The formal South African waste sector (2012)

It’s contribution to the economy, employment and innovation

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INTRODUCTION

The South African waste sector survey for 2012 was undertaken by the CSIR on behalf of the Department of Science and Technology (DST), and provides a good understanding of the ‘core’ of the formal waste sector (waste companies), and insight into the peripheral sector players. The aim of the survey has been to establish a baseline of the sector from which growth can be monitored and which will inform future investment in waste R&D, innovation and HCD. The focus of the survey has been on an organisational information (employment, skills, financial size, innovation activity, etc.) and has not addressed quantities of waste.

The minimum financial value of the formal South African waste sector (public and private) (for 2012) is R15.3 billion, or 0.51% of GDP. The majority of this revenue is situated within large enterprises (88.0% of private sector revenue) and metropolitan municipalities (80.4% of public sector revenue). Approximately 62% of the total revenue generated from waste activities was by companies which had been in the industry > 25 years. Companies which started up waste activities in the past five years contributed at least R188m into the economy in 2012.

The minimum number of people employed within the formal waste sector (public and private) (for 2012) is 29,833 people. The majority of these employees are situated within large enterprises (77.5% of private waste sector employees) and metropolitan municipalities (64.9% of public sector employees).

Number of waste employees

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<tbody>
<tr>
<td>Private</td>
<td>3 000 000 000</td>
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<tr>
<td>Public</td>
<td>7 000 000 000</td>
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<td>Total</td>
<td>10 000 000 000</td>
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Waste-related employment within municipalities has levelled-off at around ±20 000 persons. If SA is to achieve the NWMS goal of creating 69 000 new jobs and 2600 SMEs and cooperatives participating in waste service delivery and recycling by 2016, we will have to look towards the formal private waste sector and the informal sector for opportunities. This requires support and intervention from government, industry and society, that will aid job creation and enterprise development while moving waste away from landfilling towards alternative waste management options.

While legislation has the potential to stimulate new sector development, if over-regulated it can hinder or slow innovation. The goal will therefore be for government to find a balance between ‘encouraging’ and ‘controlling’. High level support and commitment by national and provincial government is essential in seeing the local waste sector grow.