCC to resolve this issue.

New Zealand is showing commitment to addressing aviation emissions by including domestic air travel in the emissions trading scheme.

## Energy

- 10) Do you support Greenpeace's proposal that the electricity sector should be 100% renewable by 2025? If not, what is your target for renewables?

The Labour-led Government has adopted a target of generating 90 per cent of New Zealand's electricity from renewable energy sources by 2025. This is an ambitious target as New Zealand already has the third highest level of renewables in the developed world.

- 11) Does your party support the Government's proposed amendment to the Electricity Act that will prohibit new fossil fuel electricity generation? If not, why not?

Yes.

- 12) What policies does your party have to promote renewable energy?

Measures, inter alia, that the Labour-led Government has implemented to promote renewable energy include:

1. Introducing a target for 90 per cent of electricity generated from renewable sources by 2025 (based on an average hydrological year)
2. Using the RMA to provide greater leadership and guidance on consenting renewable electricity generation
3. Introducing a Biofuels Sales Obligation
4. Encouraging the development and use in future of electric vehicles fuelled by renewable electricity
5. Removing barriers to distributed generation, including small-scale generation
6. Encouraging the clean and efficient use of bioenergy
7. Expanding our knowledge and understanding of New Zealand's energy resources.

- 13) What role does your party see for New Zealand coal production in a climate-friendly future?

This depends on the technical viability and economics of carbon capture and storage.

## Energy efficiency and conservation

- 14) *Would your party support an increase in funding above current levels for the Energy Efficiency and Conservation Strategy? If so, by how much?*

*This strategy does not need funding- the policies do. Details pertaining to funding will be made apparent in the budget.*

## Resource Management Act

- 15) *Does your party intend to vote in favour of the Resource Management (Climate Change) Amendment Bill? If not, why not?*

*This is under consideration.*

## Emissions trading

- 16) *Does your party agree with the percentage and timetable of free allocations of the current proposal to subsidise up to 90% of industrial and agricultural emissions under the emissions trading scheme until 2025? If so why? If not, what changes to the proposal would you make?*

*The Labour-led Government supports the NZ ETS Bill currently before the Select Committee.*

## International Obligations and Negotiations

- 17) *Is your party committed to New Zealand meeting its current Kyoto obligations?*

*Yes. New Zealand will reduce its greenhouse gas emissions to the level they were in 1990, or take responsibility for excess emissions.*

- 18) *Does your party agree that New Zealand should take on binding targets for the second commitment period of the Kyoto Protocol? If so, what should those targets be?*

*Yes in principle depending on commitments agreed to by other developed and developing countries.*

- 19) *Does your party believe New Zealand's position in international negotiations should be as an international leader, a follower or in line with a large umbrella group?*

*An international leader especially in the area of electricity emissions and livestock emissions and deployment of electric vehicles.*

*The Labour-led Government believes that broad and balanced participation, participation by all major emitters, flexibility mechanisms to reduce the cost of achieving mitigation, and equitable burden sharing between countries are important for achieving New Zealand's international and domestic objectives in relation to climate change mitigation, i.e. we know we can't do it by ourselves and that a multilateral agreement is needed.*

## Assistance for households with low incomes

- 20) *Does your party support providing assistance to households with low incomes? If so, would your party prefer income support or support directed to assist emission reductions eg. energy efficiency and public transport?*

*Yes. The ENERGYWISE Home package was announced in Budget 2007. It included funding for subsidised loans to allow low to middle income homeowners upgrade to household insulation and clean and efficient heating.*

## Māori Party Response

No response

## National Party Response

National did not reply to the questions, but provided the following:

### Blue Green document

<http://www.national.org.nz/Article.aspx?ArticleId=8712>

### Northland Speech

<http://www.national.org.nz/Article.aspx?ArticleID=10195>

Greenpeace also drew information from the first reading debate on the legislation to establish the emissions trading scheme and renewables preference.

