

26 March 2021

Attn: Submissions analysis team
Climate Change Commission
PO Box 24448
Wellington 6142

Submitted: Via online submission form.

Submission on the Climate Change Commission's 2021 Draft Advice for Consultation

1. Introduction

- 1.1 Thank you for the opportunity to make a submission on the Climate Change Commission's draft advice for consultation. This submission is from Consumer NZ, an independent, non-profit organisation dedicated to advocating on behalf of New Zealand consumers. Consumer NZ has a reputation for being fair, impartial, and providing comprehensive consumer information and advice.
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2. General comments

- 2.1 Climate change is a critical issue for consumers. In our 2020 consumer survey, 70 percent of Kiwis identified climate change as the issue they were most concerned about for the future.¹ Climate change has consistently been identified as a key issue in our annual surveys.
- 2.2 Meeting New Zealand's emissions targets will require significant changes in the way we produce goods and services. Many consumers are already playing a role in reducing their household emissions and contributing to the path set out by the Climate Change Commission in its draft report.
- 2.3 However, consumer actions need to be supported by government and business. **Solutions and initiatives need to be consumer-centric.** Consumers need to be considered at each step and in any regulatory changes made to meet New Zealand's objectives.
- 2.4 Along with government and industry, consumers are a key group that must be included in climate change considerations. Consumers must see their role in

¹ Data from a nationally representative survey of 1022 New Zealanders aged 18 years or over, carried out online in November 2020.

implementing the initiatives outlined by the commission and their actions must be fully supported by government, businesses and civil society organisations.

- 2.5 Consumer NZ welcomes this report. We believe what is good for the environment is also good for consumers. We also welcome the recognition in the draft report that immediate action is required. However, we believe the pace of change needed is likely to be faster than the report proposes.
- 2.6 In moving to a lower-emissions economy, the impacts on low-income and vulnerable consumers must be considered. The government must take measures to ensure households already facing hardship do not unintentionally bear a disproportionate burden under policies to reduce emissions.
- 2.7 We support many of the recommendations outlined in the Draft Advice. However, in addition to our comments on the specific questions in the report, we believe the government has a role in the following:
- **Raising awareness of the climate impacts of resource use.** This should include providing easy to understand information, appropriate to different groups, to raise awareness of the environmental impacts of production and consumption patterns.
 - **Supporting environmental education.** Providing resources to support environmental education will help people and communities to engage in sustainable practices.
 - **Incentivising behaviour change.** Economic instruments, provided they are well designed, can play a role in fostering better environmental outcomes. Green taxes and subsidies can provide incentives to both businesses and consumers to switch away from high-emitting products.
 - **Assisting vulnerable consumers.** Price is a major issue for consumers and rapid price changes can have a significant impact on low-income households. Climate change policies must make sure vulnerable consumers are not unfairly disadvantaged.
 - Providing the **regulatory framework to encourage behaviour change** and ensure meaningful change is achieved.
- 2.8 Given consumers' concern about climate change, and their role in contributing to required changes, ongoing consultation processes must be designed to facilitate input from consumer groups to ensure consumer views are considered in moving to a low-carbon economy.
- 2.9 Consumer NZ has 60 years' experience representing consumers. We are independent and seen as a trusted source of information. We can play a role in providing information and advice to consumers on climate change issues. Our regular consumer surveys also provide valuable insights on issues relevant to the commission's work.
- 2.10 We also believe the government should consider the impact on consumers and the climate when negotiating free trade agreements (FTAs). Which?, the UK consumer organisation equivalent to Consumer NZ, conducted focus groups on consumer sentiment and climate change considerations prior to the UK exiting the European Union.² The findings influenced the UK's subsequent FTA negotiations with other countries. We suggest there is similar engagement with New Zealand consumers and are happy to offer assist in this respect.

² <https://campaigns.which.co.uk/trade-deals/>

3. Answers to questions

- 3.1 Our answers to specific questions in the draft advice for consultation are set out in the submission form below.
- 3.2 Thank you for the opportunity to make a submission. If you require any further information, please do not hesitate to contact me.

