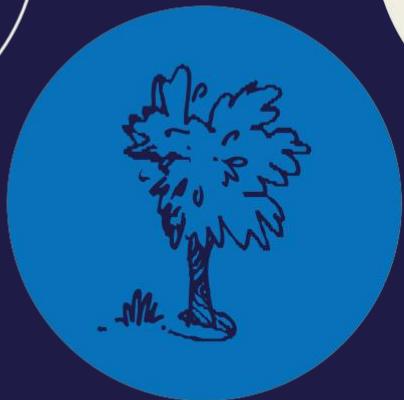


# HAMILTON CITY COUNCIL SUBMISSION

## 2023 Draft Advice to Inform the Strategic Direction of the Government's Second Emissions Reduction Plan (April 2023)

### He Pou a Rangi – Climate Change Commission



16 June 2023

# Improving the Wellbeing of Hamiltonians

Hamilton City Council is focused on improving the wellbeing of Hamiltonians through delivering to our five priorities of shaping:

- **A city that's easy to live in**
- **A city where our people thrive**
- **A central city where our people love to be**
- **A fun city with lots to do**
- **A green city**

The topic of this submission is aligned to the priority '**A green city**'.

## Council Approval and Reference

This submission was approved by Hamilton City Council at its meeting held on 15 June 2023.

Hamilton City Council Reference D-4705907 - Submission # 737.

## Key Messages and Recommendations

1. Hamilton City Council is supportive of many of the recommendations outlined in the Climate Change Commission's draft advice on the Government's Second Emissions Reduction Plan. However, there are key areas that the Council would like the Commission to provide stronger and clearer direction on.
2. It is our view that the Commission is not taking a holistic approach to climate change – the advice is too focused on the emissions profile to meet the budgets, often disregarding the root causes and systemic problems and not looking at actions that will have wider co-benefits for communities. We should be prioritising options that help us to achieve the sustained emissions reductions required and ensure the best, most equitable outcomes for people.
3. We also suggest that the Commission provide recommendations to Government based on all the advice included in the document, as opposed to the priorities only. There are many important points in the body of the document that have not been picked up as recommendations to Government. By only focusing on 'priority' recommendations, the advice does not portray the true scale and pace of change required from central government.
4. We also challenge the assumption that the actions in the first Emissions Reduction Plan will be delivered, whilst there are actions underway, the consistent delay and slowing of delivery puts in jeopardy achieving the second and third emissions budgets. We would support the reiteration of key actions and those that are at risk of being achieved, from the first advice the Commission provided in *Ināia tonu nei: A Low Emissions Future for Aotearoa*.
5. The role of local government is not well outlined in the advice. Whilst the advice is for central government to respond to, the Commission should outline the importance of the role of local government in the transition and the need for clear direction and expectations for local government.
6. The Government, in its release of Budget 2023 (on 18 May 2023), has continued to support some good emissions reduction initiatives and to invest in the transport transition to electric and low emission fuels. However, it is concerning that cycling and walking investment is absent from this Budget. A balance must be found between responding to these weather events, that will become more frequent, and investing in long term emissions reduction.
7. Whilst it is positive the Government has ringfenced the emissions trading scheme proceeds for the Climate Emergency Response Funding, the trade-off between emissions reduction action and adaptation will continue if this is seen as the only bucket of funding to draw on for climate change related spending. The Commission should make it clear that sufficient funding needs to be allocated to emissions reduction actions and that allocations for local government need to be made that provide the certainty for Councils to align their funding and programmes.

## Introduction

8. Hamilton City Council welcomes the opportunity to make a submission to the **2023 Draft Advice to Inform the Strategic Direction of the Government's Second Emissions Reduction Plan (April 2023)**.
9. The Climate Change Commission has used a prioritisation framework to decide which elements of their advice to raise as recommendations. We note that the six aspects considered in the prioritisation framework give direction for actions with the most impact. However, we believe it restricts the ability for the Commission to make broader recommendations that the Commission should be providing to Government.

10. We recommend the Commission use the prioritisation framework to highlight recommendations with more impact but also supplement it with recommendations for urgent enabling actions such as funding, innovation, and systems change as well as including a clearer way of acknowledging existing actions that must continue to be implemented by Government.
11. We support the intent of the policy framework and can see the benefit it would have if it was applied by other Government agencies and local government when embedding climate change outcomes. If consistently applied, it would ensure a nationwide direction and collaborative approach to achieving our Nationally Determined Contribution (NDC).
12. We recommend the Commission better represent local government's voice throughout the advice. There is still a disconnect between central and local government climate response (for both adaptation and mitigation), and this needs to transition into a well-connected and streamlined 'all of government' response. Recommendations for where local government could be better recognised are outlined throughout our submission.
13. Our feedback is structured by the three parts as outlined in the Commission's advice.

## Part 1: Fundamentals for Success

14. Hamilton City Council supports the focus on and reiteration of timely action in the recommendations. We support the considerations around cumulative emissions and the importance of taking urgent action. However, the advice needs to put more focus on enabling actions and the system changes required to enable future actions and achievement of the future emissions budgets.
15. A centralised approach is required. Councils need information, tools, and resources that we can tailor for our communities. This will make it easier for Councils to engage with our communities without having to develop everything from scratch.
16. Findings from the policy impact assessment states that "*The policies in the first emissions reduction plan, if fully implemented, would contribute to meeting the second and third emissions budgets. However, further and stronger policies will likely be needed.*" We recommend the Commission to reflect the urgent policy changes required in their recommendations, some of which are highlighted in this submission as recommendations.

