

Consultation on setting New Zealand's post-2020 climate change target



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Objectives for the contribution

Do you agree with these objectives for our contribution? No

1b. What is most important to you?

Having an ambitious target that encourages other countries to be similarly ambitious is most important to me. The above (1a) objectives fail to list the most important objective which is reducing the high costs imposed on New Zealanders by the impacts of climate change and ocean acidification. These costs will far outweigh the modest costs and significant opportunities for the economy and for households resulting from the policies to achieve the emission reduction targets proposed. I fear the imminence and the gravity of the situation faced by the world has not yet been grasped.

What would be a fair contribution for New Zealand?

2. What do you think the nature of New Zealand's emissions and economy means for the level of target that we set?

We should at least match the European Union target of 40% below 1990 levels - in spite of our 'special national circumstances'. Quibbling over targets compromises our ability to lead by example for other nations - something which we must do if we are to avoid the worst consequences of climate change on New Zealand. The challenges posed to the world by climate instability and ocean acidification are grave and will be set in motion within the next 2 decades unless we rapidly decarbonise the world economy to a net zero by 2100.

How will our contribution affect New Zealanders?

3. What level of cost is appropriate for New Zealand to reduce its greenhouse gas emissions? For example, what would be a reasonable reduction in annual household consumption?

The economic analysis provided in this consultation document is flawed. It fails to price in the up-sides of mitigation. The effects of climate change are already being felt in NZ. There are accepted methods to include in such economic analyses the saved losses (to households and the economy) from emissions reductions resulting in benefits such as reduced droughts, reduced flooding, reduced storm damage, reduced coastal damage, fewer biosecurity incursions, and reduced adverse effects on human health. Factors such as smaller rises in insurance company premiums and local authority rates should have been considered (these companies and authorities meet the cost of repair and mitigation). The reduced risk of non-tariff trade barriers against NZ traded goods (imposed by countries serious about reducing emissions) should have been considered as should the export opportunities from stimulating a high technology 'green' economy. Reduced reliance on imported fossil fuels, and the reduced costs to households of electric vehicles and solar energy supply (as prices for local generation and storage plummet) should have been factored in. The protection of the fisheries industry and the shellfish industry from ocean acidification was not accounted for. The investment risks of stranded assets in unburnable fossil fuels has also not been taken into account. Nor has the cost of dealing with the political, economic and military consequences of

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mass human migration created by sea level rises, drought and flooding been considered. When these factors are included, the modest household costs estimated in this analysis (at even the 40% emissions reduction target) will be greatly off-set. In fact, net positive effects on households are more likely.

4. Of the opportunities for New Zealand to reduce its emissions (as outlined on page 15 of the discussion document), which do you think are the most likely to occur, or be most important for New Zealand? Electric cars are very practical and are becoming increasingly cost-effective (my transport costs have been reduced to a third of what they were previously when I was not driving an electric car.) Reforestation of marginal land will be very beneficial and practical and has many other benefits. Further enhancement of our renewable electricity generation will be comfortably achieved given the rapid improvements in the cost-effectiveness of wind and solar generation and the rapid advancements in home battery technology (e.g. Tesla's new battery wall). Nutritional, genetic and 'rumen modifier' strategies (not the microbial vaccination) will significantly reduce methane production as will agricultural (land use) diversification into crops and horticultural production. A modest carbon tax will be required to incentivise changes in behaviour and appropriately price externalities.

Summary

5. How should New Zealand take into account the future uncertainties of technologies and costs when setting its target?

Economists have accepted methods now to price these uncertainties into economic analyses. However, this is largely beside the point because we need an ambitious target as a negotiating position that helps pile pressure on other nations to likewise be ambitious. Without a strong negotiating position that helps rapidly decarbonise the world economy and accelerate the world-wide transition to net zero carbon economy by 2100 we will face catastrophic consequences. Just one example from Victoria University research to bring this point home - unless we keep global warming to less than 2 degrees by rapidly decarbonising the economy in the next two decades we will set in train an Antarctica melt that will be unstoppable and will cause in of itself (ignoring contributions from other melting ice fields in Greenland etc) more than a 10 metre sea level rise by 2300.

Other comments

6. Is there any further information you wish the Government to consider? Please explain. Please seek out expert comment from your universities and CRIs.