Yours sincerely

Jon Duffy
Chief executive

Responses to specific questions

QUESTION 1 – Do you support the principles we have used to guide our analysis? Is there anything we should change, and why?

In general, we support the principles used to guide the commission's analysis. We support principles three, four and five and the principle to ensure that the transition and policies put in place will occur in an equitable and inclusive way.

In regard to principle four, we support the idea of avoiding scrapping assets before the end of their useful lives or being left with stranded assets. We suggest that support and structures be put in place to ensure that materials are recycled, when items reach the end of their useful lives, and valuable resources aren't put into landfill.

We suggest extending principle five to outline that vulnerable groups, and in particular those with no or limited ability to pay for lower emission items, are subsidised or provided with transition support funding to ensure they are not adversely financially impacted or restricted from accessing these items.

QUESTION 2: Do you support budget recommendation 1? Is there anything we should change, and why?

We support the general concept of New Zealand stepping down emissions to meet its emissions reduction targets over the first three budget levels. However, we are concerned the recommendations may not be ambitious enough, given the urgency required to respond to climate change.

We acknowledge the transition period needs to provide time for the economy to adapt and move to a low emissions pathway. A transition period should allow time for consumers to adapt and for products to come to the end of their natural or useful life and be replaced with energy efficient and lower emitting products.

It should also allow time to increase community understanding of the actions that can have a positive impact on reducing emissions. We encourage the implementation of policies to ensure obsolete products (either transitioned out early or at the end of their useful life) don't end up in landfill or cause other environmental harms.

More information should be available to consumers (in advance of the first emissions budget) to signal what changes may be required under the emissions budgets. For example, we've been contacted by consumers building new homes who are unsure whether to install gas appliances.

Better information is required so consumers can make considered decisions.

QUESTION 3: Do you support our proposed break down of emissions budgets between gross long-lived gases, biogenic methane and carbon removals from forestry? Is there anything we should change, and why?

We support policy makers having as much data available to them as possible to make informed decisions. To ensure consumers are also well-informed, we'd support the availability of more detailed emissions analysis in a format that is easy to understand.

For example, where consumers have data in relation to the impact of home composting vs putting rubbish into landfill, it may help encourage behaviour change. Similarly, providing consumers with data on the impact they can have by walking, cycling or using public transport vs driving could help foster change.

QUESTION 4: Do you support budget recommendation 4? Is there anything we should change, and why?

We support the budget recommendation of putting domestic systems in place now that reduce emissions, and therefore support not relying on offshore mitigation in the short term. Early adoption of low emission systems and products will lead to the best outcome and to meeting our commitments by 2050.

QUESTION 5: Do you support enabling recommendation 1? Is there anything we should change, and why?

We support the recommendation that emissions budgets are debated in the House of Representatives. Having open debate and cross-party support on each emissions budget would send a clear message that changes will need to be implemented on an ongoing basis, not just until the next election.

There may need to be enabling legislation that flows out of the budget requirements. This legislation will play a key role in establishing the social norms needed to reduce New Zealand's emissions. Prior discussions about the emissions budgets will be useful to inform subsequent enabling legislation.

QUESTION 6: Do you support enabling recommendation 2? Is there anything we should change, and why?

We support enabling recommendation 2. In particular, we support the inclusion of policies and strategies for meeting future emissions budgets, and nominating specific ministers and agencies that will have accountability for implementing them, in line with each emissions reduction plan.

We recommend engagement between government agencies and non-governmental agencies to ensure there is discussion about the policy and strategy development required for each emissions reduction budget. This may be done through engagement with Vote Climate Change, or direct with the relevant agencies.

QUESTION 7: Do you support enabling recommendation 3 (i.e., working in partnership with Maori to follow the right processes to ensure Maori communities can prepare for and transition to a climate-resilient, low emissions Aotearoa)? Is there anything we should change, and why?

We support the recommendation of working in partnership with Maori to follow the right process to ensure Maori communities can prepare for and transition to a climate-resilient, low emissions future for the country.

We also support engagement with other large cultural or ethnic groups (such as Pasifika). Where specific groups have a disproportionate amount of low-income or vulnerable consumers, their needs must also be taken into consideration when identifying necessary actions to become a low-emissions economy.

