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

Copy of your submission

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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?
1: Ambitious is more than fair. Ambitious is leading the world in being aggressive about changing our economy to meet the target, to lead the world by setting an example. “Fair” is not fair - we should be holding ourselves to much higher standard than non "western" economies.
2: The costs and impacts on society are all in the measurement. A short term perspective will drive no action, a long term perspective will drive action. I am also very concerned that any cost benefit analysis “draws the circle” at the right distance. Do we, for example, capture the net economic benefits, difficult to quantify, by being aggressive on emissions and thus creating world leading practices across a wide range of exporters? Are costs really costs, or are they just redistributing costs from industries and activities that are getting a free ride now?
3: Guide is a soft word - it must “drive” or “lead” NZ to a low range, more efficient and more prosperous world. Let's not settle for less output - we want more GDP and lower emissions.

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?
The “fair contribution” for NZ is to lead, not to follow. We are first in so many things, and are well set up to lead the efforts against climate change and thus transform our economy, tax take and prosperity. The more aggressive we set the targets (and tax on emissions) the better we will be able to “win” with the next generation of exports. Let’s create the fire that makes our manufacturers and producers lead (or fast follow - other economies are well ahead) the change so that we can market the best products for superior margins - lower costs and higher revenue.
So yes - we can have lower emitting cows (e.g. Kahne Technologies help get better rumen balance and thus more efficient digestion, healthier cows and lower emissions) and we can have more GDP.

How will our contribution affect New Zealanders?

3. What level of cost is appropriate for New Zealand to reduce it’s greenhouse gas emissions? For example, what would be a reasonable reduction in annual household consumption?
It's not a cost at all and the question is poorly framed as man either/or option. I’ve worked in heavy industry and in light, and in both cases reducing emissions also reduced costs. (Aluminium refining especially). Tax correctly and things become more efficient.
Tax the emitters, lower other business tax to balance and then the emitters will become more and more efficient, and more than that will increase their margins due to better sales prices (higher quality) and lower costs (less waste).
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? The government should not pick winners without evidence. Simply apply a hefty carbon tax (stick) then offer a carrot of subsidies, loans or just the prospect of lower carbon taxes and the businesses and consumers will sort the rest out themselves. There will be some easy wins as technology for power generation and electric cars matures. Tax the inefficient rather than subsidise the efficient.

Summary

5. How should New Zealand take into account the future uncertainties of technologies and costs when setting its target?
Tax first and technology will follow. There needs to be commercial imperative for investment to occur. I run an investment fund - help me allocate money correctly by levelling the playing field.

Other comments

6. Is there any further information you wish the Government to consider? Please explain.
The higher the incentive to change the faster the change will occur. So put in place aggressive targets, apply an aggressive carbon tax and reduce taxes elsewhere so net impact is zero.