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## **Blueprint for a green New Deal**

**G**reen Party co-leader Dr Russel Norman has called on New Zealand's National Party minority government to use environmentally friendly initiatives to tackle the effect of the global recession. At the Green Party of Aotearoa New Zealand's annual State of the Planet Address at Henderson in West Auckland he called for a 'Green New Deal'.

Norman challenged the current new Zealand Government to implement four measures : to reinstate the axed \$1 billion plan to upgrade home insulation during the next 15 years; that government should buy only the most fuel-efficient cars for its fleet, saving \$30 million a year; to match spending on roads with spending on public transport; and to cut oil consumption by one quarter in the next 10 years, saving the economy \$2 billion a year.

He went on to talk in detail about housing, innovation, energy efficiency, and transport. The following is an edited version of his address.

### **Housing**

First, we must make sure every man, woman and child has a safe roof over his or her head—there are working families living in garages in this country. We must embark on a major building programme for more social housing. We need to weatherproof our existing homes—make them warm and dry and safe so that our children are healthy.

So my first challenge to the National Government is to immediately reinstate the billion dollar Green Homes Fund. The Green Homes Fund can be a shot of adrenalin for the building sector. And it will cut power bills for Kiwis. It will create much needed jobs. It is for the common good and it is commonsense.

The houses we build will be energy efficient, warm dry and healthy. They will be in medium-density developments with protected green-space nearby for people to grow food and children to play. They will be built on public transport routes so that people can travel easily even when the price of oil goes through the roof. The rent will be affordable to all. These homes will be the beating heart of our Green New Deal.

For every dollar spent on insulating cold houses, there is close to a two dollar benefit in energy and health savings. This means less time off work, less time off school and a better quality of life.

And they will not be ghettos. Because we, as a society, will invest in building strong communities, and listen to Van Jones (Time Magazine 2008 Environmental Hero, author of *The Green Collar Economy*) who says get the 'greenest solutions to the poorest

people,' create millions of green-collar jobs with a proportion going to the chronically unemployed. Jones says it well: 'The Green economy should not just be about reclaiming thrown-away stuff. It should be about reclaiming thrown-away communities.' We will create employment opportunities, we will connect people who need work with work that needs people—while making sure our welfare state is robust enough to help those who just can't get ahead.

### **Innovation**

The second plank in our Green New Deal is innovation. New green technology is within our grasp, if we take the opportunity.

New forms of renewable energy are rapidly coming on-stream around the world. The European Union has embraced this technology and has legislated that nearly 40% of all electricity must be renewable by 2020. US President Obama believes in Green innovation and plans for a quarter of electricity to come from renewable sources by 2025. Clean energy is a technological wave that can carry us through the storm. We can ride it or get left behind. We can pursue greater sustainability and prosperity or drown in a sea of pollution and debt. What must we do? How can the government position us to ride this wave—help us save our planet and our economy?

For one thing we need to support Kiwi businesses that make stuff here —not abandon the successful 'Buy Kiwi Made' campaign. And we also need to set the right combination of market signals, standards and regulations, and to combine it with government funded research to spur greater innovation. Markets will only be part of the solution when the right signals exist. But right now our National-led government is sending the wrong signals. Currently we have a market which is back-to-front. Fossil fuel companies pass their greenhouse gas costs onto the taxpayer and the environment but renewable energy companies do not. The marketplace is rigged to discourage green innovation.

In the same way government sets signals for markets, government also sets standards for industry—and the right standards drive innovation. When you set an energy efficiency standard it drives producers to innovate in order to meet that standard. But right now, if I want to buy one of the best small wind turbines in the world, I go to Scotland. Because years ago the Scottish Government funded research into renewable energy development.

Meanwhile, right here in New Zealand, we have left companies such as Windflow to fight for themselves. Windflow

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manufactures turbines in New Zealand using New Zealand technology and is on target to build 20 turbines a month at their Christchurch factory. These are highly efficient medium-size turbines that fit more easily into the environment, require smaller roads and less infrastructure and are more friendly to the local community.

We have the potential for a \$200 million a year company here in Aotearoa. Windflow got there without much help. It is a credit to Kiwi ingenuity and hard work, and it is a discredit to government.