QUESTION 8: Do you support enabling recommendation 4? Is there anything we should change, and why?

We support the recommendation that central and local government work together to align legislation and policy to enable local government to make decisions for climate change mitigation and adaptation. This engagement should take place where the legislative policies put forward by central government require all or some implementation by local governments.

However, where local government is not involved in the implementation, there is less need to engage with the sector and consultation may unnecessarily slow down progress.

Engaging early with local government on relevant issues will allow time for it to talk with communities in order to have meaningful and genuine consultation. Early consultation between local and central government will also be essential where the onus for implementing emission reduction initiatives will fall on local councils.

For instance, the current pathway relies significantly on increasing the uptake of public transport use. For local councils to put processes in place to achieve this, they should be involved in discussion about the legislative or policy changes required.

Local councils will need to be sufficiently funded to ensure they can implement new emissions reducing activities. This may require central government providing financial assistance to local government so the burden doesn't fall solely on ratepayers.

QUESTION 9: Do you support enabling recommendation 5? Is there anything we should change, and why?

We strongly support the proposal for effective mechanisms to be developed to ensure participation in priority setting and policy development. When people have a genuine opportunity to participate in decision-making, the resulting decisions are more robust and are more likely to gain public support.

For any initiative set up to incorporate the public's views on how to prioritise climate action, particular care is needed to ensure the process is not dominated by well-funded industry organisations. The process needs to ensure that less well-funded organisations are able to fully participate and be heard.

CHAPTER 3 – The path to 2035

QUESTION 12: Do you support the overall path that we have proposed to meet the first three budgets? Is there anything we should change, and why?

We have presented our response to this question in line with the sub-headings used in the draft consultation paper.

Transport

Road transport: In general, we see the electrification of New Zealand's transport as being good for the economy and substituting high-cost imported fossil fuels for local low-cost renewable electricity. It will not only help meet our emissions targets, but it will also be beneficial in the long term by delivering lower transport costs and health benefits.

To provide certainty for consumers, we support setting a firm date, with incremental transition dates, for ending imports of internal combustion engine (ICE) vehicles. We believe the transition should start immediately and managed to avoid spikes in the cost of ICE vehicles. We'd like to see the worst emitting cars being phased out first.

We believe incentives should be used to enable consumers to switch to EVs. Particular support should be considered for low-income households to assist them make the switch. New Zealand must also be seen as a desirable market for EV manufacturers. The government has a role in incentivising production for our market so more EVs are available.

To smoothly transition to EVs, there also needs to be sufficient cost-efficient public infrastructure for charging vehicles. When the majority of people have EVs, vehicles will be charged at home or at work. However, people who have no garage or park on the street will not be able to install a charger in a dedicated parking space.

To address this, there needs to be a coordinated approach to making charging stations available. We support a requirement for large consumer retail spaces (such as malls and supermarkets) and civic service spaces (such as libraries) to have charging stations available for consumer use.

While noise pollution will be reduced with the use of EVs, requirements for the vehicles to use noise emitters when operating at low speeds need to be considered. EVs can be

difficult to hear at low speeds, presenting risks for cyclists and pedestrians. Other countries are already adopting rules for EVs to be fitted with a noise emitter.

Reducing travel demand: The impacts on lower socio-economic groups need to be considered when reducing reliance on ICEs. Consumers in middle and higher socio-economic brackets have more options to switch. For example, they may have the funds to buy EVs, switch to working from home or using alternative transport modes. Lower socio-economic groups should also be supported to make switches.

We support encouraging more people to use public transport to reduce our overall emissions. We also support the switch to electric for public transport. However, measures need to be considered to keep the cost of public transport down, ensuring it is not prohibitive for consumers to either continue or start using it.

Access to subsidised transport for lower-income groups should be considered (for example, expanding the current gold card benefits and applying a similar regime to enable free/reduced fares to those with community services cards and students).

