

## The U.S. Scrap Recycling Industry Promotes United States Exports

The U.S. scrap recycling industry provides the high value, environmentally friendly and energy saving raw materials that make America's manufacturing industries more competitive in the global marketplace. The scrap industry also supplies the world's rapidly growing demand for commodities ranging from ferrous metals including steel and iron; nonferrous metals such as aluminum, copper and zinc; plastics; paper; electronics; tires and rubber; glass; and textiles. In 2012, commodity grade scrap products were exported to 160 countries worldwide, **generating \$27.8 billion in export sales and significantly helping the U.S. balance of trade.**

Scrap commodities are among the nation's largest exports by value, and overall, exports account for 38.8 percent of the industry's economic activity in the United States. These exports create 184,750 good jobs in the United States and help strengthen the economy.<sup>1</sup>

### The Economic Impact of Scrap Recycling Exports in the United States

	Direct	Supplier	Induced	Total
Jobs	56,364	52,081	76,304	184,750
Wages	\$3,836,460,000	\$3,094,114,500	\$3,662,214,400	\$10,592,788,900
Economic Impact	\$13,255,560,400	\$9,427,388,700	\$11,200,577,500	\$33,883,526,600

### The Scrap Recycling Industry is a Major Exporter in the United States

- Approximately 38.2 percent of the scrap materials processed in the United States are exported to other countries for manufacture into new products. These exports help create jobs in the United States and also help reduce worldwide energy demand and the need to mine and harvest virgin materials. In 2013, 56,364 jobs are supported by the export activities associated with the processing and brokerage operations of scrap recyclers operating in the United States.<sup>2</sup> These are good jobs paying an average wage of \$69,480.<sup>3</sup>
- An additional 52,081 jobs are provided by supplier operations and through the indirect effects of scrap recycling exports. These jobs pay a total of \$3,094,114,500 in wages.
- All of this activity generates \$33.884 billion in economic benefits in the United States and contributes \$6.3 billion in tax revenues for the federal government and \$4.0 billion in state and local taxes.
- Recent independent research shows there is more than enough domestic scrap to meet American manufacturers' demand for recycled materials for the foreseeable future, reinforcing the role the scrap recycling industry plays as a positive solution in the country's manufacturing landscape, while also playing a critical role in efforts to strengthen the U.S. economy through the growth of exports.<sup>4</sup>



<sup>1</sup> Based on the Economic Impact of the Scrap Recycling Industry in the United States (2013), produced for the Institute of Scrap Recycling Industries, Inc. by John Dunham and Associates, 2013.

<sup>2</sup> This includes firms involved in the purchasing, processing and brokering of scrap materials including ferrous and nonferrous metals, paper, electronics, rubber, plastics, glass and textiles.

<sup>3</sup> Direct impacts are those associated with scrap processors and brokers. Supplier impacts are associated with firms providing goods and services to scrap recyclers and brokers, including peddlers, and induced impacts are those resulting from the re-spending of wages by workers in the direct and supplier sectors.

<sup>4</sup> Research provided by U.S. International Trade Commission.