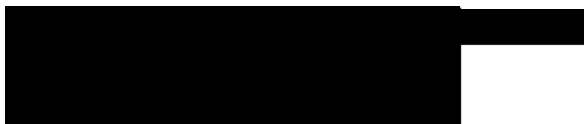




2019-2020



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Clean Car Standard and Clean Car Discount

Introduction

1. Thank you for the opportunity to submit on the Clean Car Standard and Clean Car Discount proposed by the Ministry of Transport.
2. Climate change presents a serious and imminent threat to population health. New Zealanders are at risk of both the direct health effects of climate change (e.g. extreme weather events, injuries, heat waves and damage to infrastructure) and indirect health effects (e.g. changes in ecosystems and subsequent disease patterns, microbiological contamination of water, conflict over resource scarcity, poor mental health, food insecurity, destruction of infrastructure, homes, and livelihoods)^{1,2}. Climate change is also exacerbating inequities in Aotearoa, with Māori, Pacific and low-income communities at greater risk of experiencing adverse health and social outcomes.

Background

3. Climate action presents one of the greatest opportunities to positively impact the environment and to improve the health and wellbeing of New Zealanders. For example, actions to increase active transportation, improve housing conditions, encourage changes to food consumption, and reduce air pollution will not only lower greenhouse gas emissions, they will also have positive health co-benefits, including a reduction in the burden of cancers, cardiovascular diseases, diabetes, and respiratory diseases^{3,4}. By committing to climate action with an explicit focus on equity, the government has the potential to make significant improvements to the health, social, and economic wellbeing of all New Zealanders, and particularly, to improve outcomes for Māori and Pacific populations, low-income households, and people living with disabilities.
4. New Zealand is one of only three developed countries that does not have regulations on vehicle emissions quality, and as a result, has one of the most fuel inefficient and polluting fleets of any OECD country. This has serious implications on the health and wellbeing of New Zealanders, including high rates of asthma, respiratory illnesses, and lung cancer. Children, the elderly, and low income families are particularly vulnerable to poor air quality⁵.
5. The proposed Clean Car Standard and Discount to increase electric vehicles (EVs) and low-emitting vehicles in New Zealand's fleet is a crucial step towards meeting the emission targets

¹ Royal Society (2017). Human Health Impacts of Climate Change for New Zealand: Evidence Summary. <https://royalsociety.org.nz/assets/documents/Report-Human-Health-Impacts-of-Climate-Change-for-New-Zealand-Oct-2017.pdf>

² Watts, N., et al (2018). "The Lancet Countdown on health and climate change: shaping the health of nations for centuries to come." *The Lancet* 391.10120 (2018): 581-630.

³ Watts, N., et al. (2015). "Health and climate change: policy responses to protect public health." *The Lancet* 386(10006): 1861-1914

⁴ Bennett, H., et al. (2014). "Health and equity impacts of climate change in Aotearoa-New Zealand, and health gains from climate action." *New Zealand Medical Journal* 3: 12-16

⁵ WHO (2014). FAQ: Ambient and Household Air Pollution and Health.

https://www.who.int/phe/health_topics/outdoorair/databases/faqs_air_pollution.pdf

agreed to in the Paris agreement, and those set out in the Zero Carbon Bill.⁶ The scheme can lead to significant improvements in health and wellbeing in New Zealand by positively impacting air quality and reducing noise pollution. We are also pleased to see that a central dataset holding information about vehicle carbon emissions will be created and managed by a government agency.

6. The signatory Public Health Units (PHUs) and District Health Boards (DHBs) in this submission commend the government for taking positive steps towards a zero carbon future that will have significant co-benefits on environment and public health in New Zealand. However, the government needs to ensure that equity is made a key priority, and that Māori, Pacific peoples, low income households, people living with disabilities, and rural residents are able to access the benefits of the scheme.

