

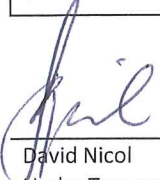
2016 Policy Commitment – ACT Labor

Name of Commitment:	Hard Waste Pickup	Reference Number: LAB024
Request Submitted by:	Andrew Barr MLA, ACT Labor	
Date Request Received:	29-Sep-16	
Additional Information Requested (details and date)	N/A	
Additional Information Received (details and date)	N/A	

Financial Implications					
Impact On:	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	TOTAL \$'000
Revenues ^(a)	0.0	-1,200.0	-500.0	-400.0	-2,100.0
- Other Revenue	0.0	0.0	0.0	0.0	0.0
- Revenue Forgone	0.0	-1,200.0	-500.0	-400.0	-2,100.0
Expenses ^{(a) (b)}	0.0	-5,000.0	-2,800.0	-2,900.0	-10,700.0
- Employee Expenses	0.0	0.0	0.0	0.0	0.0
- Other Expenses	0.0	-5,000.0	-2,800.0	-2,900.0	-10,700.0
- Cost of Financing	0.0	0.0	0.0	0.0	0.0
Expenses - Depreciation	0.0	0.0	0.0	0.0	0.0
Net Operating Balance	0.0	-6,200.0	-3,300.0	-3,300.0	-12,800.0
Capital Requirement	0.0	0.0	0.0	0.0	0.0
Cash Surplus/Deficit	0.0	-6,200.0	-3,300.0	-3,300.0	-12,800.0

(a) A negative number indicates a decrease in revenue or an increase in expenses.
(b) Excludes depreciation expenses.

Other Information
Costing Methodology Used:
- Costing Technique: The costing has been completed using a price by quantity methodology, based on similar existing waste contracts in the ACT and information supplied by other jurisdictions.
- Proposal Parameters:
The costing assumes that administrative expenses associated with the program would be absorbed by the Transport Canberra and City Services Directorate (TCCS). The take-up rate for households for the service has been assumed at 60 per cent in 2017-18 and then at 30 per cent for subsequent years, as specified in the costing request. Indexation of 2.5 per cent has been applied. The Givit organisation will be provided with funding to assess the material collected and match it with requests for goods through its network. Useable materials that cannot be matched with requests for goods will be stored and on-sold by the contracted collection service provider. The Territory will not receive any revenue from the sale or redistribution of these goods. The Territory will forgo landfill revenue from the loss of gate fee revenue from households that choose to utilise this service, rather than take the hard waste to landfill themselves.
Caveats or qualifications to the costing:
The successful contractor will cover any capital costs required in the service fee it quotes.
Other Comments:
N/A
- Statistical Data Used:
TCCS and Treasury estimates.



 David Nicol
 Under Treasurer
 6 October 2016