[http://www.parliament.nz/en-NZ/PB/Debates/Debates/d/f/2/48HansD\\_20071212\\_00000817-Climate-Change-Emissions-Trading-and-Renewable.htm](http://www.parliament.nz/en-NZ/PB/Debates/Debates/d/f/2/48HansD_20071212_00000817-Climate-Change-Emissions-Trading-and-Renewable.htm)

## New Zealand First Response

No response

## Progressive Party Response

### A global target

- 1) *Does your party support a global target of no more than 2 degrees warming on pre-industrial levels?*

*Yes, but we note that a more stringent target may be desirable to avoid some of the negative impacts of climate change.*

### A national emissions reduction target

- 2) *Do you agree that New Zealand should make emission reductions of between 80 -90% below 1990 levels of greenhouse gas emissions by 2050? If not, what is your target?*

*Yes for net emissions, in fact our goal is carbon neutrality. However, whether it is possible or practical to do so will depend upon a wide range of social, economic and environmental factors, which will unfold over the next forty years.*

- 3) *Do you agree with the findings of the IPCC that a 25% to 40% reduction in greenhouse gas emissions below 1990 levels in developed countries (including New Zealand) is needed by 2020? If not, what is your interim target to ensure the 2050 target is met?*

*Certainly we agree that such reductions are needed, whether they are achievable or not remains to be seen. What is technically achievable is not always the same things as what is economically, socially or politically achievable. We believe such reductions, even in net emissions, are highly ambitious for New Zealand given the comparably high level of renewable energy generation already commissioned in New Zealand and the time it will take to change transport modes, improve fuel efficiency, increase biofuel mixing, commission renewables etc.*

*The Progressive Party believes the area that offers greatest hope in the short term (i.e. by 2020) is in land-use, particularly the use of nitrogen management tools and inhibitors and biochar to reduce the amount of nitrogen applied to and lost from land and increase nitrogen and carbon in soils, as well as large scale afforestation of highly erodible hill country. For this reason we have prioritised, and lead within the Labour-Progressive Government, the \$175m Plan of Action on Sustainable Land Management and Climate Change. We believe these programmes have the ability to reduce emissions and increase carbon sequestration by millions of tonnes within a decade.*

*However, the Progressives believe we should become overly preoccupied with targets. The most important priority is to reduce emissions as substantially and quickly as practicable, and we are focussing on where this can be done and have ensured the Government's resources have been applied to this.*

### Domestic emission reductions

- 4) *How does your party intend to ensure New Zealand does not continue to lag behind in terms of greenhouse gas emission reductions?*

*Please refer to Government policy, which we have had significant input into, and the question above. Our response needs to be across all sectors. Transport, stationary energy, land use are all part of the solution. We need to increase energy efficiency and conservation, build more renewables, increase biofuels, increase sequestration and reduce emissions from land use practices as per above. As stated above, while we need and support action on all fronts we believe the biggest gains for New Zealand are to be found in sustainable land management practices, which bring a great deal of environmental and economic co-benefits.*

### Economics and climate change

- 5) *Would your party favour a climate-friendly policy over a climate-damaging alternative, even if the latter would result in a higher rate of economic growth in the short term?*

*As a general rule yes. However, no party can say always under every condition because with limited resources and tools for intervention there may be occasions when a cost benefit analysis has to be conducted and it is better to focus efforts in one area and accept tradeoffs in another.*

### Agriculture

- 6) *Does your party believe that the farming sector or taxpayers should cover the cost of the agriculture sector's greenhouse gas emissions until 2013 and beyond?*

*Yes. It is clear from government modelling that a large number of NZ farms, some of which are in a negative cashflow situation now, will be unviable if they have to face the full cost of emissions while trying to sell 90% of their product on global commodity markets. We are in a period transition, domestically and internationally, and it is necessary to keep the economy going while introducing sectors to the cost of their emissions in a staged and managed fashion. Present Government policy does precisely this. Any political party that believes that it is economically or socially prudent, or even remotely politically possible, for the full cost of emissions to be imposed on the agricultural sector are simply deluding themselves.*

- 7) *Does your party support the proposition that there are steps the agricultural sector can take immediately to reduce emissions such as using nitrification inhibitors, organic farming and adopting more sustainable land use practices? If so, how would your party promote such steps?*

Yes, and we are doing so through the Plan of Action on Sustainable Land Management and Climate Change. Unlike all other parties in Parliament we have committed significant resources to research and extension initiatives to promote sustainable land management practices. If you believe this Plan of Action is ineffective then we encourage you to meet with MAF and be briefed on the extensive programme of actions underway.