## Chapter 3: A Path to Net Zero

17. The two recommendations in this chapter are to commit to a specific level of gross emissions for the second and third emissions budgets and communicate indicative levels of gross emissions and carbon dioxide removals from forestry.
18. Hamilton City Council agree that the Government needs to establish clarity on reducing gross emissions for each emissions budget. In the current budget there is a concerningly strong reliance on our ability to sequester carbon. We agree with the Commission that the Government needs to take a strong stance on committing to gross reductions as the highest priority and include all possible levers to achieve the reductions urgently needed.
19. We do not believe that the Commission's advice in this section addresses many of the gaps in the current Emission Reduction Plan in creating a path to net zero. The following are some of the gaps we have identified that we would like to see as recommendations in this section.
20. The role of native forests for emissions reduction and adaptation is understood and prioritised. The role of 'permanent' native forests needs to be prioritised because in the long term this will store more carbon than managed forests, and support the much-needed support for native flora and fauna in the face of climate change.

- 21. An economic strategy for climate change is required and should be embedded within current economic policy. Without a wider shift in the way we expect corporations to do business, emissions trading and financial disclosures are currently as likely to create more barriers than opportunities for change. Current economic policy needs to align with a low carbon transition, otherwise, as seen recently seen with the recent policy refocus, short-term economics and politics will continue to win over prioritising a livable low carbon future.
- 22. Ensure uncertainty is incorporated into the level of action required to meet the emissions budgets. The emissions budget is challenging to interpret because of the number of assumptions that must be applied through modelling. This is the nature of carbon accounting. The current emissions budget presents the minimum each sector must do to achieve the budget. With so much uncertainty (and some initiatives from the current Emissions Reduction Plan already scrapped) this is not enough. Each sector must be aiming higher, putting all possible levers in place.
- 23. An emissions hierarchy needs to be applied to decisions and policy making. To achieve net zero an emissions hierarchy should be applied, requiring considerations of how to avoid emissions first and then to energy efficiency, low emissions energy and then sequestering last.
- 24. Include a wide range of opportunities to sequester carbon in the Emission Reduction Plan. In the introduction, the Commission state that, *“currently the only source of removals in Aotearoa New Zealand is establishing new forests.”* This statement is false and must be reconsidered. Any action that in effect keeps carbon in our soils can sequester emissions. We must not limit sequestration opportunities to what is currently considered viable to measure. There are other natural options for sequestration (that have current and developing methodologies for measurement) that we believe should be considered in the second emissions budget, including peat and wetlands.
- 25. We also note that the term ‘carbon removals’ is misleading language as it suggests a permanent solution. Carbon storage is a more accurate term.
- 26. Overall, the Commission’s advice seems to focus on solutions that support business as usual behaviour and societal expectations. Changes to current practices will require a shift in values and perception. This must be outlined in the Emissions Reduction Plan if it is to be understood and actioned upon.

## Chapter 5: Whāia Ngā Tapuwae

- 27. We commend the Commission on highlighting the importance of Iwi/Maaori leadership and an effective Crown-Maaori relationship to achieve our emissions reduction budgets, enable adaptation initiatives, and ensure an equitable transition.
- 28. We support proposed recommendation four – *“Accelerate Iwi/Maaori emissions reduction in conjunction with climate change adaptation initiatives by exploring and implementing a mechanism to allocate resourcing direct to Iwi, and increase funding to Maaori landowners (Te Ture Whenua entities)”*, and recommendation five – *“Ensure Iwi/Maaori can drive the integration of maatauranga Maaori into policy design, development, and implementation at central and local government level, by delivering sufficient resources to Iwi/Hapuu.”*
- 29. Council recognises the importance of maatauranga Maaori in our climate change response and has included this as a guiding principle in our own climate change strategy, [Our Climate Future: Te Pae Tawhiti o Kirikiriroa](#).
- 30. Ensuring that our knowledge basis for responding to climate change is a combination of maatauranga Maaori and western science will provide the most equitable outcomes for all. This combined knowledge system will allow us to respond fully to the issues, and with both a local and global lens.

31. However, it is critical that Iwi/Hapuu and maataawaka maintain rangatiratanga (autonomy) over this knowledge and that non-indigenous/Paakeha are sharing, supporting, and learning from this knowledge as opposed to being extractive.
32. Our experience of engaging with Iwi/Maaori partners on climate change so far has been through the development of our climate change strategy, Our Climate Future: Te Pae Tawhiti o Kirikiriroa. Throughout this process our partners gave insightful feedback focussed on the impacts of climate change for people and sites of significance. However, in discussions they expressed that they were overstretched and struggling to resource the requests for their input on various issues.
33. Furthermore, as recognised by the Commission, not all Iwi/Hapuu are resourced equally. Engagement with our partners highlighted the varying levels of resource that Iwi/Hapuu can give towards, and their understanding of, climate change action, impacts and risks. For example, not all Iwi/Hapuu may have someone who is knowledgeable about the local or national risks climate change presents, and so requesting their advice and opinion on a climate change risk assessment would need to be accompanied by support and education in this space.
34. We would therefore encourage that the resourcing proposed by the Climate Change Commission in Recommendation Four would be used to build capacity for Iwi/Hapuu and maataawaka to understand climate change impacts and risks (if they are not aware of this already), as well as implement the most effective and equitable climate action.
35. We also support the Commission's advice for Government to accelerate a general understanding of maatauranga Maaori and develop a means for local government to deepen collaboration with local Iwi/Hapuu and would like to see a recommendation specifically tailored towards this.
36. As highlighted in the first National Adaptation Plan, local government are on the front line in preparing for climate change, but we must and want to work with our Iwi/Hapuu and maataawaka partners to do this.
37. As discussed, Hamilton City Council has started working with Iwi/Hapuu and maataawaka partners on climate change, however so far this has been through consultation phase only. As we move into action planning and implementation of our climate change strategy, we plan to ask our Iwi/Hapuu and maataawaka partners how we can best engage with them on this. However, any guidance on working with our Iwi/Maaori partners specifically in for climate change issues would be beneficial, as facing this challenge together is new territory for all involved.

