

12 July 2019

Committee Secretariat
Environment Committee
Parliament Buildings
Wellington

By email: zerocarbon@parliament.govt.nz

Climate Change Response (Zero Carbon) Amendment Bill

Dear Sir/Madam

The New Zealand Medical Association (NZMA) wishes to provide feedback on the above Bill. The NZMA is New Zealand's largest medical organisation, with more than 5,000 members from all areas of medicine. The NZMA aims to provide leadership of the medical profession, and to promote professional unity and values, and the health of all New Zealanders. Our submission has been informed by feedback from our Board, Advisory Councils and wider membership.

1. The NZMA strongly supports the intent of the Bill. However, we believe that the Bill needs to be strengthened by some important amendments. These amendments include the following: ensuring health and health equity considerations are placed at the heart of the Bill; bringing emissions reduction targets forward; embedding obligations to Māori under the Treaty of Waitangi; strengthening the independence and composition of the Climate Change Commission; ensuring equitable transition; rethinking the interaction with the Emissions Trading Scheme and strengthening accountability and enforcement. We begin our submission by highlighting the links between health and climate change before elaborating on the areas we believe amendments are needed as well as addressing other aspects of the Bill.

The links between climate change and health

2. Climate change is a serious and leading threat to health and health equity, both in New Zealand and worldwide. Indeed, a report in The Lancet identified climate change as the biggest global health threat of the 21st century.¹ Nevertheless, well planned and effective measures to mitigate climate change can have substantial health (and health equity) co-benefits;² tackling climate change could be the greatest global health opportunity of the 21st century.³ For example, a shift to active and public transport, a diet with less red meat and animal fat, and improved housing energy efficiency can, in addition to reducing greenhouse gas emissions, bring about substantial health and health equity co-benefits, including reductions in type 2 diabetes, heart

disease, road traffic accidents, cancer, respiratory disease, and improvements in mental health.⁴⁻⁸ The financial costs of responding to climate change will be offset by the cost savings of such health co-benefits. We attach the paper *Health benefits and savings of equitable climate mitigation in New Zealand* for further details.

3. Given the above links between climate change and health, we ask for the Bill to be amended to include specific references to health, wellbeing and health equity in the purpose statement (section 3). We also ask for references to health and equity to be added to the sections of the Bill that address the various functions, duties and powers of the Climate Change Commission and Minister, and requirements to complete assessments and plans. These include the following sections: 5H(1)(i); 5L(d); 5ZD(3); 5ZM(1)(a); 5ZQ(4). The current emphasis of the Bill is very much focussed on costs. We believe that the Bill should fully recognise and account for the substantial co-benefits to health, health equity and wellbeing that arise from mitigation of climate change.

Stronger emissions reduction targets

4. While we welcome the setting of emissions reduction targets into law, we believe there needs to be even greater urgency around the proposed timeframes to better reflect the global urgency of mitigation based on the science, the health gains from equitable mitigation, and the principle of global equity /fairness. Accordingly, we reiterate our call for a target of net zero emissions across all greenhouse gases to be brought forward to before 2040. This more ambitious target is aligned with the most recent findings of the Intergovernmental Panel on Climate Change (IPCC) on limiting global warming to 1.5°C.⁹ We refer the Committee to our submission on the Zero Carbon Bill Discussion Document¹⁰ and the supporting attachment *Setting ambitious greenhouse gas emissions targets for New Zealand – the case for international fairness / equity* for more details including references, rationale and modelling assumptions.

5. We believe that an all-gases approach to emissions reduction is needed, mainly because of effects beyond the atmosphere. While the splitting of methane and carbon dioxide targets is reasonable in the sense they have different impacts, this should not make the goals for methane reduction any less ambitious. Although methane is shorter lived than carbon dioxide, it is a far more potent greenhouse gas and may contribute to pushing the climate system into positive feedback loops. There are also concerns that short-lived greenhouse gases such as methane contribute to sea level rise through thermal expansion over much longer time scales than its atmospheric lifetime.¹¹ This is of particular importance because of the links between sea level rise, ocean temperature and climate change.

Strengthening the Independence and Composition of the Climate Change Commission

6. We are strongly supportive of the establishment of the Climate Change Commission that will provide ongoing, independent expert advice to the Government on mitigating emissions and adapting to the effects of climate change. However, in order to be a truly independent body that provides frank and fearless advice, we believe the Commission should be required to report to Parliament as a whole rather than a single Minister and Cabinet. Our concern is that by essentially reporting to the Government of the day, the Commission may be disempowered and influenced by political considerations. We are also concerned that the balance of power in the legislation is too heavily weighted towards the Minister of the day. For example, the Minister has the power to appoint members to the nominating committee as well as the ability to delay presentation of the Commission's reports by 12 weeks before these are presented to Parliament. It is our view that the balance of power needs to be tipped further toward the Commission itself as an independent body constrained only by its legislative mandate. We believe that the Reserve Bank goes some

way towards providing an example of the kind of mandate and level of statutory independence that the Commission requires. Once the provisions in this Bill come into effect, we believe there needs to be a process for climate change impacts to be formally assessed for all new legislation and regulatory changes across all sectors. While this is not in the current Bill, we suggest the Climate Change Commission should play a central role in conducting such assessments.