We're supportive of government incentives (such as research and development support, whether through tax incentives or otherwise) to ensure local companies can innovate and manufacture sustainable, low emitting transport products. It's pleasing to see hydrogen-powered buses being developed locally. Similar initiatives may warrant funding support.³

Along with investment in low-emissions public transport, there needs to be investment by local councils in safe walking and cycling infrastructure. Currently, the only option for many people is a car. This will remain their only option until alternatives are safe and practical. Walking, cycling and low-emitting public transport use should be promoted.

Electric bikes are becoming extremely popular. However, their relatively high cost (in comparison with non-electrified bikes) means they're not an option for lower socio-economic groups. The UK has a successful "Cycle To Work" scheme that subsidises bike and accessory purchases.⁴

A similar scheme here could also target businesses, offer bikes to employees, in lieu of a work vehicle (where suitable) or parking spaces.

Where there is the ability to transform existing public transport infrastructure, rather than build new systems, we think this is the most sustainable and sensible approach (for example, extending our already electrified rail network to connect major points along the main trunk line to reduce road freight and provide more options for consumers).

Buildings

We agree with the transition away from fossil fuel heating in buildings. Similar to the proposed transition for EVs, we would support the government setting a deadline for certain aspects of buildings to be transitioned to energy efficient and renewable heating sources.

If this is implemented, more thought would need to be given to issues facing areas currently dependent on cheap coal (for example, those in rural areas, such as the West Coast, where electricity supply is less stable and more costly).

³ <https://www.globalbusventures.co.nz/2019/09/06/gbv-awarded-contract-to-build-hydrogen-bus/>;
<https://www.rnz.co.nz/news/national/437422/new-zealand-s-first-hydrogen-bus-to-run-howick-to-britomart>

⁴ <https://www.cyclescheme.co.uk/>

Building trades and consumers buying building products also need access to better information so they can choose more efficient products. One way to help achieve this may be to introduce a requirement for building products to have efficiency ratings.

As part of the transition to more energy efficient buildings, the government should lead the way by ensuring new public infrastructure (such as schools, hospitals, social housing etc) meets or exceeds standards for being a low-emission building and is built to recognised sustainability standards.

This may cost a few percent more than building to the current code. However, it will mean buildings have a lower carbon footprint, are more efficient to run for the decades of their life and are healthier for occupants. As we have seen with earthquake ratings, owners of buildings don't tend to strengthen them unless there is a mandatory requirement. We think adoption of a mandatory sustainability standard for buildings must be a priority.

New builds are a relatively small part of the housing market and are not generally an option for lower socio-economic groups. However, making existing homes more energy efficient is a practical way to improve housing quality. This could be done through incentivising or financially supporting owners to insulate and double-glaze, or shift to efficient heating.

Appropriate incentives will be particularly important for landlords to ensure that tenants share the benefits of upgrading existing housing stock.

We consider low-income households that own their own homes (i.e., not rented) will need government support to ensure they can make changes to improve the energy efficiency of their homes.

Electricity

We support the drive to target 100 percent renewable energy.

To support the transition away from fossil fuels, upgrades will be needed to the electricity network. We'd like to see government support, where necessary, to ensure the cost of developing the electricity network doesn't fall disproportionately on consumers.

We recognise that government agencies, such as the Commerce Commission, may need to set the price path for how much revenue can be retained by electricity network companies for reinvestment.

Waste

We support strengthening mandatory product stewardship schemes (as discussed in question 18 below).

We understand that one of the biggest emissions problems from waste is food. We'd like to see policies put in place to reduce the amount of organic waste going to landfill. Increasing consumer awareness about this waste stream will also help in changing behaviour.

Second, we think there is an opportunity to review what should be done with food waste created in the supply chain. For example, the government could support and encourage food collection organisations such as Kiwiharvest, Kaibosh and other community groups. These initiatives reduce food waste going to landfill, as well as assisting low-income households.

Based on some of the technical assumptions in the report, we understand the disposal of nappies is also a large contributor of waste to landfill. Alternative disposal options, such as composting, are possible for this waste stream. Further investment in commercial composting would be warranted where climate benefits could be attained.