## Chapter 6: Maintaining and Enhancing Wellbeing through the Transition

38. Hamilton City Council agrees with the proposed recommendations in this chapter to expand the scope of the Equitable Transitions Strategy to include the compounding impacts of climate change and adaptation as well as mitigation, and to make use of existing mechanisms rather than delaying climate action.
39. We agree that "*failing to consider emissions reduction and adaptation together can lead to decisions to prioritise one over the other, rather than making decisions that meet both goals.*"
40. We do not however believe that these two recommendations alone will "*ensure the wellbeing of New Zealanders is at the center of decisions about taking climate action under the second emissions reduction plan*" as the Commission suggests. To address this the points below include both statements made in this chapter that should be included as clear recommendations, and further points that we believe also need to be added.
41. Recommendations that we suggest should be included in the final advice:
  - a. Intergenerational equity must be reflected in the Equitable Transitions Strategy and robust platforms for youth to influence policy must be established.
  - b. Clear mechanisms need to be in place to support worker's transition to a low carbon economy.

- c. The equitable transition strategy should include mechanisms and incentives to increase local economic potential.
- d. Just Transition Plans need to be scaled up quickly to ensure early engagement and the voice of Rangatahi.
- e. The Government should urgently prioritise funding policies to support low-income groups to reduce their emissions.

**42.** We agree that it is important for intergenerational equity to be considered when making policies to reduce emissions as outlined in Figure 6.1. However, there are no recommendations made on how to address this. There must be a stronger voice for youth through the second Emissions Reduction Plan, and there must be stronger economic mechanisms in place to prevent short-term economic gain from being continually prioritised at the detriment of a future that those decision-makers will not have to bear.

**43.** We agree that the Government needs to present clear communication for businesses and employees around the changes required in skills and locations in the transition. Small to medium businesses require support to transition for both adaptation and mitigation. We would like to see the Commission recommend clear mechanisms to be in place to support the transition of workers. In the aftermath of New Zealand's most recent climate disaster the Income Insurance scheme has ironically been halted, and we would like to see it is recommended that it is reinstated or something similar that will support workers through the low carbon transition.

**44.** More economic diversity is required for communities to survive the changes that must come and ultimately thrive. We cannot depend solely on the current global model that is already fragile. We need to support the inclusion of more locally driven economies to support local communities, be less dependent on the global supply chain, drive innovation and empower people to be less dependent on big industry employers. The equitable transition strategy should include incentives to increase our local economic potential addressing current economic inequities. There are numerous successful examples of this including social enterprise, community ownership, and sharing and lending schemes for goods and services such as electric vehicles and solar power.

**45.** Although the Government has begun Just Transition Plans (in Taranaki and Southland), it is key that this is scaled up quickly. There is some urgency for communities to understand their transition opportunities. Communities need to engage early so they can play their part in reducing emissions sooner rather than later and understand risks and opportunities so they can help shape what a just transition looks like. Co-design works at the beginning of change, not halfway through. Rangatahi must play a key role in this as they have the most at stake.

**46.** We agree that there are financial barriers that make it hard for households to transition to low carbon options that would save money in the long term. The Government should urgently prioritise funding policies to support low-income groups to reduce their emissions such as social leasing or low-cost loans for emissions-reducing technologies.

## Part 2: Creating Low Emissions Options

### Chapter 8: Built Environment

**47.** Throughout Chapter 8: Built Environment, the Commission does not provide commentary on embodied carbon – except when providing a definition of what this term means.

**48.** Embodied carbon was identified as a key component in the 'Building and Construction' section of the first Emissions Reduction Plan, however we have not seen enough action in this space. Although embodied emissions sit outside of the emissions budget, addressing them is a key driver for the production industry to shift to lower emissions methods and materials, and drives responsibility throughout the supply chain. The next Emissions Reduction Plan needs to address mechanisms to drive this.

49. We recommend that the Climate Change Commission reiterates that reduction of embodied carbon requires more urgent action as it locks in carbon for the lifecycle of the building.
50. One way to do this could be through including a benchmark for embodied and whole of life carbon emissions. The advice outlines *2030 benchmarks for action to meet the second emissions budget, based on the Commission's demonstration path* (page 38). For buildings, the benchmarks and percentage reduction targets are focused on fossil fuel reduction and energy efficiency. We recommend the Commission to also set benchmarks for embodied carbon and whole of life carbon emissions to enable and incentivise actions to reduce embodied carbon in buildings. Only focusing on energy efficiency for buildings, considering the importance given to decarbonising energy nationally, is a significant missed opportunity for embodied carbon reduction and circular construction practices.