How many other businesses would have made it with a bit of government support, the kind of support which is available overseas? Our large state-owned generators like Mighty River Power and Meridian can be leaders. We are world experts in geothermal power generation; we can build on that expertise and sell technology to the world. Government can set us on this course.

### Electricity

We must tap into these opportunities or we will be left behind. And we need to get smart about the electricity grid. We need to give households choice about when they want to use power and how much they want to pay. You should be able to choose to run your dishwasher or clothes dryer late at night and pay the cheapest rate for electricity. You should be able to sell power back to the grid from the solar panels on your roof. The technology exists for smart meters that allow you to do this. The next step is for smart meters to connect to household appliances and switch them on automatically when power is cheap and plentiful and turn them off when there is an increase in demand and price. This technology reduces peak demand by spreading the load. And the lower peak-load means we don't have to run coal and oil power plants or build more generating capacity—we don't need to dam another river, or burn more coal and gas.

One of the cheapest power plants you can build is a smart meter. But smart meters and smart grids need smart governments. We will only get smart meters if the government steps in to ensure that there is a minimum standard for smart meters and that the meters are compatible between retailers. We can lead the world in smart meter technology which we can then sell to others.

My challenge to Prime Minister John Key—show yours is a smart government by requiring smart meters—then customers have the choice to buy cheap, off-peak power, and the choice to sell their power back to the grid.

### Energy Efficiency Examples

Making our homes more energy efficient is just a start. We can make our whole economy more energy efficient, saving money and the planet along the way.

Think about this. In the 35 years to 2007, our economy and the economy of Denmark both doubled in size. Over that time Denmark's total energy consumption grew by just 7%, while our energy consumption increased by about 90%. Denmark increased energy efficiency standards year on year, driving innovation, saving consumers money, reducing greenhouse emissions, and, incidentally, Denmark built a world-leading wind turbine industry from whom we buy most of our turbines today.

And what about across the Pacific in California. Strong energy

efficiency standards have seen per capita energy use drop 40% below the national average. Energy efficiency measures mean Californian households can redirect money they'd otherwise spend on electricity and petrol into more productive sectors of the economy, creating 1.5 million new jobs. Let me repeat that—their energy efficiency standards created one-and-a-half million jobs.

These standards are common sense across the world and the political spectrum.

### Energy Efficiency In New Zealand

Government throws away millions of dollars every year on cars that waste petrol and buildings that waste electricity. I say to the new government: if you are serious about stopping the waste of tax dollars, fix up our buildings and make 'best in class' fuel efficiency an absolute rule for government cars.

There are more than 20,000 vehicles in the government fleet and there are huge savings to be made by using energy-efficient cars. Using the best car for the job will save taxpayers at least \$30m a year in fuel costs.

As taxpayers we also own thousands of buildings—from schools and hospitals across the country to high-rise buildings in downtown Wellington. President Obama plans to save billions by increasing the energy efficiency of US government buildings. We can do the same. Let us save precious government dollars, and make improvements that will create jobs.

Take every step to cut waste before we cut one public service, do this before New Zealand loses a single doctor or teacher aide, before research funding is cut or jobs are lost.

### An Oil-poor Country

Cutting the government's fuel bill is just a start. New Zealand is totally dependent on imported oil. Last year it cost us \$8.5 billion to buy oil. This is about as much as we earned from international visitors to New Zealand. We are throwing away precious money, supporting undemocratic regimes along the way. We are, effectively, exporting every tourism dollar we earn to the Middle East.

Over the last ten years we have spent \$46.5 billion importing oil. This contributes to our trade deficit which adds to our overseas debt. When we are energy independent, we will be independent. And greater self-reliance will lead us to greater self-respect as a fiercely proud and independent nation. Now oil prices have subsided for the moment but let us be under no illusion, prices will go up again. Just ask the International Energy Agency. The Agency says 'the era of cheap oil is over.' The Agency, working on behalf of the governments of 28 countries, says 'We must usher in a global energy revolution.'