### Transport

8) Will your party vote for the Climate Change (Transport Funding) Bill which aims to balance the ratio of funding between public and active transport and roading? What would your ideal ratio of funding be?

We will support the Bill to the Select Committee so that the issues can be considered in detail. We are not privy to sufficient analysis of the Bill and its impacts to give unqualified support.

9) Does your party agree that the impact of emissions from international air travel should be included in international climate change policies?

Yes.

### Energy

10) Do you support Greenpeace's proposal that the electricity sector should be 100% renewable by 2025? If not, what is your target for renewables?

Yes as a target but we recognise that it may not be possible to configure the system by 2025 to preclude the use of thermal generation for standby emergency reserve generation.

11) Does your party support the Government's proposed amendment to the Electricity Act that will prohibit new fossil fuel electricity generation? If not, why not?

Yes.

12) What policies does your party have to promote renewable energy?

We support further national direction under the RMA to prioritise renewable energy projects (including for exploration of geothermal power), the emissions trading scheme to increase the profitability of renewable energy, Electricity Act regulations to require lines companies to facilitate renewable generation on to their network and grant funding for research into renewables such as deep geothermal and tidal and wave power. We support increased grants for the installation of solar hot water heating and Building Code requirements for solar hot water heating to be mandatory on new homes in appropriate regions.

13) What role does your party see for New Zealand coal production in a climate-friendly future?

We only see a long-term future if carbon capture and sequestration technologies can be commercially realised.

### Energy efficiency and conservation

14) Would your party support an increase in funding above current levels for the Energy Efficiency and Conservation Strategy? If so, by how much?

We do not make commitments to arbitrary sums of funding outside of budget processes because any such commitment needs to be weighed against competing priorities, as well as the fiscal and macro-economic position. Any party that makes such arbitrary commitments is unlikely to have ever been in Government.

### Resource Management Act

15) Does your party intend to vote in favour of the Resource Management (Climate Change) Amendment Bill? If not, why not?

We assume you mean the Resource Management (Climate Protection) Amendment Bill. We do not support this Bill because we do not believe Regional Councils have sufficient technical competency to consider the effects of consents on climate change and this can be more effectively regulated by central government through a mix of tools. Given that the climate change effects of a particular consent application is not felt locally we believe that devolved decision making on these matters is not appropriate.

### Emissions trading

16) Does your party agree with the percentage and timetable of free allocations of the current proposal to subsidise up to 90% of industrial and agricultural emissions under the emissions trading scheme until 2025? If so why? If not, what changes to the proposal would you make?

Yes because they strike a reasonable balance between all of the competing tensions and priorities surrounding the ETS.

### International Obligations and Negotiations

17) Is your party committed to New Zealand meeting its current Kyoto obligations?

Yes

18) Does your party agree that New Zealand should take on binding targets for the second commitment period of the Kyoto Protocol? If so, what should those targets be?

Yes. We believe a thorough analysis of what is achievable is necessary before committing to a particular target and we have not been privy to such analysis.

19) Does your party believe New Zealand's position in international negotiations should be as an international leader, a follower or in line with a large umbrella group?

Leader.

#### Assistance for households with low incomes

20) Does your party support providing assistance to households with low incomes? If so, would your party prefer income support or support directed to assist emission reductions eg. energy efficiency and public transport?

Yes, through a mixture of interventions that maximise effectiveness and efficiency. Costs will flow throughout the economy so income support is necessary, but it is also important that targeted measures ensure that particular groups who are affected disproportionately get adequate assistance.

## United Future Response

### A global target

1) Does your party support a global target of no more than 2 degrees warming on pre-industrial levels?