### **Urban Form**

51. Hamilton City Council supports the Commission's proposed recommendation – "*Implement an integrated planning system that builds urban areas upward and mixes uses while incrementally reducing climate risks.*"
52. Hamilton City Council is already working towards this approach through the Hamilton Urban Growth Strategy - Te Rautaki Tupu Taaone o Kirikiriroa.
53. Hamilton's response to intensification Plan Change 12 has also been prepared in the context of the changes made to the Resource Management Act by the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021 (Housing Supply Amendment Act or HSAA). These changes, among other things, support increased densities around identified centres, increased building heights, green policies, Three Waters infrastructure assessments, and policies that support transport mode shift.
54. To enable successful implementation of the strategy and plan change, it is key for national funding and planning systems to better link urban development with Three Waters infrastructure funding and financing as well as transport infrastructure (and other) system improvements.
55. The integrated planning system proposed in recommendation ten must put responding to climate change at the core of its purpose. The funding and planning system that the Commission refers to in its report, and the 'restrictive' land-use policies that are mentioned, are only considered to be so because their main purpose is not to respond to climate change. Climate change must be embedded into all planning and regulatory tools, policies, activities core purposes and concern etc., for us to be successful in becoming a low-carbon and resilient country.
56. While we agree that the focus of our urban development must be on creating compact areas with high-density growth and greater housing choices, consideration is also needed for any situation where it may not be possible to build upwards, and so some level of outwards development is required. This type of development (which expands urban boundaries) should be considered a last resort, but we need to set conditions, out-of-sequence growth criteria, or parameters so that if it is needed, we are still able to deliver on our climate change response.
57. This is particularly important when we consider issues such as flood hazards and managed retreat, and the potential scale of movement that will be required from vulnerable coastal and low-lying areas to more inland locations (such as Hamilton Kirikiriroa). Local governments are currently waiting on further guidance from central government regarding this issue, however we will need time and resourcing to plan for and enable any additional population growth that will result from the movement of communities to safer areas. If this additional growth is not able to be supported within high-density city environments across the country (i.e., the 'upwards' growth), then guidance on how and when best to enable 'outwards' growth that still meets our climate change goals will be required.
58. As such, we also request that the Commission encourages Government to provide guidance to local authorities regarding managed retreat.

59. The Urban Form section refers to the importance of design when intensifying (page 98). This is good, but we suggest that the Commission considers using terminology of urban design instead, as this provides more clarity and allows consideration of design at both a site level and broader scale (the latter of which is only referenced in the advice). By referencing to urban design and on-site issues, we can then have a greater regard to embodied carbon issues and long-term operational carbon, i.e., from good access to sunlight in rooms thus reducing energy consumption for heating, to materials, and landscaping etc.

60. We would also encourage the Commission to incorporate the importance of both private and public green spaces/green infrastructure in addressing mitigation and adaptation issues. This has been known for some time, and we would challenge the wording used in the report on page 98 that considers research on hard surfaces and the importance of green spaces as 'emerging knowledge'.

61. Green spaces and green infrastructure also enable other co-benefits such as providing for biodiversity, and the physical and mental wellbeing of our communities.

62. We support the statements outlined in the section "*Transport and urban development in Aotearoa New Zealand are not well linked, as the funding and planning systems are completely different*", and that the current system does not support emissions reductions as well as it could.

63. A better-integrated system would be beneficial for Councils of urban areas, like Hamilton City Council, to have greater influence over things that have a significant impact on our city's emissions, but that we do not control – in particular, public transport.

64. Public transport will be key to reducing transport emissions for Hamilton Kirikiriroa, as 64% of our city's emission come from transport (2018/19 profile), and nearly 16% of our workforce come from outside of the city boundaries ([2021 Hamilton Annual Economic Report](#)). These journeys could potentially be transferred to public transport if we had a frequent and reliable system in place. However, we are currently limited in the influence we have over this service provision because the public transport system as this sits at the regional council level.

65. We support comments regarding access to 'all four key types of funding' made in the section "*Current financing structure are not well integrated, which overwhelms the capacity to pay for transport and urban form improvements.*"

66. However, we also need to deepen public understanding of the cost of climate change, and make it better known that acting and investing now will be cheaper than if we wait and act in the future. Local governments receive pushback on spending to future proof infrastructure and changes to transport systems to enable low-carbon modes, because there is a lack of public understanding acceptance that an upfront investment is required now to enable the desired behaviours and prepare us for the impact of climate change.

## Buildings

67. Hamilton City Council supports the Commission's proposed recommendation 11 – "*Incentivise comprehensive retrofits to deliver healthy, resilient, low emissions buildings.*"

68. We see that this recommendation is particularly important for ensuring an equitable transition to a low-carbon way of living for those in lower socioeconomic areas, as well as preparing those who are more at risk from climate change impacts, to better withstand them.

69. However, we would also challenge that incentivising may not be enough for some of the changes required. The Commission highlights a number of barriers to delivering healthy, resilient and low emissions buildings, such as that it can be 'costly', 'complex', and that "*existing buildings also have an inherently low level of adaptive capacity.*"

