

Peter Dunne to chair ETS Select Committee

United Future leader Peter Dunne will chair the special select committee to consider changes the National-led Government wants to make to the controversial emissions trading scheme (ETS), Prime Minister John Key announced yesterday.

The scheme was introduced into Parliament under urgency just before the election and National campaigned hard on changes it wanted to make.

Speaking at his post-Cabinet press conference, Mr Key said he wanted the amended legislation passed before September 30, next year.

That meant the select committee would likely be reporting back to Parliament in March.

He would be talking to Act New Zealand, and other parties, about the composition of the committee.

Asked if the tight timetable left him open to the same criticism he levelled at Labour about rushing the legislation through the House, Mr Key said it was easier to amend and change legislation rather than starting from scratch.

"I believe it is do-able but I guess we have to suck it and see."

There were parts of the ETS the Government agreed with but other parts that it would change.

Mr Dunne, also Revenue Minister, was chosen because he was seen as neutral and he would do a good job, Mr Key said.

Before the election, National said it would ensure a New Zealand ETS was introduced on January 1, 2010.

The party's policy included an ETS that struck a balance between the country's environmental and economic interests and that the ETS should not attempt to make New Zealand a world leader on climate change.

The ETS should be fiscally neutral rather than providing billions of dollars in windfall gains to the government accounts at the expense of businesses and consumers.

It could encourage the use of technology to improve efficiency and reduce emissions, recognise the importance of small and medium-sized businesses and not discriminate against them in the allocation of emissions permits.

The policy should also have the flexibility to respond to progress in international negotiations, rather than sticking to a rigid schedule.