While we acknowledge that the average global temperature is affected by the concentration of greenhouse gases in the atmosphere, it is not an exact science - you cannot say that a certain concentration of gases will lead to a precise increase in temperature - but the relationship is relevant in terms of probability. A stabilisation target of 450 ppm CO<sub>2</sub>eq leads to a 50% chance of keeping global temperature rise to no more than 2 degrees.

United Future does not pretend to be able to precisely predict all the consequences or outcomes of climate change, but through the growing scientific and economic evidence we understand the risks and the need for a timely response. We are enthusiastic about working with all parties and interest groups to develop initiatives to meet New Zealand's international and domestic climate obligations.

### A national emissions reduction target

2) Do you agree that New Zealand should make emission reductions of between 80 -90% below 1990 levels of greenhouse gas emissions by 2050? If not, what is your target?

United Future understands that while long-term objectives need to be discussed there are still many challenges in order to meet our obligations through the first commitment period under Kyoto and beyond (Bali Accords). New Zealand has a long list of challenges ahead in order to meet our short-term objectives. We believe it is important to put in place a sound framework moving forward so that we can seek solutions that offer positive alternatives rather than just punitive measures. We want to encourage both the public and private sector to develop common sense initiatives that will have a long-term effect in dealing with climate change – e.g. the financing of energy efficient homes.

3) Do you agree with the findings of the IPCC that a 25% to 40% reduction in greenhouse gas emissions below 1990 levels in developed countries (including New Zealand) is needed by 2020? If not, what is your interim target to ensure the 2050 target is met?

Yes, the IPCC target seems a reasonable, yet still incredibly challenging, medium-term goal that New Zealand should aspire to. While we acknowledge that the time for action is now, as time goes on and we work towards different targets the science and methods of prediction surrounding climate change will only get better, meaning that we have to prepare for a certain amount of flexibility in setting such targets and how we go about meeting them.

### Domestic emission reductions

4) How does your party intend to ensure New Zealand does not continue to lag behind in terms of greenhouse gas emission reductions?

As this is a very general question I will point you to our specific climate change policies to illustrate United Future's intentions:

### Forestry and Agriculture

- Support the Permanent Forest Sinks Initiative. While creating an opportunity for further carbon sinks, the trees will also work to prevent soil erosion, the leaching of nitrates and the excursion of stock into rural waterways.
- Promoting the planting of native trees and bush along or close by all inland waterways where practical, in order to act as carbon sinks, limit soil erosion and reduce agricultural runoff.
- Encourage landowners to return non-viable farming land to native regenerative forest in order to create carbon sinks.

- *Require the internalisation of all greenhouse gas costs when forested areas are converted to intensive agriculture. For example where forested land is converted to dairy farming the landowner would bear the Kyoto costs arising from the loss of the carbon sink and the new methane emissions, rather than leave those costs to the taxpayer.*
- *Defer final income tax on income derived from forestry until harvest where partly grown trees are sold. When partly grown trees are sold the seller will be assessed income tax in the usual way. However, an equivalent to the income tax paid by the seller will be paid to the buyer by way of a forest encouragement grant.*
- *Ensure that New Zealand producers of sustainably-harvested timber products are not undercut via the “dumping” of imported timber and products that have been harvested without regard to sustainability criteria.*

#### Householders

- *Continue to promote energy efficient homes and technology via the Energy Efficiency and Conservation Authority (EECA).*
- *Substantially boost funding to EECA for a comprehensive nationwide programme of retro-fitting existing homes with energy saving improvements (including better insulation, low-flow shower heads, solar water heating etc).*
  - *Adopt a national strategy, including private sector funding, to insulate all NZ homes to at least 1977 standards. This has co-benefits related to health and family finance.*
  - *That a policy initiative be established to enable EECA to explore with the NZ Bankers Association a partnership to smooth the way for homeowners to obtain financing to expand the programme of insulation/retrofitting of energy-inefficient homes, and other energy-efficiency enhancements.*
- *Require all existing dwellings sold to be assessed for energy efficiency (e.g. insulation, double glazing, heating methods, and use of solar energy) and given a standardised energy efficiency rating.*
- *Require all new homes to be given a standardised energy efficiency rating based on insulation, double glazing, heating methods, use of solar energy etc.*
- *All flats and rental properties to be required to advertise whether or not they are insulated. This will help tenants make an informed choice and will incentivise landlords to improve the insulation and energy efficiency of their properties.*

