

FINANCIAL MANAGEMENT OF WASTE PICKERS' INCOME IN DEVELOPING THE FAMILY ECONOMY IN MAKASSAR CITY

Dr RUSTAN MSi

Lecturer, Faculty of Economics, Muhammadiyah University Makassar, Indonesia

<https://doi.org/10.37602/IJREHC.2025.6521>

ABSTRACT

Qualitative research using a phenomenological approach. The results of the study show that financial management for scavengers in Makassar is very important to ensure that limited income can meet the basic needs of the family. By wisely managing income and expenditure, setting aside a portion for savings, and avoiding non-urgent expenses, waste pickers can strengthen the economic stability of their households. Although daily income is often uncertain, a disciplined management pattern can help them overcome sudden difficulties such as health costs or children's educational needs. The financial management strategies of waste pickers need to be adapted to the economic conditions of families, which generally have low and fluctuating incomes. Effective approaches include creating a simple budget, prioritising basic needs, utilising additional income from side jobs, and avoiding consumer debt. In addition, the involvement of all family members in controlling expenditure and utilising free or low-cost resources such as government assistance and community training will support the financial efficiency of waste picker families.

Keywords: Management, Developing, Family, Economic, Financial

CHAPTER I. INTRODUCTION

Makassar City, as one of the centers of economic growth in Eastern Indonesia, has complex socio-economic dynamics. Behind the rapid development, modernization, and infrastructure growth, there are groups of people living in the informal sector with dire economic conditions. One such group is waste pickers, who play a vital role in the waste management chain but are often marginalized from public attention. Despite their significant contribution to maintaining city cleanliness, their income is generally low, uncertain, and dependent on the volume and type of items collected each day.

The income of waste pickers in Makassar is largely daily and fluctuating, with earnings often far below the city's minimum wage. This situation poses significant challenges in managing their family finances. Income uncertainty requires scavengers to develop specific strategies for managing daily expenses, meeting basic needs, and setting aside funds for urgent needs such as healthcare, children's education, and home repairs. However, the reality is that most scavengers lack a structured financial plan. Earned money is often spent immediately on daily needs, with no long-term reserves.

Financial management in the context of low-income families, such as scavengers, plays a strategic role in maintaining household economic stability. With sound financial planning, even with limited income, the family's basic needs can still be met, and opportunities to improve

their standard of living become more open. Conversely, if financial management is carried out unplanned, families are vulnerable to economic crisis, debt, and prolonged poverty.

The biggest challenge for scavengers is how to allocate limited income for both urgent and long-term needs. For example, children's education costs are often sacrificed to meet daily consumption needs, or the lack of an emergency fund forces families into debt when facing health problems. Lack of financial literacy is a major factor hindering effective income management. Some scavengers may not be accustomed to budgeting or recording income and expenses, making it difficult to identify priorities and potential savings.

On the other hand, social and cultural aspects also influence financial management behavior. Many scavenger families have spontaneous consumption patterns—spending money whenever they have it, without planning—because they are accustomed to the daily income cycle. This is exacerbated by limited access to formal financial services such as savings accounts in banks or cooperatives, either due to limited knowledge, administrative costs, or difficult document requirements. Access to secure financial services can help them save money and avoid the risk of loss due to theft or uncontrolled use.

Good financial management for scavengers not only impacts the family's economic stability but also the continuity of their children's education and the health of family members. When family finances are managed wisely, even in small amounts, scavengers can build a stronger economic foundation. For example, by setting aside a portion of their income for education savings, children have a greater chance of receiving a decent education, paving the way for better jobs in the future.

Furthermore, proper financial management practices can help scavengers break the intergenerational cycle of poverty. Numerous studies have shown that families who practice saving, recording expenses, and investing in their children's education tend to experience significant improvements in their standard of living. Therefore, managing scavengers' income is not merely an economic issue but is also closely linked to social, educational, and long-term well-being.

The Makassar City Government has implemented various efforts to empower the poor, including skills training programs, providing business capital assistance, and providing microcredit facilities. However, the effectiveness of these programs is often hampered by low financial literacy among beneficiaries. Much of the capital assistance is spent on daily consumption rather than on business development. This demonstrates the critical need for practical financial management education tailored to the realities of scavenger income.

