10 July 2026

Committee Secretariat,
Justice Committee,
Parliament Buildings,
Wellington.

Submitted via:

Tēnā koutou,

**Submission of Manawatū District Council on the Climate Change Response (Tort Liability) Amendment Bill**

Manawatū District Council (MDC) thanks the Justice Committee for the opportunity to submit on the Climate Change Response (Tort Liability) Amendment Bill.

**Introduction**

Council makes this submission from the perspective of local government as a steward for its residents, infrastructure, and district-wide resilience. Council's interest is not in the merits of any individual court proceeding. Nor does Council suggest that national emissions policy should be determined primarily through litigation.

Council's concern is more direct: if Parliament removes one legal pathway for accountability for emissions-related climate harm, it must also be clear about where the costs and consequences of that harm will fall. Local authorities and ratepayers should not be left carrying a disproportionate share of the financial, infrastructural and social burdens arising from climate change and future extreme weather events.

Council submits that the Bill should not proceed in its current form without further assessment of its implications for local government, ratepayers, iwi, hapū, and affected communities.

The Bill as drafted would create a broad statutory bar preventing tort claims for emissions-related climate change effects. It would apply to direct and indirect emissions, activities occurring inside and outside New Zealand, and conduct occurring before and after commencement. It would also apply retrospectively to existing proceedings that have not yet been finally determined.

Council acknowledges the Government's rationale that climate change policy should be set through Parliament and existing legislation, rather than through the courts, and that New Zealand already has a national statutory framework for emissions reduction through the Climate Change Response Act 2002 and the Emissions Trading Scheme.

However, removing a legal pathway does not remove climate-related impacts. Those impacts will still need to be managed, funded and absorbed somewhere in the system. In practice, many of those consequences are experienced locally and are already falling on councils, communities and ratepayers.

If the Bill is to advance, Council submits that the Government should establish the following:

1. That there is a clearly evidenced policy problem requiring immediate legislative intervention.
2. That the implications for local government and communities have been properly assessed.
3. That the retrospective application of the Bill is necessary and justified.
4. How the Bill may affect the share of climate-related costs borne by communities and local authorities
5. That the Bill is consistent with maintaining public trust in the wider climate adaptation and legal system.

**Local government's direct interest in the allocation of climate-related costs.**

District councils are responsible for managing many of the practical consequences of climate change. These include infrastructure planning and investment, natural hazard management, land-use planning, emergency management, community resilience, and recovery following extreme weather events.

For councils, climate change is not an abstract legal issue. It is experienced through stormwater pressure, road damage, flooding, slips, drought, coastal hazards, insurance pressure, infrastructure renewal costs, and complex decisions with communities about future risk. The longer-term costs can be even more difficult. Where communities are required to retreat or relocate from increasingly high-risk areas, the financial, social, cultural, and emotional costs do not simply disappear. In many cases, these costs and responsibilities fall largely on local communities, marae, and hapū.

Loss of insurability is also a material risk. Reduced access to insurance for private property can affect household security, lending, property values and community confidence. Loss of insurability for public infrastructure and assets would place further pressure on councils and ratepayers and could affect the long-term viability of local services and infrastructure investment.

Those responsibilities remain regardless of whether emitters can be subject to civil claims for emissions-related climate harm.

Council is concerned that the Bill may reduce one accountability pathway for emitters while leaving local authorities and communities to continue managing the consequences. That is not only a legal question. It is a question of public finance, fairness and community resilience.

Council submits that Parliament should expressly consider whether the Bill risks further socialising the costs of climate change through local government expenditure, ratepayer

funding, central government recovery assistance, insurance pressure, and direct impacts on affected households and businesses.

**Insufficient evidence for the policy case for immediate intervention.**

The Regulatory Impact Statement (RIS) records that officials undertook very limited engagement with legal experts, no engagement with business, and had not identified evidence that the ongoing court proceedings had produced a measurable impact on business confidence.

This is significant because the Bill is justified largely on the basis of providing business and investment certainty. If that is the central policy problem, Parliament should be satisfied that the problem has been clearly evidenced before removing an existing legal pathway for affected parties.

