

Item 3.1

Bold Action Needed To Meet Climate Targets

File No: S051491

Minute by the Lord Mayor

To Council:

Climate action is one of the City of Sydney's top priorities. Cities produce around 70% of global emissions, so what we do matters. Without urgent and coordinated global action to cut emissions by 75% below 2005 levels in the next decade, we risk triggering uncontrolled climate change.

The City has committed to net zero by 2035 for the local area and we are drastically reducing our own energy and water use and will eliminate the use of gas in our operations by 2030. Our 2025 annual [Green Report](#) shows that since 2006, we have reduced emissions in our own operations by 78%, at the same time as we have significantly expanded services to the community.

Greenhouse gas emissions for our local area have also decreased year after year. In June 2024 they were 45% below 2006 levels, while at the same time our population has increased by 44%, job numbers have grown by 40% and our economy has expanded by 78.5%.

National Climate Risk assessment

Released in September 2025, the Australian Government's first [National Climate Risk Assessment](#) ('the Assessment') paints an alarming picture of escalating climate risks across the country - devastating droughts, catastrophic bushfires, and severe storms that we already experience are set to worsen.

Heat kills more people than all other natural disasters, and Sydney is set to experience hotter days, for longer periods. The Assessment shows that if temperatures rose by just 1.5 degrees, heat-related deaths in Sydney would double, and if it raised by 3 degrees, we would see deaths at almost 4.5 times the current rate. This is why we are working hard to increase canopy cover in our area, as it can reduce temperatures by up to 10 degrees.

Rising temperatures will make Australia a less attractive destination for tourists, with 14% fewer tourists expected across Australia by 2063. The risk assessment also found that if temperatures rise by 3 degrees, \$770 billion could be wiped off property values nationally by 2090 due to climate change, including sea level rise and flooding. In our area, this could impact property prices, where people can live and critical infrastructure including roads, tunnels, substations and public transport.

Across the country, the number of properties exposed to climate impacts like fires and floods is increasing, meaning that entire areas and communities may be uninsurable or their insurance premiums will be extremely unaffordable for most households. Banks do not lend mortgages for uninsured properties. Without Government support such as relocation or underwriting, the supply of housing will be drastically reduced, pushing up housing prices.

Eastern coastal waters are expected to warm by 2.4 to 3.7 degrees. This will drive more intense storms, putting people and infrastructure under significant pressure, not to mention the environmental and ecological impacts.

People already experiencing disadvantage are most at risk from the impacts of climate change. People with existing health conditions such as mental ill-health, heart diseases and asthma are especially vulnerable. All of this will put increasing pressure on the state's health system and on our own services and programs that support communities.

To help combat heat impacts, our community centres and libraries provide air-conditioned spaces for people to cool down. During heat events, staff open extra rooms, offer cold water and health tips, which is especially important for renters without air-conditioning. Our digital screens across the city centre display warnings and practical tips to help people stay safe and avoid heat-related illness. We partner with St. Vincent's Hospital and the University of Sydney to set up mobile cooling tents in parks, providing a cool space with misters and fans, and an opportunity to consult with a health practitioner, and last summer the City piloted community workshops to help people plan for emergencies such as heatwaves and power outages.

We're strengthening the city's resilience to heat, drought, storms, floods and rising seas but cutting emissions remains the best defence. This report shows the Federal Government knows the scale of the challenge and the need for urgent action.

Australia's 2035 emissions reduction targets

Australia's legislated 2030 target to cut emissions by 43% is on track, with carbon emissions down 28% from 2005 levels by March 2025. To meet its obligations under the Paris Agreement, last month the Australian Government announced a 62 to 70% emissions reduction target below 2005 levels by 2035, as part of its commitment to meet net zero emissions by 2050.

While the City's net zero by 2035 in our area target is more ambitious, the Australian Government's new target supports our goals, and we welcome this commitment. It will drive national action and investment in renewable energy, building standards, electrification, transport, circular economy, embodied carbon and the repair and restoration of our natural ecosystems.

To meet the 2035 emissions target, Australia must act quickly and more than double the rate at which we are cutting emissions, which will require significant changes in technology, the economy, and how people live and work.

Bold action urgently needed

The Australian Government's 2035 target is supported by a detailed [Net Zero Plan](#) and 6 [sector-specific plans](#) outlining how the Government will achieve its goals. The 6 sectors include electricity and energy, agriculture and land, the built environment, industry, resources, and transport. This is backed by [Treasury modelling](#), showing the policies' projected emissions reductions.

While the plans list high-level future directions, they are missing formal policy and funding commitments in key areas including electrification, active and public transport and climate equity. Treasury modelling also shows the Government's assumptions rely too heavily on tree planting to capture carbon to meet net zero cut emissions. While we support greening for its cooling benefits and restoring nature, there simply isn't enough land to plant the number of trees needed to capture the growing emissions from transport and new coal and gas projects.

Bold action should start with legislating Australia's 2035 emissions reduction target, as the Labor Government did in 2022 with the 2030 target.

Resources

Shockingly, the resources sector plan does not commit to phasing out fossil fuel exports. The modelling assumes gas exports will decline, even though there are no concrete measures to limit new coal and gas mines. This unfairly places the burden on other parts of our economy, and people and our planet will continue to suffer.

