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PHASING OUT SINGLE-USE PLASTICS DISCUSSION PAPER

The ACT branch of the Liberal Democratic Party welcomes this opportunity to comment on the Phasing out single-use plastics Discussion paper.

The ACT Liberal Democrats consider that:

- decisions on the use of single-use plastics should be left to the market place and that the ACT Government should not ban single-use plastics;
- 2) any government action in relation to single-use plastics should target the problem of litter or illegal dumping, through:
 - a) setting fines for littering or dumping plastics at rates that would help discourage littering and illegal dumping of plastic waste; and
 - encouraging the community and volunteer organisations to address littering and illegal dumping;
- 3) any government action, including public investment policies and education campaigns, that is aimed at reducing use of single-use plastics should:
 - a) be based on a sound understanding of science and economics rather than on the imposition of the values of government decision makers and planners;
 - b) be based on the ACT Government's commitments to best practice regulation;
 - recognise that individuals and businesses derive many benefits from competition and innovation in the plastics market, as well as freedom of choice;
 - d) not be based on the dogmatic application of the idea of a circular economy that is unfair, economically inefficient and intrusive;

THE DECISION TO SUPPLY AND USE SINGLE-USE PLASTICS SHOULD BE LEFT TO THE MARKET PLACE.

THERE IS NO CASE FOR THE ACT GOVERNMENT BANNING THESE PRODUCTS.

BANNING SINGLE-USE PLASTICS
WOULD BE INEFFICIENT AND UNFAIR

— IT WOULD MOST HURT THOSE
WITH FEWER OPTIONS FOR USING
ALTERNATIVES AND DISCOURAGE
INNOVATION IN THE USE OF
PLASTICS WHICH PRODUCE LESS
WASTE.

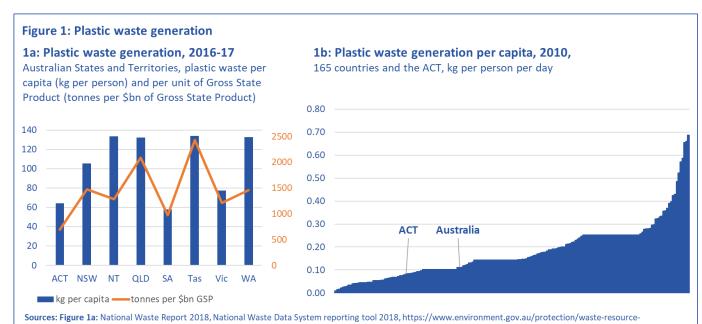
A BAN WOULD HAVE NO MORAL AUTHORITY AS IT WOULD SUBSTITUTE THE PREFERENCES OF GOVERNMENT PLANNERS AND REGULATORS FOR THOSE OF INDIVIDUALS WHO RESPONSIBLY USE AND DISPOSE OF PLASTIC.

- 4) in the event that the ACT Government introduces bans on single-use plastics and other policies to regulate the use of single-use plastics, the ban and other policies should:
 - a) be subject to a sunset clause expiring three years after its introduction so that innovation in the markets for plastics and substitutes are not discouraged;
 - b) have any budget costs offset by reductions elsewhere in the ACT budget rather than through the introduction of any new taxes or charges;
 - have any additional regulation on industry and consumers fully offset by reductions in other regulation in the ACT; and
 - d) not be imposed ahead of action by neighbouring states and allow for innovation and experimentation in the use of plastics which produce less waste than currently; and
- 5) with the current disruption in the waste market following China's cessation of waste imports, the ACT Government should review its entire waste management strategy so that it allows consumers, retailers and other businesses to deal with waste in a rational manner rather than through the pursuit of costly and ideological targets on the amount of recycling that should occur in the ACT.

SINGLE-USE PLASTICS IN THE ACT ECONOMY

In 2016-17 Canberran consumers and producers used 58,600 tonnes of plastic¹. This was less than two per cent of Australia's total plastic consumption.

