



Inquiry into annual and financial reports 2024–2025

Answer to question taken on notice

Asked by: Ms Jo Clay MLA

Addressed to: Minister for City and Government Services

In relation to: Materials Recycling Facility and Total project cost breakdown

Hearing: 18 November 2025

Uncorrected Proof Transcript p 9

Transcript provided: 26 November 2025

Answer Due: 03 December 2025

MS CLAY: Yes. That is fine. I am happy to. And I only have one more because the Chair will definitely lose her patience. Do we have a total project cost for this one now? I know it is—given that the contract has been finished, have we got a total build cost?

Mr Haraldson: So the MRF, the new recycling facility, has a 20-year contract term, as part of that we would have to take on notice what the actual capital component was —

MS CLAY: Yes, take it on notice. That is fine.

Mr Haraldson: —but the contribution is the 26 million upfront through the construction period. Veolia will do the operations construction, so that will include a proportion of construction costs. It is important to note that a lot of the material that they are recycling is—yes, it is the ACTs, but it is also surrounding region and other councils. So there is a revenue stream there which also provides, obviously, revenue and commodity to the operator. That will contribute to the capital costs. So we are not taking the whole capital costs. It is obviously spread across.

MS CLAY: Can you just take on notice the cost breakdown?

Ms Cheyne: To the extent that we can.

MS CLAY: Yes, happy. Yes.

Tara Cheyne MLA: The answer to the Member's question is as follows:

The capital cost for construction of the New Recycling Facility is \$109 million, as published on the [Veolia website](#). The Territory has committed to contribute \$258.6 million (GST exclusive) fixed payments over the 20-year operating term. This represents the value of the fixed capital and fixed operational costs. Variable payments will also be made during the operating term, based on the actual volume of Territory recyclable material processed.

The total upfront Territory contribution is \$26 million, of which \$10.5 million is Commonwealth funding under the Recycling Modernisation Fund (RMF). The Territory's contribution consists of \$10.5 million in matching funds, plus an additional \$5 million from insurance proceeds related to the former Material Recovery Facility.

Approved for circulation to the Standing Committee on Transport and City Services

Signature:



By the Minister for City and Government Services, Tara Cheyne MLA

Date:

1/12/25