

TRANSPERTH BUS FLEET

Motion

Resumed from 22 November on the following motion moved by Hon J.A. Scott -

That in relation to a recently published peer review of a study by an expert reference group - Euro II and Beyond - commissioned by former Transport minister Eric Charlton to determine the future fuel needs of Transperth's bus fleet -

- (1) This House notes the findings of the peer review of the ERG report.
- (2) Calls on the Minister for Transport to -
 - (a) explain why flawed and inaccurate data was used to justify the purchase of the Transperth bus fleet;
 - (b) describe the current contractual arrangements between Transperth and Mercedes Benz;
 - (c) identify the number of diesel-powered buses Transperth is bound to purchase;
 - (d) confirm whether Mercedes is able to provide, as an alternative, sufficient numbers of high performance gas-powered buses to meet Transperth's needs; and
 - (e) state if he is prepared to re-examine the ERG recommendations and reassess the purchase of further diesel-powered buses.

HON J.A. SCOTT (South Metropolitan) [10.10 am]: I will briefly recap what I said yesterday. There has been a long pattern of misinformation and deception about the relative merits of gas and diesel buses. I was caught out yesterday and did not have the quotes of the people involved, but I now have those quotes and will refer to them. An article in *The West Australian* states -

Perth's new bus fleet would have diesel engines partly because diesel fuel was cheaper than natural gas, Department of Transport official Jim Fitzgerald said yesterday. . . .

"Preliminary work we did on natural gas indicated the cost of operating on natural gas in this State was significantly higher than in the eastern States," Mr Fitzgerald, the department's fleet contract manager, said. "We would pay 25 per cent more for gas here than in the eastern States."

This was clearly not true, and Mr Fitzgerald knew it. Another article in *The West Australian* states -

AlintaGas offered to power Perth's new bus fleet with natural gas at half the cost of diesel fuel - but the State Government opted to buy 128 diesel-powered Mercedes-Benz vehicles.

AlintaGas has reacted angrily to Transport Department claims that the new bus fleet would be cheaper to run on diesel than natural gas.

The half-price offer was made during two months of negotiations between AlintaGas and the department, which will eventually spend \$290 million on 850 new buses.

The company agreed to supply the fuel and compression gear at any depot required by the department.

That was part of the misinformation. I also have a document from Mr L.G. Boyle from Mercedes-Benz (Australia) Pty Ltd that was tabled by the Minister for Transport and states -

Dear Jim

Further discussions Mercedes-Benz confirm that we will provide electronic fuel injection CNG engines during 1999.

Like all Mercedes-Benz products, this CNG engine has been extensively trialled with tests going back 3 years.

I want members to remember that statement, because later I will mention how we will now be paying \$5m for these trials to be done again. It continues -

It should be understood that Mercedes-Benz do not release unproven technology hence the extended testing period for new releases for cars, trucks or buses.

The five CNG-powered buses that Mercedes-Benz claimed it would provide in 1999 were not provided. In an answer to a question by Hon Kim Chance about when will the 133 new Mercedes-Benz buses be delivered, the minister said that the first new Mercedes-Benz bus is expected to be delivered in January 1999, and he expected that the initial order of 133 new Mercedes buses would be delivered in January 1999. We now know that never

eventuated. It never eventuated because Mercedes-Benz never had the technology for those multi-point fuel injected CNG-powered buses. There has been deception with regard to that matter.

I turn now to the review that was done for the minister on the report "Euro 2 & Beyond Fuel for TRANSPERTH's Bus Fleet."

Hon M.J. Criddle: Is that the original report?

Hon J.A. SCOTT: Yes. That review reached a number of interesting conclusions. It states -

This Panel addressed data and other technological, operational, economic and environmental information on the latest generation Euro 3 Compressed NG buses and compared them with Euro 2 and Euro 3 diesel buses. The ERG Report has not made this analysis and comparison which was required in its Terms of Reference.