#### Transport

- *Require that all new Government vehicle fleet purchases will be hybrid vehicles where possible in order to help reduce the cost of purchasing and servicing such vehicles for all New Zealanders.*
- *Implement policies to reduce the average age of New Zealand’s vehicle fleet (thereby reducing average fuel consumption and vehicle emissions).*
  - *For example, instigate a minimum payment by the Government for every older vehicle with a WOF that is taken off the road and dropped off at a ‘wrecker’ for disposal.*
- *To actively encourage and mandate ethanol and other bio-fuel alternatives to petroleum based fuels.*
- *Substantially boost investment in research and development for alternative energy systems and technologies (including hydrogen, ethanol and other biofuels).*
- *Support the creation of CO2 emissions trading and emissions reduction mechanisms provided these result in positive climate change outcomes for New Zealand.*

#### Industry

- *Remove regulatory barriers, including legislative barriers to encourage new electricity generation using hydro, geothermal, wind and tide.*
- *Make EECA the central funding agency for contestable funding programmes aimed at reducing long term energy consumption in small and medium enterprises (SMEs).*
- *Boost research and development funding through GNS Science for carbon sequestration from thermal electricity generating plants.*
- *Support the creation of CO2 emissions trading mechanisms to provide economic incentives to reduce greenhouse gases and boost carbon capture and other greenhouse gas reduction/mitigation efforts whilst continuing to oppose a general carbon tax.*

#### International

- *Ensure that New Zealand meets its obligations under the first commitment phase of the Kyoto Protocol, through the “no regrets” and other initiatives set out above.*

- *United Future will consider joining other multilateral international efforts to reduce greenhouse gases. e.g. The Asia-Pacific Partnership on Clean Development and Climate that includes the United States, Australia, China, India, Japan and South Korea. N.B. we will not support measures that seek to meet our Kyoto obligations in ways that will reduce New Zealand's international competitiveness.*
- *In addition to attempts to limit greenhouse gases thought should be given to a humanitarian resettlement plan. Countries in the Pacific region such as the Tokelau's, Tuvalu and Kiribati are all likely to disappear in the likely event of a rise in sea levels. It is prudent to prepare a robust contingency plan of resettlement to cater for the thousands that will be physically displaced by such an occurrence. New Zealand should play a full part in this plan in cooperation with other nations in our region.*

#### **Economics and climate change**

- 5) *Would your party favour a climate-friendly policy over a climate-damaging alternative, even if the latter would result in a higher rate of economic growth in the short term?*

*As a party we do not believe these two things, climate-friendly policy and economic growth, have to be in competition. United Future promotes "no regrets" policies to address climate change – i.e. measures that will provide both environmental and economic benefits.*

*We aim to seek solutions that offer positive alternatives to otherwise punitive measures e.g. rather than just a carbon tax on coal used to generate electricity (and higher costs for consumers), sequester the carbon or encourage the generator to plant a new forest.*

*It is our belief that the only effective course of action over the long-term is to work with private industry and individuals to find ways of maintaining economic growth and to better the living standards of New Zealanders while also meeting environmental targets. United Future is of the belief that living standards and economic growth are tied intrinsically to environmental sustainability in New Zealand and our international 'clean-green' reputation. Economically, it thus makes sense for our government policies to be climate friendly.*

#### **Agriculture**

- 6) *Does your party believe that the farming sector or taxpayers should cover the cost of the agriculture sector's greenhouse gas emissions until 2013 and beyond?*

*No, we do not believe that in the short-term it is either fair or practical to impose a 'carbon/methane tax' on the farming sector. But as you will notice in the answer to 4 we want to encourage farmers to offset their emissions through the planting of forests as carbon sinks and we also require that any forested area that is converted to intensive farming be offset by the landowner or they individually bear the Kyoto cost arising from losing that carbon sink.*

