



**Submission to:** The Environment Committee, NZ Parliament

**On:** The Climate Change Response (Zero Carbon)  
Amendment Bill

**By:** The Interim Climate Change Committee

## Supplementary submission from the ICCC

### Parent Agency of the Climate Change Commission

1. The Bill proposes that the Climate Change Commission be an Independent Crown Entity (ICE), under the responsibility of the Minister for Climate Change.
2. Some Crown entities have sector-specific roles that fit well with a sectoral parent agency. For example, the New Zealand Transport Agency (a Crown Agent) and the Civil Aviation Authority (an ICE) are responsible to the Minister of Transport, and funded through Vote Transport.<sup>1</sup>
3. In contrast, some Crown entities have roles that span across the responsibility areas of many government agencies. For example, the New Zealand Productivity Commission (an ICE) is responsible to the Minister of Finance, its parent agency is Treasury, and it is funded through Vote Finance.<sup>2</sup> This is appropriate because its mandate spans widely across all aspects of the economy and all sectors of government.
4. For the Climate Change Commission, the responsible Minister should clearly be the Minister of Climate Change. This Ministerial role was established in 2005 because climate change issues, and the responses required, are wide-ranging and far-reaching – to a much greater extent than any other aspect of environmental management.<sup>3</sup>
5. Like the Ministerial role, the Climate Change Commission's mandate spans widely across the economy and most sectors of government. Climate change is not just an environmental issue – it is more about how society and economy are organised, than about the environment itself. An effective response to climate change will need to affect all aspects of the economy and society.
6. It would therefore be appropriate for the Climate Change Commission to have the Treasury as its parent agency and be funded through Vote Finance. As a result, the Minister for Climate Change would then have two complementary responsibilities under Vote Finance – the Green Investment Fund, and the Climate Change Commission.

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1 Vote Transport, The Estimates of Appropriations 2019/20 - Economic Development and Infrastructure Sector B.5 Vol.1, page 153.

2 Vote Finance, The Estimates of Appropriations 2019/20 – Finance and Government Administration Sector B.5 Vol.5, page 25.

3 The position was initially called 'Minister responsible for Climate Change Issues' from 2005, became 'Minister for Climate Change Issues' in 2008 and simply 'Minister for Climate Change' in 2017.

7. In addition to being the best fit for the Commission's mandated tasks, there are other advantages to this arrangement. It clearly signals that climate change has implications across the economy, and that New Zealand is serious about moving the economy to a zero carbon future. It also fits with the move to establish frameworks to improve wellbeing that span New Zealand society and economy, and it would link the Commission with the Ministry that sits at the centre of the public service.
8. This change could be put into effect by adding a new clause to Part 1A which establishes the Commission and sets out its functions, duties and powers.
9. **We recommend that the Environment Committee considers adding a new clause (5NA) that provides for Part 1A to be administered by the Treasury. The new clause could record, for the avoidance of doubt, that the remainder of the Act is to be administered by the Ministry for the Environment (consistently with what is currently provided for in the Act).**