

PSA Submission to the Ministry for the Environment on the National Climate Change Adaptation Plan

May 2022





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Introduction

The PSA welcomes the opportunity to comment on the draft National Adaptation Plan and on the Government's questions about managed retreat.

The PSA represents over 80,000 members who will all, in varying ways and to varying degrees, be affected by the decisions our communities make about how to adapt to climate change.

As the union for public and community services, the PSA also has a strong interest in ensuring that public and not-for-profit community services are effective, well-resourced, and accessible to all.

This submission is not a comprehensive response to all the questions posed in the draft Plan or the accompanying consultation document. Our submission mainly focuses on the aspects of the plan that relate to our two core priorities: a just transition that is fair, equitable and inclusive, and the role of strong public and community services in creating a better Aotearoa.

This submission was developed with input of representatives from the PSA's Eco Network – a network of over 2000 members that aims to build union organisation to improve workplace sustainability, and contribute to local, national and global campaigning for environmental justice and climate change action.

About the PSA

The New Zealand Public Service Association Te Pūkenga Here Tikanga Mahi (the PSA) is the largest trade union in New Zealand with over 80,000 members. People join the PSA to negotiate their terms of employment collectively, to have a voice within their workplace, and to have an independent public voice on the quality of public and community services and how they're delivered.

We are a democratic and Te Tiriti O Waitangi responsive union representing people working in the public service (including departments, crown agents, other crown entities, and state-owned enterprises); local government; tertiary education institutions; and non-governmental organisations working in the health, social services and community sectors.

Te Rūnanga o Ngā Toa Āwhina represents and promotes the interests of our Māori members and are committed to honouring Te Tiriti o Waitangi across the public sector and inside the union. Our structures ensure a Māori perspective is heard in all levels of our organisation.

The PSA is affiliated to Te Kauae Kaimahi the New Zealand Council of Trade Unions, Public Services International and UniGlobal.

Overall comments

The development of the draft National Adaptation Plan is a welcome, if long-overdue, step in ensuring our nation adapts to the effects of climate change. These effects are already being felt, and will continue to worsen, due to our collective failure so far as a global community to limit our damaging impacts on the planet's climate.

Taking action on climate change is essential and urgent. That includes both mitigating the worst effects of climate change that we can still avoid, while ensuring we adapt to the effects we can no longer avoid. For the union movement there are two priorities: that action is taken swiftly, and that the action we take is just and equitable both in terms of the process followed and the outcomes created.

A just transition

It is positive that the principles of the National Adaptation Plan include promoting equity. However, the Plan contains almost nothing about workers, a just transition, or how to ensure the costs and benefits of adaptation are distributed equitably. The Plan's outcome areas include communities and the economy, without any explicit recognition that work, workplaces and workers are a critical part of both.

The European Trade Union Confederation has provided guidance that looks specifically at the relationship between climate change adaptation and the world of work, which may be a useful reference for considering workplace and worker elements of a just transition.¹

A just transition is often discussed in relation to climate change mitigation, but it is equally important in climate change adaptation. The actions our communities have to take to adapt will affect whole sectors and individual workplaces, and will have an effect on people's working lives.

Without engagement throughout the transition process, effective policy implementation cannot occur. The impacts of adapting to climate change will fall disproportionately on workers, as well as Iwi Māori and Pasifika communities. Workers must be genuinely engaged in a conversation about adaptation.

A just transition for people affected by climate change needs to consider the world of work and the effects on workers. It also needs to protect the most vulnerable.

A just transition needs to include:

- full participation of iwi, hapū and Māori, including Māori workers and their representative union structures, as part of giving effect to Te Tiriti o Waitangi
- Equitable sharing of responsibilities and fair distribution of the costs across society
- Institutionalised formal consultations with relevant stakeholders including trade unions, employers and communities, at national, regional and sectoral levels
- The promotion of clean job opportunities and the greening of existing jobs and industries through public and private investment in low carbon development strategies and technologies
- Formal education, training, retraining, and life-long learning for working people, their families, and their communities

¹ https://www.etuc.org/sites/default/files/publication/file/2020-08/ETUC-adaptation-climate-guide EN.pdf

- Organised economic and employment diversification policies within sectors and communities at risk
- Social protection measures (eg, active labour market policies, access to health services, and a strong safety net) available to those impacted by adaptation, whether they are already employed or not
- Respect for, and protection, of human and labour rights.