- 70. Merely incentivising retrofits may not be enough to deliver changes when these are the issues faced by property owners and renters. Further action will be needed, and we encourage the Commission to strengthen the recommendation so that Government is able to adequately address these barriers.
- 71. We support the Commission’s proposed recommendation 12 – *“Prohibit the new installation of fossil gas in building where there are affordable and technically viable low emissions alternatives in order to safeguard consumers from the costs of locking in new fossil gas infrastructure.”*
- 72. However, it is important that the Commission defines what is meant by affordable – does this mean affordable right now, or affordable over time? As the Commission explains, some low-emissions options are currently more expensive upfront but work out to be cheaper over time. If we are considering the upfront cost only, which many individuals on lower incomes are only able to do, then these lower emissions options may not be considered affordable.
- 73. This further highlights the point made previously, that there is work to do in deepening public understanding of the cost of climate change and that any costs paid now, will still be lesser than costs to act in the future.
- 74. We would also suggest strengthening the wording of proposed Recommendation 12, so it’s clearer that any cases of fossil gas installation should be an extraordinary exception to the rule. A suggested wording change is: *“Prohibit the new installation of fossil gas in all buildings, unless it is proven to be uneconomical or logically impractical to do so.”* Examples of where it is uneconomical or logically impractical would still include the exceptions provided by the Commission e.g., industrial connections, isolated properties, and marae.
- 75. To achieve the reductions required in emissions from the built environment, we must also focus on reducing building energy usage (and costs) through education and behaviour change. This is particularly important as we move towards greater electrification and will experience greater demand on the national energy grid. Influencing behaviours to promote energy efficiency will also assist with keeping costs down.
- 76. We would like to see more discussion and a recommendation for central government to further investigate distributed energy resources (DER). As the Commission outlines, there are many benefits to DER including offsetting the need for grid supply and new generation. Energy resources within consumer premises or that are perceived to be owned by or closer to the consumer, could also lead to greater management of consumption as people consider that they ‘own’ it (and therefore reduce their demand and the emissions from this energy use).
- 77. Recent events such as Cyclone Gabrielle have also shown us the importance of increasing energy resiliency, which DER can help to deliver.

## Chapter 9: Energy and Industry

- 78. The advice notes that achievement of emissions reduction (in the high policy impact case) relies heavily on the emissions trading scheme (ETS) and Government Investment in decarbonising industry. It is also noted that policy uncertainty and barriers within the consenting system may make it difficult to meet emissions budgets with delayed renewable energy build and expensive electrification. We recommend the Commission includes recommendations about what can be done to reduce future uncertainty and plan for alternative policy and funding scenarios.
- 79. The advice states that *“The strong contribution expected from energy and industry in the second emissions budget period reflects the need for rapid emissions cuts from electricity and heat production.”* We support the strong focus on renewable electricity generation.
- 80. We recommend that electricity distribution companies must be brought on as key supporters and contributors of emissions reduction targets to ensure an affordable and equitable transition of the electrification of energy.

- 81. We recommend the Commission to highlight the role of efficient energy use and behavior change alongside electrification. A focus on electrification and renewable energy sources alone would not deliver quick results. Energy efficiency and decarbonisation of industry should be incentivised simultaneously.
- 82. We support the intent of developing a National Energy Strategy. We recommend involving and consulting with local government to develop the strategy. Additionally, the strategy should address plans to make energy more affordable and upskilling workforce to design and maintain new energy systems.
- 83. We support the need for transitional provisions ahead of enactment of the Natural and Built Environment Act and the National Planning Framework to implement fast paced consenting to remove the current barriers to climate solutions.
- 84. The advice notes that some issues regarding complexity and cost with New Zealand's current consenting frameworks will be addressed through the resource management system reform. However, we recommend adding specific emissions reduction measures in the National Planning Framework and transitional emissions reduction mechanisms to ensure action is taken regardless of the timeframes of the reforms.
- 85. We support the idea of public and mana whenua involvement to find practical solutions and create awareness about renewable electricity generation.
- 86. The Commission acknowledges that more investment is required (\$40 billion) to realise the vision of an electrified economy by 2030. We recommend that recommendation 13, *"Prioritise and accelerate renewable electricity generation build and ensure electricity"* is reworded to be more action focused and to encourage the reprioritisation of existing investments decisions to deliver on emissions reductions.
- 87. We support the advice to balance phasing out of fossil fuels/gas while maintaining adequate electricity supply for communities.
- 88. We recommend the Commission provides firmer advice on energy efficiency measures and their alignment with achieving the Building for Climate Change targets. This section mentions the benefits that communities may have with reducing fossil fuels/ gas use and increasing electrification. However, there is a lack of focus on individual agency and community led energy efficient practices. We recommend the Commission to include recommendations for the Ministry for the Environment to highlight and support the role of local governments and communities to encourage energy efficient practices.

## Chapter 11: Transport

- 89. Access Hamilton Ara Kootuitui Kirikiriroa (our transport strategy) sets out how we are planning to transform Hamilton Kirikiriroa from a car dominant city to being a city with a low-emission transport system that is resilient against climate change. To achieve this, we will require a significant investment into our public transport and biking, walking and micromobility networks as well as the behaviour changes from our community and those accessing Hamilton from surrounding areas.

### Increasing Walking, Cycling and Public Transport

- 90. We support the proposed recommendation 16 – *"Simplify planning and increase funding of integrated transport networks that optimise public and active transport. For major population centres, the Government should also complete cycleway networks by 2030 and take steps to complete rapid transport networks by 2035."*
- 91. However, clarity is required on what the Commission defines a complete cycleway network. Does this refer to a completed primary network, or secondary and tertiary ones too? In addition, the major population centres across the country will all be at different stages of these networks, and what is considered complete by some, may not be shared by others.

