

1. EMISSIONS TRADING SCHEME

1.1 The existing scheme will be suspended indefinitely (as from June 2012) until such future time as similar carbon-pricing schemes are adopted by the majority of our key trading partners.

1.2 All provisions of the existing legislation which relate to agriculture will be repealed.

Notes:

- (i) Suspension is preferred to outright repeal because it respects the mandate given in the 2008 election for New Zealand to do its “fair share” of any future international treaty. In 2012, having a national ETS legislated and tested (although not operating) continues to position New Zealand as a world leader.
- (ii) Section 3(i) of the Climate Change Response Act spells out that the purpose of the Act is to “*enable New Zealand to meet its obligation under Article 3.1 of the Kyoto Protocol to retire Kyoto units equal to the number of tonnes of carbon dioxide equivalent of human-induced greenhouse gases emitted from the sources listed in Annex A of the Protocol in New Zealand in the first commitment period*”. The first commitment period expires next year and it is clear that there will be no further commitment periods under the Protocol.
- (iii) Recent scientific studies have raised serious doubts about the extent and causation of climate change – both globally and in New Zealand. There has been no material temperature increase during the 21st century, and a period of suspension will allow us to observe whether global warming resumes, as postulated by certain computer models.
- (iv) Our key trading partners are Australia, China, USA, Japan, and S Korea. None have an ETS and we are at a competitive disadvantage vis-a-vis all of them. Outside of Europe, none of our other trading partners have an ETS either. There is currently very little prospect of any binding international treaty to reduce emissions being finalised within the next decade.
- (v) No country anywhere has even contemplated the possibility of applying carbon penalties to its agriculture or other food production sectors - apart from New Zealand. It is widely accepted that no net reductions in global emissions will result, and that any intentional increases in food production costs will only exacerbate poverty and starvation world-wide.
- (vi) The statistics and science relating to enteric methane are highly uncertain and rapidly changing. New Zealand net emissions are minuscule and are not increasing. There is no reliable measurement and no incentives. The ETS administrative and compliance costs for individual farmers are prohibitive.

ACT POLICY : CLIMATE CHANGE ISSUES

- (vii) New Zealand, being more dependent on cost-efficient agriculture than any other developed nation, should strongly reject its self-defeating leadership role.

2. EMISSIONS TARGETS FOR 2020 AND 2050

2.1 New Zealand's formal emissions target for 2020 will be reviewed to ensure that it is compatible with the "fair share" objective – ie the economic pain of any adjustment will be no greater than that being endured by our trading partners.

2.2 The 2050 emissions target will be reviewed when the 2020 target period has expired.

Notes:

- (i) For the 2009 Copenhagen conference, the Government adopted a formal target to reduce NZ emissions 10-20% below 1990 levels by 2020. Cabinet rejected a Treasury recommendation that "fair share" should be measured on the basis of "equal pain", which would point to a target of only 1-2% below 1990 levels.
- (ii) At Copenhagen, New Zealand was presented with an informal "bronze medal" for having the third most ambitious target in the world. But the Government re-committed to the same target in January 2011, in the aftermath of the Cancun conference.
- (iii) The target is conditional, and should now be reviewed in the knowledge that the conditions are most unlikely to be fulfilled.
- (iv) The 2050 target, gazetted in 2011, serves little purpose apart from political posturing. But it can do harm in influencing bureaucratic decision-making and suggests an end to scientific and technological development.

3. ENVIRONMENTAL STANDARDS

1.1 ACT will repeal section 7(i) of the Resource Management Act requiring planning authorities to "have particular regard to the effects of 'Climate Change' (as defined)".

1.2 A Board of Inquiry will be established under section 45 of the Resource Management Act to consider national and coastal policy statements dealing with any expected effects of predicted future changes (if any) in national or regional climates – including sea levels and extreme weather events.

Notes:

ACT POLICY : CLIMATE CHANGE ISSUES

- (i) The RMA defines “climate change” as “*a change of climate that is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and that is in addition to natural climate variability observed over comparable time periods*”. This definition owes everything to ideology and nothing to protecting the community against any future weather threats, however caused. In fact, it expressly excludes natural disasters.
- (ii) The RMA provides detailed procedures for the Minister to establish a Board of Inquiry to hear public submissions and recommend national policy statements on significant environmental (or coastal) matters. The Minister determines the personnel and terms of reference. Although it is unnecessary to predetermine details, it will be important that at least one member is a scientist who does not wholly agree with NIWA and the IPCC.
- (iii) Climate change, defined as anthropogenic global warming (AGW), is currently being used in regional policy statements and district plans throughout New Zealand, to justify restrictions on coastal land uses, flood controls, stormwater infrastructure, etc. Although the grounds are highly speculative, the costs potentially run to many hundreds of millions of dollars.
- (iv) Existing policy statements, both national and regional, are dependent on NIWA’s advice that New Zealand has experienced above-average warming during the past century. This view is under challenge in the High Court, and recent papers suggest that New Zealand’s temperatures have remained remarkably stable for the past 150 years. This is a fundamental issue, and will obviously affect the views of the Board of Inquiry.
- (v) Existing policy statements also rely upon unverified computer-generated forecasts of acceleration in the rise of worldwide average sea levels. Actual observations find that the rises of most New Zealand relative sea levels have been decelerating.