A just transition does not mean only preventing existing inequalities from becoming worse. It should be used as an opportunity to deliberately correct inequalities and build a society that is more equitable.

Communities, iwi, hapū and whānau all need to be able to engage with the government's processes. Resourcing this engagement needs to be part of the Plan.

Recommendation:

 Ensure the Adaptation Plan adequately addresses workers, a just transition, and how to ensure the costs and benefits of adaptation are distributed equitably.

The role of unions

Both the draft National Adaptation Plan and the accompanying consultation document neglect to mention unions. Unions are some of the largest democratic organisations in Aotearoa, representing workers whose working lives will be affected by any measures we take as a society to adapt to climate change. Unions such as the PSA also contain experts across a range of adaptation and social needs, and should be considered as partners in the transition that is required with adaptation.

Historically unions at both a national and global scale have been a driving force behind the concept of a just transition, and will have a valuable contribution to make in just transition planning. The Government should ensure that unions have the opportunity to be involved in these processes; this may also require resourcing for union member involvement.

Recommendation:

• Ensure the Adaptation Plan recognises and provides for the role of unions in just transition planning.

Resourcing the public sector to deliver

Executing the National Adaptation Plan will require significant resourcing from across government at both a central and local level. It is essential that the public sector is resourced appropriately to coordinate and deliver the work required.

This will be crucial at both the central and local level. A fair and progressive tax system will add to central government's ability to resource itself, and the Future for Local Government Review provides an opportunity to consider how local government could be better resourced to deliver on its responsibilities.

The actions set out in this plan need to be backed up by the resourcing to deliver them. The Government needs to ensure that future Budgets adequately resource the measures set out in this Plan.

Recommendation:

 Ensure the actions in this plan are backed up by sufficient resourcing for the public sector organisations expected to deliver them.

Responses to specific sections and questions

National adaptation plan - general questions

2. The national adaptation plan focuses on three key areas. Please indicate which area is most important for you (tick box).

Focus area one: We recommend elevating 'Establish a foundation to work with Māori on climate actions' from supporting action to critical action. An equitable transition for Māori, including mechanisms for Māori to actively participate in policy design, is fundamental to how we should be approaching adaptation to climate change.

Focus area two: While we believe that access to information is important, we note that the ability of people to access, interpret and act on data varies significantly across the population. Data provision without addressing these factors will exacerbate existing inequalities, as those who are data-literate and who have resources to finance data-driven decisions will get "first mover advantage" over others.

Systemic change are necessary in mitigating and adapting to climate change. A just transition cannot rely primarily on individual business and consumer choice. Such an approach has the potential to exacerbate inequities because it means the people best resourced to adapt can act on the information, while others are left behind. It also lets institutions 'off the hook' from having to create the conditions that make doing the right thing the most feasible and attractive option. Any focus on data provision to assist individual choices cannot be used as justification to avoid system change. And a focus on information provision should cover types of information that are useful for active citizenry and holding institutions for account, not just information to drive personal consumer choices.

Recommendations:

- Elevate 'Establish a foundation to work with Māori on climate actions' from supporting action to critical action.
- Provision of data and evidence needs to be accompanied by efforts to support the public to access, interpret and act on data.
- Provide data, evidence and information that is useful for active citizenry and holding institutions for account, not just information to drive personal consumer choices.
- 3. We all have a role to play in building resilience to climate change, but some New Zealanders may be more affected and less able to respond. There is a risk that climate change could exacerbate existing inequities for different groups in society. Appendix 3 sets out the full list of actions in this national adaptation plan.
 - a) What are the key actions that are essential to help you adapt? Please list them.
 - b) Which actions do you consider to be most urgent? Please list them.

