

National's policy on Climate Change is about ensuring New Zealand jobs and growth are not sacrificed on the basis of equivocal science or commitments that have New Zealand carrying an unfair share of the burden arising from climate change. National wants a more balanced approach that ensures New Zealand contributes constructively to a global response to climate change but not at the expense of jobs and growth.

New Zealand's contribution to global emissions is just 0.5% of emissions by developed countries. Our per capita emissions are half those of Australia and the United States. That is why National's approach is about doing our fair share at a pace similar to our major trading partners.

National acknowledges that the balance of scientific opinion supports the thesis that human activity is causing contributing to global warming but believes the uncertainties are being understated. It is misleading of the New Zealand Government to treat 'scenarios' of the International Panel on Climate Change as 'predictions'. There is significant uncertainty about the extent and effect of climate change and the degree to which the climate will change with or without man-made emissions. It is misleading of the New Zealand Government to treat 'scenarios' of the International Panel on Climate Change as 'predictions'.

National opposed Labour's ratification of the Protocol in 2002 because major trading partners like Australia and the United States were not committed thereby significantly disadvantaging New Zealand. Labour's response that our policy amounted to burning a cheque worth hundreds of millions of dollars now rings hollow. The latest projections show a 36 million tonne Co2 equivalent deficit for commitment period one with a current internal market cost of NZ\$1 billion.

The latest data also exposes just how difficult it is to reduce emissions. Despite Labour's rhetoric about climate change, emissions have grown at twice the rate during the last five years as compared to the 1990's and forest plantings have collapsed. The current domestic policy settings are not working and will end with New Zealand having to send a \$1 billion cheque to the Russians.

NATIONAL WILL:

- Repeal Labour's \$15 per tonne (or more?) carbon tax that will increase petrol taxes by 5c/ltr and electricity by 1c/kw hr.
- Not use \$1 billion of taxpayer's money to buy carbon credits off Russia or the Ukraine.
- Reconsider NZ's commitment to the Kyoto Protocol by:
 - immediately getting an independent assessment of NZ's projected greenhouse gas balance for commitment period 1 (2008-2012).
 - Undertaking a study, in consultation with the forestry industry, on the potential for NZ to balance it's emissions with substantial forest plantings, particularly on eroding hill country.
 - Review the costs and benefits of other policy options to contain emissions.
 - Assessing the impacts on NZ's competitiveness noting no other Southern Hemisphere and most APEC countries face no commitments.

And will withdraw under article 27 if this proves to be in NZ's best economic and environmental interests.

- And regardless of whether NZ stays or exits the Kyoto Protocol

- Increase investment in the animal sciences to reduce methane emissions
- Invest in cost effective measures to improve energy efficiency including new vehicle emissions and efficiency standards.
- Develop an RMA National Policy Statement to assist the resource consent process for sustainable electricity projects like Project Aqua, Dobson Hydro and Westwind.