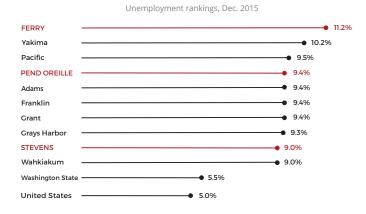


Are Forest Restoration Investments Benefiting Local Communities Most in Need?

A new program seeks to create jobs and improve rural economies through investments in restoration, but the results have been mixed.

Ferry County is first in the rankings of Washington counties with the highest unemployment rates. In fact, all three counties in northeastern Washington register in the top ten and all have unemployment rates above 9%. Clearly this forest-dependent region could benefit from economic development. Federal investments in restoration have been steadily increasing and a new program called the Collaborative Forest Landscape Restoration Program (CFLRP) aims to bolster this trend while creating economic opportunities for local residents.

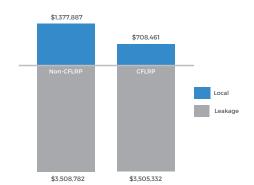
Counties in northeast WA are struggling to recover jobs and income lost during the recession.



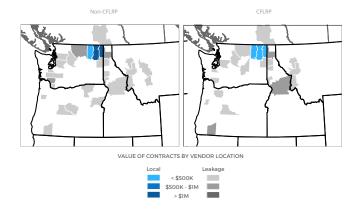
2

Economic impacts tend to occur where workers live (place of residence and/or business), rather than where they work.

Most of the economic impacts of restoration are lost due to leakage out of the local tri-county economy.



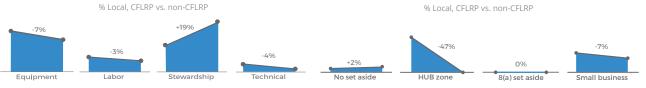
As much as 86% of contract dollars flowed to business, workers and communities out of state.



Programs such as stewardship contracting have been shown to keep more dollars in the local economy, but other efforts targeting economically-disadvantaged counties have been less effective.

Restoration activities packaged into a stewardship contract increased the share of dollars staying in the local economy by 19%.

Contracts set-aside for businesses from economically-disadvantaged counties through the HUB Zone program have had weak effect in local economy (% Local, CFLRP vs. non-CFLRP).



Harvesting timber benefits counties where trees are cut AND processed.

100 percent of timber harvested was processed by local mills, generating multiple benefits.



For more information on this and similar projects, contact:

Chelsea P. McIver Bureau of Business and Economic Research University of Montana chelsea.mciver@business.umt.edu (406) 243-5614

or visit www.bber.umt.edu/FIR

