

A Response to the Interim report of the Productivity Commission's Inquiry
from
Social Justice Around the Bay.

Author: Phil Jones
Convenor of SJ Around the Bay

SJ Around the Bay in an independent network of parish social justice groups in the Catholic Diocese of Broken Bay, a region extending from Manly to the south and the Central Coast, to the North. It acts in accordance with the social and environment teachings of the Church, aiming to facilitate effective advocacy for the 'poor' and the 'earth'.

In this submission, we wish to convey the concern of Pope Francis and of Catholics for an economy that is more circular. As Pope Francis expresses in his 2015 encyclical, Laudato Si:

"We have not yet managed to adopt a circular model of production capable of preserving resources for present and future generations, while limiting as much as possible the use of non-renewable resources, moderating their consumption, maximizing their efficient use, reusing and recycling them. A serious consideration of this issue would be one way of counteracting the throwaway culture which affects the entire planet, but it must be said that only limited progress has been made in this regard."

Laudato Si, #22

Pope Francis also points out the relationship between economic growth and its impact on the environment.

"Human beings and material objects no longer extend a friendly hand to one another; the relationship has become confrontational. This has made it easy to accept the idea of infinite or unlimited growth, which proves so attractive to economists, financiers and experts in technology. It is based on the lie that there is an infinite supply of the earth's goods, and this leads to the planet being squeezed dry beyond every limit. It is the false notion that "an infinite quantity of energy and resources are available, that it is possible to renew them quickly, and that the negative effects of the exploitation of the natural order can be easily absorbed".

Laudato Si, #106

The purpose of this inquiry is to explore how the Australian economy can become more circular via recycling, reusing, repairing, etc., in order to have a positive impact on the environment, (reduce resources use and waste), and at the same time adding to economic growth. There is an underlying hope that the two can be achieved simultaneously with new recirculating industries leading to an expansion of the economy.

Perhaps it is time for the Productivity Commission to expose this "The Emperor's New Clothes" situation, even though it is not within its terms of reference of the inquiry. Various scenarios can be constructed to propose that it is possible to have a circular economy and economic growth, however, such approaches become entirely theoretical and are effectively distraction from the tasks of dealing with the serious threat to our environment.

Pope Francis expresses it this way:

"As often occurs in periods of deep crisis which require bold decisions, we are tempted to think that what is happening is not entirely clear. Superficially, apart from a few obvious signs of pollution and deterioration, things do not look that serious, and the planet could continue as it is for some time. Such evasiveness serves as a licence to carrying on with our present lifestyles and models of production and consumption. This is the way human beings contrive to feed their self-destructive vices: trying not to see them, trying not to acknowledge them, delaying the important decisions and pretending that nothing will happen."

Laudato Si #59

While the desire for greater circularity is to be commended, the low level of circularity both in Australia and globally is clearly a very serious concern. The notion that 100% circularity should not be aimed for is a disappointing element of the Interim Report. This should be revised and expressed in a more positive and ambitious way.

Sustainability has been a compulsory theme across the whole school curriculum. However, it has to be acknowledged that it has not succeeded in establishing the link between economic growth and the damage to the environment. Sir David Attenborough said it well in his book, *A Life on Our Planet*, “We have arrived at this moment of desperation as a result of our desire for perpetual growth in the world economy. But in a finite world, nothing can increase forever.” (p129) So it is assumed within the community that the economy can keep growing and it is simply up to the community to contribute to circularity, restore bushland, eat less meat, travel by public transport and take other such measures. In effect, these individual forms of activity are presented as the answers to our ecological problems related to biodiversity and pollution. The final report of this inquiry must include a challenge to main stream economic thinking regarding infinite growth, a challenge to the *“economists, financiers and experts in technology”*.

Meanwhile it should be said that the many **Reform Directions** and **Information Requests** presented in the Interim Report are encouraging features, indicating an openness and willingness to accept, on the part of the Productivity Commission, and hopefully on the part of the Government, additional expressions and ideas from the public. The final report of this inquiry should include a recommendation for an additional, wider inquiry.

These same two features also include recognition of the difficulties and barriers to greater circularity. The fact that international trade is an important part of Australia’s economy, and for most, (if not all), other countries, is something to be considered when looking at increasing circularity and the barriers to achieving it. The Department of Foreign Affairs and Trade should take steps in appropriate international forums to ensure international cooperation in regard to circularity.

To facilitate this, agreements should be sought on standards related to repairability, durability, modularity, recyclability and chemical composition. The progress made in other parts of the world, particularly those of the European Union should be drawn upon in order to maximise circularity. If necessary, trade agreements should be renegotiated and agreed upon in order to ensure regulations are not seen as some form of tariff barrier. As an importer of a large proportion of manufactured products, Australia should take the initiative on this.

The many recommendations in the final report of the **Ministerial Advisory Group on the Circular Economy** should be integrated into the Productivity Commission’s report where appropriate. They are too extensive to be repeated in this submission and it is to be hoped that this suggestion will be taken for granted.

The attention given to food in the Interim Report is particularly encouraging. As Pope Francis expressed it in 2015, *“we know that approximately a third of all food produced is discarded, and “whenever food is thrown out it is as if it were stolen from the table of the poor”*”. Laudato Si #50 Schemes that have been put to the Government in the past, for example those proposed by Food Bank Australia prior to the 2022 federal election, should be recommended in the PC’s Final Report.

SJ Around the Bay is just one small network within the Catholic Church in Australia. However, there is a growing movement with the church nationally and internationally known as the Laudato Si Action Platform that aims to implement changes to ensure a sustainable, society and environment. The lack of awareness of the work of this inquiry and the recommendations of the Ministerial Advisory Group on the Circular Economy along with the short period of time available for submissions might well contribute to a low level of response to this very important inquiry from the Catholic community. However, such a low level of response ought not to be seen as a lack of interest or concern. It may also be a reflection of a sense of powerlessness on the part of ordinary Australians.

Eco-stress and eco-anxiety are now a recognised problem affecting the younger generation.¹ Pope Francis speaks for the younger generation in calling for the action that is beyond the control of individuals and their lifestyle choices. It is hoped that the final report produced by this inquiry raises the profile of the need for far greater levels of circularity within the Australian community and globally and encourages the Australian Government to engage in national and international dialogue in order to achieve it. It is also hoped that it helps challenge the calls for endless increases in productivity and economic growth and facilitates discussion of the steady state economy.

SJ Around the Bay appreciates the opportunity to make this submission and is grateful for the work done by those who have produced the Interim report.

¹ How is concern about climate change taking a toll on young people? UNSW Newsroom, <https://www.unsw.edu.au/newsroom/news/2024/07/how-is-concern-about-climate-change-taking-a-toll-on-young-people>. July 2024