

**Submission
No 11**

EMISSION FREE MODES OF PUBLIC TRANSPORT

Organisation: Volgren Australia Pty Ltd

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EMISSION FREE MODES OF PUBLIC TRANSPORT

Volgren Australia Pty Ltd (Volgren) is pleased to provide a response to the NSW Government Legislative Assembly Committee on Transport and Infrastructure Inquiry (Inquiry) on the feasibility of emission free modes of public transport.

A) CAPACITY AND CAPABILITY FOR INDUSTRY TO PROVIDE EMISSION FREE MODES OF PUBLIC TRANSPORT.

Volgren is the oldest and largest bus body builder in Australia. Established in 1977 by a local bus operator it has grown to become the largest manufacturer with 3 factories in Australia and 2 affiliated factories in Asia.

Volgren's bus bodies contain close to 90% Australian content, and we currently directly employ more than 350 FTE in Australia and engage with over 100 local Australian businesses in our supply chain generating additional local jobs.

In 2012 Volgren was purchased by Marcopolo Brazil (Marcopolo). Marcopolo is the largest bus body builder in the world outside of China, building more than 52,000 bus bodies per annum in 14 factories located around the globe and has 10,500 employees.

Volgren's current bus production capacity on a single shift is,

- Australian plants, 700 units per year
- Affiliated Asian plants, 330 units per year

These capacities can be increased significantly by introducing additional shifts or establishing additional factories.

As a dedicated bus body builder and by not offering an integral bus allows us to offer our customers the choice of the latest proven technology and safety features from the global leading chassis manufacturers.

Volgren has a significant local engineering capability, with 22 seats allowing Volgren to design and develop solutions not only for the Australian bus market but also for S.E Asia and Japan bus markets, on several chassis' types and propulsions. This expertise has also allowed Volgren to seamlessly start transitioning our production over to Zero Emission Buses (ZEB) where we have built more than 30 low floor city Battery Electric Buses (BEB) including building the first Volvo BZL, BEB in the world in 2021 and now are in the process of development of our first Hydrogen Fuel Cell Electric Bus (FCEB) low floor city bus, BEB School bus and FCEB School bus for the Australian bus market.

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The following is Volgren's planned ZEB product portfolio for the Australian market:

	<i>On-Demand / Midi Low floor City Bus</i>	<i>Rigid Low Floor City Bus</i>	<i>Articulated Low Floor City Bus</i>	<i>Double Deck Low Floor City Bus</i>	<i>Rigid School Bus</i>
BEB	8.5m	10.0m – 12.5m	18m Single Articulation 25m Double Articulation	12m	10.8m – 12.5m
FCEB		11.9m – 12.5m	TBA	TBA	10.8m – 12.5m

Our proposed portfolio covers 95% of the Australia public transport requirements with only mini bus not being covered

B) BENEFITS AND COSTS TO TAXPAYERS

The benefits of a ZEB over that of a diesel-powered bus is wide ranging, with the most significant being the reduction in pollution. This being both air and noise pollution.

Apart from the known significant reduction in air pollution, noise pollution is another significant environmental problem. Internally both the passenger and the driver have reduced noise increasing the comfort level A World Health Organisation (WHO) study found loud, disruptive noise is a growing health problem which has underestimated effects. The study found that 30% of European public are disturbed by traffic noise.

The noise reduction also provides greater flexibility to town planners and the issue of locating bus stops close to residential homes, which is associated with both idle and acceleration noise, a ZEB significantly reduces or eliminates this noise.

C) OPPORTUNITIES FOR, AND IMPACT TO, LOCAL MANUFACTURING OPERATIONS

There are certainly significant opportunities for local manufacturing in Australia for the supply of ZEB's and the supporting infrastructure. The introduction of ZEB into the market will generate additional jobs by both increased volume and the increase in labour hour to construct the bus.

While the introduction of ZEB's will be a positive impact to local manufacturers and their sub-suppliers. The biggest issue is inconsistent/fluctuating volume of the market which sees a large volume difference between the highs and lows, this leads to ramping up and then ramping down of production facilities which consequently has a significant effect on personnel numbers and job security concerns of the employee. If the introduction was planned with minimal variation it would allow for long term employment of more FTE and great skills training.

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Another concern of the industry is the massive ramp up required to meet the proposed 8000 buses by 2030 and what will occur post 2030 as the manufacturers will face cliff fall in sales into NSW for the next 10-15 years. This we believe will have dire outcomes for manufacturers and possible closures of businesses. Additionally, TfNSW who may find their new buses with no or limited support and possibly without warranty cover. This situation is not good for the whole industry in general.

D) OTHER JURISDICTIONS THAT HAVE EMISSION FREE MODES OF PUBLIC TRANSPORT

While the introduction of zero emission buses is occurring around the world, Volgren and our parent company Marcopolo currently have ZEB's operating in the following countries

1. Australia
 - a. NSW
 - b. Vic
 - c. Qld
 - d. W.A
2. China
3. Brazil
4. Mexico
5. Colombia
6. India

E) OTHER RELATED MATTERS

Volgren have no other matters to add.

CONTACT

For clarification or further questions please contact me on the below details.

Best regards



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