



**BELL GULLY**

# Emissions Trading for Maori

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**Emissions Trading & Policy Summit**

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# Introduction

- Impacts on key Maori industries
  - Agriculture
  - Forestry
  - Fisheries
- Effect on the “Maori economy”
- Management of Maori land
- Treaty of Waitangi implications
- Treaty settlement implications
- Opportunities

# Agriculture

## Maori Dairy - *Status quo*

25,000 hectares

80,000 cows

25 million kg/ms

\$150m GFI

## Growth opportunities

*150,000 ha (CFL)*

*450,000 cows*

*135 million kg/ms*

*\$810m GFI*

## Maori Meat – *Status quo*

300,000 ha

One million su

25 million kg/meat

\$75m GFI

## Growth opportunities

*700,000 ha*

*5.6 million su*

*140m kg/meat*

*\$420m GFI*

# Forestry

Maori Pre-1990 Exotic

200,000 ha

Post 1989 Exotic

100,000 ha

Pre-1990 Indigenous

400,000

Post 1989 Indigenous

300,000

Scrub

200,000

*CFL's*

*400,000*

# Fisheries

- **Seafood industry generally**
  - \$1.3 billion in export earnings
  - Low rate of return
  - consumes
    - 164 million litres of liquid fossil fuel (primarily diesel)
    - 55 gigawatt hours of electricity
  - no free NZUs being allocated to fishing sector
  - 20% reduction in operating surplus due to ETS
- **Maori fisheries**
  - Maori own 35% of the fishing industry
  - ETS erodes the value of the 1992 fisheries settlement

# Management of Maori land

- Land use change
  - Retirement of marginal lands – (Carbon farming)
- New farm systems
  - Intensification of productive land
- Participation in Research and Development
  - High value product development
  - Methane mitigation
- Early adoption and application of new technology
  - Nitrate inhibitors etc

# Treaty of Waitangi

- **Article The Second (English)**
  - confirms and guarantees
  - full exclusive and undisturbed possession
  - Lands
  - Forests
  - other properties
- **Ko te Tuarua (Maori)**
  - ka wakarite ka wakaae
  - te tino rangatiratanga
  - o o ratou wenua
  - o ratou kainga
  - o ratou taonga katoa

# Treaty of Waitangi

- **Article The First (English)**

- cede to Her Majesty absolutely and without reservation all the rights and powers of Sovereignty

- **Ko te Tuatahi (Maori)**

- ka tuku rawa atu ki te Kuini o Ingarani ake tonu atu – te Kawanatanga katoa o o ratou wenua

- **Article The Third (English)**

- extends...Her royal protection and imparts to them all the Rights and Privileges of British Subjects

- **Ko te Tuatoru (Maori)**

- ka tukua ki a ratou nga tikanga katoa rite tahi ki ana mea ki nga tangata o Ingarani

# Treaty of Waitangi

- **Effect on Article The Second rights**
  - disturbing possession of Forests
    - taking away property rights?
  - disturbing possession of Lands
    - restrictions on use?
  - disturbing possession of taonga
    - carbon credits not a taonga?
- **Exercise of kawanatanga (Article The First)**
  - reasonable necessity
  - reasonable alternative
  - least interference

# Treaty of Waitangi



## •Petroleum

- expropriation in the national interest
- least inference principle
- equal treatment argument
  - “even if in theory the Petroleum Act was non-discriminatory, the circumstances of its practical application made it otherwise”
- “Treaty interest”

## •Radio Frequencies

- No Crown monopoly
  - “the spectrum is a taonga to be shared by the tribes and by all mankind. Neither of the Treaty partners can have monopoly rights to this resource”

# Treaty of Waitangi

- Aquaculture

- incident of Maori relationship with the coastal marine area
- Development right – citing Muriwhenua Fishing Claims Report
  - commercial development of resources does not depend upon proof of a pre-Treaty commercial expertise. A treaty that denied a development right to Maori would not have been signed

# Treaty settlements

- Proposal
  - 1989 forestry settlement
  - Crown forest licence regime
    - land held by Crown pending Treaty settlements
    - Waitangi Tribunal has binding jurisdiction in respect of “well-founded” claims
    - direct negotiations with the Crown
  - All CFLs are pre-1990 forests
    - no free allocation of NZUs to those CFLs (compared to allocation of free NZUs to all other pre-1990 forests)
    - Maori claimants must purchase NZUs that would have otherwise been allocated to CFLs

# Treaty settlements



## •Effect

- no allocation of free NZUs to land held on trust for Maori
- if settlement had have occurred as expected
  - Maori would have obtained NZUs over CFL lands
- future claimants have option to purchase NZUs
  - impacts on value of land
  - impacts on accumulated rentals received
  - unlikely that claimants will purchase the NZUs
- no free allocation of NZUs to Maori
- no change in use of CFL lands likely

# Opportunities

- **assets**

- marginal land - permanent forest sinks
- cash-flow
- security
- best practice farming techniques

- **branded units**

- Maori brand
- New Zealand identity
- value add

- **Trading**