The first conclusion was that the ERG report did not do the analysis that was required. The review states also -

Further, it does not appear from the evidence that the ERG verified the accuracy of input data or facts.

The ERG Report does not appear to have investigated scientific, technical and experienced urban bus operator data on Euro 2 buses using standard diesel with 2000 ppm of Sulphur (0.2 percent S), Low Sulphur Diesel of 500 ppm (0.05 percent S) and Ultra Low Sulphur Diesel of 50 ppm of Sulphur, (0.005 percent S).

The ERG Report does not appear to have verified, (although it used) data provided by the petroleum and LPG industries on NG bus emissions and operations. As a result, the ERG Report's findings conflict with the broader based US Department of Energy (DOE) NG bus experience.

In Chapter 2 (p 10) of this Panel review it is noted that the ERG Report used British LPG data which is not relevant to Australian conditions. For example, British LPG is 100 percent propane, whereas Australian LPG averages 60 percent propane and 40 percent butane. Australian LPG powered vehicles, use a different fuel composition which may have different power and emission outcomes to British LPG vehicles.

The ERG did not even use the right input data for its studies. The ERG also ignored the long-term use of gas buses in this State. We know, for instance, that it ignored the studies from the Sydney bus company; and I have quite a lot of information from other States with this sort of data. An article on the Sydney buses said, in part -

After a series of successful trials, Kingsgrove now operates over 100 CNG buses. Comparative operating figures indicate the CNG buses cost 20 cents per kilometre in fuel, compared to 32.8 cents per kilometre for the diesel buses - a saving of 12.8 cents per kilometre!

We need to bear in mind that the price of diesel then was half what it is now. At the time these analyses were done, the price of diesel was around 59¢ a litre. It is now almost double that.

Hon M.J. Criddle: What has happened to the price of gas?

Hon J.A. SCOTT: The price of natural gas has remained unchanged for the past decade; that is part of the reason this analysis is so poor. It takes no account of the reliability of the price of compressed natural gas compared with the volatile nature of -

Hon M.J. Criddle: It is about the reliability of the engine itself and whether it will operate in our environment. We have had to put new radiators in those buses already. We need to experiment with the type of product that we are putting on the road.

Hon J.A. SCOTT: The minister is right, because a lot of the testing data that was used by the ERG had no relevance to Australian conditions. The ERG ignored these Australian studies. It ignored the Sydney Kingsgrove bus depot's findings. It ignored the TransAdelaide experience. An article in the magazine *Gas Business* quotes a Mr Erdos of TransAdelaide.

Hon M.J. Criddle: Is he an expert?

Hon J.A. SCOTT: He is the group manager of technical services at TransAdelaide.

Hon M.J. Criddle: You are saying the expert group we put together has no idea what it is doing and this bloke does?

Hon J.A. SCOTT: I am saying the Government's group ignored the experience of real buses on the ground being run by bus systems in Australia. The article states -

Mr Erdos estimated the 1997 savings achieved by running 110 natural gas buses compared with the equivalent number of diesel buses, at \$900,000. This is a saving of about \$8,200 per bus per year (or

\$16.2 million over the eighteen-year life of the buses). This easily covers the increased capital cost of \$25,000 per bus.

Hon M.J. Criddle: We had 50-odd buses running in our fleet.

Hon J.A. SCOTT: Yes, we know about that and we know about the comparisons.

Hon M.J. Criddle: So do we.

Hon J.A. SCOTT: The really sneaky thing about the reference group is that, according to the data I have, it did not look beyond 2000 at all. When looking at the environmental impacts, it used the data on the first and second generations experimental gas buses to compare not only new diesel technology but also new diesel technology running in Germany using lower sulfur fuel.

Hon E.R.J. Dermer: So that a relative comparison was totally impossible?

Hon J.A. SCOTT: A valid comparison is totally different.

Hon M.J. Criddle: What about the bloke in South Australia who relied on the same sort of information from his bus fleet?