Against this backdrop, a study on the financial management of waste pickers' income in Makassar City is crucial. This study will not only identify existing financial management patterns but also analyze the factors influencing them, including obstacles and opportunities for improvement. The results are expected to provide applicable strategic recommendations for waste pickers themselves, non-governmental organizations, and local governments in designing more effective economic empowerment programs.

Through a deeper understanding of how waste pickers manage their income, steps can be formulated to help them optimize their available resources. Thus, despite their low incomes

and working in the informal sector, waste pickers still have the opportunity to build a more stable family economy, reduce vulnerability to poverty, and improve their quality of life amidst Makassar's rapid development.

B. Problem Formulation

1. How is financial management of waste pickers' income used to strengthen family finances in Makassar?
2. What strategies can be used to ensure that financial management for waste pickers aligns with the family's economic situation?
3. What is the economic condition of waste pickers' families in their daily activities?
4. What efforts can be made to improve the economic well-being of waste pickers?

CHAPTER II. LITERATURE REVIEW

A. Financial Management

Financial management encompasses all activities related to the acquisition, financing, and management of assets, with several overall objectives. This entire process is carried out to generate company revenue while minimizing costs, while also ensuring the efficient use and allocation of funds, and maximizing company value.

Financial management is a crucial factor, as it can determine the success or failure of a business. Improper or inadequate financial management can prevent business actors from taking preventive measures and preventing potential irregularities in their business activities.

Anggraeni, in her research, stated that professionalism in financial management will facilitate business actors related to business management, starting from budgeting, planning, business savings, and basic financial knowledge to achieve business financial goals. Managing a business requires good financial management and accurate financial reports to produce good performance in a business unit. Good financial management is crucial for business continuity. Financial reports are the output of accounting activities needed as a medium of communication between data or financial activities in a company and the company's stakeholders. Business actors must periodically be aware of their financial position and the results of the company's operations, as well as the flow of sources of funds and the use of funds received, so that stakeholders can plan and make corrective decisions. Therefore, it is very important to prepare financial reports.

According to (Mulyanti,) the purpose of financial management is to realize the goals set by an entity. To gain knowledge about capital and financial structure. There are (seven) principles of financial management that need to be considered, namely: . Consistency means that the financial system and policies of the organization must be consistent over time. This does not mean that the financial system should not be adjusted if changes occur in the organization. An inconsistent approach to financial management is a signal that there is manipulation in financial management. Accountability means a moral or legal obligation attached to an individual, group, or organization to explain how funds, equipment or authority given have been used. The organization must be able to explain how its resources are used and what has been achieved as accountability to stakeholders and beneficiaries. . Transparency, means that stakeholders must

be informed about the organization's plans and activities through open communication. This includes appropriate, complete, and ideal financial planning reports and is effectively available to partners. Viability, means the proportion of the level of security and maintenance of the organization's funds.

Organizations must establish monetary arrangements that demonstrate how the organization can carry out its expert actions in collecting its monetary needs. Integrity, meaning everyone involved in operational activities must act honestly. Completeness and accuracy of financial records must also be maintained to safeguard financial reports and records. Stewardship, meaning the organization must manage the assets it has acquired appropriately to achieve its stated goals. In practice, this can be achieved through good financial management by carefully planning, identifying financial risks, and creating control systems and financial systems appropriate to the organization. Accounting Standards, meaning the accounting and financial systems used by the organization must comply with generally accepted accounting principles and standards.

According to (Mulyanti, as:), financial management functions. Financial planning, meaning financial planning is making plans for income and expenses, as well as other activities for a certain period. Financial budgeting is the follow-up to financial planning by detailing expenses and income. Financial Search, namely finding and utilizing existing funding sources for the company's operational activities. Financial Storage is collecting company funds and storing them safely. Financial Control is evaluating and improving the company's finances and financial systems. Financial Audit is conducting internal audits of the company's existing finances to prevent irregularities.

According to (Kuswadi), companies have four basic financial management frameworks, including: Budget Planning Budget planning is the activity of setting organizational goals and choosing the best way to achieve those goals. One of the financial planning activities is formulating annual and long-term financial goals and budgets. Budgeting is a process to help carry out effective planning and control functions. Financial planning is needed in order to formulate funding needs to finance various programs and activities. Planning is one of the difficult parts to do because of the uncertainty factor in the future. Planning must be done continuously because as time goes by, companies must prepare and revise previous plans.