While many people are concerned about the over-use of non-renewable resources like plastics and the long-term effects plastic may have on the environment, plastic waste generation is relatively low in Canberra compared to the rest of Australia and overseas (see **Figure 1**). Any action at the ACT – or even a national – level would have a negligible impact on this global issue.



recovery/national-waste-reports/national-waste-report-2018; **Figure 1b:** Plastic waste generation per capita obtained from Plastic waste generation per person, 2010, "Our World in Data", accessed July 2019, see: https://ourworldindata.org/grapher/plastic-waste-per-capita. The data for the ACT relate to 2010-11 and were derived from the "Waste Generation and Resource Recovery in Australia data workbook", using the ACT's plastic disposal and recycling of plastic as a share of the Australian total in 2010-11 applied to the Australian plastic waste generation data presented in "Our World in Data". See http://www.environment.gov.au/protection/waste-resource-recovery/national-waste-reports/national-waste-report-2013/data-workbooks

¹ Envisage Works (2018) "2016–17 Australian Plastics Recycling Survey: Final Report", see Table 20 – Plastics consumption by jurisdiction and polymer type in 2016–17).

Plastic waste from the top 20 river sources (mainly in Asia and Africa) accounted for more than twothirds (67 per cent) of the global annual river input, while over half of the plastic mass in the 'Great Pacific Garbage Patch' is comprised of plastic lines, ropes and fishing nets².

Given the ACT's low contribution to global plastic pollution, any regulation should be proportionate and choose the least cost measures of addressing the problem.

In addition, plastics provide many benefits that are hard or expensive to replace with alternative products, while many "single-use" plastics serve more than one use³.

It is very unlikely that any government would ever be in a position to determine how much plastic consumption is "necessary". Attempting to do so is yet another example of government planners and regulators (hereafter 'planners') trying to put themselves in the driver's seat of the economy without knowing the road map.

Given their lack of information about the true supply and demand for products, such as plastics, regulation is likely to lead to the planners inserting their preferences regarding these products in place of consumers preferences⁴.

While the discussion paper⁵ is aimed at filling gaps in the government planners' knowledge, it is unlikely that the responses to the question asked on page 21 (regarding which "unnecessary" single-use plastics should be banned in the ACT) would deliver a true picture of the issue.

Some people with expertise can provide useful information on the benefits of single-use plastics. For example, their "essential" uses include contamination and infection control in science and medicine (e.g. blood tests require the single-use of plastic gloves, syringes and vials) and that glass alternatives have challenges in cleaning, transport and availability in emergency situations⁶.

However, even such experts run the risk of the pretence of knowledge and appear to exhibit a disregard for what individual consumers judge best meets their needs. For example, disposable plastic utensils became popular at homes and businesses because they cut labour costs and reduced the energy required to clean traditional silverware. They also cut down on the spread of diseases and provided significant levels of convenience.

So, what is more likely is that the discussion paper will create a popularity contest where a majority of respondents with little stake in the market vote against products they have negative feelings about. The on-line survey for the consultation only encourages such a popularity contest (see **Figure 2** overleaf).

However, making decisions on the basis of such a popularity contest would mean that a relatively smaller number of users who need to use these products intensively will find the products becoming unavailable. While a number of supermarket chains have indicated that they would cease selling plastic

² See Our World in Data (2019) "Ocean plastic sources: land vs. marine" https://ourworldindata.org/plastic-pollution, accessed July 2019.

³ See Clare Goldsberry (2019) "The unintended consequences of plastic bag bans", *Packaging, Sustainability, Recycling, Consumer Products*, 23 April 2019.

⁴ See Riccardo Rebonato (2012) *Taking Liberties: A Critical Examination of Libertarian Paternalism*, Palgrave MacMillan.

⁵ ACT Government (2019), "Phasing out single-use plastics discussion paper", see page 21.

⁶ See, for example, Paul Harvey (2018) "There are some single-use plastics we truly need. The rest we can live without", *The Conversation*, 29 June 2018.

straws⁷, the products would still be available - albeit with some increased search costs – from other suppliers to users who most need them.

The discussion paper alludes to the issue of specific requirements for certain groups (e.g. the problems of disabled people in accessing cheap, usable alternatives to plastic straws)8.

However, the discussion paper takes a too narrow view - many others in the community may have special needs that the market can cater to but which would be unavailable under a blanket ban.

This form of "tyranny of the majority" is avoided by using markets that better match consumers with suppliers.

Accordingly, the question of what is "necessary" consumption of single-use

plastics is best answered in the market place through the voluntary interaction of decisions by consumers and producers, such as retailers, restaurants and pubs and other suppliers.