Hon J.A. SCOTT: The minister will get an opportunity to reply. This matter has just started and I am trying to race through it quickly to raise the main issue.

Hon M.J. Criddle: You take all the time you need because I would like to hear your argument.

Hon J.A. SCOTT: I shall refer to a few other things that the ERG report said. I shall look at the expertise of the group before I go any further. To consider the health impact was Dr Simon Taggart, a lung specialist at the Royal Free Hospital, Hampstead, London, United Kingdom who qualified with honours. I will not go through all his qualifications. The report states -

He has worked in a number of Centres of Excellence, including London's Royal Brompton Hospital and Manchester North West Lung Centre.

Dr Taggart is a member of the renowned British Lung Foundation's Executive Committee, and, as spokesman, frequently responds to questions from the media and other groups on a number of separate health issues.

Dr Taggart represents the British Lung Foundation on the Expert Air Quality Forum which reviews the United Kingdom's National Air Quality Strategy.

The expert reference group set up by the previous minister had no health expert on it. That group virtually ignored the health impacts of the outputs from these buses, which is, of course, a very important facet.

The other members of the ERG expert group included Professor Lidia Morawska. I will not go through all her post doctorates and whatever. The report reads -

For over a decade Professor Morawska has been actively involved in the field of air quality, both academically and as an expert consultant and adviser.

Chairman, United Nations World Health Organisation . . . Committee setting international standards on fine and Ultra fine particle vehicle exhaust emissions. Professor Morawska is a member of the Environmental Health and Nutrition Standing Committee Reference Group on Air Quality Goals for Particulates PM10 and PM2.5; a member Technical Advisory Committee for the South East Queensland Regional Air Quality Strategy; International Co-ordinator for the Indoor Air 99 International Conference, Edinburgh, Scotland; Member of the Working Group: Environment and Development, European Association and Development Research and Framing Institutes;

All the people in that group were at the top of their field in the world in each of the areas from which they were chosen. They were arguably as good as anyone could get. When the minister responded to my question on the findings of this report some time back, he said in part of his answer that there might be a problem because the report had been paid for by the Australian Natural Gas Vehicles Council. However, what he did not say at that time was that in the expert reference group there were people like Mr Brian Bult, managing director of Voith Australia Pty Ltd whose company got the contract to build the bus bodies. Therefore, if the minister is talking about conflicts of interest, he should have a look at that other group.

Hon M.J. Criddle: No, I was not talking about a conflict of interest. I was talking about the information based on similar sorts of analyses.

Hon J.A. SCOTT: I shall continue because the minister wants me to spell out my whole argument, as I would like to.

The ERG review said -

This Panel has noted the initial 848 Perth bus contract stipulates Euro 2 standard buses whereas the ERG Report recommends that new Transperth buses use Low Sulphur Diesel fuel with a maximum sulphur content of 500 ppm (0.05 percent S).

This ERG recommendation will:

- Significantly increase Transperth's fleet operating costs;
- Result in significant bus fleet fuel consumption overall
- Lead to increased Greenhouse Gas emissions; and
- Increase the incidence of adverse toxic, asthmatic, genotoxic and carcinogenic health effects and human lung and respiratory diseases.

The ERG Report does not appear to have comprehensively examined:

- financial viability and fuel costs of Euro 2 compliant and NG buses;
- environmental and health impacts of the various fuel options;
- NG buses fitted with current generation OEM electronic fuel injection technology;

It ignored the new technology. The report continues -

- the large body of data available from international urban bus operators experienced in using both low sulphur diesel and NG fuel;
- the urban bus alternative fuel data (both low sulphur diesel and NG) published by the United States of America Government, which is readily available on the internet;
- The long term price stability and local availability of Western Australian Natural Gas.