According to the company Budget is a comprehensive plan presented quantitatively over a predetermined period or over a predetermined period. Types of comprehensive budgets, namely: a) Production budget b) Sales budget c) Capital budget d) Profit budget. Recording Recording is the activity of recording financial transactions that have occurred, writing them chronologically and systematically. The recording itself is used as a marker that a transaction has occurred in that period. Notes, receipts, invoices, and other notes are examples of records. Posting transactions to the general ledger and writing them in the journal is the next step. Worksheets, ledgers, and journals are examples of records. . Reporting After posting to the general ledger and subsidiary ledger, the next step is reporting. At the end of the month, all items in the general ledger and subsidiary ledger will be closed and transferred to the financial statement summary as the basis for financial statements. The Statement of Financial Position, Income Statement, and Cash Flow Statement are examples of financial statements.

Control is the process of measuring and evaluating the actual performance of each part of an organization, and making improvements if necessary. The purpose of control is to ensure that a business or organization achieves its stated goals. Initial control, ongoing control, and feedback control are three types of control.

B. Family Economics

Language-wise, family economics consists of two words: "economy" and "family." As Hardiansyah explains in his article, "economics" is human behavior, either individually or collectively, in utilizing the factors they need. According to Aristotle, "economics" is a branch of economics that can be utilized in two ways: it can be used or exchanged for goods. Therefore, economics has both exchange and use value. Meanwhile, according to Hardiansyah, "family" is a kinship unit, also a place characterized by economic cooperation, and serves the function of supporting life, socializing, educating children, and helping and protecting the vulnerable, especially caring for elderly parents.

According to Narwoko and Suyanto, the family is the basic social institution from which all other social institutions or institutions develop. Meanwhile, according to Horton and Hunt, the term family is generally used to refer to the following meanings:

- a. A group sharing a common ancestor,
- b. A kinship group united by blood and marriage,
- c. A married couple with or without children,
- d. A married couple with children,

Narwoko and Suyanto further explain that the family is the institution with the most significant influence on the human socialization process. This is possible due to various conditions inherent in the family. First, the family is a primary group with constant face-to-face interaction, allowing it to keep abreast of each other's development. Second, parents are empowered to educate their children, fostering emotional bonds, which are essential for the socialization process. Third, the existence of consistent social relationships automatically means that parents play a crucial role in the child's socialization process.

From the above opinions, it can be concluded that family economics is the study of human efforts to meet their needs through activities carried out by individuals responsible for the needs and happiness of their lives (a group within a community). According to Rini, the economic fun:

- a. **Finding and obtaining sources of income to meet family needs.** The father is the primary breadwinner in the family. However, today, wives and mothers also play a role in earning and earning money. This is done to help and supplement the family's needs, which are usually not fully met by the husband. However, these activities can also be undertaken simply as a hobby or to utilize existing education or skills. This situation can occur depending on the agreement and commitment between husband and wife.
- b. **Managing the family's financial cycle.** Generally, the wife is the one who manages the use and distribution of family finances. This is because a woman is considered capable of sorting and selecting which needs must be met immediately (urgent) and which can be postponed for a while or until the next income arrives. Such needs analysis

ensures that all needs are met appropriately. These financial management activities should be handled by one family member to ensure order in

- c. **Setting aside funds for future needs.** As explained above, future needs that every family must plan for include children's education savings and retirement savings for husband and wife. Related to this, the value of currency experiences inflation from year to year. This causes the value of goods and services today to differ from those in years to come. Likewise, education costs will differ significantly now compared to years to come. Therefore, families need to set aside funds for these needs in the form of savings.e family's financial cycle.ctions of the family.

C. Scavenger

A scavenger is defined as a person whose primary occupation is collecting used goods to support their daily lives. They have no formal obligations and are not registered with any government agency. A scavenger is also someone who scavenge and earns a living by collecting and utilizing used goods such as cigarette butts, plastic, cardboard, and so on, and then selling them to entrepreneurs who process them into commodities. Scavenger is a profession that involves collecting used goods, either individually or in groups. Scavengers gather used goods by surrounding the loads of unloaded garbage trucks, while others rotate around the piles of trash. The collected used goods are then separated by type before being sold to secondhand goods dealers or stalls. Scavengers are defined as the activity of collecting used materials that can still be reused (recycled).

