Gerry Wood, the Independent Member for Nelson, says a letter from Lion the company that sells alcohol and milk in the Territory, is evidence that the ACCC should step in and investigate whether NT customers have been ripped off.

Gerry says that Lion claim that the prices charged in the NT were designed to cover the costs of deposits and the management of the scheme itself. They go onto say that total costs continue to be significantly higher than in SA. They also say that redemption rates are lower than expected and after recalibrating their pricing they will be reducing the wholesale cost.

Gerry says that this letter highlights two things

- There are some higher costs eg handling costs, but the beverage industry refuses to pay higher costs to the depots
- There is no mention of the amount of money the company is receiving in unredeemed deposits and handling fees.

He says if you look at the September figures

- There were 110,559,122 containers sold in the NT since the scheme started in January 2012.
- There were 35,441,611 containers returned.
- There were 75,117,511 containers not returned
- That means the beverage companies retained the nice sum of $7,511,751 based on the 10 cent unredeemed deposit (75,117,511 x 10c) and
- If the unredeemed handling fee is 5 cents that’s another $3,755,875 or if the handling fee is 10 cents that’s $7,511,751.
- Add the two together and the companies up till September made somewhere between $11,267,626 and $15,023,502 in 9 months!

This on its own, should have easily been able to cover the ‘costs of deposits and the management of the scheme’ without the need to charge NT beer drinkers between $4 and $8 more for a carton of 30 XXXX Gold cans, eg Kununurra $43 Coober Pedy $45.99 Cooktown $47 Cloncurry $46.95 Eastside Alice Springs $52.95 Karama $51 Howard Springs $50.99.

Gerry says SA pays a handling fee and has Cash for Containers Scheme and they pay roughly the same price as other parts of Australia.
Gerry says it’s time for the ACCC to investigate the pricing of all products that are subject to the Cash for Containers Scheme to see whether Territory consumers are being ripped off by the same companies who have taken the Territory to the Federal Court in an attempt to stop the scheme.