We also suggest local councils should provide better information about what items can be recycled and make it easy for consumers to recycle. Consumers may be required to transport some items a considerable distance to a recycling facility. Where possible, local collection points should be available for commonly recycled items.

CHAPTER 5: The impacts of emissions budgets on NZers

QUESTION 13: Do you support the package of recommendations and actions we have proposed to increase the likelihood of an equitable, inclusive and well-planned climate transition? Is there anything we should change, and why?

We support identifying communities and regions that may be particularly affected by climate change and the transition to a low emissions society.

We'd like to see initiatives and targeted assistance put in place to ensure these groups are not left behind and receive support when required, whether through financial incentives or other means. One of our overriding concerns is that vulnerable consumers and those in lower-economic groups should not be disadvantaged in the transition to a lower emissions future.

The transition needs to be managed so that any increase in electricity prices resulting from increased electrification of the economy can be offset by cost reductions in other areas. The high penetration rate of smart meters,⁵ which provide visibility of near real time electricity consumption, is an opportunity for consumers to shift their electricity usage to take advantage of off-peak rates. However, they can only do this if electricity retailers offer suitable (and simplified) plans and consumers have better access to their consumption data.

Time of use electricity pricing also incentivises the uptake of solar PV and batteries, EVs, and smart home technologies, by enabling consumers to realise the maximum benefit from their investment in these technologies.

Emerging technologies, such as household solar generation coupled with battery storage, and better demand-side management and communications technologies will allow consumers greater visibility and control over their electricity consumption. These technologies have the potential to flatten the traditional electricity demand profile (smoothing the "peaks" of high electricity demand times), eliminating or deferring the need for electricity network upgrades.

An International Energy Agency report estimated there is around 1500MW of potential residential demand response in New Zealand.⁶

Electricity price shocks can also be mitigated by more efficient use. Energy Efficiency and Conservation Authority (ECCA) modelling shows nationwide uptake of energy-efficient technology could significantly reduce the cost of meeting New Zealand's renewable electricity goals.⁷

ECCA's study shows savings from system-wide uptake of modern technologies, such as LEDs, heat pumps, energy-efficient water heating and electric motors, could provide the

⁵ Around 90% of our households now have smart meters.

⁶ <https://webstore.iea.org/energy-policies-of-iea-countries-new-zealand-2017-review>

⁷ <https://www.eeca.govt.nz/our-work/research/research-papers-and-guides/energy-efficiency-first/>

equivalent of 4000GWh generation capacity. Subsidies for those unable to afford these items should be considered.

Consumer NZ can provide practical assistance to help households take energy-efficiency steps. For the last 20 years, we have been helping households reduce electricity costs through our Powerswitch service. Powerswitch provides consumers with a free and independent online tool for finding cheaper electricity and gas deals. It has the potential to be further developed to increase energy literacy and empower households to become more energy-efficient and reduce their energy use. We are therefore well-placed to run wider campaigns. We have already investigated the production and distribution of a winter heating booklet for consumers receiving the winter energy payment.

Insurance impacts also need to be considered as part of an equitable, inclusive and well-planned climate transition. An increase in climate change related events will have an effect on both what insurance providers will cover, as well as the cost of insurance. We'd like to see these impacts considered and any resulting impact on consumers mitigated, as part of a well-planned transition.

CHAPTER 6: Direction of policy

Transport

QUESTION 14: Do you support the package of recommendations and actions for the transport sector? Is there anything we should change, and why?

In general, we support the suggested recommendations and actions for the transport sector. We have a couple of specific comments in this area.

We need to first restrict the import of highly polluting, high carbon-emitting vehicles. Our fleet is on average 14 years old (older than most OECD economies), and the average age of an imported car is 11 years at the time of import.

New Zealand is in a unique position where we have a 50:50 split between new vehicles and used imports coming into the country.⁸ However, we are one of the few countries that doesn't have an emissions standard so there is no check on emission levels of imported vehicles.

This means our light vehicle fleet tends to be old and higher emitting. Therefore, we are supportive of the introduction of the upcoming Clean Car Standard to apply even before we transition to EVs. As part of the roll out of this standard, consideration should be given to the impact on low-income groups and how they can be supported.

