

***The Benefits of Increased Household
Recycling Rates in South Carolina
A Commodity--Level Analysis***



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EXECUTIVE SUMMARY

- ***Small increases in household---level recycling can have a substantial economic impact on the state of South Carolina as a whole.*** For example, if just one percent of all South Carolina households were to recycle an additional eight newspapers per month, this additional effort could generate an annual gain of up to \$3.8million in economic activity for the state, 16 jobs, and approximately \$794,000 in labor income. Similar results can be observed for many recycled goods acrosscommodity types.
- ***The additional economic activity supported by increases in household---level recycling also generates a net increase in tax revenue for the state of South Carolina.***For example, if one percent of all South Carolina households were to recycle an additional eight newspapers per month, this additional effort could generate an annual gain of up to \$92,000 in state tax revenue.
- South Carolina currently recycles approximately 26.5 percent of the total volume of solid waste it produces. ***If this level of recycling were to increase to a “Green Economy Scenario” of 75 percent, the economic impact of South Carolina’s recycling industry would increase from its current level of \$12.9 billion and 54,121 jobs to \$36.8 billion and 153,179 jobs.*** A \$36.8 billion recycling industry would represent roughly 9 percent of the South Carolina economy.
- The recycling industry in South Carolinasupports an employment multiplier of 2.4. This implies that for every 10 jobs generated in the recycling industry, an additional 14 jobs are created elsewhere in the South Carolina economy.***Thus, the recycling industry has the ability to scale up employment at a higher rate than the average South Carolina industry.***
- ***Depending upon market conditions, the cost of recycling can either be more or less expensive than the cost of landfilling – it is not consistent over time.*** The relative cost of recycling vs. landfilling is largely dependent on the price that recycling firms can sell processed recycled materials for on the open market. The price for processed recycled materials peaked at \$146/ton in 2011 and dropped to \$52/ton by 2016. As a result, recycling was about \$28/ton cheaper than landfilling in 2011, but is \$9/ton more expensive than landfilling in 2016.
- ***The cost of private sector landfilling is often between 20 and 30 percent less thanthe cost of public sector landfilling.*** This is largely due to the fact that private companies can typically take advantage of economies of scale that result from utilizing in---house operations to transport and dispose of waste. The cost comparisons in this report between landfilling and recycling primarily reflect data from public sector activity.