92. We would also encourage the Commission to consider broadening the language to reflect biking and micromobility as opposed to just cycleways, as there are many forms of active travel that could and should be catered for in a network.
93. Hamilton City Council is already making progress toward delivering a connected and integrated transport network that optimises active transport, with a particular focus on biking, micro-mobility, and public transport. This is demonstrated by the recent Biking and Micro-mobility Business Case, the Hamilton-Waikato Metro-Spatial Plan and Access Hamilton Ara Kootuitui Kirikiriroa (our transport strategy). For example, we successfully applied for and received funding from the Climate Emergency Response Fund (CERF) to implement 28 projects, which have a focus on strategic biking, micro-mobility, and public transport.
94. However, there needs to be a much greater focus on the public transport component of this recommendation. *“Take steps to complete rapid transport networks by 2035”* is not strong enough and will not lead to the scale and pace of change required to reduce transport emissions in urban areas such as Hamilton Kirikiriroa. Central government must commit to completing this and supporting local government and other partners to achieve this transformation.
95. Hamilton City Council supports the current changes to the public transport model, as per our [submission on Land Transport Management \(Regulation of Public Transport\) Amendment Bill, 2 May 2023](#). We recognise that this work is underway, and that public transport is a partnership between regional and local authorities.
96. We are implementing many infrastructure improvements to public transport (e.g., through CERF funding mentioned above), however as a City Council we are only responsible for on-road infrastructure. To maximise the value of these improvements, there needs to be adequate funding provided for increased optimisation and significantly improved frequencies for public transport services that the infrastructure is designed to support.
97. This is particularly important for Hamilton and reducing our citywide emissions, as 64% of our city's emissions come from transport (2018/19 profile), and nearly 16% of our workforce come from outside of the city boundaries ([2021 Hamilton Annual Economic Report](#)). It is not realistic to expect that these longer journeys from outside of the city boundaries will be converted from private vehicles to biking and walking; however, they could be more easily transferred to public transport (bus and train) if we had a frequent and reliable system in place.
98. Public transport is currently very underfunded and under resourced, so we propose that greater emphasis on this part of the proposed recommendation is needed. This includes ensuring that public transport is adequately resourced with bus drivers, which is an ongoing issue in the Hamilton/Waikato Region.
99. We would also like to see greater support for park and ride facilities to support inter- and intraregional trips, such as those between rural Waikato and Hamilton City.
100. Hamilton City Council, along with other Future Proof Partners, have already started work on rapid transit through the Hamilton-Waikato Metro Spatial Transport Programme Business Case. This proposes a number of rapid transport corridors, with these routes further supported by a series of frequent bus routes and coverage routes in the remaining metro spatial plan area. This would result in emissions and VKT reduction aligned with scale and pace of implementation for Hamilton City and the wider Tier 1 area, however the 30-year programme is currently unfunded.
101. In addition, for this recommendation to lead to real action, local governments will require the additional funding and support to implement the work.

- 102. The Commission highlights that local governments are responsible for a large portion of the funding for transport infrastructure, and that allocating central government funding to achieve emissions reductions will be a challenge and will require stronger coordination between central, regional and city/district entities. All of this is true and has already started happening, and transport teams are at capacity. The changes signalled by the Commission means we will need more resourcing to get it right, and at the rapid pace and increased scale needed to achieve the Government's emissions and VKT reduction targets.
- 103. As such, we need to ensure that we are resourcing our transport teams appropriately for the expectations that the Commission's advice, and central government, is putting on them.
- 104. This is especially true if the Commission is already recognising that there are threats to the emissions reductions expected to be achieved from the energy and transport sectors (page 138). We cannot afford to not achieve the reductions required in these sectors. If we are highlighting that this could be an issue now, central government must do something to address it.
- 105. To support the transition of the public transport fleet to be zero emissions the Government needs to continue to provide appropriate funding. This needs to support not only existing services but also the expansion of public transport services in metro areas.
- 106. Greater direction and support are also required on engaging the public and communicating the transformational changes that are required in the transport system and for its users.
- 107. The Commission highlights the importance of transport in the lives of New Zealanders, and how it connects individuals, whaanau, and communities to one another and to places where they learn, work, live and play. However, there is no direction on how these changes will be communicated to the public, or how local governments will be supported to communicate this to the public.
- 108. Greater public understanding of the role that active and public transport will have in our national response, will help local government to deliver it more successfully in our communities.
- 109. One of the issues that plays into the lack of public support is that the transport works happen one at a time instead of at the network level, as identified by the Commission (page 139). The public are not able to see the whole picture of how the system is changing and improving, because from the outside perspective, the transport funding system and the on-the-ground programmes and isolated projects it results in, is too difficult to follow.
- 110. As such, while we support simplifying the planning and funding of integrated transport networks that optimise public and active transport, this is only part of the response. We also need a greater national public understanding and attitude towards this, and to shift public gaze to the future, cohesive and beneficial network as opposed to the fragmented projects and issues these bring, which are currently the focus of attention.
- 111. There is national campaigning for safety with Road to Zero and 'paying the road toll', so there is national understanding of that messaging and our work towards speed reduction and other safety measures. However, there is no national campaign to get people out of their cars and using other modes of transport. We consider this a gap, because mode shift requires behavior change and to take a united front which needs to be led centrally.

### **Decarbonising the Light Vehicle Fleet**

- 112. We agree with the Commission's comments around targeted support for low income and disadvantaged groups to transition to a zero-emissions vehicle fleet (page 142). This will be crucial to ensuring transport equity – if we keep operating in the same transport system that we have been until now.
- 113. However, the Commission also highlights the benefits of shared transport modes, particularly car-sharing services, and how these benefits are wider than just emissions reduction from vehicles (such as reducing the need for vehicles overall which allows more road space for active and public transport – see page 140).

