

NSW CONTAINER DEPOSIT SCHEME:

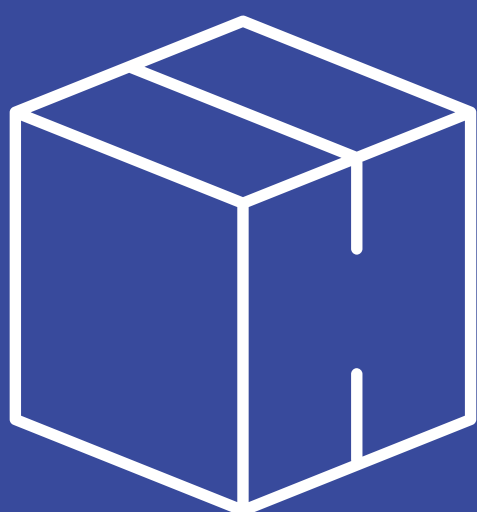
cost impact

This information was published by Exchange for Change on 18th August 2017, on the Return and Earn website: returnandearn.org.au

Cost Formula (1st Invoice issued 1st November 2017)

	Cans	Glass
Per container exc. GST	+13.54c	+14.07c
GST	+1.354c	+1.407c
Per container inc. GST	+14.89c	+15.47c
Impact per carton (24)	+\$3.57	+\$3.71
Impact per carton (30)	+\$4.47	+\$4.64

Here's an example of what that means for a 24-pack of beer bottles



\$40	Original price (inc. GST)
+ \$2,40	What consumers can 'return and earn'
+ \$1,31	Scheme's handling and administration fee
= \$43,71	Minimum new price (inc. GST)

In summary, the total estimated range of fees for the first three months will start at 13.54c and go down to 10.94c for aluminium, 14.07c and go down to 11.36c for glass, and 13.78c and go down to 11.13c for PET.

For retailers to recover the full cost impact of the scheme, including the 10c refund per approved container, plus handling and administration fees (announced by the Scheme Coordinator on 18th August 2017), the price of drinks sold in bottles, cans

and PET will increase by at least \$3.50 per carton (24) initially from 1st November 2017, in order to build a float for redemptions to commence from 1st December 2017.

Any price increase will ultimately be up to individual retailers and will depend on their cost pressures and competitive situation however the true cost of running the government scheme covers the 10c refund per eligible container, plus handling and administration fees.