

Draft NSW Clean Air Strategy

April 2021

About the Committee for Sydney

The Committee for Sydney is an urban policy think tank. We are advocates for the whole of Sydney, developing pragmatic and innovative solutions to the most important problems we face.

We take pride in our independence and work with decision makers across the political spectrum. Our work is collaborative, inclusive and forward looking. It is underpinned by rigorous, evidence-based policy work that is passionate but balanced and steeped in the experiences and expertise of our members and stakeholders.

Most of all, we are passionate about Sydney and its future.

Annual Benchmarking Report

Every year, the Committee for Sydney undertakes a Benchmarking report against 33 peer cities around in the world, in order to give us key insights into our city – where we're strong, where we need to work harder, and where we need to tell a different story to global audiences.

The **2020 Benchmarking Report**¹ found that Sydney had the 2nd highest number of days with very unhealthy air pollution exposure in 2019-20 among 16 measured peers (5 days), and fell by over 1,000 places in the major global ranking of annual air pollution exposure in over 4,000 global cities and towns between 2018 and 2019, due primarily to the impact of the bushfires on Sydney's air quality. For the number of days where exposure to air pollution is in line with WHO guidelines, Sydney is still 6th among its 30 measured peers, but in 2019, for average annual exposure to PM2.5, Sydney now has only the 9th lowest exposure out of 21 cities. We know that Sydney can do better.

Given the findings of the 2020 Benchmarking report, we very much welcome the **Draft Clean Air Strategy 2021-30** prepared by the NSW Department of the Planning, Industry and Environment.

We have identified the following 4 areas as the focus of our submission, in pursuit of accelerating Sydney's journey to becoming the best city it can be, and ultimately the best city in the world.

Aggregate costs of Poor Air Quality on the community:

While the Draft Clean Air Strategy does take into account costs attributed to lives lost directly from poor air quality, it does not take account/ quantify the significant costs of poor air quality on those whose deteriorating health does not lead to death. In 2002 these costs were estimated (by NSW Dept of Environment) as being between \$1-8bn² across the Sydney Greater Metropolitan Region (\$1.5-12bn in 2021 dollars). These costs are significant, and potentially several multiples higher, than the \$3.3bn attributed to lost lives directly from poor air quality. Using these more realistic costs to the health system may provide an impetus for the NSW Government to consider investing more deeply in accelerating efforts to improve air quality outcomes, not least for those current and future residents of Western Sydney who will bear more of the burden of poor air-quality in the future.

¹ [https://sydney.org.au/wp-](https://sydney.org.au/wp-content/uploads/2020/12/Committee_for_Sydney_Benchmarking_Sydney's_Performance_2020_report-web.pdf)

[content/uploads/2020/12/Committee_for_Sydney_Benchmarking_Sydney's_Performance_2020_report-web.pdf](https://sydney.org.au/wp-content/uploads/2020/12/Committee_for_Sydney_Benchmarking_Sydney's_Performance_2020_report-web.pdf)

² <https://www.environment.nsw.gov.au/-/media/OEH/Corporate-Site/Documents/Air/air-pollution-economics-health-costs-greater-sydney-metropolitan-region-050623.pdf>

Spatial risk mapping for air quality

We support the proposed actions to support better preparedness for pollution events by focussing on improving forecasting and now-casting information to at-risk residents. Equally, we recognise that there are efforts being made by DIPE, the GSC and local governments to improve air quality through place-based planning for sustainable and resilient precincts and neighbourhoods. While these efforts are important, there does not seem to be complementary efforts to establish strong guidance on existing and future spatial risk to residents from living/ locating in particular higher risk parts of Sydney. We recommend that an alternate approach could consider a spatial risk based approach, in which traffic lights (red-yellow-green) are applied to Sydney (and NSW) to highlight to residents and businesses that air quality risks need to be considered in the same way as flood or bushfire risks so the individuals and communities can make an informed decision about where and how they choose to live.