- c) Are there any actions that would help ensure that existing inequities are not exacerbated? Please list them.
- d) Are there any actions not included in this draft national adaptation plan that would enable you to assess your risk and help you adapt?

The following actions were recommended by unions as part of the consultation on the Government's Emissions Reduction Plan², but are also applicable to the National Adaptation Plan as they contribute to a just transition for people affected by climate change:

- Proceed with implementation of a Social Unemployment Insurance Scheme.
- Fully implement the recommendations of the Welfare Expert Advisory Group, including increasing main benefits to a level required for a decent standard of living.
- Initiate work on a tripartite basis to support workforces through transition.
- Consider options for strategic public investment to support private sector investment in transition, with public value criteria including good employment outcomes.
- Establish a tripartite Just Transition Governance Group, reporting to the Future of Work forum and Ministers, to guide the transition to a low-emissions economy.
- Use government procurement across public infrastructure, buildings and housing as a lever for a just transition to a low emissions construction sector that provides decent work.
- Coordinate pooling of redundancies, redeployment and retraining across employers in the energy sector and other emissions-intensive industries, with employer participation incentivised as a criterion for receiving public funds.
- Promote equitable opportunities for decent work in emerging low-emissions industries, with training and support for workers transferring from other sectors, and workers who have been excluded from employment.
- Enable unions and employers' associations to engage their members in the Just Transition process by reinstating the Employment Relations Education Fund and providing top-up funding to extend Employment Relations Education Leave.
- Continue to engage with unions through the Future of Work Forum, as one of several opportunities to create the conditions for a just transition.
- Continue with and broaden the use of Industry Transformation Plans, and ensure unions are involved in their development.
- Progress Fair Pay Agreements, multi-employment collective bargaining, common terms and conditions, and improvements to employment law to empower workers and safeguard their rights, as part of a just transition approach

4. Central government cannot bear all the risks and costs of adaptation. What role do you think asset owners, banks and insurers, the private sector, local government and central government should play in:

² See NZ Council of Trade Unions' submission on the Emissions Reduction Plan and <u>PSA submission on the Emissions Reduction Plan</u>

a) improving resilience to the future impacts of climate change?

b) sharing the costs of adaptation?

It is important to ensure both that government (both at central and local level) has the resources to carry out its responsibilities in adapting to climate change, and that the private sector is contributing a fair amount towards resourcing this activity.

Two important ways of achieving this are:

- a fair and progressive taxation system that ensures the people benefiting from the creation of wealth are contributing to the public good
- strong worker rights to drive higher wages, to ensure the incomes received by workers (which they are then taxed on) represent a fairer share of the wealth generated by their labour.

Banks and insurers will make adaptation decisions based on their own profit and loss statements. These decisions (some of which are mentioned in the plan, such as "insurance retreat" and insurance claim payouts with conditions attached stating what the policy holder can spend the money on) are unlikely to be consistent with the four key objectives guiding the Government's approach to funding issues (set out on page 12 of the accompanying consultation document), including "to reduce hardship" and "ensure fairness and equity for communities." There may be a role for a social insurance type model via a state-owned insurer for financing adaptation to address situations where the private insurance market is unlikely to be sufficient to ensure the Government's objectives are met.

Recommendations:

- Build a more fair and progressive taxation system that ensures the people benefiting from the creation of wealth are contributing to the public good.
- Consider the potential for government intervention in the insurance market (eg, through a social insurance provider) for financing adaptation in situations where the private insurance market is unlikely to be sufficient.

System-wide actions

The public sector's role in infrastructure development

For decades, Governments have relied on the private sector and the market to deliver infrastructure. This approach has not worked; we already have an infrastructure deficit in Aotearoa that would require 0.7% of GDP every year for the next 30 years to fix, even before taking into account of the infrastructure investment needed to address climate change.³

There is a clear and now urgent role for the State in the delivery of infrastructure in the public interest. In particular, coordinated effort is needed to deliver with urgency the infrastructure needed to address the climate crisis by helping reduce emissions.