To ensure there is an increase in EV acquisition by consumers, there also needs to be a greater supply of EV options for New Zealanders to import. In addition, there need to be incentives for consumers to acquire EVs, particularly for those in lower socio-economic groups. It's not sufficient to simply restrict the import of ICE vehicles.

We realise EVs will become cheaper as technology matures and volume grows. However, there is currently limited supply available to our economy. To build a reasonable second-hand market, we can't simply rely on one type of vehicle (for example, Nissan Leafs imported from Japan). We'd like to see the government use its negotiating power to ensure vehicle importers are able to gain access to a greater supply of EVs.

This will enable early EV adopters to acquire new EVs, with their existing EVs going into the local second-hand market. We believe it should also be a matter of priority that the government's public service fleet is transitioned to electric. These vehicles will then enter the private fleet as used cars two to three years later.

⁸ <https://www.transport.govt.nz/statistics-and-insights/fleet-statistics/quarterly-fleet-statistics/>

As a means of encouraging EV uptake and enabling consumers to manage electricity use in the home at peak times, there should be regulatory changes to ensure all EVs can work “vehicle to grid” (V2G) or vehicle to everything. Where a plugged-in EV can be used to power a home, it provides good backup in a power cut, and allows residents to use the power from the EV battery during peak times when it may have been charged during an off-peak time. The new Nissan Leaf can do this in Japan and the UK.

The concept is being trialled in New Zealand, co-funded by the Energy Efficiency and Conservation Authority.⁹ These trials should be extended and regulatory barriers to usage removed. We’re conscious that this option is not available all houses (e.g., those not close enough to be connected to the EV) but think it should still be encouraged as an option for those that can use it.

Policies to increase uptake of e-bike purchases: We’d like to see policies to ensure an increase in investment in public transport and more incentives for local councils to develop and encourage safe walking and cycling infrastructure. We’re seeing e-bikes become extremely popular, but safe infrastructure to encourage more e-bike travel is lagging.

We support initiatives to help people buy e-bikes, such as the UK’s successful “Cycle To Work” scheme that subsidises e-bike purchases. We’d also suggest that tax regulations around employee incentives could be amended to make it an appealing option for businesses to offer employees, with assistance, purchase of an e-bikes in lieu of a work-vehicle or parking space.

Heat, industry and power

QUESTION 15: Do you support the package of recommendations and actions for the heat, industry and power sectors? Is there anything we should change, and why?

While we support the electrification of the heat, industry and power sector, our overriding concern is the increase in cost to those consumers in the lower socio-economic sector. These costs are likely to arise from the increased investment in electricity infrastructure (required to enable electrification) creating upward pressure on the price of electricity, and from the high upfront costs to individuals for the purchase of EVs, solar panels, installing insulation etc.

Wealthier households are more able to make the investment required to purchase EVs and other technology, reducing their consumption to shield them from the effects of electricity price increases. Policies need to be implemented to ensure vulnerable households are not disproportionately affected and that we are not inadvertently creating a wealth transfer from poor households to wealthier ones. Clever policy design can mitigate this risk.

We understand that the current electricity network requires significant upgrades to provide capacity to meet electricity needs resulting from a switch to EVs. We therefore support an assessment of whether electricity distributors are equipped, resourced and incentivised to innovate and support the adoption on their networks of new technologies, platforms and business models. To ensure all the costs of network upgrades are not passed on to consumers, the government should investigate assistance for providers to carry out necessary upgrades.

In regard to solar power, we’d suggest incentives could be considered to encourage uptake where possible, particularly for buildings that consume power during daylight hours. Investigation of wind powered generation for farming, particularly in industries

⁹ <https://www.vector.co.nz/news/trial-of-vehicle-to-home-tech>

(such as vineyards) that already use windmills for frost prevention, could also be worthwhile. Where there are double purposes that can be efficiently used, which have the added benefit of generating power off the grid, we'd support the implementation of incentives to encourage this.

We realise that policy design needs to be mindful of unintended consequences. Good policy must be based on a well-founded understanding of how affected groups will respond. Consumer NZ can play a role in informing policy development and potential responses, particularly through our survey research with consumers.