This International Scientific and Technical Review Panel concludes that:

- That the Western Australian Government re-examine its decision to acquire Euro 2 Standard diesel buses and move to an acquisition programme of buses using the latest Euro 3 Standard NG engine technology; and
- That the Western Australian Government urgently initiate fresh and independent economic analyses of the comparative costs of operating diesel and NG buses, taking into account the impact of the Commonwealth Government's diesel and NG funding programmes in the ANTS Package.
- The Western Australian Government include both the additional and more recent information in this International Scientific and Technical Review Panel and recent Australian Compressed Gas technology advances in its management decisions for a choice of alternative fuels for Perth new public fleet;
- A comparative analysis of operating diesel and NG buses was not comprehensively examined in the ERG Report and the prices of comparative fuels have altered significantly in the past year.

Comparative fuels have altered significantly again since this report came out. The report continues -

For example, the price of crude oil per barrel has risen by 87.93 percent and fleet prices have risen by approximately eight to 10 cents per litre.

We know that of course that is way under the current price today. The report continues -

Additionally, the introduction of the GST and the Diesel and Alternative Fuels Grant Scheme have substantially widened the cost disadvantage of diesel compared to NG.

As a result, the economic modelling of diesel prices no longer appears to be valid as a basis for decision making on the choice of fuels.

The minister answered a number of these claims in this report on Wednesday 16 August in reply to a question from me, when he said -

Almost two years have elapsed between the release of the ERG report and the recent Euro 2 and beyond review. During that time the goods and services tax, the diesel and alternative fuels grants scheme, the alternative fuels conversion program and the compressed natural gas infrastructure program have been

introduced. All these programs have a significant impact on the economic evaluation carried out at the time the ERG report was published.

All these things have happened and the minister has given his response. I asked some questions about what was happening regarding the buses that Mercedes-Benz was supposed to be providing. On 17 August the minister said -

This Government remains committed to evaluating all fuel options for our public transport. Currently it is evaluating ultra-low sulphur diesel, compressed natural gas and hydrogen fuel cells.

We already know that the data he is seeking exists on the Internet. Evaluations do not have to be done; the minister can obtain that information instantly. The minister is pretending that he is still looking for information, but a vast amount of information is already available. Following the question about the review of the ERG report on Wednesday, 16 August, the minister also made a number of points in response to matters I had raised about increasing operating costs, the resultant bus fleet fuel consumption, increased greenhouse gas emissions and increased incidence of adverse toxic, asthmatic, genotoxic and carcinogenic health effects. The minister went on to say there were problems with the review of the ERG report, because -

- (a) The assumed bus delivery is understated in the early years and overstated in the later years. Actual deliveries from DaimlerChrysler are public knowledge and are greater in the early years of the program and reduce as the program progresses.
- (b) It wrongly assumed all buses delivered under the 848 bus replacement program will be Euro 2. DaimlerChrysler will phase out the Euro 2 engines and commence delivery of Euro 3 engines in January 2003 when Australian design rule 80 becomes available for existing models.

The people who compiled that report said they did not get that correct. A whole range of conflicting statements have been made about when these buses would be delivered and how many would be delivered in the early years and in the later years. I have loads of data in my files showing different answers to that question. It is important that the minister evaluate the relative merits of the buses. Instead of delivering five gas buses by January 1999, which date is well and truly past, he has now gone back to evaluating three gas engines and comparing them with diesel and other fuelled engines. They are a backward step from the buses which Mercedes-Benz has extensively trialled and can provide. A worse problem exists.

The minister has admitted that most of the buses will be purchased during the early part of this contract, which means of course that by the time the minister finishes evaluating the gas buses, very few will be left to purchase. We will have purchased nearly all of the obsolete Euro II diesel buses which, as we know, are not of the best current standard. By the time we get the Euro 3 buses, Europe will be moving to Euro 4. In effect, we will get the cast-offs, the leftovers, the overruns of Mercedes-Benz. We certainly will not get world best technology. This issue really concerns me and I want the House to consider this issue. One of the answers stated that the Government was evaluating a number of buses -. I think the answer referred to three buses, but it was five buses. I asked the question -

- (1) Has Mercedes-Benz provided Transperth with the five CNG fuel injected buses, as promised in 1999?
- (2) Can Mercedes provide the five buses as promised, and when will the buses be delivered?
- (3) Were Mercedes, the Minister for Transport and Transperth correct in saying that Mercedes had the technical capability to provide Transperth with five electronic fuel injected CNG powered buses, as claimed?