We recommend that a public service agency is established to procure and deliver infrastructure projects. It should also plan and coordinate industry training, in cooperation with the relevant

³ Rautaki Hanganga o Aotearoa - New Zealand Infrastructure Strategy 2022-2052

Workforce Development Councils, to support the infrastructure delivery necessary to carry through the Government's various infrastructure strategies, including and with urgency its housing strategy.

A 2021 report by First Union makes the case for a Ministry of Green Works⁴, and discusses the need for a new approach to address some of the failings of the current model for delivering public works, and the case for centralising infrastructure provision within the public service. The PSA would be interested in engaging with the Government about what a model for public delivery could look like.

Recommendation:

 Establish a public service agency to procure and directly deliver infrastructure projects, and to plan and coordinate industry training.

Data, information, tools and guidance

Within focus area two (data, information, tools and guidance) there does not appear to be any consideration of information/guidance for employers or workers about the workforce elements of climate adaptation. This could be an area worth exploring, and one in which unions would be interested in working with government.

The provision of data and guidance should be accompanied by investment in public education about the coming adaptation challenges. There is a link between climate adaptation and mitigation, in that education on the real dangers we are now required to adapt to will be key to getting public action on mitigation to avoid the most serious potential climate change effects beyond what is already 'baked in'.

This is a virtuous circle of change that we can trigger at relatively low cost through education from trusted experts informed by science. This is an area in which we can learn from the Government's early response to the COVID-19 pandemic.

As noted in the PSA's submission on Future Pathways for the Research, Science and Innovation System, We believe that public good research should be prioritised in our public research, science and innovation for the benefit of all Aotearoa. The PSA made several recommendations about how to improve the research, science and innovation system, all of which will contribute to meeting national research priorities including building our knowledge base for adapting to climate change. ⁵

Recommendations:

- Consideration opportunities for information/guidance for employers or workers about the workforce elements of climate adaptation.
- Invest in public education about the coming adaptation challenges.
- Prioritise public good research in our public research, science and innovation.

The natural environment

Regarding the natural environment, we reiterate our earlier point that the public sector needs to be resourced sufficiently to coordinate and deliver the work. In particular resourcing for central government natural resources sector agencies, and local government, will be critical.

⁴ A Ministry of Green Works for Aotearoa New Zealand: An Ambitious Approach to Housing, Infrastructure, and Climate Change

⁵ PSA submission on Future Path<u>ways for the Research, Science and Innovation System</u>

Homes, buildings and places

This section should also consider the specific needs of buildings and places as workplaces. Although workplaces are obviously covered implicitly by 'buildings and places' there seems to be little attention given in the draft Plan to the needs of buildings specifically as workplaces. Workplaces in the future will need to provide a safe and healthy work environment in the context of changes in temperature and climate, and changing risk of adverse weather events. This may be something the Government would need to facilitate through the regulatory system (eg, changes to the building code or health and safety legislation) or through guidance for employers and the construction industry.

Infrastructure

The growth of new infrastructure provides potential employment for people displaced from other jobs because of climate change. It is important to ensure that the new workplaces arising from this shift are sources of good wages and working conditions. Factors in addressing this include:

- ensuring that workers in emerging industries are covered by employment law that gives them fair pay and working conditions
- using government procurement rules to ensure that private companies delivering services funded by government are required to meet 'good employer' criteria.

Building resilience is likely to also require efforts to reduce energy usage and use energy efficiently, not just to build more energy infrastructure. It's important that the distributional impacts of this are understood and that the wellbeing of vulnerable and low income people isn't adversely affected by measures to reduce energy usage.

d) Do you see any further opportunities to ensure that groups who may be disproportionally impacted by climate change, or who are less able to adapt (such as those on low incomes, beneficiaries, disabled people, women, older people, youth, migrant communities) have continued and improved access to infrastructure services as we adapt?

It is essential that infrastructure planning provides for equitable distribution of both physical and social infrastructure.

