

24 November 2021

Emissions reduction plan consultation
Ministry for the Environment
PO Box 10362
Wellington 6143

By email: climateconsultation2021@mfe.govt.nz

Submission on the discussion document titled *Transitioning to a low-emissions and climate-resilient future*

1. Introduction

- 1.1 Infrastructure New Zealand welcomes this opportunity to make a submission on the discussion document titled *Transitioning to a low-emissions and climate-resilient future*.
- 1.2 This is Infrastructure New Zealand's submission on the discussion document.
- 1.3 Infrastructure New Zealand is New Zealand's peak industry body for the infrastructure sector. We promote best practice in national infrastructure development through research, advocacy and public and private sector collaboration. Our members come from diverse sectors across New Zealand and include infrastructure service providers, investors and operators.

General remarks

- 1.4 We welcome the Government's intention to reduce New Zealand's emissions and eventually hit net zero emissions. This is no mean feat and will require continual buy-in from everyone.
- 1.5 There is plenty in the discussion document to like and to this end, I congratulate the Ministry for the Environment for putting together a robust consultation document.
- 1.6 Infrastructure New Zealand has helped government departments socialise policy proposals with our members time and time again. However, it should not be a case of us reaching out to the Government all the time. I am therefore disappointed the Ministry for the Environment did not undertake targeted engagement with Infrastructure New Zealand, especially given our members are involved in all numerous facets of infrastructure solutions.
- 1.7 I note this consultation process is on a discussion document as opposed to consultation on a draft emissions reduction plan. This is disappointing and does little to secure buy-in. We will not have a clear sense of the shape and form of New Zealand's first emissions reduction plan until after it has been finalised.

2. Leading by example

- 2.1 It is important the emissions reduction plan explicitly states what exactly central and local government will be doing to reduce their own net carbon footprint. It is important central and local government lead by example in order to secure continual buy-in, e.g. a plan for how central and local government will completely decarbonise their transport fleet, including road vehicles/trains/ships they own and lease.

2.2 I should also add that a phased approach would be better, that is, an initial focus on central and local government (including public transport services) and then on businesses and households. A phased approach will help the government understand implementation challenges and provide better directives when rolled out to businesses and households.

3. Transitioning away from fossil fuels

- 3.1 The Government has signalled its intention to transition New Zealand away from fossil fuels. This is praiseworthy.
- 3.2 Nonetheless, with the current lack of perfect substitutes in categories such as utes and heavy commercial vehicles, alongside the ban on offshore exploration for oil and gas, I am concerned the economy is being weaned off fossil fuels too quickly and without adequate alternatives being in place first. The same can be said about our coal use with our coal imports rising substantially. This does not fare well in terms of reducing New Zealand's carbon footprint.
- 3.3 There is a need to need to ensure New Zealand does not experience an energy shortage that results in price shocks (e.g. in the electricity sector) which would have serious implications on businesses and households.
- 3.4 I am encouraged by the Clean Car Discount package being offered by the Government and submit that this can be widened further.
- 3.5 At the same time, careful consideration needs to be given to further increasing the fuel excise duty or the road user charges, or introducing new fuel taxes. Fuel taxes are currently modelled on a distance-based charges scheme, a blunt tool that taxes on the distance travelled. Anecdotal evidence shows that poorer households tend to live further away from where they work due to being unable to afford a place closer to a node or city centre, and often live in areas that are not well-served by public transport which makes them dependent on private vehicles to get around. These households are often unable to afford an electric vehicle either.

Urban, transport and land-use planning

- 3.6 The emissions reduction plan presents an opportunity to reduce New Zealand's emissions by changing the current approach to urban developments.
- 3.7 I am encouraged to note the discussion document's focus around integrating urban, transport and land-use planning.
- 3.8 Currently, most greenfield developments are primarily concentrated on the supply of residential dwellings with office, commercial and industrial activities as well as public transport services being an after-thought. As such, there is a dependence on private vehicles from the outset due to limited to no meaningful local employment opportunities. And so, as an example, when bus services eventually do get introduced, they are not as attractive an option because:
- most residents are no longer able to easily switch to public transport, especially where they are travelling much longer distances and where public transport options would require transfers (and waiting times between those transfers)
 - buses then become caught up in traffic congestion and where passengers require to transfer to another bus or train, they get significantly delayed.
- 3.9 There is also the need to ensure prerequisite infrastructure is in place to facilitate mode shift and thereby reduce transport emissions. For instance, not all New Zealanders have access to adequate and rapid/frequent public transport and/or public transport infrastructure, e.g. at

capacity park and ride facilities. As alluded to above, for New Zealanders living further away from work, private vehicle use usually has characteristics of inelastic demand.

- 3.10 Similarly, there is a need to understand New Zealanders' travel patterns and what can be done to change travel needs and patterns, e.g. working from home and providing meaningful employment opportunities within local catchments.
- 3.11 The Auckland Plan 2050, for instance, identifies five nodes other than the Auckland City Centre that are meant to provide flexibility and choice for business by providing business opportunities and business land in close proximity to deep labour pools with an interconnected transport network. This is supposed to make more jobs and educational opportunities accessible to more people without them having to travel long distances. The challenge is making this a reality.
- 3.12 The emissions reduction plan will need to have an equal focus on changing the way and the reason why we travel.
- 3.13 In the absence of addressing the above issues, measures such as the levying of congestion pricing and high emissions-related taxes would only be regarded as punitive taxes.

4. Conclusion

- 4.1 I thank the Ministry for the Environment for giving Infrastructure New Zealand the opportunity to make this submission.
- 4.2 If you have any queries or require further information, please feel free to reach out to me at claire.edmondson@infrastructure.org.nz.

Yours sincerely



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