Hon Murray Criddle replied -

- (1)-(3) Transperth is in the process of carrying out experiments with the five engines on the compressed natural gas project, and it will compare the various gas arrangements in place to get a clear indication of the best method to use. We will also compare that with diesel fuel injection -

Hon Norm Kelly interjected and said -

I thought you had done that already.

Hon Murray Criddle continued -

I said that we are in the process of carrying out the experiments with the five engines, and will continue with that until such time as we have a result. The Government will then announce the results of that experiment.

That is not delivering buses; that is carrying out an experiment. The really sneaky part is where the money is coming from to pay for that experiment. I also asked the following question about that -

- (1) (a) Who is paying the cost of converting the three DaimlerChrysler - formerly Mercedes - bus engines to compressed natural gas?
- (b) What is the total value of this contract and has the cost been subsidised by the Australian Greenhouse Office?
- (2) What is the total value of the existing contract between the Department of Transport and Advanced Engine Components - or Transcom - to convert 100 Renault buses to CNG?

The minister replied -

- (1)-(2) This Government remains committed to evaluating all fuel options -

I do not know what that had to do with the question. It continued -

- for our public transport. Currently it is evaluating ultra-low sulphur diesel, compressed natural gas and hydrogen fuel cells.

That is still nothing to do with the question. It continued -

Financial details of the new compressed natural gas conversion program are currently being completed between the Department of Transport, DaimlerChrysler and the Australian Greenhouse Office and will remain commercially confidential until finalisation in the near future. At that time, I will be in a position to inform the member on this matter.

This answer raises a couple of interesting issues. The minister should know by now that in fact he does know that information but he has not informed "the member on this matter", whereas I understand the Australian Greenhouse Office has made an announcement in relation to that issue. I hope the minister can clarify that matter.

Hon M.J. Criddle: I will have to obtain the exact figures.

Hon J.A. SCOTT: We know that the firm that will carry out this conversion work is Advanced Engine Components Ltd, formerly Transcom. I asked the minister whether that contract was in exchange for allowing the Department of Transport to get out of the contract for the conversion of 100 Renault buses, 90 of which are still outstanding. This was the information I received. The minister's answer was not absolutely clear. I want him to tell me whether that contract for the conversion of five buses has been exchanged. Instead of Mercedes-Benz paying to produce this, as it promised, and delivering five compressed natural gas buses by the end of 1999, the Australian Greenhouse Office will be providing funding to carry out five experiments with engines, not buses. We will no longer get 90 conversions. In other words, for \$5m, or \$1m per engine, we will get five engines tested, really for the benefit of Mercedes-Benz, which should have been providing the buses in the first place. We will be 85-bus losers because instead of getting 90 buses we will be getting five engines and the testing data. The poor old Australian Greenhouse Office will put funds into the project on the basis of getting information. I want to check if that is correct. I understand that the data is already widely available on the Internet. The Department of Transport will get out of its contract for 90 Renault buses. Transcom Engine Corporation Ltd, as it is known by its new name, which was Advanced Engine Components Ltd, will get a pretty good deal. Instead of \$60 000 to convert each of 90 buses, taxpayers will be paying it \$1m to convert each of five engines, which would normally cost about \$20 000. A rip-off has occurred here. Taxpayers have been defrauded. Where are the 90 buses? Have they been exchanged for five engines? If that is correct, it is not good enough. When the minister has an opportunity, I want him to spell out the situation very clearly. I do not think that the public will take too kindly to trading-off 90 buses for five engines. Whether the Department of Transport or the Australian Greenhouse Office has been conned into this, at the end of the day the taxpayers will pay for what Mercedes-Benz said it had already done. It said that, like all Mercedes-Benz products, this CNG engine had been extensively trialled and tested going back three years. We have not been told the truth in this Parliament.