These activities are divided into three classifications, namely agents, collectors, and scavengers. The work of scavengers is considered to have negative connotations. Scavengers are not given daily or monthly wages. Scavenger wages are based on the amount in the form of weight of used paper and cardboard collected. Conceptually, scavengers are at the lowest economic and cultural level in the stratification of society. This is because scavengers usually do not have adequate housing, have low incomes, and often do things that are not commendable such as steali

Based on the opinions above, it can be concluded that a scavenger is someone who obtains used goods by collecting trash on the streets, at TPS (polling stations), TPA (landfills), or in houses to sell. They generally work on foot using simple tools such as sacks and sacks, and some also use bicycles with baskets and pedicabs. They also work without time constraints, allowing them to work as they please. The types of waste collected include plastic, rubber, canned drinks and metal, and others. The main factors that usually underlie people becoming scavengers are as follows.ng, so that scavengers are included in the lowest social, economic, and cultural fields).:

- 1) **Internal factors**, namely strong physical health, pressured by increasingly complex life needs, difficulty finding other work, doing the work with pleasure, strong scavenger cooperation networks.
- 2) **External factors**, namely the number of scavengers is always increasing, the large population will always produce waste in increasing quantities (Mudiyono, 2005).

Factors that determine whether someone works as a scavenger include low education levels, as education serves as the basis for developing work productivity. Low education levels result in

low job accessibility, and a relatively narrow perspective. Low education is also a characteristic of the poor (Wurdjinem, 2001). Another factor is limited capital, which means scavengers use very simple tools: plastic sacks and hooks to lift trash or used goods. In general, scavenging.

Judging from the way they work and the results of their scavenging, scavengers can be classified into three groups. First, mayang scavengers, namely scavengers who are at the lowest class. The characteristics of mayang scavengers include, mayang scavengers work alone, picking, looking for trash on the streets in family trash bins, working on foot with simple work tools such as sacks and gancau if using the means of transportation used are bicycles with baskets and pedicabs, mayeng scavengers work without being limited by time so they work as they please. Mayang scavengers are also called scavengers who seek, namely those who look for used goods from trash bins to then sell to stalls, they do not have subordinates but instead they are subordinates of the stalls. Their income ranges from Rp. 5,000-Rp. 20,000 per day (Sukmawati, 2007). Second, scavenger collectors, namely scavengers whose class is in the middle, meaning scavenger collectors carry out the market process of buying goods or trash from mayeng scavengers and selling to agent scavengers. Their monthly income is around Rp. 200,000.

The supply or deposit of Mayeng scavengers is very limited and the number is small, so the scavenger collectors sometimes go around but with capital, meaning that sometimes they buy used goods belonging to the community that are not used while looking for them on the streets. The scavenger collector is also called a lapak, namely people who buy used goods from their subordinates, pack them according to type of goods to then sell to agent scavengers. The lapak scavenger has 10 to 20 subordinates and an income of 1 million to 3 million per month. Third, the agent scavenger, namely scavengers of the high class. Other characteristics of agents include having a minimum of five workers and an unlimited maximum, having unlimited land, having a large land either rented or privately owned, having a fleet of public transportation or cars and others, having a dormitory for the scavengers. Likewise with agent scavengers. Agent scavengers are also called supplier scavengers, namely people who buy used goods from stalls or scavengers directly to then sell to factories. The number of stalls that deposit with agents is between 5 to 10 stalls. The average income of an agent is more than 3 million rupiah per month. According to Setiawan, scavengers are characterized by the following:

- (1) The technology used is still primitive.
- (2) Capital and business turnover are relatively small, so the operational scale is also relatively small.
- (3) The education required to run a business does not require formal education because the necessary education is obtained through on-the-job experience.
- (4) The source of capital funds generally comes from personal savings or from informal financial institutions.
- (5) Production or services are primarily consumed by middle-income urban/rural communities.

Scavengers with limited capital and a lack of employment opportunities become scavengers to meet their living needs. Based on where they live, there are various types of scavengers and they can be categorized into two:

- (1) Street scavengers, who live on the streets and are described by the government as vagrants.
- (2) Sedentary scavengers, who rent a house together in a location, live in permanent or semi-permanent housing located at or near the landfill, or are villagers who earn their living as scavengers.

