



THE AUDIT OFFICE
OF NEW SOUTH WALES

*pa6376 - 9230-3416
3 pages*

CONTACT NAME
TELEPHONE
OUR REFERENCE **pa6376**
YOUR REFERENCE

Ms R Callinan
Director
General Purpose Standing Committee No 3
Parliament House, Macquarie Street
SYDNEY NSW 2000

5 September 2006

Dear Ms Callinan

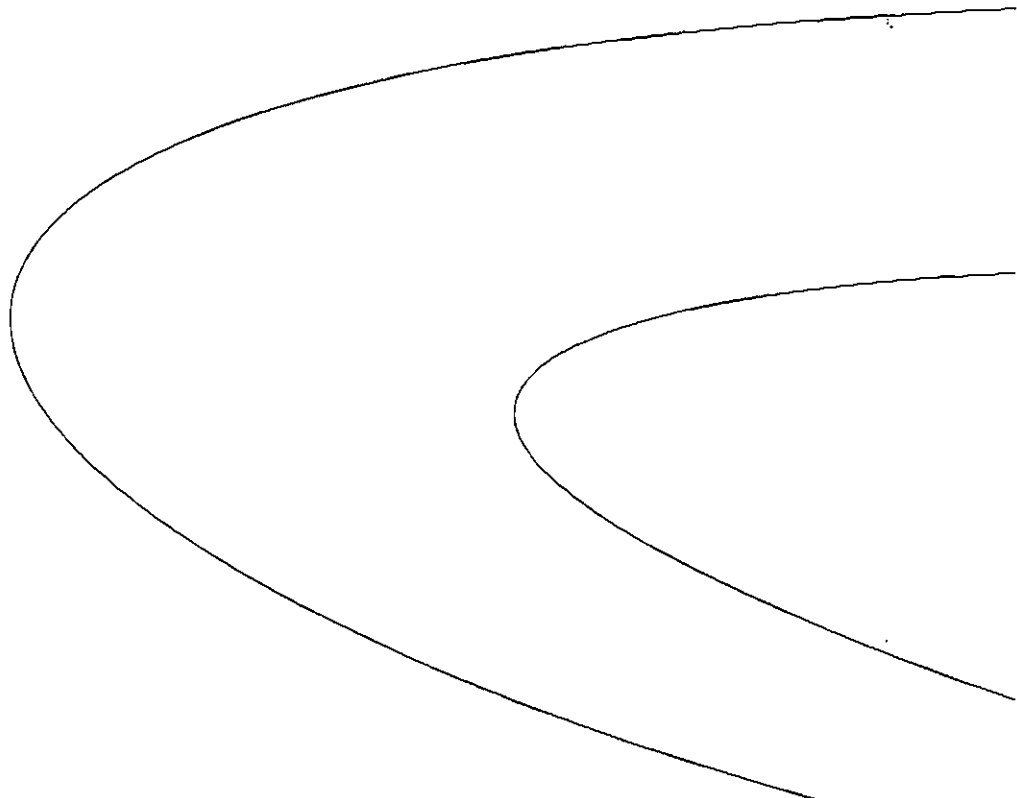
Inquiry into the health impacts of air pollution in the Sydney Basin

It is my pleasure to further assist the Committee with this inquiry by providing more detailed information on our 2005 performance audit report, *Managing Air Quality in NSW*.

Our responses to your questions on notice are attached together with the original transcript.

Yours sincerely

R J Sendt
Auditor-General



Inquiry into the health impacts of air pollution in the Sydney Basin

Questions on notice

1. Based on the findings of the performance audit report, how well is NSW managing air quality issues?

NSW assesses urban air quality against national goals for six pollutants: carbon monoxide, nitrogen dioxide, photochemical oxidants (as ozone), sulphur dioxide, lead, and particles less than 10 micrometres in diameter. The national goals set the maximum permissible concentrations for each pollutant to be met by 2008.

