

## 2012 Policy Commitment - Canberra Liberals

### Election Commitment:

**Name of Commitment:** Giving Households a Third Garden Bin

**Reference No:** LIB040

**Cost Request Submitted by:**<sup>1</sup> Zed Seselja MLA, Canberra Liberals Leader

**Date Request Received:** 16-Oct-12

**Date of Public Release:** 26-Aug-12

**Additional Information Requested (including date):** n/a

**Additional Information Received (including date):** n/a

### Financial Implications:

Impact On:	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	TOTAL \$'000
Revenues <sup>(a)</sup>	0.0	0.0	0.0	0.0	*	0.0
Expenses <sup>(a)</sup>	0.0	-737.7	-7,193.4	-7,551.0	*	-15,482.2
<b>Net Operating Balance</b>	<b>0.0</b>	<b>-737.7</b>	<b>-7,193.4</b>	<b>-7,551.0</b>	<b>*</b>	<b>-15,482.2</b>
<b>Capital Requirement</b>	<b>0.0</b>	<b>-16,181.7</b>	<b>-123.6</b>	<b>-126.1</b>	<b>*</b>	<b>-16,431.4</b>
<b>Cash Surplus/Deficit</b>	<b>0.0</b>	<b>-16,919.4</b>	<b>-6,448.9</b>	<b>-6,796.6</b>	<b>*</b>	<b>-30,164.9</b>

(a) A negative number indicates a decrease in revenue or an increase in expenses

\* No costing was requested to be undertaken for 2016-17, in line with the party's stated approach to use the standard of the current published budget and forward estimates period of 2012-13 to 2015-16.

### Other Information:

#### Caveats or qualifications to the costing:

n/a

#### Other Comments:

n/a

#### Costing Methodology Used:

##### - Costing Technique:

The \$10 million identified in the commitment for a processing facility may be sufficient to construct an outdoor facility. Treasury notes that if the commitment were to require an enclosed (pressurised) processing facility, the capital costs would be significantly higher, up to around \$50 million.

Treasury's costing differs to that submitted due to:

- depreciation of the processing facility on a straight line basis over 40 years;
- depreciation of the 240 litre bins on a straight line basis over 10 years;
- the application of maintenance for the facility;
- a minor variation to the cost of bins to reflect indexation;
- the inclusion of additional bins per annum to allow for growth in the number of households; and
- a minor variation due to indexation of processing costs.

Treasury notes that the processing costs identified in the policy apply to an outdoor facility.

#### - Policy Parameters:

n/a

#### Statistical Data Used:

n/a



Megan Smithies  
Director-General