CHAPTER III. RESEARCH METHODOLOGY

Qualitative research using a phenomenological approach

CHAPTER IV. DISCUSSION

A. Financial management of waste pickers' income to strengthen family economies in Makassar City

Financial management of waste pickers' income in Makassar City is an important aspect in efforts to strengthen the economies of families living in the informal sector. Although waste pickers' income is generally low and uncertain, proper management can be key to maintaining household.

1. Characteristics of Scavenger Income

Scavenger income in Makassar City is daily, depending on the quantity and type of items collected, such as plastic, paper, metal, or glass bottles. Income fluctuations are influenced by the weather, the availability of recyclable waste, and the selling price at collectors. Average daily earnings are often below the minimum wage, so the biggest challenge is how to allocate limited income to meet the family's increasing needs.

2. Basic Principles of Financial Management for Scavenger Families

In the context of scavenger families, financial management encompasses three main aspects: income planning, expense control, and savings.

- Income planning is carried out by identifying priority needs such as food, shelter, children's education, and health. This planning helps scavengers adjust spending according to fluctuating daily income.
- Controlling expenses is crucial to prevent income from being used for short-term consumption. Avoiding non-essential purchases and utilizing used or handmade items can help save money.
- Saving, although difficult, is still worth pursuing, even if only in small amounts. Money set aside little by little can become emergency funds or small business capital. It leads to economic stability, meeting basic needs, and reducing vulnerability to poverty.

3. Financial Management Strategies for Scavengers

Strengthening the economic well-being of scavenger families in Makassar City requires specific strategies tailored to their circumstances, including:

1. Creating a Simple Budget

Recording daily income and expenses can help determine the appropriate allocation of funds.

2. Prioritize Basic Needs

Needs such as food, shelter, and health should be prioritized before spending money on other needs.

3. Avoid Consumer Debt

Borrowing money for consumer needs such as purchasing luxury goods or entertainment can burden family finances. If you must borrow, it should be for productive purposes, such as business capital.

4. Utilize Microfinance Services

Cooperatives, social savings groups, or joint savings in communities can be alternatives for scavengers to save money and access small capital.

5. Diversify Income Sources

Members of scavenger families can supplement their income through side jobs such as selling food, making crafts from used goods, or working odd jobs. Scavengers can divide their income into categories of basic needs, education, health, and savings.

4. The Role of Financial Literacy

One of the main obstacles to financial management among scavengers is low financial literacy. Many are not accustomed to planning, recording transactions, or setting aside money for specific needs. Simple and practical financial literacy training can help them understand the importance of saving, managing debt, and investing a portion of their income in small businesses.

5. The Impact of Financial Management on Strengthening Family Economics

Good financial management can have a positive impact on scavenger families in Makassar City, including:

- **Household Economic Stability** – With careful planning, families can still meet basic needs even when income fluctuates.
- **Improved Welfare** – Funds allocated for education and health can improve the quality of life for family members.
- **Financial Independence** – Savings or business capital allows families to reduce dependence on external assistance.
- **Breaking the Chain of Poverty** – Secure education for children can open up opportunities for the next generation to secure better jobs.

6. Challenges Faced

Despite opportunities to improve financial management, waste pickers face various challenges, such as:

- Very low and uncertain income.
- Consumptive habits and a lack of awareness of the importance of savings.
- Limited access to formal financial institutions.
- The pressure of daily needs often depletes income.

7. Recommendations for Strengthening the Economics of Waste Picker Families

To strengthen the economics of waste picker families in Makassar City, several steps can be taken:

- Conducting financial literacy training in waste picker communities.
- Encouraging the formation of waste picker cooperatives as a forum for savings and capital loans.
- Providing access to simple financial services without complicated requirements.

B. Strategies to ensure financial management for waste pickers is aligned with their family's economic situation

Waste pickers in Makassar City are part of the informal sector with low and fluctuating incomes. This unstable income requires a financial management strategy tailored to their family's economic situation, ensuring basic needs are met and financial risks are minimized. Proper financial management will help waste picker families not only survive economically but also gradually build long-term prosperity. Developing empowerment programs that combine financial management with additional skills.

