

RECYCLING WILL WORK

By

BOB MESSINGER

We often hear of recycling programs under attack these days. The chorus of cries that recycling costs too much, seem to be getting louder. Over the past year, the City of Amsterdam attempted to eliminate their recycling program. Cortland County's recycling center burned last fall and that county has been slow to reestablish the program. Recently, the Town of Cheektowaga (a suburb of Buffalo) announced the suspension of their recycling effort. And of course, New York City has offered spotty support for recycling in the Big Apple. We know that many of the old recycling coordinators from the late 80's and early 90's are either retired, moved on, or were eliminated. Even though the NYS Assembly's Legislative Commission on Solid Waste reported recycling growth from 1.1 million tons in 1990, to 7 million tons in 2000 (a 556% increase), they admit that creative accounting helps make the figures look better than reality. Most recyclers at the front lines would argue that recycling is simply holding it's own or, in some cases, going backwards. Cost is always given as the reason for recycling's demise. Or could it be said that we've just lost interest?

I find the "cost" argument interesting. Needless to say, the economics of recycling must show a benefit for it to succeed. There has to be a return on the investment and somehow income must offset expenses. The sale of recyclables is the usual way to recoup capital and operating costs. Over the year, that has proven to be somewhat difficult since recycling commodity markets are very fluid. For instance, in New York, the glass market in the early 90's was pretty steady. We had large breweries in Oswego, Monroe, Oneida and Onondaga Counties and numerous soft drink bottling plants. Many milk companies still used glass bottles. There was a need for recycled glass, since the glass bottle producers could use it manufacturing new bottles. The recycled product was really less costly to produce since it took less heat. But we've seen changes in that industry. A couple of those breweries have closed or cut production.

Plastic has replaced a lot of the old glass usage (I still have a hard time drinking a beer out of a plastic bottle). And so, much of that old glass market has disappeared.

The plastic market itself is very volatile. Plastic is an oil derivative and when oil prices are down the recycled plastic market is down. High oil prices are good for recycled plastics. But it has always been a hard market to judge. So too with steel. I think the problems of the steel industry are well documented. There have been claims of foreign “dumping” that have drastically affected domestic steel prices. Mills have closed or cut back and the price of old tin cans was certainly reduced.

On the other hand, fiber prices (paper and cardboard) have remained relatively stable in our area. New mills in Canada have helped keep this market on an even keel. There have been US companies making investments in New York that help keep fiber prices competitive. But even then, the overall economy plays a role. Someone told me once that if you really wanted an indicator of how well the economy was doing, check the number of boxes sold. Despite the recent challenges, recycled paper prices are much better today than in the early 90’s. I remember the days when we were giving old newsprint away for animal bedding, now it’s too costly for farmers to use.

But I think we must remember that while recycling has been around for many years (can any of you recall the efforts during World War II), intense programs as we’ve seen in the past ten years are still relatively new. Recycling, as we know it, is a “young” industry. It is going through growing pains. The technology is far from perfect, but advances are being made yearly. More uses for recycled products are being discovered. Better ways to collect and sort recyclables are being developed. The market continues to fluctuate, but that’s not really new. Markets move wildly in many industries. And we have a “chicken or egg” question. Must we prove availability of a recyclable before we build a manufacturing facility to produce a new product with that recyclable? Or do we establish new production before we start collecting it? My belief is that time is on our side, and in the end, we’ll have markets at fair prices for standard recyclables.

Collection costs are also used against recycling. But I wonder if those who employ this argument consider the price to collect garbage. Recyclables are part of the solid waste stream and we'll pay to collect them either as recyclables or as garbage. Granted, recyclable collection is a little higher but much of this cost would be offset by the expense of garbage collection. And one has to consider the "cost avoidance" issue.

Not too long ago we had over 3000 unsanitary dumps in New York State. Every town and village had their own dumpsite, often without much planning as to how they affected the surrounding environment. Over the past 30 years we have shut down most all of those facilities and replaced them with 28 state of the art sanitary landfills with liners and leachate collection systems and 11 waste to energy incinerators with air scrubbers. The public and private investment in these new solid waste operations has been enormous. It still doesn't make much sense to fill them up with waste that can be reused. The faster we fill them, the sooner we have to construct new ones at huge expense. If you recall, landfill "tipping fees" were an additional charge to most all of us in the 80's and that opened many eyes to the practicability of recycling. Those fees seem to have peaked, and in some cases, come down. But for those who argue that recycling is no longer needed since these fees are lower, might I remind them that we continue to produce solid waste at record rates. New York residents generated 19,035,000 tons of waste in 1990. In 2000 we produced 24,031,000 tons. Although recycling has handled a lot of this increase, much of the growth has been shipped out of state. This accounts for some fee reduction since many outside states don't enforce such stringent requirements and, therefore, charge less for waste disposal. Most of the larger hauling companies have been able to take advantage of this. But, what happens when those states decide that they don't want New York's garbage and find ways to keep it out? We're right back to high tipping fees once again.

There are those who contend that recycling is not viable without some kind of subsidy. They claim that the taxpayer is forced to pick up part of the costs. In many cases they might be correct, but recycling is not the only industry that the taxpayer subsidizes. For years the timber industry (paper supplier) has been getting help. So too

has the mining industry and how many “dry holes” have we helped the oil industry finance. Public and private subsidies are not exactly new and not necessarily bad. They do help lower consumer costs while spreading some of the burden. I would hope that we could look at the emerging recycling industry in the same light.

I think that most in the recycling field would agree that a current municipal recycling program, if well planned and managed, could flourish with a little additional help from the taxpayer. The paper market (which accounts for 50% to 60% of the material) remains pretty stable. Though harder to find, there are markets for other recyclables. There are certainly no guarantees, but what business has one. In the end, the economics will prove recycling valuable, and that doesn't account for the environmental advantages it offers. There is an economic benefit to clean air and clean water.

Admittedly, recycling is going through some tough times. It is being looked at very closely and its benefits are being questioned. This country tends to demand quick results. Our corporate managers are pressured to produce profits quarterly, much of government is geared to quick fixes, not long-term solutions, and we've got to the point where it's hard to wait in a line at the bank. We want something to pay for itself yesterday. I hope that we can give recycling the long view with confidence that it will be a winner in the end. Otherwise, I fear we'll lose a valuable solid waste management tool.