Communities

This section of the plan doesn't appear to specifically consider workers, workplaces and working as a part of the community. Engaging with unions to ensure a just transition for people whose work is affected by climate change adaptation actions will be important.

The Government has committed to work with unions and other social partners in relation to climate mitigation (eg, through the Equitable Transitions Strategy under the Emissions Reduction Plan, through the Future of Work Forum, and through regional just transitions partnerships. The Government also needs to ensure that adaptation planning is included in this work.

Regarding climate migration: Pacific communities need to be resourced and supported to engage in the adaptation process. They are best placed to do this work in their own communities.

We support the development of a Climate Migration Action Plan, but also note that as the climate crisis accelerates there will also be climate refugees from other parts of the world – especially from

the Global South – and consideration also needs to be given to what our role as a nation is in supporting these people.

Recommendations:

- Ensure adaptation planning is included in current climate change tripartite initiatives such
 as through the Equitable Transitions Strategy under the Emissions Reduction Plan, through
 the Future of Work Forum, and through regional just transitions partnerships.
- Resource communities particularly Māori and Pasifka communities to participate in adaptation planning processes.

The economy and financial system

This section of the draft Plan appears to be primarily concerned with the effects of climate adaptation on businesses and their owners, and with 'the economy' as an entity in itself.

A plan for supporting businesses through a transition to a climate-resilient economy needs to also provide for workers, and recognise that workers are the primary generators of wealth in the economy.

The draft Plan includes the Tourism Industry Transformation Plan (ITP) and its phase one focus on 'better work'. We encourage wider use of ITPs: a plan for supporting the economy through adapting to climate change needs to include proactive labour market planning at a range of levels (eg, industry and region) and across a range of sectors.

Planning for a just transition should promote equitable opportunities for decent work in emerging low-emissions industries, with training, redeployment and support for workers transferring from other sectors, and workers who have been excluded from employment.

Social partners including iwi and unions should be involved in these planning processes.

It's positive to see investment in supporting projects that design and test new approaches and solutions to risks such as climate change in the primary sector, including regenerative agriculture projects. We believe, however, that there should be a more fully developed strategy for enabling the agricultural sector to adapt.

Recommendations:

- Expand the use of Industry Transformation Plans at a range of levels and across a range of sectors.
- Involve iwi, unions, and other social partners in adaptation planning processes.

Managed retreat

52. Do you agree with the proposed principles and objectives for managed retreat? Please explain why or why not.

It is positive that equity has been included as a principle in funding, however we believe it should be included as a principle in the legislation itself. This would make it explicit that equity is a core outcome to be achieved through managed retreat, not just a possible bonus or a consideration when allocating funding.

We also recommend the legislation is specific about what equity means: ie, that it is both about avoiding further inequity and deliberately making conditions more equitable.

Recommendation:

• Include equity as a principle in the legislation, not just in funding.

64. Many residential communities are made up of a combination of renters, owner/occupiers and people who own a property and use it as a second/holiday house. Do you think there are reasons for these groups to have different levels of involvement in a managed retreat process?

Renters can be disproportionately affected by disruption in housing. As housing became scarce In the aftermath of the 2010/2011 Canterbury earthquakes, renters were highly vulnerable, with rents in the area increasing faster than the national average, and rental property vacancies dropping faster than the drop in overall housing stock in the city. This was likely to be due at least in part because people who owned rental properties were able to evict tenants and move into their rental properties if their own homes were damaged. Inequity also stemmed from the fact that many homeowners had access to insurance that provided other means of accommodation while their homes were uninhabitable, which renters did not have access to. Instability caused by insecure accommodation can impact people's lives in a range of ways.

One means for preventing and addressing this type of inequity would be the inclusion of mechanisms that ensure renters can be meaningfully involved in managed retreat purposes to ensure their views and interests are represented.

Recommendation:

 Provide opportunities for renters to be involved in managed retreat planning on a level playing field with homeowners.

Conclusion

We appreciate the opportunity to submit on the draft National Adaptation Plan. We look forward to the opportunity to engage in further discussions with government to ensure a just transition for people affected by climate change.

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