



## Study: Plastic bag ban affects spending

**By: Pamela Cosel**

**August 16, 2012**

AUSTIN (KXAN) - A report from [the National Center for Policy Analysis](#) says a study done in communities that have banned the use of plastic shopping bags results in shoppers going to areas that do not have such a ban -- affecting revenues and employment.

The effect is to reduce the amount spent in the ban area, while increasing sales and employment in stores where the use of plastic bags is permitted.

NCPA says it surveyed store managers in Los Angeles County, which has had a ban since July 2011, and the results show an impact on store revenues and levels of employment.

[According to the NCPA study](#), there was a 10 percent reduction over the one-year periods studied, both before and after the ban on plastic bags. In comparison, 60 percent of the areas without the ban showed a 9 percent average increase in sales.

"These findings suggest that bag bans may displace commerce and have real economic effects," said NCPA senior fellow Pamela Villarreal. "Shoppers want to have a choice and will vote with their feet."

"Unfortunately, in Los Angeles County and other jurisdictions that have imposed bans or punitive taxes on bags have not considered unintended consequences. The environmental benefits of banning plastic bags are dubious enough, but the potential hardship created for businesses has been all but ignored."

Austin City Council passed an ordinance on March 2 to [ban the use of plastic bags](#) in retail stores the city. The ban is set to take effect starting in March 2013. Austin is the first big city in Texas to make such a ban.

City officials plan to conduct a campaign to educate residents -- expected to cost between \$1.5 million to \$2 million -- about the need to change over to cloth or [reusable bags](#) of another material.

"I'm looking at 50 percent of that cost being in distributing reusable bags in the city for socioeconomic parts around the city. So we're talking about a media campaign, a bag distribution, and a neighborhood outreach campaign," Bob Gedert, director of the city's trash and recycling department, said in March.

The NCPA study of Los Angeles shows that every single store within the bag ban area "was forced to terminate some of its staff, [but] not a single store outside the ban area dismissed any staff."

- [Read the 16-page NCPA study](#)

The study also says the stores inside the ban area tried to assist customers by buying reusable bags, and that also had a negative effect.

"Many stores also began purchasing reusable bags. While 43 percent of stores in the ban area had not purchased reusable bags before, every store purchased these bags after the ban. And nearly half of these stores (48 percent), lost money on reusable bags," according to the study's Executive Summary.

The NCPA study also looked at the environmental and health effects of bag bans and analyzed costs and benefits. The study found that plastic bags are actually better for the environment than those commonly believed to be better: paper bags.

"For an equivalent amount of groceries, production of paper bags requires three times as much total energy and recovers only 1 percent of that energy through combustion. Paper bags also produce substantially more landfill waste. For an equivalent amount of groceries, single-use plastic bags produce 15.5 pounds of waste while paper bags produce nearly 75 pounds of waste," according to the study.

- [Read the "Executive Summary on Litter In America."](#)

Decomposition of paper bags also produces more greenhouse gases, the researchers found, with production of plastic bags using 71 less energy compared to energy needs in production of paper bags.

Reusable bags don't fare much better when it comes to pollution of the environment, say the researchers.

"Reusable bags may be the worst of all. Such bags need to be used 104 times to be less polluting than plastic bags. However, such bags are used only 52 times on average."

The study also looked at the effect on production of the bags, of which many are produced in the United States - while reusable bags are imported from other countries.

"Most thin-film plastic bags are made in the United States, and the plastics manufacturing industry employs more than 30,000 people directly and many more indirectly," according to information provided to NCPA by the [American Progressive Bag Alliance](#).

Austin and its coming plastic bag ban is referenced in the [NCPA study](#), which includes as an appendix the list of questions that researchers asked the store managers in Los Angeles.