- 7) *Does your party support the proposition that there are steps the agricultural sector can take immediately to reduce emissions such as using nitrification inhibitors, organic farming and adopting more sustainable land use practices? If so, how would your party promote such steps?*

*Yes, although studies are now showing that some forms of organic farming are less carbon efficient than traditional methods.<sup>2</sup>*

*The way United Future would encourage sustainable land-use practices is by consultation with Federated Farmers, companies such as Fonterra and fertiliser producers. The aim would be to come to an agreement over the most efficient use of fertiliser, the use of nitrogen inhibitors, the planting of trees around waterways to mitigate nitrogen run-off, environmental best practice standards around milking, and the promotion of energy efficiency within the whole production process including transport to and from the farm.*

#### **Transport**

- 8) *Will your party vote for the Climate Change (Transport Funding) Bill which aims to balance the ratio of funding between public and active transport and roading? What would your ideal ratio of funding be?*

*We will not make a decision on this bill until it is nearer to being debated.*

- 9) *Does your party agree that the impact of emissions from international air travel should be included in international climate change policies?*

*No. New Zealand is in an often unenviable geographical position especially taking into account our reliance on the overseas export market and international tourism as two of our largest economic drivers. An international tax or other such measure would do serious harm to our ability to sustain our way of life in this country as well as effectively isolating New Zealand from the rest of the world.*

2 UK Department for Food, Environment and Rural Affairs, <http://www.independent.co.uk/environment/green-living/organic-farming-no-better-for-the-environment-436949.html>

Having said that, United Future does believe that it is prudent to research technologies that will lessen the impact of emissions from air travel and also encourage airlines to improve their own efficiency as some already are doing, e.g. Virgin Atlantic.

## Energy

10) Do you support Greenpeace's proposal that the electricity sector should be 100% renewable by 2025? If not, what is your target for renewables?

Yes, in theory. However, that will be very hard to do in light of our growing dependence on the Huntly Power Station to meet current and future growing demand.

United Future will actively promote the removal of regulatory barriers, including legislative barriers to encourage new electricity generation using hydro, geothermal, wind and tide.

While United Future is a strong advocate for the complete transition to renewable energy sources, there are many problems to work through both economically and environmentally before a commitment can be made to 100% renewable sources by 2025.

The backdoor approach of promoting greater energy efficiency within households and businesses is the most long-term effective strategy to shake our dependence to non-renewable power generation. While it is difficult to increase our energy supply through renewable sources and at the same time increase the capacity of the national grid, many of these problems can be overcome by promoting and incentivising energy conservation across all sectors (see policies in 4).

11) Does your party support the Government's proposed amendment to the Electricity Act that will prohibit new fossil fuel electricity generation? If not, why not?

We have supported this bill to date.

12) What policies does your party have to promote renewable energy?

Remove regulatory barriers, including legislative barriers to encourage new electricity generation using hydro, geothermal, wind and tide.

Make it easier and cheaper for micro-generators to connect directly to local electricity networks (including a requirement for lines companies and electricity retailers to trade with micro-generators at 'fair' market rates).

13) What role does your party see for New Zealand coal production in a climate-friendly future?

To meet international obligations New Zealand is required to severely restrict the use of coal as a means of energy production in the medium to long term. However, in the short term United Future acknowledges the vital role that Huntly plays in meeting the current energy demand.

As a vocal supporter of renewable energy production United Future would like to work towards the phasing out of coal and replacing it with renewable means of energy production in the long term.

## Energy efficiency and conservation

14) Would your party support an increase in funding above current levels for the Energy Efficiency and Conservation Strategy? If so, by how much?

Yes as this is in line with many of our policies especially those relating to householders (see 4). Overall there needs to be enough funding to retro-fit all existing homes with energy saving improvements. United Future will adopt a national strategy to insulate all NZ homes to at least 1977 standards. To do this we envisage a system of public-private partnerships involving banks, the EECA and Housing New Zealand.