Residential energy efficiency is fundamentally limited by housing quality issues. In general, our housing stock is poor in comparison with other OECD nations. Households facing hardship are more likely to be living in substandard housing. Again, poorer households risk facing a disproportional burden of the cost of policies to reduce emissions.

To create certainty for consumers, we support setting a firm date by when no new natural gas connections are permitted. We have already begun to receive questions from consumers about whether they should change their building plans (which may include installing gas appliances and heating). We suggest the government provides guidance for consumers on what will happen to contracted build costs that include gas fittings.

In relation to portable gas heaters, we understand that these are primarily used by those in a lower income bracket. As such, those who are financially disadvantaged are the ones that would need to pay to upgrade their heating to an electric source. We suggest that a buy-back scheme, or some other incentive for exchanging these should be considered.

Burning gas indoors exposes people to pollutants linked with heart attacks, respiratory disease and asthma. Any cost contributed towards buying back portable gas heaters, or other gas equipment used indoors is likely to be partly offset from savings within the public health system.

Waste

QUESTION 18: Do you support the package of recommendations and actions for the waste sector? Is there anything we should change, and why?

We strongly support the concept of product stewardship, which requires manufacturers, or importers and distributors, to share the cost of recycling goods they produce or distribute into the New Zealand economy.

We support extending the list of "priority products" and incentivising suppliers to apply for voluntary product stewardship accreditation under the Waste Minimisation Act. We support the concept of product stewardship schemes as a way of reducing waste to landfill. The schemes help to ensure valuable resources, particularly metals used in electrical and electronic goods, are recycled and reused.

We also think there is a role for manufacturers to play in testing how long a particular product should last. Lifetime labelling, provided at point of purchase, would give consumers information about the "useful life" of a product from the time it is sold. This would enable consumers to make more informed decisions and purchase environmentally preferable products.

Extending rights to repair would also help to reduce waste and keep products out of landfill. The Consumer Guarantees Act requires manufacturers and importers to make spare parts and repair facilities available for a reasonable time after purchase. However, they can avoid this responsibility if customers are informed when they buy a product that repair services aren't available.

Amending the act to remove this exemption, particularly for electric and electronic goods, would be a useful step. Similar repair requirements have already been introduced in the EU for major appliances. Another option would be to consider a tax incentive, as used in Sweden, to encourage repair of appliances rather than buying new products.¹⁰

In relation to the transition from hydrofluorocarbons (HFCs), we support the limit on imports of finished products that contain HFCs, such as air conditioning in vehicles. In addition to reducing the amount of imported products containing HFC, we'd encourage the implementation of standards to ensure that, where possible, the least amount of HFCs are used in comparable products.

In relation to issues concerning food waste and carbon miles, we support the extension of the Consumers' Right to Know (Country of Origin of Food) Act 2018 to include a wider range of food products. If consumers are aware of where their food comes from, and the environmental impact of transporting food long distances, they can make more informed purchasing decisions.

Multisector strategy

QUESTION 19: Do you support the package of recommendations and actions to create a multisector strategy? Is there anything we should change, and why?

We support the government creating a multisector strategy to support behaviour change and enabling an environment for New Zealanders to make choices that support low emissions outcomes. Our survey research shows climate change is a major concern for many New Zealand consumers.

Well-informed consumers play an important role in addressing climate change. As such, we support cross-sector campaigns or strategies that provide New Zealanders with robust information to help them make better decisions about the environmental impacts of goods, services and behaviours. Our survey research shows consumers often find it difficult to identify environmentally preferable products.

"Greenwashing" by manufacturers and retailers has also contributed to a lack of trust in green claims. Just 44 percent of consumer in our latest survey felt green claims could be trusted. Six out of 10 agreed "it's hard to find which products are really better for the environment". Sixty-five percent felt companies weren't doing enough to reduce their environmental impacts.

Consumer NZ can play a role in providing information to help inform better purchasing decisions. We recommend any strategy pulls on resources across government, as well as from non-government organisations, such as Consumer NZ.

¹⁰ <https://www.bbc.com/news/business-56167505>