The traditional argument for government intervention in this kind of market place relates to externalities – impacts that are not reflected in prices in the market place. The discussion paper makes a number of platitudinous and irrelevant statements about how much plastic ends up in oceans far away from inland Canberra9; what might happen in 2050, a weak argument about the depletion of nonrenewable resources¹⁰; and a misguided notion of economic value (see the next section of this submission). The discussion paper provides scant evidence about negative externalities in the ACT arising from single-use plastics.

In the ACT the principal problems with plastic use relate to littering and illegal dumping¹¹. While some of this refuse makes its way into the ACT water supply, the discussion paper provides no evidence about the magnitude of this problem.

Accordingly, badly-informed government interventions in the market place are likely to be economically inefficient, thereby reducing the ACT's productivity and living standards in the long run. They would:

be allocatively inefficient - i.e. single-use plastics use in the ACT would not equate the marginal cost of providing plastic with the marginal benefit to consumers of using those products. Given that the

Figure 2: Question 3, Your Say Single Use Plastics (Community Survey) * 3. How important is it for the ACT Government to take action in reducing the following products in our community? Not at all Slightly Moderately Very Important important Important important important Can't say Plastic straws 0 0 0 and stirrers 0 0 0 Plastic cutlery 0 0 0 Disposable plastic-lined 0 0 0 0 0 0 coffee cups or Polystyrene (foam) plastic 0 0 0 0 0 0 food containers or beverage cups Other disposable 0 0 0 plastic plates or 0 cups Light-weight fruit 0 0 0 and vegetable 0 0 0 'barrier' bags Plastic takeaway containers Source: Single Use Plastics (Community Survey)

https://www.surveymonkey.com/r/H5PHM8H

⁷ See Shireen Khalil (2018) "Melbourne bar's approach to phasing out plastic straws leaves customers confused" 5 June 2018, news.com.au.

⁸ ACT Government (2019) op cit, page 25.

⁹ The distance between the Canberra GPO and the mouth of the Murray River is more than 1,100 km.

¹⁰ Between 4 to 8 per cent of global oil consumption is used to make plastic, see: Our World in Data, https://ourworldindata.org/faq-on-plastics#how-much-oil-do-we-use-to-make-plastic, accessed July 2019.

¹¹ See: Kimberley Le Lievre (2017) "ACT government spends more than \$1.4m cleaning up litter from the roadside", The Canberra Times, 16 December 2017.

- external costs of plastics use in the ACT are extremely low, it is unlikely that government intervention would make much improvement in the allocation of resources;
- be poorly targeted while many individuals and restaurants are voluntarily ceasing or cutting down use of plastic straws, large numbers of businesses and consumers continue to use them, implying that they perceive the benefits of doing so exceed the costs. Banning such products would then

create a situation where gains from trade go unfulfilled, making society as a whole worse off¹²;

- fail to recognise that, as a small economy, the ACT is a price taker for plastic products so that, at the margin, businesses which are relatively high users of single-use plastics are likely to find substitutes; and
- undermine dynamic efficiency, where suppliers such as restaurants, bars and the providers of single-use medical equipment- are less able to innovate in how they supply, say, lighter weight versions of single-use plastic products.

Such intervention is also likely to be unfair:

- those consumers, such as low income earners, the disabled and the elderly, least able to afford alternatives would be adversely affected the most;
- responsible users of plastic who dispose of their waste responsibly would be punished by bans aimed at eliminating the consumption of those products; and
- in presenting a menu of single-use plastics that essentially asks for a Eurovision Contest vote on the popularity of particular products (ranging from plastic straws to Light-weight fruit and vegetable bags), the discussion paper risks imposing the tyranny of the majority over the minority who best know what meets their needs and the availability of suitable alternatives.

The discussion paper has an inadequate treatment of a number of other **regulatory issues**:

- it fails to deal with a panoply of enforcement and implementation issues which raise serious concerns cost of implementing a ban and its impacts on society of policing compliance (see **Box 1**);
- it makes no effort to compare the costs and benefits of a ban with the costs and benefits of alternatives;
- it essentially ignores commitments to best practice regulation that the ACT has signed up to at various COAG meetings over the years¹³;

BOX 1: a sad case of regulatory over-reach

The discussion paper fails to address any significant enforcement and implementation issues of regulation. In particular:

- how would a ban be enforced?
- how much additional cost would be imposed on ACT ratepayers?
- would government inspectors monitor the use of plastics in the hospitality industry as currently occurs for food safety inspections?
- what kind of penalties would be imposed on users and suppliers?
- would there be differential treatment of smaller and larger business establishments?
- would enforcement be aimed at consumers?
- would picnickers and concert goers be subject to inspection of their cutlery and beverage containers?
- how would imports-whether from interstate or overseas -be treated?