Our performance audit reviewed the NSW Government's efforts to improve air quality. It focused on progress with *Action for Air* and its complementary plan, *Action for Transport 2010*.

A key aim of the plans was to reduce private car use, the single largest contributor to ozone formation and the most significant threat to urban air quality. We examined strategies in these plans to curb motor vehicle usage, encourage greater use of public transport, promote cleaner cars and fuels, and integrate air quality in transport planning.

Our audit found that NSW met four of the six nationally agreed 2008 air quality targets - for nitrogen dioxide, sulphur dioxide, lead and carbon monoxide. This is a good result. But NSW did not yet meet the targets for ozone and particle matter. On ozone - the more serious of the two - NSW exceeded the national standards more days per year than any other State.

Motor vehicle emissions, particularly private car use, were the main reason for the ozone problem. At the time, private car use was increasing.

Vehicles have become more efficient and fuels cleaner with the introduction of stricter national vehicle emission and fuel standards. NSW influenced many of these national standards and made gains from them. But we found that these gains were being offset by increasing use of cars and a trend towards larger vehicles.

The NSW Government's *Cleaner Vehicles Action Plan* provides important strategies such as emission reduction targets for the Government fleet, and inspection programs for old diesel vehicles. It also provides a stamp duty incentive scheme for less polluting cars that had not been introduced. We also found more could be done with trials of particle traps for older diesel vehicles, alternative fuels (bio-diesels), and fuel cell technologies.

We found that the issue with ozone is not just about exceeding the national standards. It was also about the duration, the level and the frequency of high readings and, most importantly, the number of people affected. Also, the substances that pollute our air can also interact in complex ways, which scientists do not fully understand. There is a lot more we need to understand about the effects of long term exposure to pollution and the cumulative effects of pollutants. This is why we recommended that NSW Health be more involved in decisions that impact air quality, particularly transport.

We also found that air quality is an issue that cuts across government. No single agency had overall responsibility and authority to improve air quality. There are no simple solutions. However, to be more effective, we made a number of recommendations aimed at strengthening *Action for Air*, defining agency roles, improving transport planning, assessment and service delivery, assisting local councils manage air quality, providing better public information and better managing air toxics and the impacts of greenhouse gasses on air quality.

2. Motor vehicles are major contributors to ozone pollution in the Sydney Basin. How effective have Action for Air and other government policies, been at reducing private car use?

Action for Air and its complementary plan, *Action for Transport 2010* set targets to reduce private car use. Targets set in these plans were to halt the growth in:

- Private car use (vehicle kilometres travelled, vkt) per capita by 2011
- Total vkt by 2021

We found that the Government's actions had failed to achieve a reduction in private car use. Eight years after the release of the two plans, we still had more cars on our roads. People were making more and longer trips by car. By 2020, car use is expected to increase by a third. In 2004, only one in nine trips was by public transport.

NSW was the first Australian jurisdiction to put in place a 25-year Action for Air plan for managing air quality. This plan was an important step and has been crucial to all the benefits we have achieved so far. But Action for Transport did not deliver the necessary improvement in public transport. Our audit found that NSW needs to rethink the way we manage transport planning and services so people rely less on cars.

These plans have great potential. But we recommended that the Government prioritise the strategies in these plans and monitor progress against them. The Government also needs to review these plans so they reflect new knowledge and directions.

Our report recommended some measures that the Government can introduce. These include parking restrictions, improvement of public transport services, incentives to use public transport, and making our cities friendlier to cycle and walk in. We also made a number of recommendations aimed at: strengthening Action for Air; defining agency roles; improving transport planning, assessment and service delivery.

3. What role, if any, does the Audit Office have in reporting on air quality management issues into the future?

We may conduct a follow-up audit of past performance audit reports a few years after completion. These follow-up audits look at the extent to which recommendations have been implemented and whether problems have been addressed.

The Public Accounts Committee (PAC) may also conduct reviews or hold inquiries into matters raised in performance audit reports, such as this inquiry. Agencies are also required to report actions taken against each recommendation in their annual report.