7. Earlier in this submission, we have recommended the addition of specific references to health and health equity to the various functions, duties and powers of the Climate Change Commission. We believe that it is essential for the Climate Change Commissioners and staff to include expertise in health and health equity. We also believe that the Commission must better reflect the partnership obligations to Māori founded on the Treaty of Waitangi. It is our view that the Commission needs to strengthen Māori involvement and leadership and ensure that it is focussed on whole of society transformation (rather than transforming just the economy) with the skills, capacity and resourcing for this task.

Indigenous perspectives and embedding obligations to Māori

8. We believe that the Bill should more explicitly embed obligations to Māori under the Treaty of Waitangi. In its current form, the Bill is focussed simply on distributive justice with an emphasis on costs and potential negative impacts. We suggest that it needs to also cover the following: the recognition of rights (tino rangatiratanga, mātauranga Māori, tikanga); contextual aspects (colonisation, oppression, institutional racism); procedural aspects (participation / partnership, co-governance); and distributive justice aspects (both positive and negative outcomes), including strengthening accountability. There is also a large body of indigenous knowledge that has enabled Māori to develop sustainably in Aotearoa for centuries. Tangata whenua have adapted to a variety of environmental challenges and worked collectively to develop innovative solutions to social problems. Accordingly, we believe that it is important that tangata whenua are at the centre of the kaupapa underlying this legislation and associated policies.

Equitable transition and adaptation

9. Those at greatest risk from the impacts of climate change in New Zealand include the most vulnerable population groups (eg, Māori, Pacific peoples, children, the elderly and those on low incomes). In addition, New Zealand has particular demographic, historical and economic relationships with a number of low lying small Pacific Island States, all of which will be hugely affected by rising sea levels and the impacts of climate change in the coming years. It is essential that all measures relating to mitigation and adaptation give foremost consideration to equity considerations and these relationships. Currently, the word 'equity' appears in only a single line in the legislation. We recommend that at the very least, equity considerations and these relationships are acknowledged in the preamble to the legislation. Ideally, we would like to see equity added to the specific list of matters to be taken into consideration by the Commission.

10. Intergenerational equity is the fundamental equity consideration that needs to be at the heart of all climate change legislation and policy. Children and young people from all ethnic and socioeconomic backgrounds are, arguably, the major stakeholders in this legislation. As such, we believe there needs to be some kind of meaningful representation for children and teenagers within the Climate Change Commission. Many young people are exceptionally well informed about both the science and politics of climate change and their voice deserves to be heard. Including their representation on the Climate Change Commission would help ensure it functions as the societal critic and conscience it needs to be in the event there is a failure to deliver effective action.

Interaction with the Emissions Trading Scheme

11. We have previously conveyed our view that New Zealand should meet its climate change targets by reductions in domestic net emissions only. We do not support using some emissions reductions from overseas for three main reasons. Firstly, international emissions units may be volatile in price. Secondly, relying on purchasing emissions reductions from overseas could undermine decisive domestic investment towards a low-emissions economy here in New Zealand. Thirdly, relying on international tradeable emissions units means New Zealand misses out on the wellbeing and equity co-benefits of reducing domestic emissions.

12. It is of concern that despite recognised failings in New Zealand's Emissions Trading Scheme (ETS) to date,¹² the Bill touts New Zealand's ETS as a "key tool in meeting emissions budgets and achieving the 2050 target". Although a number of improvements are proposed, including price-control measures, there is a view that what is needed is a radical rethink of the approach to incentivising emissions reductions rather than just improvements to the existing approach. We reiterate our view that the legislation should stipulate strong obligations on reducing domestic emissions rather than paying overseas parties to make the cuts for us. There also needs to be a reliable process for ensuring any purchased credits are meaningful and legitimate.

Accountability and enforcement

13. We believe there needs to be clear and effective accountability of the Minister and Government for not meeting the targets. We suggest this could be accomplished through judicial review and ask that this be introduced into the Bill. We also suggest that the Bill establish duties relevant to more organisations, specifically those companies in the private sector that contribute significantly to emissions.

Next steps

14. This Bill provides concrete emission reduction goals and a supporting framework to facilitate and support policy action to achieve these goals. The Bill is therefore a highly significant and necessary step in New Zealand's journey towards a net zero carbon economy. Nonetheless, the bill alone will not by itself do anything to reduce carbon emissions. For the targets to be achieved, a series of rapid, visionary and transformative policy changes are now needed throughout the entire economy. These will almost certainly be technically challenging to design as well as politically contentious to implement. Nevertheless, they will need to be introduced fairly promptly and in rapid succession. We believe it is important to acknowledge this reality.

We hope our feedback is helpful. We would like to request the opportunity for an oral hearing to speak to our submission.

Yours sincerely

A handwritten signature in blue ink that reads "K. Baddock". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Dr Kate Baddock
NZMA Chair

Supporting attachments

Health benefits and savings of equitable climate mitigation in New Zealand

Metcalf S. Setting ambitious greenhouse gas emissions targets for New Zealand – the case for international fairness / equity

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