As the ACT already has the most draconian penalties in Australia for enforcing a ban on electronic cigarettes^(a) (a product that the best medical advice suggests is far safer than cigarette smoking), it is entirely unclear whether the penalties for using banned single-use plastic would be proportionate.

(a) see footnote 14 for more detail on e-cigarettes.

¹² See Ryan Bourne (2019) "How 'Market Failure' Arguments Lead to Misguided Policy", Cato Institute *Policy Analysis*, Number 863, 22 January 2019.

¹³ See in particular: Council of Australian Governments, 2012, "Meeting – Communiqué Canberra, 7 December 2012" and the National Regulatory and Competition Reform Compact.

- the COAG National Regulatory and Competition Reform Compact committed all governments to apply best-practice regulation impact assessment for demonstrating that the benefits of regulations outweigh the costs and consideration of compliance costs; and
- there is little evidence that the discussion paper takes this process into account;
- it risks implementing disproportionate regulation as currently occurs for electronic cigarette regulation in the ACT¹⁴;
- it is silent on the costs to ACT ratepayers of additional government involvement in the regulating the lives of Canberrans;
- it overlooks many possible unintended consequences, such as alternatives being worse for the environment and posing other risks (see Box 2). Examples of unintended consequences include:
 - replacements to plastic bags may have even worse environmental impacts, and pose additional risks of cross-contaminating food and spreading dangerous pathogens among those who share the bags;
 - the UK government (2011) found that a person would have to reuse a cotton tote bag 131 times before it was better for climate change than using a plastic grocery bag once. A recent Danish government study took into account wider environmental impacts and found that you would have to use an organic cotton bag 20,000 times more than a plastic grocery bag to make using it better for the environment¹⁵; and
- while the discussion paper is ostensibly about imposing bans on the use of certain products, it also furnishes a lot of detail about what is already happening voluntarily which raises the question of why a ban is needed at all¹⁶.

BOX 2: Plastic bans may not achieve their objectives

Regulation can often have unintended consequences that lead to the over-estimation of its benefits and the underestimation of its costs.

For example, plastic bag bans can result in leakage that means that the ban ends up reducing the use of plastics by considerably less than the policy envisaged.

One recent study^(a) found that while banning plastic carryout bags in California reduced 40 million pounds of plastic carryout bags this was offset by a 12 million pound increase in trash bag purchases and that consumers shifted from re-using light carry-out plastic bags (e.g. as trash bags) towards using fewer but heavier bags. This study found that about a third of the plastic that was eliminated by the ban came back in the form of thicker garbage bags. In addition, cities that banned plastic bags saw a surge in the use of paper bags, which resulted in about 80 million pounds of extra paper trash per year.

(a) see Rebecca L.C. Taylor, 2019, "Bag leakage: The effect of disposable carryout bag regulations on unregulated bags", Journal of Environmental Economics and Management, 93 (2019) 254– 271.

 $\frac{https://www.coag.gov.au/sites/default/files/communique/FINAL\%20COMMUNIQUE\%20-\%207\%20DECEMBER\%202012.pdf\ .$

¹⁴ See Legalise Vaping Australia: "Australian Law", https://www.legalisevaping.com.au/australian_law accessed July 2019. On the benefits of e cigarettes see: Royal College of Physicians, 2016, "Nicotine without smoke: tobacco harm reduction", London, 28 April 2016. https://www.rcplondon.ac.uk/projects/outputs/nicotine-without-smoke-tobacco-harm-reduction-0.