- 114. We encourage the Commission to consider this as a recommendation for Government; instead of looking only at ways to give people cheaper electric vehicles (e.g., Clean Car Discount), we should instead be looking at encouraging the more transformative shared transport modes like car-sharing services, that will have co-benefit of making way for active and public transport.
- 115. By continuing to focus on electric vehicles and encouraging car ownership, even second-hand electric vehicle ownership, we are not changing the behaviour that has led to the issues that we are facing today i.e., higher car ownership and much lower public and active transport rates than many other parts of the world. If we instead focus on the solutions that have co-benefits, we will be achieving more than just emissions reductions. If the Government's VKT targets are to be achieved, there needs to be a much stronger focus on public transport and active transport.
- 116. At the moment, we have seen great uptake in electric vehicles, even faster than the modelling predicted, which is positive for our emissions budgets but is not enabling improvements to congestion and is potentially driving greater inequality in our communities.
- 117. Furthermore, the Commission highlights a number of potential issues with electric vehicles that will impact the reduction in the second and third emissions budget periods:
  - a. There will be a shortfall of demand for both new and second-hand electric vehicles.
  - b. Charging infrastructure is likely to limit uptake.
  - c. Potential burden on the electricity grid due to high demand.
  - d. Affordability of and access to electric vehicles and the charging infrastructure required at home (and therefore equity issues).

### **Decarbonising Freight and Commercial Vehicles**

- 118. Hamilton City Council support the proposed recommendation 18 – “*Develop incentives to accelerate the uptake of zero emissions commercial vehicles, including vans, utes and trucks.*”
- 119. However, we consider that this is an opportunity to think wider than just replacing current freight vehicles with a ‘zero emissions’ version of the same thing. Instead, we should use this opportunity to address the consumer behaviour that underpins the current freight system, and then look for more innovative solutions to the demand for moving goods.
- 120. The best way to reduce these emissions is to avoid them in the first place, so if we can reduce the amount of goods and/or distance that they are required to travel, then this would have the biggest impact. This would require behaviour change such as consuming less, consuming local, and/or promoting community sharing networks over individual purchasing, which Government could enable through innovative policy settings.
- 121. There are a number of inventive solutions for low or zero-emissions commercial vehicles currently in development, both in New Zealand and overseas e.g., drone delivery trials in New Zealand, and Zipline drone delivery operating in Rwanda. While we recognise that these may not be suitable for all freight/delivery types, incentives for this type of innovation as well as ‘zero emissions’ vans, utes and trucks should be encouraged.
- 122. Therefore, we encourage the Commission to revise the wording of the recommendation so that it is not limiting, and instead encourages more research, development, and innovation in the freight sector.
- 123. An additional recommendation should be included to look at incentivising behaviour change that address the root cause of consumption issues, instead of just alternative freight options for the existing system and demand.

- 124. We support the Commission's comments and advice around rail. As per Hamilton City Council's [staff submission on the Inquiry into the Future of Inter-Regional Passenger Rail in New Zealand](#) (21 October 2022), we have been a long-standing supporter of getting more out of our rail system. We see this as underutilised both for freight and passengers and we need to address barriers to ensure that both are accessible and well utilised to achieve transport emissions reductions.
- 125. We also support comments regarding the use of biofuels to address hard-to-abate transport emissions, as outlined in our [staff submission on The Sustainable Biofuels Obligation: Proposals for Regulations](#) (6 July 2022).
- 126. However, we must ensure that these fuels are sustainably produced. If the production and use of these fuels creates issues elsewhere (e.g., is harmful to biodiversity), then it is not something that should be considered. We need to be cognisant of other issues alongside climate change, such as the biodiversity crisis.
- 127. Government needs to be working towards biofuels now and setting the right policy directions to enable their use in the future. However, in March 2023, Government scrapped the biofuels mandate despite stating in the first Emissions Reduction Plan that "*low-carbon liquid fuels, such as biofuels, will play a role [in reducing emissions from the fuels used for transport]*" and that they are "*one of the best options for vehicles already in use, and for hard-to-decarbonise transport sectors.*"
- 128. We propose that the Commission recommend Government to either reinstate this or provide an alternative way to achieve the emissions reduction that the biofuels mandate was going to achieve.
- 129. Again, we should also be considering how we can change the behaviour causing the emissions that are 'hard-to-abate' e.g., emissions from aviation which could be caused by people and companies who might be flying excessive amounts and unnecessarily.
- 130. Behaviour change policies should be explored to shift these habits, so that people reduce their flying. Work also needs to be done so that other lower-carbon alternatives are available, such as passenger rail to replace domestic flights, where possible.

## Chapter 12: Waste and Fluorinated Gases (F-Gases)

- 131. We broadly support the advice in this chapter. We recommend incorporating a stronger regional and local government representation in the advice and recommendations.
- 132. We support the need for a long-term waste infrastructure plan. We recommend that the Ministry for the Environment partner with territorial authorities to develop the plan and understand options that are best for the councils.
- 133. The Commission mentions that emissions reduction from waste and F gasses would require integration across Government agencies and central and local government in waste planning and decision-making. Achieving this would require systems in place which are currently not being recommended in the advice. We recommend providing local and regional government with tools to deliver on national objectives. This would ensure representation of regional efforts in the national emissions reduction narrative and provide commonly understood standard across local government organisations.
- 134. We support the policy intervention suggestion to "*identifying opportunities to reduce emissions from wastewater discharge in Aotearoa New Zealand.*"

## Part 3: Enabling System Transformation

135. We would be supportive of the Commission including specific recommendations in this part to drive stronger focus on this critical part of achieving net zero by 2050.