Strategies to support rural communities

7. Around 14% of New Zealand's population lives in a rural area⁷. The median travel distances to and from services are considerably higher in rural areas, and there is limited access to public transportation options. As such, access to essential health and social services for rural residents is limited, with negative impacts felt more significantly by children, the elderly, Māori, low-income families, and people with disabilities^{8 9}. For example, more than half of adults (54%) living with disabilities in rural areas cannot get to a bus stop or railway station easily.¹⁰ As such, policies that seek to increase the uptake of EVs should specifically engage rural and disadvantaged communities to ensure that their unique needs, challenges, and concerns are being met and that they are meaningfully included as part of New Zealand's transition to an EV fleet.
8. Currently, there is a limited number of affordable EVs in New Zealand's market that meet the needs of long distance travel, with only a handful under \$80,000.¹¹ While there is a growing network of charging stations across the country, there remain significant gaps. Under the Clean Car Discount, many rural residents may continue to rely on vehicles that will be ultimately be charged a fee. The Clean Car scheme should therefore include strategies and additional supports for rural communities to access viable, affordable EV options that meet their unique needs, ensuring that they do not become further marginalized or unjustly penalized.

⁶ Climate Change Response (Zero Carbon) Amendment Bill (2019).

<http://www.legislation.govt.nz/bill/government/2019/0136/latest/LMS183736.html>

⁷ Trading Economics: New Zealand – Rural Population. <https://tradingeconomics.com/new-zealand/rural-population-percent-of-total-population-wb-data.html>

⁸ Rural Health: Challenges of Distance, Opportunities for Innovation (2010). National Advisory Committee on Health and Disability.

⁹ NZCPHM's Policy Statement on Transport (2018)

¹⁰ Rural Health: Challenges of Distance, Opportunities for Innovation (2010). National Advisory Committee on Health and Disability.

¹¹ EV Models and Where to Buy - <https://driveelectric.org.nz/individuals/ev-models-and-where-to-buy/>

9. In rural areas, access to services and employment opportunities is often dependant on the use of personal vehicles, as public transport is often not a feasible option. While we support the government's proposal to increase the availability of EVs and low-emitting vehicles, there also needs to be steps to improve active and public transportation infrastructure throughout New Zealand. Revenue generated from the Clean Car scheme could be funnelled into improving and electrifying active and public transportation infrastructure (e.g. electric rail and buses, e-bike sharing schemes, EV car sharing schemes, improved walking and cycling infrastructure). This would have positive impacts on reducing health and social inequities, and would ensure that non-drivers and those in rural and high deprivation communities have viable alternatives to private car use. Modelling studies show that affordable and accessible active and public transportation in New Zealand will result in a myriad of positive health and social benefits for all, as well as reductions in greenhouse gas emissions and air pollution.⁹
10. Areas of dense population may not require government assistance to invest in public EV charging infrastructure; however, in lower density rural areas, the investments may be lacking. In order to ensure that rural communities are not left behind, the government should make sure that any infrastructure gaps are filled.

Strategies to support low-income households

11. We commend the government for including a social impact assessment and ensuring that social equity is considered in the proposed Clean Car scheme. However, it is vital that equity be made a key priority and that a robust plan be developed to actively engage and address the needs of Māori, Pacific peoples, and low-income families, throughout the planning and implementation of the scheme.
12. Under the scheme, seven of the most popular cars used by low-income families would receive a discount. However, the majority of low-income households purchase vehicles that are already registered in New Zealand and are therefore exempt from the policy. For those who are considering a change, there are a limited number of new and used EVs that low-income families would be able to afford even with the discount. The proposal to replace Road User Charges (RUC) with the Clean Car Discount would also mean that the operational cost-savings would be reduced, providing a further cost barrier for low-income households. With the cost of living steadily increasing in New Zealand¹², the government needs to put in place measures to ensure that people already struggling to get by will not face unequitable financial impacts as a result of the scheme. There also needs to be consideration and policies to ensure that low cost EVs, hybrids and low-emitting vehicles meet appropriate safety standards.
13. The government should include plans and policies to improve and promote active and public transportation (e.g. electric rail and buses, e-bikes, e-scooters) as part of the revenues generated through scheme. While there are positive health and environmental benefits to incentivizing EVs, there are greater health, social, environmental and equity gains that can come from making active and public transportation more accessible and affordable for all. This means that