Hon M.J. Criddle: Is that the carburettor model?

Hon J.A. SCOTT: No, it is not. Specific questions were asked in estimates committees and other places. Mercedes-Benz said that it would provide the electronic fuel injection CNG engines during 1999. The reality is that Mercedes-Benz has given the impression that it could do it when it could not. It could never do it, otherwise we would have the buses right now. Is that not correct? Mercedes-Benz was unable to provide any of the buses.

According to Department of Transport data, the price of diesel needed to rise about 5¢ before economies of scale would make CNG a better option than diesel. Instead of a 9¢ rise, a vast rise of about 50¢ has occurred. Obviously the Department of Transport would get a better fuel deal than the average motorist; nevertheless it

would still face a vast rise. Not only have we been ripped off by the loss of 90 gas-powered buses operating in Perth and helping to improve the environment, but also we have seen a huge loss in the running costs of the buses.

The minister and the Department of Transport are still deceiving us. They are using the excuse of testing again, even though Mercedes-Benz says it has extensively tested its buses. All the data exists on the new CNG multipoint fuel-injected gas buses. The data is on the Internet for people to read. The group I mentioned has been able to collect the data and has pointed out that much of it is on the Internet. It has collected much of the data required for the so-called comparisons that the minister will undertake. The collection does not have to be done. The minister knows full well, because most of these buses will be bought early in the contract, that even if the tests clearly prove that CNG is a better option, it will be too darn late because the deal will be done. Mercedes will have got rid of its obsolete Euro II buses. The bodies of the buses are very good but the engines are not the best available. If the Government were serious about the latest technology diesel buses, it would not be talking about Euro III halfway through the bus purchase program but would be talking about going from Euro III to Euro IV, because Europe currently has Euro III and is moving to Euro IV. We are getting the same buses as South America.

Much more could be said about the misuse of data in the report by the expert reference group. It might be better if I simply tabled the report, because to go through it in detail would take so much time we would be here for another three weeks. I do not want to do that. I seek leave to table the report.

Leave granted. [See paper No 595.]

Hon J.A. SCOTT: No clear answers have been forthcoming from the Government regarding the misleading information about comparisons of new diesel buses and old-technology gas buses. The old gas buses were compared with the new diesel buses on fuel consumption. The old diesel buses use a high sulfur fuel and do not have the anti-pollution devices of the gas buses, and their clean-up mechanisms are less efficient than those found on the gas buses. Right throughout the analyses conducted, we see a deliberate perversion of the truth. These matters need to be properly examined. When members get together again in the next Parliament, they should consider this very important issue. Many of these bus purchases are still to be made. We need to know whether we have been misled by Mercedes-Benz so it could win the contract. It claimed that it could provide the gas buses, but has been unable to do so. The minister knows that full well. He had meetings with the company in Perth when Mercedes-Benz was supposed to have delivered those buses. I asked the minister questions prior to that meeting as I heard it was to be held. It was confirmed that the meeting was held because the company could not provide the buses. Proof is found in answers to questions on notice and comments made on radio of Mercedes-Benz's inability to provide the buses, not the engines, it promised. It is important that the next Parliament inquire into this matter thoroughly and find out whether a deliberate fraud was perpetrated on the people of Western Australia. The deception by Mercedes-Benz was its stating that it could provide gas buses when it was unable to do so. The promise was not to purchase only the three buses left to be acquired in the contract in 15 years, but the provision of gas buses now. The previous Minister for Transport gave the impression that the Government could look at operating a greater variation of bus types as new technology came forward.

