



## Office of Hon Dr Nick Smith

**MP for Nelson**

Minister for the Environment

Minister for Climate Change Issues

Minister for ACC

18 MAR 2009

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Trond Nilsen  
[xorgnz@gmail.com](mailto:xorgnz@gmail.com)

Dear Trond Nilsen

Thank you for your email of 5 December 2008 to the Prime Minister regarding the review of the New Zealand Emissions Trading Scheme (NZ ETS) and climate change. I am responding on his behalf as the concerns that you raise fall within my area of responsibility as Minister for Climate Change Issues.

I wish to assure you that the government takes climate change seriously. The government recognises that human-induced climate change is one of the major challenges of our time and supports the findings of the National Academies of Science and the Intergovernmental Panel on Climate Change (IPCC) in their summaries of many years of scientific work. The evidence provided by these respected bodies suggests that although uncertainty remains about the rate and timing of global climate change and its regional effects, the risks of climate change are serious. I do not believe this uncertainty justifies taking no action.

As you know, a select committee, chaired by Hon Peter Dunne, has been established to conduct the review of the NZ ETS and related matters. In your letter, you raise concerns that the review of the NZ ETS would include a review of the science of climate change. I can assure you that this is not the case. Although an investigation into the science of climate change was proposed by the ACT Party in its draft terms of reference, this was rejected by the National Party. Rather than embarking on a review of the science involved, the review seeks to identify the central/benchmark projections that are being used as the motivation for international agreements to combat climate change. It will also consider the uncertainties and risks surrounding those projections.

New Zealand's record of emissions growth over recent years has been poor. However, the government has plans to improve New Zealand's performance in the area of emissions reduction by advancing practical policies on renewable energy, electric cars, home insulation, solar water heating, tree planting and waste management. Like you, the government sees that there are significant economic opportunities to be taken advantage of by adapting current infrastructure and technology for reduced emissions. The government believes that climate change awareness will create new markets for New Zealand industries, tourism and technology. New Zealand must position our economy and businesses to take advantage of those opportunities.

The government is committed to putting a price-based domestic emissions policy mechanism in place in order to most cost effectively meet our current and future international commitments. The review seeks to ensure that the right measures are in place, striking a balance between New Zealand's environmental responsibilities and economic needs.

Yours sincerely

Hon Dr Nick Smith  
**Minister of Climate Change Issues**