

Creating 5,000 Jobs for NM

Dear Friends,

The New Mexico Recycling Coalition (NMRC) is a 501(c)3 nonprofit with the mission to lead New Mexico to value waste as a resource. We support local recycling, reduction and reuse efforts to ensure program stability and success, leading to a statewide 35% waste diversion by 2018.

We are releasing a report that provides a clear path to creating 5,000 jobs within the next couple years in the New Mexico economy. The formula for job creation is simple: **as our state recycles more material, more jobs are created.**

Executive Summary

The analysis contained in this study was conducted to demonstrate the untapped job potential of New Mexico's recycling industry. The report details job opportunities that could be available through the recycling and reuse industry; it also identifies strategic solutions such as Pay As You Throw (PAYT), which can increase recycling and maintain the steady stream of feedstock materials needed to grow the New Mexico recycling industry.

In 2011, New Mexico recycled approximately 407,290 tons of material, which is approximately 20.6% of the state's overall municipal solid waste (MSW) generation. In 2010, the national U.S. recycling rate was 34%, while some states with more aggressive programs had passed the 50% mark. This study estimates job creation based on three different levels: meeting the current U.S. recycling rate (34%), achieving a 50% recycling rate and achieving a 75% recycling rate. The study also demonstrates that through a statewide residential PAYT program, 5,356 new local jobs (with 2,096 of these being direct local jobs) would be added to New Mexico's economy. The state would realize an estimated savings of \$12.5 million in avoided disposal costs and 973,795 tons of Metric Tons of Carbon Equivalent equaling 178,351 cars off the road.

Report Highlights

- Based on the current in-state recycling industry job breakdown, this report estimates that approximately 63% of overall direct job increases will stay local and 52% of total jobs (direct, indirect and induced).
- In 2011, there were an estimated 6,746 direct, indirect and induced jobs, of which 3,526 (48%) were local.
- Increasing New Mexico's recycling rate to the national average of 34% would create 9,318 new direct, indirect and induced jobs from the collection, processing, manufacturing and reuse sectors, of which 4,871 jobs would remain local.
- According to the Institute for Local Self Reliance, sorting and processing recyclables provides 10 times more jobs than there would be if these materials were thrown away.



The Carlsbad nonprofit entity CARC Inc., an organization that provides services and employment to developmentally disabled adults, recently expanded their Rainbow Recycling operations to a new 6,000 square foot facility in July 2012 to expand recycling processing for the region. The facility currently employs 6 full-time positions. CARC also provides secure document collections and shredding services at their former recycling facility, which employs 12 developmentally disabled individuals.

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Job Development Sectors

- **Collection** sector jobs are both private and municipal and will remain local as diversion increases. NM is currently home to 502 jobs directly related to the collection sector through its 15 curbside recycling programs and hundreds of drop-off collection sites.
- **Processing** sector jobs are a mix of local and regional. Many materials are collected and sent out of state for processing. There are currently an estimated 467 jobs associated with processing; they are located at 27 identified compost facilities, two material recovery facilities and numerous other processors. Through NM's expansion of hub-and-spoke systems (6 new and 5 improved small-scale baling and presorted material programs in 2012), and the two new material recovery facilities opening in 2013, the state is implementing the infrastructure needed to retain more processing jobs as the recycling stream increases.
- The **manufacturing** sector has the greatest potential for additional direct, indirect and induced job growth because manufacturers are reliant on local resources to maintain their businesses (everything from legal, accounting and marketing to repairs and new parts). There are currently 309 jobs in NM in the recycling manufacturing sector. The state has a manufacturer of each major commodity sector (paper/cardboard, glass, metal, and plastic). In-state jobs represent approximately 29% of the total estimated direct manufacturing jobs associated with NM's current recycling efforts. In other words, 71% of NM's diverted materials are supporting manufacturing and related job growth in other states, Mexico and China.
- The **reuse** sector 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.

Strategies To Increase Recycling

There are two proven MSW reduction strategies, **Pay As You Throw (PAYT) and Waste Bans**, and if implemented they could have a positive impact on local job growth.

According to the US EPA, PAYT is the single most effective way to reduce waste and at the same time creates an instant supply of recyclable materials. PAYT is a system in which residents pay for what they use similar to their other utility bills: the more trash they produce the higher their solid waste bill but they can recycle as much as they want. Most PAYT options can be implemented quickly and can adapt to the current design and collection structure with minimal additional cost.

If NM municipalities implemented PAYT, the overall MSW (residential and commercial) material landfilled would decrease by 23.5% from 1,668,000 to 1,275,000 tons. If NM implemented residential and commercial PAYT rate incentives, and achieved a 50% diversion rate, 5,555 new direct jobs, of which 3,515 are local, and 17,358 new total jobs (direct, indirect and induced), of which 9,074 are local, would be created.

Waste bans are also an effective way to increase recycling. There are three waste material categories that, if banned, would create primarily local direct jobs throughout the supply chain of collection, processing, manufacturing and reuse: electronics, glass and organics (food and yard waste). Nearly half of U.S. states have enacted legislation to ban yard waste from landfills, creating U.S. yard waste diversion of 57% compared to NM at 29%. A waste ban on organic material (yard and food) would create 774 new direct jobs from yard waste and 805 new direct jobs from food waste diversion.

Changing the way NM values waste will create enormous economic opportunity for the state and its residents. Proactive policies and programs that encourage recycling and reuse will ignite downstream investment in recycling manufacturing from the private sector and promote job growth for the state, financial savings for residents and a healthier environment for everyone.

Report online at www.recyclenewmexico.com

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