There has also been a deception by the Department of Transport and the minister in stating that somehow a big jump will be made; that is, we will be able to bypass gas technology and move straight to hydrogen fuel cells. The minister knows from his answers to questions asked in the House that most of the bus purchases in the contract will be provided in the early years of the contract. Therefore, most buses will be purchased in the 14 or 15 years before the hydrogen fuel cell buses become a commercially viable option. We will use the hydrogen cells in the next bus contract. I commend the Government for looking at hydrogen. However, to pretend it is a viable option now is simply not acceptable. If the minister is worried about weight ratios and the number of passengers on a CNG-fuelled bus, he should be more worried about that aspect with hydrogen-fuelled buses. The minister knows it is not a commercially viable option at this point, and will not be for many years.

I conclude my remarks at this point; I realise it does not give other members much opportunity to speak. Most of the criticisms are contained in the report, apart from those I made about the dodgy arrangement; namely, we will get work done on five engines in exchange for 90 buses. I understand that around \$5m is involved, which is \$1m per engine. That is an absolute disgrace, minister.

HON M.J. CRIDDLE (Agricultural - Minister for Transport) [10.55 am]: I welcome the opportunity to make a few remarks, although it is unfortunate that I cannot round out the argument. Hon Jim Scott was talking about the contract with Advanced Engine Components Ltd, and I would like him to come to the Department of Transport to receive a full briefing. A contract was signed recently with which all parties were very happy. As long as the experiments are put in place, the contract could lead to 25 such fuelled buses being put into the network.

I was involved from day one in this process. We went to Europe in 1996 to consider options for the bus fleet in Perth, and the Government made a very responsible and much needed decision to look for new buses for the fleet, which was very old. It was decided to sign a contract for 848 buses to replace the current fleet. Everyone should recognise that that was a necessity. The expert reference group believed that the best option, operationally, environmentally and economically, was the Euro II engine. All sorts of assertions can be made two years later. A review has been put in place with the changes made since that time, and one can come up with another conclusion. However, when the decision was made, the Government decided that diesel was the best option. We said we would review it in 2003 and look at other options. The contract allows us to change over, bearing in mind that 70 to 100 buses will already be in the order chain at that stage. It looks like about 65 buses a year will be delivered in the outer years. Some buses have been acquired and are in the chain. We could go to a more appropriate fuel in the contract. Nothing would stop us changing to natural gas aspirated buses, or whatever, if that were considered to be the best option at some time in the future.

When I started this process, everyone spoke about gas buses, but surprisingly few are in the Australian bus fleet. Western Australia has carried most of these initiatives to improve the standards of emissions in the bus fleet. That is why we are considering the hydrogen fuel cell. Experiments are in place to compare these cells with diesel fuel. The advances in diesel fuel emission reductions are astronomical, and we will put some of these initiatives in place in WA with the low sulfur fuel. Many initiatives have been put in place in Western Australia. The older buses were the big problem, and the Government made the responsible decision to improve the entire bus fleet. The hydrogen fuel cell is the technology of the future as its only emission is water.

Hon J.A. Scott: It will not be in this contract.

Hon M.J. CRIDDLE: The member should let me finish.

Hon Norm Kelly: You could extend past the hour to finish.

Hon M.J. CRIDDLE: The member knew well that I would not have much time. I wanted to hear his story. I said that the member can be given a briefing so he understands the contract with AEC to understand the Government's intention. The Government wants the best possible outcome in emissions and in the buses provided for this city. We lead the nation in the management of our bus fleet.

A group is going overseas shortly to sign an agreement to participate in the hydrogen fuel cell experiment. We are the only group outside Europe and in the southern hemisphere involved in this experiment. We had a bus in Perth recently. Was the member able to see the bus and have a ride?

Hon J.A. Scott: I was tied up at the time.

Hon M.J. CRIDDLE: The bus was in Western Australia for a week and it would have been useful had the member been able to see it. The buses are working in Vancouver and in Chicago in the general transport system; it is not as if they are a new idea.

Hon J.A. Scott: They are only experimental.

Hon M.J. CRIDDLE: They are actually operating in the network!

Debate adjourned, pursuant to standing orders.