Air quality monitoring and Alerts

We know from the 2020 Bushfire season that there are significant health risks associated with smoke inhalation and other irritations. This situation is similar to the transboundary smoke/ haze issues that face Singapore due to agricultural burning in Indonesia and the South-West Monsoon. Singapore has a very mature air quality index, and clear recommendations on how to behave in response to different air quality findings. The readings across the city are made available to residents via an App, with the traffic light system relating to the mitigation behaviours residents (and organisations) need to take. You can find more here <https://www.haze.gov.sg/>. We recommend that government improves the accessibility to air quality monitoring and warning system so that all residents of Sydney are able to access – through the EPA – a reliable source of data linked to alerts and recommended behaviours, which can then be reinforced by local government, media, business and other institutions.

Opportunity for Leadership and Investment on Electric Vehicles

We very much support the proposed actions around cleaner transport, engines and fuels, not least because these actions have combined benefits of reducing air pollution and mitigating carbon emissions. It is this area that provides the most opportunity for government leadership. Firstly, by using the NSW Governments significant procurement power – its own fleet and the bus, ferry and taxi networks that it manages – there exists the potential to accelerate the market for electric vehicles (both the actual vehicle fleet and the charging network that enables that fleet to mobilise). Secondly, incentivising the market to switch more quickly towards EVs by establishing a market leading role through these 6 policy changes:

1. Create a rebate on the up-front purchase cost of EVs
 - a. The greatest barrier to EV adoption is the up-front purchase cost; this program targets that barrier directly.
 - b. Start with relatively high incentives, and then phase them out based on EV adoption rates.
 - c. This gives certainty to Treasury about the cost of the program (although it leaves some uncertainty about the timing, because this depends on how quickly car buyers in NSW move through the adoption curve).
 - d. Calibrating the purchase rebates based on the UK and California programs, we propose something like this:

% of new purchases that are EVs	<2 %	2 – 5%	6 - 10%	10 - 15%	>15%
Purchase rebate	\$15,000	\$10,000	\$5,000	\$2,500	0

2. Other key incentives for EVs could include:
 - a. Exemption from stamp duty
 - b. Exemption from vehicle registration costs
3. Direct State government to purchase EVs for as much of the state-owned fleet as possible, moving toward full deployment as soon as practical. (The first set of departments are out to bid right now.)
 - a. This will show the State leading by example.
 - b. It will also have the very significant practical benefit of creating a market for second-hand EV sales.
 - c. Start by developing a plan for EV procurement across the whole of Government, with costs to be approved by Treasury.
4. Develop regulations on taxis/ride-sharing and car-sharing programs that phase in a requirement for electric vehicles over time.
 - a. As these mobility services gain market share and replace private ownership, EV adoption will occur as a by-product.
 - b. Car-sharing fleets are particularly well-suited to EVs because they already have dedicated parking spaces, including on-street. Grants to LGAs to fund charging infrastructure would be highly effective for these fleets.
5. Develop a charging infrastructure strategy.
 - a. Identify gaps in charging infrastructure that the market will not fill on its own.
 - b. Create solutions for filling them as necessary.
 - c. Acknowledge that some markets, like car owners who do not have dedicated parking spaces at their homes and rely on on-street parking, will be hardest to reach. Grants to LGAs for on-street charging infrastructure (which is part of the UK's strategy) may help.

It's also possible that these market segments will be better served by electrifying ride-sharing and car-sharing fleets.

- d. (Note that parts of this infrastructure – charging for longer-distance trips intended to reduce “range anxiety” – is now in the early stages of procurement as a traditional piece of State-owned infrastructure.)
6. Establish regulations on the fuel efficiency of cars and light duty trucks in NSW
 - a. This is the final step, which is the strongest option available to convert the broader vehicle fleet to low- and non-polluting technology.
 - b. Putting downward pressure on the fuel efficiency of petrol vehicles will support adoption of EVs as the best solution.
 - c. Critically, NSW has the legal authority to regulate the fuel efficiency of privately owned vehicles, whereas it is federally pre-empted from directly regulating emissions.

Conclusion

The Committee for Sydney supports the efforts of the NSW Government to improve air quality through all the policy and investment levers it has at its disposal. Thank you for the opportunity to provide comment.