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Dear Mr Jowsey

Thank you for your emails of 2 and 10 May 2010 to Hon Judith Collins and myself regarding delaying the New Zealand Emissions Trading Scheme (NZ ETS). I am replying as the issues that you raise fall within my portfolio responsibilities as the Minister for Climate Change Issues.

Respectfully I must disagree with your position. I believe that the overwhelming majority of the experts in climate change science agree that the evidence for climate change has strengthened in recent years. Long-term temperature records show a clear underlying upward trend in both global and local temperature records. The average annual global temperatures during the past decade are amongst the highest of the last century. In New Zealand there has been an overall temperature increase of about 0.9°C between 1908 and 2006. Over the last 60 years New Zealand has experienced fewer cold nights and frosts, a sea level rise of 0.07m and a loss of 25 percent of ice from our glaciers.

The Intergovernmental Panel on Climate Change received recent media attention relating to the reliability of sources of evidence on the impacts of climate change, cited in their Fourth Assessment Report. Although I can appreciate that these reports might unsettle the public, I do not believe that the concerns that were raised undermine the reality of the situation. Multiple lines of scientific evidence tell us that climate change is happening and that humankind's emissions of greenhouse gases are very likely the cause.

Delaying the NZ ETS will not remove our international obligations or the costs that they impose. Regardless of the actions taken by other countries, a well-balanced emissions trading scheme is the most cost effective way for New Zealand to fulfil its obligations and reduce its emissions. The government has significantly moderated the NZ ETS to reduce impacts on the economy and protect the competitiveness of New Zealand businesses. Regular reviews of the NZ ETS are scheduled, starting in 2011 and five yearly thereafter. During these reviews it will be possible for the government to monitor progress of the scheme, take international developments into consideration and make any necessary adjustments.

New Zealand is not the only country to put a price on carbon through a trading scheme. The European Union has had a mandatory emissions trading scheme in operation since 2005. The United States continues to explore a range of price-based mechanisms (and other measures) to reduce emissions. Japan and South Korea have also both indicated plans to implement mandatory emissions trading schemes.

I believe that New Zealand must act now, alongside other nations, to reduce greenhouse gas emissions and adapt to the impacts of climate change.

Yours sincerely

Hon Dr Nick Smith
Minister for Climate Change Issues