The Government must be courageous and use its substantial majority to stop the influence of fossil fuel companies, end excessive subsidies and tax breaks, and stop misleading the public with greenwashing and climate misinformation.

The Australia Institute's research shows that the Australian government shamefully provided [\\$14.9 billion worth of spending and tax breaks](#) in 2024/25 to assist fossil fuel producers and major users, and these will increase to \$67 billion over the next 4 years. The level of subsidy is more than 14 times the current 4-year \$4.75 billion Australian disaster response fund. Imagine how much real action on net zero and climate change adaptation we could achieve with \$67 billion.

Energy

I welcome changes that will make Urban Renewable Energy Zones possible. By supporting local power generation and distribution using load shifting, solar and battery storage, Greater Sydney could meet up to 75% of its own energy needs. This shows the central role that cities can play in the transition to renewables, as previously reported by the [Committee for Sydney](#).

From 1 January 2026, the City is banning indoor gas appliances in new residences, and from 1 January 2027 our [All Electric Development Control Plan](#) will require all new development, including offices, hotels, and serviced apartments buildings, to be fully electric. However, there is also a role for Federal and State Governments to ensure the transition away from gas is equitable and does not trap vulnerable households in the [gas network 'death spiral'](#) where fewer households share the fixed network costs as more households turn off gas, raising prices for those remaining, especially renters and low-income households.

Built environment

I welcome the commitments in the Built Environment sector plan to expand initiatives like NABERS, building energy disclosure and appliance standards. These changes will help to reduce emissions and improve climate resilience of buildings.

While the Built Environment sector plan acknowledges existing commitments such as the home battery program and support for public EV charging infrastructure, more detailed policies and additional funding from the Australian Government is needed to tackle the complex and costly task of electrifying the large number of existing residential apartments. This often requires costly switchboard upgrades, rewiring, and space for larger heat pump systems, which many owners can't afford. With tenants paying energy bills, landlords also have little incentive to electrify rentals.

Transport

The transport sector plan rightly prioritises reducing unnecessary travel and shifting to active and public transport, but it lacks supporting initiatives and funding. Our investment in a city for walking and cycling shows that when you create a safe, green and pleasant environment, people shift to walking and cycling. Walking is up 52% in our area since 2021, and bike trips have nearly tripled since 2010 with over 28km of new cycleways.

Involving cities and investing in local solutions

The sector plans fail to acknowledge the critical role of cities and local governments in reaching net zero and adapting to climate change. The [Local Government Climate Review 2024](#) found that emissions targets of councils alone can meet 29% of Australia's overall current nationally determined contribution by 2030. We are also often the first to respond when disaster hits, which is happening more frequently.

By signing onto the [Coalition for High Ambition Multilevel Partnerships \(CHAMP\)](#) for Climate Action during COP28, the Australian Government committed to enhance cooperation with state, territory and local governments in the planning, financing, implementation, and monitoring of climate strategies. As yet, the Australian Government has not directly engaged with local governments under this commitment.

This is a missed opportunity. If Councils and capital cities were more directly engaged in Federal and State Government policy, our networks and expertise could be harnessed to supercharge emissions reductions. More investment in local solutions, like the Community Energy Upgrades Fund could quickly and effectively maximise efforts to help Australia meet its emissions reduction targets.

Recommendation

It is resolved that:

(A) Council note:

- (i) the City's 2025 Annual Green Report shows that since 2006, the City of Sydney has cut emissions from its operations by 78% and, despite population, jobs, and economic growth, local greenhouse gas emissions have steadily fallen, reaching 45% below 2006 levels in June 2024;
- (ii) the Australian Government's first National Climate Risk Assessment paints an alarming picture of escalating climate risks across the country and that the devastating droughts, catastrophic bushfires, and severe storms we already experience are set to worsen; and
- (iii) the Australian Government has set a new target to reduce emissions by 62 to 70% below 2005 levels by 2035, as part of its commitment to meet net zero emissions by 2050; and

(B) the Lord Mayor be requested to write to the Prime Minister with a copy of this Lord Mayoral Minute, welcoming Australia's new 2035 emissions reduction target and calling on the Australian Government to:

- (i) legislate Australia's 2035 emissions reduction target, and ensure that climate equity outcomes are genuine and central to all climate policies - especially for renters, low-income households and people living in apartment buildings;
- (ii) stop approving new coal and gas mines and phase out fossil fuels faster, fairly and forever;

- (iii) implement a 10-year ban on politicians working for fossil fuel companies, wind back fossil fuel subsidies, urgently fix royalties and tax avoidance loopholes by fossil gas companies to fund climate adaptation and mitigation, and introduce penalties and enforcement for climate misinformation and disinformation;
- (iv) develop a national electrification plan, including support for local energy generation and sharing, a ban on new gas connections and support to equitably phase out existing gas connections and networks; and
- (v) provide support for, and involve local governments in the design, implementation, communication, and governance of climate policies and programs, including active transport infrastructure, emergency responses to climate events, reducing waste emissions, and electrifying existing residential apartments.

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Lord Mayor of Sydney