¹⁵ Quoted in Greg Rosalsky (2019) "Are Plastic Bag Bans Garbage?", *Planet Money*, National Public Radio 9 April 2019. The Danish study referenced is Valentina Bisinella, Paola Federica Albizzati, Thomas Fruergaard Astrup and Anders Damgaard (2018) "Life Cycle Assessment of grocery carrier bags", published by the Danish Environmental Protection Agency https://www2.mst.dk/udgiv/publications/2018/02/978-87-93614-73-4.pdf. See page 79. ¹⁶ See ACT Government (2019) *op cit*, pages 23 to 24. Other examples include The Ellen MacArthur Foundation "Over 400 organisations have signed the New Plastics Economy Global Commitment", 18 June 2019, and New Plastics Economy Global Commitment, June 2019 Report.

The ACT Liberal Democrats consider that the ACT Government should rely on voluntary action rather than imposing coercive and over-reaching laws. While we recognise that many of these private and business decisions can be prone to error, using more flexible approaches means that errors and unintended outcomes are remedied far more quickly than is possible with government regulation.

As the discussion paper raises many concerns about the cost and inflexibility of implementing a ban on single-use plastics, any legislation and regulation introduced by the ACT Government should be subject to review — including a sunset clause. As the world recycling market is in turmoil, the sunset clause should come into effect in, say, three years after introduction of any ban so as to ensure that the ACT Government has not imposed a costly regulatory nightmare on ACT businesses and consumers.

Government planners are not able to marshal the information necessary to run a 'circular economy' for plastics use in the ACT; the poor targeting at the adverse effects of single-use plastics; the small scale of the problem in the ACT; and the lack of clarity about whether enforcement would be proportionate.

Accordingly, the ACT Liberal Democrats consider that:

- decisions on the use of single-use plastics should be left to the market place and that the ACT Government should not ban single-use plastics;
- any government action in relation to single-use plastics should target the problem of litter or illegal dumping, through:
 - > setting fines for littering or dumping plastics at rates that would help discourage littering and illegal dumping of plastic waste; and
 - encouraging the community and volunteer organisations to address littering and illegal dumping;
- in the event that the ACT Government introduces bans on single-use plastics and other policies to regulate the use of single-use plastics, the ban and other policies should:
 - be based on the ACT Government's COAG commitments to best practice regulation;
 - > be subject to a sunset clause expiring three years after its introduction so that innovation in the markets for plastics and substitutes are not discouraged;
 - have any budget costs offset by reductions elsewhere in the ACT budget rather than through the introduction of any new taxes or charges;
 - have any additional regulation on industry and consumers fully offset by reductions in other regulation in the ACT; and
 - not be imposed ahead of action by neighbouring states and allow for innovation and experimentation in the use of plastics which produce less waste.

VALUES OR VALUE?

The discussion paper's underlying economic analysis is faulty and seeks to impose the preferences of government planners on the whole community rather than respecting the choices made by the individuals who are best placed to make them.

In stating that plastic has an economic value which is lost when it is thrown away¹⁷ the discussion paper tries to overturn fifteen decades of subjective value theory¹⁸ (see **Box 3** overleaf for more information).

¹⁷ ACT Government (2019) op cit, page 14.

¹⁸ One of the most important developments in the history of economic thought was the Marginal Revolution of the early 1870s, in which the older labour theory of value was overturned by subjective value theory developed simultaneously by in late 19th century by the economists William Stanley Jevons, Léon Walras, and Carl Menger. "This was an unambiguous advance in the science of economics, analogous to the superiority of Einsteinian

The notion that value is derived from the intrinsic nature of a good – such as how much recyclable plastic it may or may not contain - that is lost when it is consumed flies in the face of economic theory. The same logic implies, say, that the lamb chops kept safe and clean in a plastic foam box and protective plastic wrapping also have no value as their value is lost when they are consumed.

Both the lamb chops and the protective plastic have provided services to the consumer, who has enjoyed a tasty and uncontaminated meal.

Instead, the ACT government's theory of value appears to be based on wishful thinking rather than objective analysis. In this sense, government planners are substituting their tastes and preferences for those of individual consumers, most of whom do not cause litter from the use of plastics.

Similarly, poor economics underpins the notion that "we need to build a circular economy"¹⁹. While this notion has gained considerable popularity in Europe and in Australian jurisdictions, it is based more on faith and ideology than on a rational consideration of the evidence. In particular, pursuing a circular plastics economy beyond the point where the net benefits of recycling, say, are less than the cost of using virgin plastic would add costs to the whole ACT economy and reduce productivity growth, and hence, long term living standards.