### Chapter 13: Research, Science, Innovation, and Technology

136. The Commission recognises the importance of Research, Science, Innovation, and Technology (RSI&T) and the need to have targeted investment towards it. We support the intent of the Climate and Environment Research Strategy and Te Ara Paerangi - Future pathways. However, if these strategies are still in the early stages of development, they would pose risks to meeting future budgets as tangible actions will take time to follow from centralised strategies.

137. We support the need for openly available climate data. We recommend the Commission to seek an update on the development of the Climate Information Centre as stated in the first ERP. Hamilton City Council supported the development of an information centre as part of its submission on the first ERP.

138. We recommend the Commission to adequately represent the role of local councils and communities in promoting and achieving advancement in RSI&T.

139. We recommend that stronger support needs to be given for increased funding towards RSI&T. Current economic headwinds and political appetite pose a risk of budget cuts to RSI&T funding. Every opportunity to reduce emissions that we miss will result in requiring more credits from an international carbon market being required to meet our international emissions reduction commitments. Funding RSI&T in New Zealand has flow on benefits such as increased incomes/GDP for the nation.

### Chapter 14: Funding and Finance

140. We support the need for public investment to meet the emissions budgets. Funding is one of the most important enabling actions that sets strong foundational systems to achieve emissions reduction. Providing no recommendations in the section makes the advice lack impact. We recommend the Commission to provide directive advice regarding the projected gap in finances required to meet the emissions reduction targets.

141. We support the Commission's advice on considering current investments to reduce emissions as a mechanism to save future investments in adaptation. It should also be noted that adaptation often comes at the cost of wellbeing, livelihoods, and lives.

142. We note that the advice lacks recognition of local government and the special benefits of local voice to local decisions. Local councils have restrictive capacity to fund new or more demanding mandates. We recommend that the Commission should be advocating for a Local Government specific climate fund. Such funding, combined with local leadership delivering clear and consistent local solutions, will make a greater difference than distant centralised government agencies. Local government can be a strong strategic partner with unique abilities to drive change and reduce emissions locally.

143. We recommend the Commission ensure their advice captures the need for local government to be adequately represented and funded through the centralised Climate Finance Strategy.

144. The Government, in its release of Budget 2023 (on 18 May 2023), has continued to support some good emissions reduction initiatives and to invest in the transport transition to electric and low emission fuels. However, it is concerning that cycling and walking investment is absent from this Budget. A balance must be found between responding to these weather events, that will become more frequent, and investing in long term emissions reduction.

**145.** Whilst it is positive the Government has ringfenced the emissions trading scheme proceeds for the Climate Emergency Response Funding, the tradeoff between emissions reduction action and adaptation will continue if this is seen as the only bucket of funding to draw on for climate change related spending. The Commission should make it clear that sufficient funding needs to be allocated to emissions reduction actions and that allocations for local government need to be made that provide the certainty for Councils to align their funding and programmes.

## **Chapter 15: Circular Economy and Bioeconomy**

**146.** We agree with the Commission's acknowledgment in this section that the following are fundamental:

- Address consumption-based emissions.
- Enshrine the consideration of the waste hierarchy within central and local government decision-making requirements.
- Realise the role of product stewardship for designing out and reducing the emissions from waste.
- Commit to the biomass strategic use assessment and strategy.
- Address the bioeconomy information gap through education, Government procurement, and setting standards.

**147.** We would however like to see the following added to the list:

- Embed the consideration of a greenhouse emissions hierarchy and consideration of embodied emissions within central and local government decision-making requirements.
- Reinstate the Biofuels Mandate.

**148.** We would also be supportive of recommendations that addresses the commentary outlined in the draft advice, including referencing the implementation of Te rautaki para - Aotearoa's Waste Strategy.

**149.** We agree with the barriers identified to a shift to more circular economy and sustainable economy. However, the Commission should consider the solutions to these barriers and recommend them in the final advice. For example, ensure the circular and bioeconomy strategy address transition barriers including:

- Improve data on recycling and waste volumes to evaluate the infrastructure required for resource recapture.
- Implement product stewardship regulation and increase landfill costs to drive the need to reuse, refurbish and recycle.
- Ensuring a 'Right to Repair' to redefine values of business and consumers for many goods.
- Implement mechanisms to drive new business models that will not put burden of cost on consumer.

**150.** The need to buy new goods upfront and dispose at end of life no longer fits, as it is part of our old take - make - waste mentality. There are different models that could be implemented, such as leasing or lending goods to consumers for long term, providing repairs and taking back the goods to upgrade, refit or eventually, if necessary, take apart and recycle. The Government must incentivise businesses to shift to this model.

**151.** The Government should also ensure equity in the transition to a circular economy such as retraining programs and investing in local business enterprise and opportunities.

## Further Information and Opportunity to Discuss our Submission

152. Should the Climate Change Commission require clarification of the submission from Hamilton City Council, or additional information, please contact **Charlotte Catmur** (Sustainability and Climate Change Manager) on **07 838 6538**, email [charlotte.catmur@hcc.govt.nz](mailto:charlotte.catmur@hcc.govt.nz) in the first instance.
153. **Hamilton City Council representatives would welcome the opportunity to discuss the content of this submission in more detail with the Climate Change Commission.**

Yours faithfully



**Lance Vervoort**  
**CHIEF EXECUTIVE**

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