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# Recycling Means Business

| Written by Neil Seldman, Chart by Brenda Platt

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Recycling is an economic development tool as well as an environmental tool. Reuse, recycling, and waste reduction offer direct development opportunities for communities. When collected with skill and care, and upgraded with quality in mind, discarded materials are a local resource that can contribute to local revenue, job creation, business expansion, and the local economic base.

Recycling-based economic development has been a 30-year focus of ILSR's work. It is the heart of our Waste to Wealth program. For three decades, we have provided technical assistance linking reuse and recycling with community development and have documented the job creation and value added benefits of reuse and recycling.

On a per-ton basis, sorting and processing recyclables alone sustain 10 times more jobs than landfilling or incineration. However, making new products from the old offers the largest economic pay-off in the recycling loop. New recycling-based manufacturers employ even more people and at higher wages than does sorting recyclables. Some recycling-based paper mills and plastic product manufacturers, for instance, employ on a per-ton basis 60 times more workers than do landfills.

Product reuse is even more job-intensive than recycling. It is a knowledge-based industry, with a premium placed on accurate sorting and pricing, and good inventory management. [More on jobs at reuse operations](#)

Job Creation: Reuse and Recycling Vs. Disposal

Type of Operation	Jobs per 10,000 TPY
<b>Product Reuse</b>	
Computer Reuse	296
Textile Reclamation	85

Misc. Durables Reuse	62
Wooden Pallet Repair	28
<b>Recycling-based Manufacturers</b>	<b>25</b>
Paper Mills	18
Glass Product Manufacturers	26
Plastic Product Manufacturers	93
<b>Conventional Materials Recovery Facilities</b>	<b>10</b>
<b>Composting</b>	<b>4</b>
<b>Landfill and Incineration</b>	<b>1</b>

TPY = tons per year Note: Figures are based on interviews with select facilities around the country. **Source:** Institute for Local Self-Reliance, Washington, DC, 1997.

Value is added to discarded materials as a result of cleaning, sorting, and baling. Manufacturing with locally collected discards adds even more value by producing finished goods. For example, old newspapers may sell for \$30 per ton, but new newsprint sells for \$600 per ton. Each recycling step a community takes locally means more jobs, more business expenditures on supplies and services, and more money circulating in the local economy through spending and tax payments.<sup>1</sup>

Recycling has had a major impact on job creation in local and state economies:

In North Carolina, recycling industries employ over 8,700 people. The job gains in recycling in this state far outnumber the jobs lost in other industries. For every 100 recycling jobs created, just 10 jobs were lost in the waste hauling and disposal industry, and 3 jobs were lost in the timber harvesting industry.

A survey of ten northeastern states found that they employ 103,413 people in recycling.<sup>2</sup>

A 1992 survey in Washington found that this state had created 2,050 recycling-based jobs since 1989. <sup>3</sup>

Massachusetts employs more than 9,000 people in more than 200 recycling enterprises. About half of these jobs are in the recycling-based manufacturing sector. These businesses represent more than half a billion dollars in value added to the state's economy.<sup>4</sup>

In California, meeting the state's 50% recycling goal is expected to create about 45,000 recycling jobs, over 20,000 of which are slated to be in the manufacturing sector.<sup>5</sup>

In Iowa, a 2001 study found that recycling-related end-use manufacturing operations sustain over 23,000 jobs and generate nearly \$3.33 billion in total industrial output. The direct manufacturing jobs in Iowa's recycling industry typically support high wages, on average \$47,700 per job.<sup>6</sup> [Click here for more information.](#)

Regional studies of employment and the remanufacturing industry indicate that recycling activities employ more than 2.5% of manufacturing workers. Extrapolating these findings to the entire nation, recycling and remanufacturing activities could account for approximately 1 million manufacturing jobs and more than \$100 billion in revenue.<sup>7</sup> Indeed, according to a recent study of recycling's national economic impact, [the U.S. Recycling Economic Information Study](#), in the year 2000, the recycling and reuse industry sustained approximately 56,000 operations that employed over 1.1 million people, generated an annual payroll of nearly \$37 billion, and grossed over \$236 billion in annual revenues. The study also documented the "indirect" impact of recycling on support industries, such as accounting firms and office supply companies. It found that the reuse and recycling industry indirectly supports 1.4 million jobs that have a payroll of \$52 billion and produce \$173 billion in receipts. <sup>8</sup>

While employment in the U.S. grew only 2.1% annually between 1967 and 2000, the recycling industry saw 8.3% increase in employment, and 12.7% growth in annual sales. In 1967, the recycling industry consisted of approximately 8,000 companies, employing 79,000 people, with \$4.6 billion in sales. See ILSR press release, [Recycling Sector Has a 30-year Record of Impressive Growth.](#)

#### Endnotes

1. Michael Shore, The Impact of Recycling on Jobs in North Carolina, for the NC Recycling Business Assistance Center (Raleigh, North Carolina: July 1995) p. 1.
2. Roy F. Weston, Value Added to Recyclable Materials in the Northeast, C-096-94 (Brattleboro, Vermont: The Northeast Recycling Council,

- May 1994).
3. Deirdre Grace, "Recycling is Working," *The ReMarketable News* (Seattle: Clean Washington Center, November 1992), p. 1; and Deirdre Grace (Clean Washington Center, Seattle, Washington), personal communication, December 1, 1992.
  4. Robin F. Ingenthron, *Value Added by Recycling Industries in Massachusetts* (Boston: Department of Environmental Protection, July 1992).
  5. *California Recycling Means Business California Jobs: A Library of Facts* (Sacramento, California: Californians Against Waste Foundation, October 1994); and *A Market Development Plan for California* (Sacramento, California: the California Integrated Waste Management Board, 1993).
  6. "Economic Impacts Study," press release, Recycle Iowa Office, Iowa Department of Economic Development, October 8, 2001. Available on the Web at: <http://testing.recycleiowa.org/impact.html>
  7. *Recycling... for the future: Consider the benefits*, prepared by the White House Task Force on Recycling (Washington, DC: Office of the Environmental Executive, 1998).
- U.S. Recycling Economic Information Study, prepared by RW Beck for the National Recycling Coalition, July 2001, available on the Web at: <http://www.epa.gov/waste/consERVE/rrr/rmd/rei-rw/index.htm>