Government planners and regulators are obsessing about implementing a circular economy while the whole edifice of waste management is creaking around them. The current situation with SKM in Victoria illustrates this point. In a submission to a Parliamentary Inquiry in Victoria, SKM has stated that if Victorian government policies did not effectively deal with what would happen if a major recycler such as SKM ceased to operate, it could result in an extra 400,000 tonnes a year being directed to landfill²⁰.

This situation has led to special pleading from both environmentalists and the recycling industry that Australia could quickly solve the problem of countries rejecting our waste if governments invested in recycling manufacturing

BOX 3: The plastic theory of value

The discussion paper states that plastic has an economic value that is lost when it is thrown away.

This statement highlights the poor economic logic underlying the discussion paper. It assumes that single-use plastics do not provide benefits in terms of, say, preserving the life of meat, fruit and vegetables, or in a myriad of scientific and medical applications. Or of any number of many applications that consumers clearly feel is worthwhile, such as convenience, cleanliness and variety.

Instead the discussion paper substitutes a novel notion of value akin to the labour theory of value employed by Marxists and early classical economists before it became clear that economic value is subjective^(a), so that it is possible for two economic actors to walk away from a market transaction with both being satisfied that they have gained from the exchange.

Just as the Labour Theory of Value implies that labouring for four hours to make mud pies is as equally valuable as labouring for four hours to make apple pies, the discussion paper insists that the value of a good is dependent on the presence or absence of a single-use plastic rather than its value to different consumers in the market place.

(a) see footnote 18 for more detail.

relativity over Newtonian mechanics." See Robert Murphy (2011) "Problems with the Cost Theory of Value", *Mises Daily Articles*, Mises Institute, 23 May 2011, https://mises.org/library/problems-cost-theory-value The notion that value is derived from intrinsic nature of a good – such as plastic - and is lost when it is consumed was overthrown simultaneously.

¹⁹ See ACT Government (2019) op cit, "Message from the Minister", page 5, and page 14.

²⁰ See Adam Morton and Lisa Cox (2019) "Victorian recycling firm warns of landfill crisis if it goes under", *The Guardian*, 19 July 2019.

and required the use of recycled material in public projects, including through requiring that the 27 km of roads and tunnels for Snowy Hydro 2.0 be built out of recycled products²¹.

Founding a circular economy on the basis of squandering the public's tax dollars to build recycling manufacturers to churn out products that nobody wants is a very imprudent investment strategy.

Moving to a fully circular economy would lead to ever increasing regulation of businesses and imprudent investment in schemes.

It would also lead to ever-growing intrusion into how Australians lead their lives, how they exercise their freedom of choice, and how they use their time.

Accordingly, the ACT Liberal Democrats consider that any government action, including public investment policies and education campaigns, that is aimed at reducing use of single-use plastics should:

- be based on a sound understanding of science and economics, rather than on the imposition of the values of government decision makers and planners;
- recognise that individuals and businesses derive many benefits from competition and innovation in the plastics market, as well as freedom of choice;
- > not be based on the dogmatic application of the idea of a circular economy that is unfair, economically inefficient and intrusive.

IF A CIRCULAR PLASTICS ECONOMY REQUIRES USING THE PUBLIC'S TAX DOLLARS TO BUILD RECYCLING PLANTS TO CHURN OUT PRODUCTS THAT PEOPLE HAVE TO BE MANDATED TO CONSUME, POLICY MAKING WILL HAVE CLEARLY GONE THROUGH THE LOOKING GLASS.

THE ACT GOVERNMENT NEEDS TO TOTALLY RE-THINK ITS WASTE MANAGEMENT STRATEGY SO THAT CONSUMERS, RETAILERS AND OTHER BUSINESSES ARE ABLE TO DEAL WITH WASTE IN A RATIONAL MANNER RATHER THAN IN THE PURSUIT OF COSTLY AND IDEOLOGICAL TARGETS.

TIME FOR A RE-THINK ON WASTE MANAGEMENT POLICY

In 2017 and 2018 China announced restrictions on imports of particular types and grades of waste materials for recycling. The new policy, called the "National Sword", saw China and Hong Kong going from buying 60 per cent of the plastic waste exported by G7 countries during the first half of 2017, to taking less than 10 per cent during the same period a year later²².

This has had a significant impact on processors of domestic recyclables that had become reliant on exporting low-grade mixed materials to China and other countries.