1. Understand the Family's Economic Condition

The first step before determining a strategy is to understand the family's overall economic condition. This includes:

- Knowing the average daily or monthly income.
- Identifying basic needs such as food, housing, healthcare, and education.
- Calculating debts or obligations that must be paid.

With this understanding, scavenger families can formulate priorities and adjust financial management strategies according to their capabilities.

2. Develop a Realistic Budget

Preparing a budget is key to financial management. For scavenger families, the budget must be simple, flexible, and realistic, considering the uncertainty of income. The budget can be divided into percentages, for example:

- 60% for basic needs (food, rent, electricity, water).
- 20% for education and healthcare.

- 10% for savings or an emergency fund.
- 10% for other urgent needs

If daily income is very small, this percentage can be adjusted, as long as there is still an allocation, even if only a small amount, for savings.

3. Distinguishing Needs and Wants

Scavenger families need to practice differentiating between needs and wants. Needs are essential for survival (food, shelter, health), while wants are additional items. Prioritizing needs will help prevent waste and ensure income is used effectively.

4. Managing Daily Income

Because scavengers' income is daily, financial management strategies must be implemented every time they receive income. Some steps you can implement:

- Set aside a small portion of money each day for savings, even if the amount is very small.
- Keep money in a safe place to prevent it from being quickly used up for spontaneous consumption.
- Divide money according to expense categories from the start to avoid mixing it up.

5. Avoiding Consumer Debt

Many scavenger families fall into consumer debt, for example, borrowing money to buy non-essential items. A good strategy is to limit debt to productive needs, such as additional business capital or repairing work equipment.

6. Utilize Simple Community Financial Systems

If access to banks is difficult, scavengers can utilize simple financial systems such as arisan (social savings associations), community cooperatives, or joint savings groups.

7. Diversify Income Sources

To improve family economic stability, scavenger family members can seek additional income outside of scavenging. For example, selling food, making crafts from used goods, or working part-time. This additional income can be used to cover unmet needs or increase savings.

8. Improve Financial Literacy

Financial literacy is essential for scavengers to manage their income. Simple training programs on budget planning, saving, and debt management can improve their ability.

9. Prepare an Emergency Fund

Although difficult, setting aside money for an emergency fund is crucial. This fund will be invaluable in the event of unexpected situations such as illness, home damage, or a temporary loss of income. The strategy is to save a little bit each day or week from the proceeds of scavenging.

10. Create a Long-Term Plan

Financial management isn't just about meeting current needs, but also about the future. Scavenger families need to have long-term goals, such as repairing their home, financing their children's education, or purchasing better work equipment. Having goals will help them manage their finances more effectively. Age finances according to their family's economic situation.

C. The economic conditions of waste pickers' families in their daily activities

The families of waste pickers in Makassar City are part of a vulnerable informal sector community. Their daily activities are closely related to the search for used goods with market value, such as plastic, bottles, cardboard, iron, and other metal objects. The income earned from scavenging serves as the primary source of income for their families, although it is often insufficient to meet basic needs.

1. Source of Income and Job Characteristics

Scavengers' income is derived from selling used goods to collectors. The amount of income depends heavily on the number of items collected, the type of goods, and the prevailing market price. Prices for used goods often fluctuate, affecting income stability. Furthermore, weather factors and the level of competition among scavengers also affect daily output.

Scavenger work is generally manual, requires significant physical effort, and requires workers to work in unsanitary conditions. Work hours typically run from morning to evening, with some even working at night to collect leftover used goods from markets or offices. This activity does not guarantee a steady income, unlike formal employment, which provides a monthly salary.

2. Daily Income and Its Management

The average daily income of scavengers is low, often below the city minimum wage. Most of the money earned is used directly to cover daily needs such as buying groceries, paying rent, and transportation costs. Due to the daily and fleeting nature of income, scavenger families rarely have savings or financial reserves.

Financial management in scavenger families is often spontaneous and without long-term planning. This is due to two main factors: limited income and low financial literacy. As a result, families often experience difficulties when facing unexpected expenses, such as health costs or children's school needs.

3. Basic Needs and Expenses

The largest expenditure for scavenger families is usually allocated to food, which accounts for the largest portion of their income. Other needs, such as children's education, healthcare, and home repairs, often become secondary priorities or even neglected when income is insufficient. Many scavenger children are forced to drop out of school or help their parents work to supplement the family income.