Council also notes that the Ministry of Justice's preferred option in the RIS was no regulatory intervention at this time, not the immediate statutory bar preferred by the Minister. Officials considered that, on the limited evidence gathered, it was unclear whether there was a problem requiring legislative intervention before the High Court had issued its decision.

The Bill would make a notable change to the legal landscape before the courts have determined whether any liability exists. The Supreme Court has not found the defendants liable. It has only allowed the claim to proceed to trial.

Council is also concerned about the timing of the Bill. Council is also concerned that the Bill is being progressed while wider reform of New Zealand's planning and environmental protection system is still being settled. In that context, Council considers there is a risk in removing an existing legal pathway before the effectiveness of the wider statutory framework for managing climate and environmental risk has been fully tested.

Council submits that the Committee should consider whether immediate legislative intervention is premature.

**Further assessment of implications for iwi, hapū and affected communities required.**

The Bill may also have implications for iwi, hapū and communities already exposed to climate-related risks. Climate change impacts are not experienced evenly. Some communities face greater exposure to flooding, erosion, infrastructure disruption, housing vulnerability, insurance pressure and recovery costs. For Māori, climate-related harm may also affect whenua, taonga, wāhi tapu, mahinga kai, whakapapa connections and the ability to exercise kaitiakitanga.

The RIS records that the claim in Smith v Fonterra relies in part on tikanga Māori and climate change in an area where Māori have consistently expressed significant concern. It also records that there was no engagement with Māori during policy development and that this may be criticised as inconsistent with Treaty obligations.

Council does not take a position on the merits of that individual claim. However, where legislation removes a potential pathway for communities to seek remedies for climate-related harm, Parliament should consider how that will be perceived by those already carrying climate risk.

**A coherent climate system must address who pays.**

Council agrees that New Zealand needs a coherent national framework for emissions reduction and climate adaptation. However, coherence should not be assessed only from the perspective of emitters or central government. From a local government perspective, a coherent system must also answer the following questions:

- How will climate-related infrastructure costs be funded?
- How will communities exposed to increasing natural hazard risk be supported?
- How will adaptation costs be shared between central government, local government, private property owners, insurers and those whose activities have contributed to climate change?
- How will the Crown ensure that councils and ratepayers are not left with costs that cannot be managed through local funding tools alone?

The Bill addresses one part of the system: civil liability for emissions-related climate harm. It does not address the corresponding question of who should bear the costs once that pathway is removed.

Council submits that this is a significant gap.

**Recommendations**

MDC recommends that the Justice Committee does not proceed with the Bill in its current form unless further analysis is undertaken on the implications for local government, communities, ratepayers, iwi and hapū. Significant weight must be given to the RIS' conclusion that the Ministry of Justice's preferred option was no regulatory intervention at this time.

MDC seeks specific advice on the implications for local government, including potential impacts on infrastructure funding, adaptation planning, emergency management, community recovery, insurance pressure and ratepayer affordability.

**Conclusion**

MDC recognises the importance of clear and coherent national climate policy. Council also recognises that Parliament may decide that emissions reduction obligations should be set through legislation rather than through tort law.

However, the consequences of climate events are already being managed locally. Councils are responsible for infrastructure, land-use planning, natural hazard

management, emergency management, adaptation planning and community resilience. Ratepayers are increasingly being asked to fund the response.

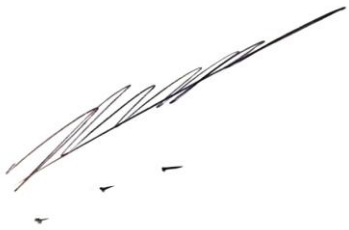
Council's concern is that the Bill may provide certainty for emitters without providing equivalent certainty about how climate-related costs will be fairly allocated across the system.

If Parliament removes one avenue for legal accountability, it should also be clear about how communities, local authorities and ratepayers will be protected from carrying a disproportionate share of the financial, infrastructural and social burdens arising from extreme climate events.

MDC further recommends that, if the Bill proceeds, the Committee consider whether a narrower and better-evidenced approach would address the Government's policy concern without creating unnecessary uncertainty about the allocation of climate-related costs.

Council requests the Justice Committee to consider these matters before the Bill proceeds.

Yours sincerely,



Michael Ford

**Mayor**