New Zealand is more dependent on imported oil than the United States. The US spends about 3% of its gross domestic product importing oil each year—New Zealand spends nearly 5%. We are more vulnerable to spiking oil import prices than the US, and we don't have an army to go get us some more.

Yet we are standing still while America launches its green energy revolution. The International Energy Agency gets it. The European Union gets it. The President of the United States gets it. A green energy revolution is common sense, it is adaptive politics,

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good economics, and the emerging orthodoxy. I challenge Prime Minister John Key to match Barack Obama's plan to cut oil consumption by a quarter in a decade and save New Zealanders \$2 billion every year.

## Roads & Transport

A Green New Deal in transport means energy independence and security. New Zealand has fantastic potential to build fast safe public transport in our major urban centres along with cycle ways and walking paths. We can develop second generation biofuels using woody biomass, algae, tallow and other sustainable sources. We can investigate electric cars, without living under the illusion that they are a magic wand.

We need to start doing things differently to live better; decrease congestion, enhance our living spaces, clean up our air, and make it safe to walk and ride to work. But we need to make the investments now to make the transition to a green transport system.

For decades, most of the transport budget has been spent on roads, while our rail network, our cycleways and walkways, and our public transport services have all been neglected. Today more than 80% of new transport investment is for roads. The challenge is: for every dollar spent on roads, commit at least one dollar to public transport—help Kiwis get there faster and cheaper on modern buses and trains.

To weather the storm, we are going to need all hands on deck. People are going to have to make some changes to their lives—and some of those changes will be difficult. Kiwis have risen to challenges in the past. We have shed blood and sacrificed lives to fight fascism; we have angered great powers to stay nuclear free, we've campaigned against genetic engineering, climbed mountains, made block-buster films.

## Electoral Reform

If we are really to join together to face the nation's challenges we need a parliament that represents everybody, where all our voices can be heard. We need a fair electoral system because to get the best deal, the fairest deal for people and for the environment, we need the best democracy.

Mixed Member Proportional gives parties the number of seats in the House that reflects the number of New Zealanders who voted for them. That is fair. Now MMP can be improved, and it is right and proper that we should revisit aspects of it. We need to consider, for example, whether the threshold should be 4%, and whether a party that fails to reach that threshold but wins an electorate should be able to bring in additional MPs.

But we cannot pretend that there is another fairer, system on

offer. The National Party has frequently referred to 'Supplementary Member' as an alternative form of proportional representation. It is not. Had that been our system for the November 2008 election, National would now have a clear majority in Parliament with a minority of the votes. Under a Supplementary Member system, they would be an elected dictatorship, able to make law as far-reaching and as fast as they wanted without any talks with other parties, returning us to the politics we rejected 15 years ago.

## Looking Worldwide For Green Deal Opportunities

The Green Party is not a lone voice in talking about a Green New Deal. In the UK, both Prime Minister Gordon Brown and Conservative party leader David Cameron, are hailing green jobs as the future source of employment for millions of people. So is the United Nations. We have a new leader in the United States who has promised to create five million new 'green collar' jobs making solar panels, fuel-efficient cars and wind turbines.

Mexico is now employing 1.5 million people to plant and manage forests. China has created the world's biggest solar energy industry from scratch in just a few years. Germany has leapt from being a laggard to a leader in renewable energy by giving people attractive incentives to install solar panels in their home and employing hundreds of thousands in green collar jobs. Japan will offer zero-interest loans for environmentally friendly companies to spur one million new jobs in green businesses.

Korea will invest \$38 billion over the next four years in two million new energy-saving houses, green transportation networks, and a clean up of the country's rivers. That's another million new jobs in an economy that, like ours, is falling headlong into recession.

Our new Prime Minister needs to look at the worldwide response to our current challenges. Even a fellow conservative, such as Thomas Friedman, says destroying biodiversity for unregulated economic growth is like burning the Mona Lisa to cook dinner.

These five steps are easily within our reach. They represent the beginning of our Green New Deal. The rest of the world has proved the deal works; and the people of New Zealand want it, they need it, they demand it. New Zealanders have always been great seafarers. If government will set our sail and be our rudder, we can weather the coming storm, and we can navigate our way through, with a Green New Deal. ✍

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