In terms of housing, most scavenger families live in densely populated areas or near landfills, either in simple rented houses, semi-permanent shacks, or houses built from recycled materials. These conditions reflect the economic constraints that make it difficult for them to improve their quality of life.

4. Daily Economic Challenges

The economic situation of scavenger families in Makassar City faces several challenges, including:

- **Unstable Income** – Fluctuations in the price of used goods and their availability affect daily income.
- **Rising Cost of Living** – Rising prices of basic necessities place a greater burden on families' expenses.
- **Lack of Access to Financial Services** – Many scavengers lack bank accounts or access to productive credit.
- **Health Risks** – Working in dirty and hazardous environments increases the risk of illness, which can add to the burden of costs.

5. Survival Strategies in Difficult Economic Conditions

To survive difficult economic conditions, scavenger families employ various strategies, such as:

- Strictly managing expenses and prioritizing urgent needs.
- Utilizing used goods for household needs, such as kitchen utensils or building materials.
- Relying on social networks, such as assistance from neighbors or extended family.

6. Long-Term Impact

These limited economic conditions impact the low quality of life of scavenger families. Difficulties in financing education limit children's opportunities for better employment in the future, risking perpetuating the cycle of poverty between generations. Furthermore, limited access to healthcare makes families vulnerable to untreated health problems involving other family member

D. Efforts that can be undertaken to improve the economic well-being of waste pickers

Waste pickers are a community group that plays a crucial role in environmental management, particularly in reducing waste volume and recycling used materials. However, their significant contribution is often disproportionate to their economic situation. Most waste pickers live on low incomes, work in substandard conditions, and face high health risks. Achieving prosperity

requires integrated efforts involving waste pickers themselves, the government, non-governmental organizations, and support from the private sector.ers, including children, to help earn additional income.

1. Improving Skills and Productivity

One of the main ways to improve the welfare of waste pickers is through skills training. These skills can include:

- Training in processing used goods into marketable products, such as handicrafts, simple furniture, or accessories.
- Training in processing organic waste into compost or animal feed.
- Small business skills, such as simple marketing, business management, and financial management.

With additional skills, waste pickers can process their scavenged goods into more valuable products, thereby increasing their income.

2. Establishing Cooperatives or Joint Business Groups

Cooperatives or joint business groups are important platforms for waste pickers to increase their bargaining power in the market. Through cooperatives, waste pickers can:

- Sell used goods collectively at better prices.
- Access business capital in the form of soft loans.
- Receive ongoing business training and mentoring.

By working collectively, waste pickers not only gain economic benefits but also build solidarity and bargaining power against large collectors.

3. Diversifying Income Sources

Reliance on scavenging as the sole source of income makes scavenger families' economies very vulnerable. Diversification can be achieved by:

- Running a small business such as a food stall, selling snacks, or providing a motorcycle wash service.
- Utilizing vacant land to grow vegetables for personal consumption or sale.
- Developing a craft business using recycled materials that has a steady market.

This additional income will help scavenger families meet their needs when scavenging income declines.

4. Improving Financial Literacy

Low financial literacy is one of the obstacles to the welfare of scavengers. Education on simple financial management, recording expenses, and the importance of savings will help them manage their income more efficiently. Some steps that can be taken:

- Training on how to create a family budget.
- Cultivating the habit of setting aside a small portion of daily income for savings.
- Educating them about the difference between needs and wants.

With good financial literacy, scavengers can manage their income more effectively and sustainably.

5. Access to Financial Services and Capital

Many waste pickers lack access to banking services or formal financial institutions. The government and financial institutions can provide:

- Micro-savings without large initial deposits.
- Low-interest micro-loans for business capital.
- Affordable health and employment insurance programs.

This access helps waste pickers securely save money, grow their businesses, and reduce financial risks from unforeseen events.

6. Health and Education Support

Prosperity is not only measured by income, but also by access to health and education. Possible measures include:

- Providing free or subsidized health services for scavenger families.
- Providing scholarships or educational assistance for scavenger children to improve their future employment opportunities.
- Providing nutritious meal programs in schools to support children's development.

By maintaining health and education, the quality of life for scavenger families will significantly improve.