¹² Cost of Living Survey (2019). <https://www.consumer.org.nz/articles/cost-of-living-survey>

disadvantaged groups, such as low-income families and non-drivers can also benefit from the scheme.¹³

14. The scheme also needs to consider the principles of a just transition and ensure that workers in the trade and agricultural sector, as well as other industries that rely on heavier vehicles, have access to effective and affordable low-emitting vehicle options that meet their unique needs.¹⁴ If trade workers do not have additional supports or viable vehicle options, there is a risk that additional costs they incur will lead to higher cost goods and services for all. As such, workers in sectors such as trade and agriculture need to be meaningfully engaged in the design and implementation of the Clean Car scheme, and provided with additional incentives to use low-emitting vehicles and EVs.

Expanding EV charging infrastructure

15. While we commend the government for developing a proposal to increase EVs in New Zealand's light fleet, the scheme needs to include a comprehensive plan to map and scale up EV charging infrastructure throughout the country in order to meet the increasing demand for EVs. The plan should also include measures to promote electrification of public and active transport (e.g. electric rail and buses, e-bikes, e-scooters).
16. The scheme should also include education around where to access public charging. In Wellington city, for example, one in four dwellings lack reliable off-street parking in order to charge their EVs overnight.¹⁵ Additionally, apartment dwellers and those living in rental units may not be able to arrange a charging point with their landlord.¹⁶ Consideration should be taken as to the likely uptake of EVs by renters vs. homeowners, as well as incentives that can be provided to landlords for installing charging outlets on their properties.¹⁷ Access to charging stations in workplaces should also be readily available. In order for the scheme to be successful, then, there needs to be a corresponding implementation plan to increase the infrastructure and awareness of EV charging stations.
17. There is an opportunity for hospitals and other health centers to provide charging facilities to enable those travelling longer distances to recharge their vehicles and bicycles during their visit. A fund for public charging infrastructure at sites such as hospitals, libraries and councils could provide a platform for better public engagement and uptake.

¹³ NZCPHM's Policy Statement on Transport (2018)

¹⁴ Just Transition: a working people's response to climate change. <http://www.union.org.nz/wp-content/uploads/2019/02/JustTransition.pdf>

¹⁵ EV Support Strategy for the Wellington Region (2019). <http://www.gw.govt.nz/assets/EV-Support-Strategy-draft-v1.5.7.pdf>

¹⁶ EV Support Strategy for the Wellington Region (2019). <http://www.gw.govt.nz/assets/EV-Support-Strategy-draft-v1.5.7.pdf>

¹⁷ The Conversation (2018). Apartments rarely come with access to charging stations. But electric vehicles need them. <http://theconversation.com/apartments-rarely-come-with-access-to-charging-stations-but-electric-vehicles-need-them-100296>

Conclusion

18. We are supportive of the proposed Clean Car Standard and Discount. New Zealand's fleet needs to begin to transition towards low emission vehicles in order to meet our obligations in the Paris Agreement.
19. Increasing the number of newer, smaller and lighter vehicles is likely to have a positive impact on health outcomes and injury rates. This should be coupled with steps to improve and electrify public and active transportation, which would lead to greater health, social, and environmental benefits, as well as reducing inequities.
20. Any policies to increase the uptake of low emission and no emission vehicles should be done so in a way that prioritises equity and respects the principals of a 'just transition', ensuring that all New Zealanders are able to benefit.
21. It is vital that the voices of Māori, Pacific peoples, low income, and rural communities are meaningfully heard and engaged throughout decision-making process, planning and implementation of the scheme.
22. Charging infrastructure is essential to increase the uptake of EVs in an equitable way, and existing health sector sites are a prime place for some of this infrastructure to be installed.

