

Question on Notice

No. 1852

Asked on Wednesday 26 November 2008

MISS SIMPSON ASKED THE MINISTER FOR TRANSPORT, TRADE, EMPLOYMENT AND INDUSTRIAL RELATIONS (MR MICKEL) —

QUESTION:

Will he provide details of the decommissioning and disposal method of rail rolling stock over the last five years (reported separately by classification)?

ANSWER:

I am advised the process for decommissioning and disposal of rollingstock is summarised below.

- Decommissioning of rollingstock is generally initiated due to damage or obsolescence.
- For damaged rollingstock, a repair estimate is carried out and the economic feasibility is then assessed. The assessment considers the asset value, age, capability and rollingstock demand. Where the repair work is uneconomic, the vehicle is normally stored and marked for inclusion in the next disposal contract.
- For rollingstock that is obsolete, it is normally stored awaiting sale or disposal. There is regular communication within and across QR to determine if surplus rollingstock can be used by another business. If the vehicle is not required, it is marked for inclusion in the next disposal contract.
- Some locomotives and wagons are owned by finance companies under a cross border leasing arrangement. In this situation, the ownership/lease needs to be backed out or a substitution made prior to disposal or sale. This process is managed by QR Finance.
- Where practical, rollingstock items marked for disposal are accumulated so that a regional based contract can be called. The disposal process is normally arranged by calling tenders. In the tender, the contractor is normally required to recover any components required by QR and to remove the vehicle from QR property for scrap.
- QR has disposed of 182 QRNational Coal owned rollingstock since 2003. QR also currently has 28 wagons that have been condemned but have not been disposed of as yet (stored awaiting disposal).

Details by classification are shown in the table below.

On a related matter, wagons can be placed into storage where there is no short-term requirement for the wagon but a longer-term demand is identified. In this case, there is no intent to fully decommission, condemn or dispose of the asset. As part of this process, wagon maintenance is deferred to reduce unnecessary operational costs.

Rollingstock Disposed		Rollingstock Condemned but not Disposed	
Class	Qty Disposed	Class	Qty to Dispose
ELRC	4	VGH	6
VAJM	1	VGK	2
VAJQ	3	VAMQB	5
VAKMB	1	VALKQ	1
VALJQ	1	ELRC	8
VALKQ	1	VALQ	2
VALQ	46	VHSQB	1
VALQB	2	VSAS	1
VAMQB	1	VALKQ	1
VAOB	1	VLLQB	1
VAZQ	8		
VAZQB	1		
VGH	10		
VGK	3		
VHLQB	14		
VHSQB	3		
VLLQ	13		
VLLQB	5		
VNQB	2		
VNSQB	2		
VSAL	29		
VSAS	30		
VSNL	1		
Total	182	Total	28