7. Partnerships with the Private Sector

The private sector, especially companies engaged in recycling, can collaborate with scavenger communities through:

- Schemes for purchasing used goods at fair prices.
- Technical and business management training programs.
- Support for equipment that makes scavengers' work easier, such as carts or sorting tools.

This partnership can create a more equitable and sustainable supply chain.

A. Conclusion

Financial management for scavengers in Makassar is crucial to ensure that their limited income can meet their family's basic needs. By wisely managing income and expenses, setting aside a portion for savings, and avoiding non-essential expenses, scavengers can strengthen their

household's economic stability. Although daily income is often uncertain, a disciplined management pattern can help them cope with sudden difficulties such as healthcare costs or children's education needs.

Scavengers' financial management strategies need to adapt to the family's generally low-income and fluctuating economic conditions. Effective approaches include creating a simple budget, prioritizing basic needs, utilizing additional income from side jobs, and avoiding consumer debt. Furthermore, involving all family members in managing expenses and utilizing free or low-cost resources such as government assistance and community training will support the financial efficiency of scavenger families.

The daily lives of scavenger families are characterized by income dependent on scavenging, which varies depending on the season, location, and demand in the secondhand market. They work from morning to evening collecting valuable waste, while some of the proceeds are used directly for daily needs. With limited capital and access to basic facilities, they often struggle to cover healthcare, education, and household expenses, making income management a persistent challenge.

Improving the welfare of waste pickers requires integrated measures such as training in waste processing skills, establishing cooperatives to strengthen their bargaining position, diversifying income sources, improving financial literacy, and accessing microfinance services. Support for health and education, as well as partnerships with the private sector, are also crucial to opening up business opportunities and expanding markets. With this approach, waste pickers can gradually increase their income, strengthen their families' economic resilience, and break out of the cycle of poverty.

REFERENCES

1. Hervina. 2022. "ANALISIS PENGELOLAAN KEUANGAN PADA USAHA MIKRO KECIL DAN MENENGAH (UMKM) DI KABUPATEN TAKALAR"
2. Faiza, Nur. 2023. "PENGARUH PENGELOLAAN KEUANGAN, FINANCIAL TECHNOLOGY, INKLUSI KEUANGAN, DAN MODAL KEUANGAN DENGAN LITERASI KEUANGAN SEBAGAI MEDIASI TERHADAP KINERJA UMKM DI KOTA PEKANBARU"
3. Wahidin, Abd. "KONTRIBUSI PEMULUNG PEREMPUAN TERHADAP PEREKONOMIAN KELUARGA DI KOTA MAKASSAR"
4. Dwiyanti, Elfa. 2020." KAJIAN PENGHASILAN PEMULUNG DI KOTA MAKASSAR"
5. Rianjani, Rahmawati. 2022. "POLA INTERAKSI SOSIAL PEMULUNG DENGAN MASYARAKAT (Studi Pada Lapak Pemulung Kelurahan Joglo Kecamatan Kembangan)"
6. Abrar, Muhammad. 2022. "PENGARUH KONDISI EKONOMI KELUARGA TERHADAP PERKEMBANGAN PENDIDIKAN ISLAM ANAK DI DUSUN KAMPUNG BARU DESA KUO KECAMATAN PANGALE KABUPATEN MAMUJU TENGAH"
7. Firdaus dkk. 2025. "PERAN GANDA ISTRI PEMULUNG PADA PEMENUHAN KEBUTUHAN RUMAH TANGGA"

8. Reza Nur Fitrah dkk. "PEMBERDAYAAN MASYARAKAT BAGI KELUARGA PEMULUNG DI KELURAHAN RAPPOKALLING KECAMATAN TALLO KOTA MAKASSAR"
9. Yantos. "STRATEGI SURVIVE PEMULUNG (STUDY KASUS KOMUNITAS PEMULUNG DI PINGGIRAN SUNGAI SAIL PEKANBARU)"
10. Sikundus. "KONDISI SOSIAL EKONOMI KELUARGA PEMULUNG (Studi Kasus Pemulung Pemunggut Barang Bekas Di TPS Kecamatan Pontianak Kota)"
11. Zulkifli Saputera dkk. "PEMBERDAYAAN EKONOMI PEMULUNG MELALUI DAUR ULANG SAMPAH"