## Resource Management Act

15) Does your party intend to vote in favour of the Resource Management (Climate Change) Amendment Bill? If not, why not?

We have supported this bill to date.

## Emissions trading

16) Does your party agree with the percentage and timetable of free allocations of the current proposal to subsidise up to 90% of industrial and agricultural emissions under the emissions trading scheme until 2025? If so why? If not, what changes to the proposal would you make?

Yes. United Future does agree with a scheme to be introduced gradually, hopefully meaning a smooth transition for certain sectors that would be unfairly punished otherwise. As it currently stands the ETS allows businesses to plan ahead and organise the offsetting of their emissions as well as the cutting back of emissions generally. It is important that the ETS fairly treats different sectors in comparison. The free allocation of units is a tool for doing this. Over time, of course, the free allocations will dry up, meaning all sectors and emitters will have to pay for units or offset their emissions.

## International Obligations and Negotiations

17) Is your party committed to New Zealand meeting its current Kyoto obligations?

Yes.

18) Does your party agree that New Zealand should take on binding targets for the second commitment period of the Kyoto Protocol? If so, what should those targets be?

Yes, but on two conditions:

- The targets need to be achievable.
- Other nations, both developed and developing must also take on binding targets. The effort to mitigate climate change must be a truly international one if it is at all to have any effect. While New Zealand can be seen leading the way, we must make sure other countries play their part.

19) Does your party believe New Zealand's position in international negotiations should be as an international leader, a follower or in line with a large umbrella group?

New Zealand has always been a leader in getting other countries around the table to negotiate in order to reach a common international goal. New Zealand is considered an international leader in climate change due to our unwavering support of Kyoto and our latest efforts in Bali. United Future supports this position.

#### Assistance for households with low incomes

20) Does your party support providing assistance to households with low incomes? If so, would your party prefer income support or support directed to assist emission reductions eg. energy efficiency and public transport?

Yes. United Future believes that both of these things are achievable. A reduction in income tax and/or income support to households with lower incomes can work hand-in-hand with support directed to assist emission reductions. Our policies specific to assisting household and transport emission reductions follow:

- Continue to promote energy efficient homes and technology via the Energy Efficiency and Conservation Authority (EECA).
- Substantially boost funding to EECA for a comprehensive nationwide programme of retro-fitting existing homes with energy saving improvements (including better insulation, low-flow shower heads, solar water heating etc).
  - Adopt a national strategy, including private sector funding, to insulate all NZ homes to at least 1977 standards. This has co-benefits related to health and family finance.

- That a policy initiative be established to enable EECA to explore with the NZ Bankers Association a partnership to smooth the way for homeowners to obtain financing to expand the programme of insulation/retrofitting of energy-inefficient homes, and other energy-efficiency enhancements.
- Require all existing dwellings sold to be assessed for energy efficiency (e.g. insulation, double glazing, heating methods, and use of solar energy) and given a standardised energy efficiency rating.
- Require all new homes to be given a standardised energy efficiency rating based on insulation, double glazing, heating methods, use of solar energy etc.
- All flats and rental properties to be required to advertise whether or not they are insulated. This will help tenants make an informed choice and will incentivise landlords to improve the insulation and energy efficiency of their properties.
- Require that all new Government vehicle fleet purchases will be hybrid vehicles where possible in order to help reduce the cost of purchasing and servicing such vehicles for all New Zealanders.
- Implement policies to reduce the average age of New Zealand's vehicle fleet (thereby reducing average fuel consumption and vehicle emissions).
  - For example, instigate a minimum payment by the Government for every older vehicle with a WOF that is taken off the road and dropped off at a 'wrecker' for disposal.
- To actively encourage and mandate ethanol and other bio-fuel alternatives to petroleum based fuels.
- Substantially boost investment in research and development for alternative energy systems and technologies (including hydrogen, ethanol and other biofuels).
- Support the creation of CO2 emissions trading and emissions reduction mechanisms provided these result in positive climate change outcomes for New Zealand.

Greenpeace hopes that this will act as a wake-up call for the party, as well as for other parties who've failed to make the necessary commitments to tackle climate change.