²¹ Peter Shmigel, the head of the Australian Council of Recycling, quoted in Adam Morton (2019) "Australia urged to invest in recycling manufacturing after Indonesia sends rubbish back", *The Guardian*, 10 July 2019.

²² See Leslie Hook and John Reed (2018) "Why the world's recycling system stopped working", *The Financial Times*, 25 October 2018.

In 2016-17 Australia exported 215,000 tonnes of waste plastics – 125,000 tonnes of which went to China. However In 2017-18 exports to China fell to 27,000 tonnes (**Figure 3** refers).

Recent developments have included:

- A number of councils, such as Ipswich in Queensland, have been taking recyclable waste to landfill because of the increased cost of compliance with China's tighter imported recycling regulations²³
- Malaysia and Indonesia have recently rejected Australian exports of waste on the grounds that it was contaminated²⁴.
- Several Melbourne councils are sending their recyclable waste to landfill after the Victorian

Figure 3: Australian exports of plastic waste 2006-07 to 2017-18, Kilotonnes

500
450
400
350
300
250
100
50
0
2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018

To China All countries

Source: Blue Environment Pty Ltd (2018) "National Waste Report 2018", prepared for the Department of the Environment and Energy, 19 November 2018. See Figure 18 Exports of waste materials for recycling by type from Australia to all destinations, 2006-07 to 2017-18.

Environment Protection Authority banned one of the state's largest recycling companies from accepting waste at two of its facilities on the basis of safety regulation breaches, particularly in relation to health and fire risk²⁵.

- Hundreds of cities and counties in the United States, from Philadelphia to Memphis to Deltona,
 Florida, have suspended or reduced their recycling programs²⁶.
- Some state governments responded with assistance funding to local governments and recyclers²⁷.

Recycling is time consuming and uses water and other resources that may be better used for other activities. Planners seem to believe that everything should be conserved, except time, the one resource we can't make more of²⁸.

The current state of the recycling market does not signify that the ACT – and Australia - must increase its domestic recycling and reduce initial use of plastics. Instead they indicate that ACT and Australian

²³ See Australian Associated Press (2018) "Ipswich axes kerbside recycling that would cost residents a 'few extra dollars per week', *The Guardian*, 19 April 2018.

²⁴ See Inside Waste (2019) "Malaysian government is sending plastic waste back to Australia", 30 May 2019 which indicated that Malaysia was sending back to Australia and other countries waste that was contaminated, non-homogeneous, low quality, and non-recyclable plastic; and David Lipson (2019) "Indonesia to send back Australian paper waste 'contaminated' by dirty nappies and electronics", ABC News, 10 July 2019, which indicates that about 210 tonnes of waste from Brisbane was rejected on the basis of contamination.

²⁵ See Zalika Rizmal (2019) "Melbourne councils send recyclable waste to landfill after EPA shuts down Coolaroo plant", ABC News, 18 February 2019; and Morton and Cox (2019) *op cit*.

²⁶ See Michael Corkery (2019) "As Costs Skyrocket, More U.S. Cities Stop Recycling", *The New York Times*, 16 March 2019; and Chavie Lieber (2019) "Hundreds of US cities are killing or scaling back their recycling programs", *Vox*, 18 March 2019.

²⁷ See Blue Environment Pty Ltd (2018) "National Waste Report 2018", prepared for the Department of the Environment and Energy, 19 November 2018, page 71.

²⁸ See: Mike Munger (2013) "Recycling: Can It Be Wrong, When It Feels So Right?", *Cato Unbound*, The Cato Institute 3 June 2013. See also: Thomas Kinnaman (2015) "Are we recycling too much of our trash?", *The Conversation*, 22 October 2015; and Amy Westervelt (2016) "Is it time to rethink recycling?", *Vox*, 13 February 2016.

recycling policy to date has been dominated by misguided government intervention and meddling in markets that neither takes proper account of the preferences of individuals and appears to weight their most scarce resource – time – as being of little value.

The ACT Liberal Democrats consider that, given the current disruption in the waste market following China's cessation of waste imports, the ACT Government should review its entire waste management strategy so that it allows consumers, retailers and other businesses to deal with waste in a rational manner rather than by pursuing of costly and ideological targets on the amount of recycling that should occur in the ACT.