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Michigan Waste Industries Association

Strategies Needed for Michigan to Improve Recycling Opportunities Will Help State's Economy, Environment, Quality of Life

Our View

Michigan needs to develop strategies that create economic, social, and environmental value for the use of recycled material that will lead to increased market demand for collected recycled material. In turn, this strategy will generate investment and job growth in Michigan while protecting and preserving natural resources and improving the quality of life for all Michigan citizens now and in the future.

Recycling in Michigan

While much of the discussion surrounding the importance of recycling relates to protecting the environment, the benefits of recycling are far-reaching. Large-scale recycling preserves resources for future generations and helps to hedge continued escalation of raw material costs. A growing recycling industry presents substantial economic development opportunities. And, recycled materials offer economic advantages to a wide variety of industrial users.

Michigan, however, has yet to fully capitalize on these potential benefits. Currently, Michigan recycles 20% of its municipal solid waste, well below the Great Lakes regional average of 26% and the national average of 30%. Ontario, Canada exceeds 40%

There are several factors that contribute to this lagging rate. Chief among them is the fact that recycling, as a cultural norm or expectation, hasn't been fully accepted here in Michigan as it has in other areas where it is routine and a public policy priority.

A lack of economically viable markets for recycled materials also contributes to our state's recycling animus. Few manufacturers and processors in the state are seeking recycled materials for use in their manufacturing process. Low demand for the material coming from Michigan's recycling programs translates into these products often having little market value.

Finally, the lack of citizen interest in public policy that promotes the use of recycled material by private industry and state and local government sends a clear signal that Michigan has not fully realized the value of recycling. However, we are not alone in this problem. For evidence, look no further than state Departments of Transportation around the country, which are prevented by out of date specifications from using compost material in the refurbishment of roadsides or berm areas after major road building efforts are complete.

All of this does not mean that Michigan has failed, but rather that we have yet to embrace the tremendous opportunities that material recycling affords. Efforts to create an effective and robust recycling marketplace can push our state's economy and environment in a positive new direction.

New Approaches Needed

To capitalize on recycling's value, we must approach this issue in a new way, testing new market approaches and discarding ineffective past practices. For instance, raising taxes as a means of "inspiring" increased recycling rates only increases the already high tax burden in the state and drives up the cost of recycled material. In turn, this cost increase places recycled materials at a disadvantage to new materials in the market. Increased regulation and unfunded recycling mandates have a similar effect of stifling the development of free markets for recycled goods and discouraging people from participating.

In Michigan, our large industrial base provides a unique opportunity to make a major difference. Not only can we do more to conserve natural resources by implementing recycling at the manufacturing level, but also the mass of industry located in Michigan provides recycling entrepreneurs with a new frontier for business development. There are several examples that demonstrate how this could be done.

Several states employ recycled concrete and glass for road-base aggregate in highway construction. This method could prove to be a taxpayer-friendly manner to help improve our aging roadways here in Michigan.

The City of Philadelphia is in the process of demolishing more than 19,000 buildings over five years. This process will yield more than 3.5 million viable board feet each year during project, providing builders with cost effective materials. With Detroit and other urban communities also facing a need to

demolish obsolete structures, a similar program implemented here could provide low-cost recycled materials to build new homes and offices.

Recommendations

The members of the Michigan Waste Industries Association are involved in nearly every aspect of today's waste transport, disposal and recycling industry. The MWIA is also active in the legislative and public policy making processes. This experience provides the MWIA with a unique perspective on how the recycling marketplace is currently operating and for recommending strategies that could bolster Michigan's recycling success.

- ♣ Ease barriers that hinder private industry from developing waste management technologies and facilities, maximizing the investment in current facilities and expanding to meet the unique needs of customers.
- ♣ Amend Michigan P.A. 138, which allows county governments to annually assess households to support local recycling programs, to develop recycling expansion programs if the local community wants them. Under this amendment, decisions would be made at the local level and the programs would be controlled locally.
- ♣ Offer economic incentives, such as tax credits, to business that recycle and utilize recycled materials.
- ♣ Work with industries to enhance recycling opportunities, such as reusing materials in renovations or new construction.
- ♣ Encourage manufacturers to implement "cradle to grave" processes that anticipate the recycling of their products and use recycled materials as opposed to "virgin" materials.
- ♣ Work with the Michigan Economic Development Corporation to develop strategies for attracting processors to the state to serve the specific needs of the Michigan economy.
- ♣ Develop a focused approach for businesses and communities that generate large or unusual amounts of waste that could be recycled effectively.

- ♣ Form partnerships with broad-based organizations, such as the Michigan Chamber of Commerce, the Michigan Manufacturer's Association, Automobile Manufacturers, and the academic community, to raise the dialogue on recycling.
- ♣ Work to develop a "recycling corridor" similar to the Life Sciences Corridor that will serve as a catalyst for recycling innovation throughout the world.
- ♣ Remove state and local regulatory policies that prevent government from participating in the use of recycled material.

Summary

There has been little doubt that recycling carries with it enormous environmental benefits. But, as research has shown over the years, there is so much more to it than that. Michigan can and should capitalize on all of the benefits of recycling in order to propel itself — environmentally, economically, and socially — forward as a global leader in material reuse and recycling. As we foster markets for recycled products, new technology jobs will be created and industries will be able to provide the markets with safe, affordable, and environmentally friendly products. In turn, this will help expand our economy while preserving our precious natural resources for generations to come.

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