Oregon's Restoration Economy

Investing in natural assets for the benefit of communities and salmon

Oxbow Mine Tailings Restoration Project, Middle Fork John Day River, Grant County, OR

"As the restoration economy blossoms, the value of our investments are starting to be recognized in local communities across the state for their economic impact and benefits."

—Tom Byler
Executive Director, Oregon Watershed Enhancement Board

Restoring watersheds is a starting point for a different kind of economic prosperity, one in which society recognizes that the wellbeing of our communities is inextricably tied to the welfare of our rivers and wild salmon.

Healthy watersheds provide abundant resources for Oregonians: clean drinking water, clean air, and diverse wildlife, to name a few. Healthy watersheds also mean healthy economies. The following statewide analysis illustrates how investing in watershed restoration does more than help protect the environment; it creates living-wage jobs and stimulates economic activity in communities around Oregon, today and into the future.

Restoration Delivers Returns

Restoration creates jobs. Restoration projects put people to work. Investing in habitat restoration can create more new jobs than comparable investments in other sectors of our economy (Figure 1).[1] In Oregon, restoration projects have created jobs in construction, in technical fields such as engineering and wildlife biology, and in supporting businesses such as plant nurseries, heavy equipment companies, rock and gravel quarries, and other local businesses. **Total investments in 6,740 projects completed in the state of Oregon from 2001 to 2010 have supported 4,628–6,483 jobs (Figure 3).[2]**

Restoration investments stimulate economic growth. Every dollar spent on salaries or supplies for a restoration project generates additional spending and economic activity. For example, a group restoring native plants along a stream will purchase supplies from a local nursery; the nursery, in turn, will hire workers and more supplies from area businesses. A person hired to remove invasive plants along a stream may spend money at a local restaurant; the restaurant, in turn, will hire cooks and waiters and order supplies from still more businesses. **In Oregon, $411.4 million invested in restoration work from 2001 to 2010 generated an estimated $752.4–$977.5 million in economic output (Figure 3).[2]**

Restoration dollars are local dollars. Unlike in other economic sectors, restoration jobs can't be outsourced to far-off places. An average of $0.80 of every $1.00 spent on a restoration project stays in the county where the project is located, and $0.90 stays in Oregon (Figure 2).[3] That's good news for local and regional economies.

Restoration as an enduring investment. The value of restoration continues to accrue and pay out over generations. Improvements in habitat and fish and wildlife populations provide recreation and commercial opportunities as well as ecosystem services that are fundamental to our health, productivity, and quality of life.

Figure 1. Average number of jobs per $1 million of investment by select sector[1]

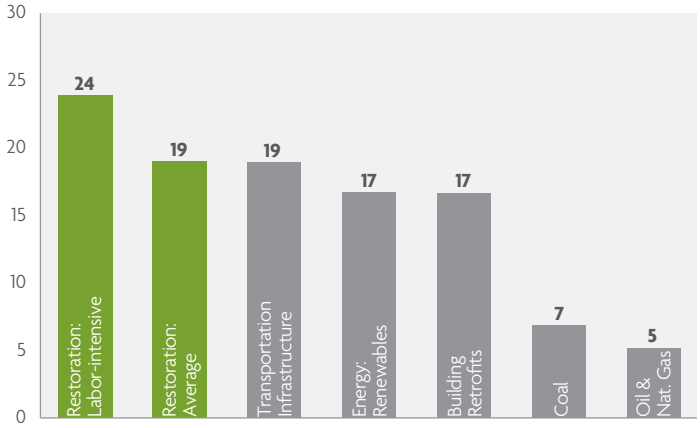
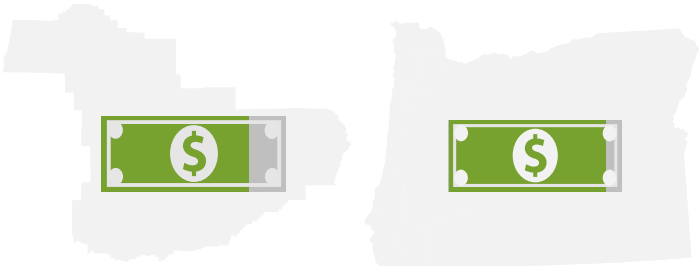


Figure 2. Restoration project funds stay local[3]



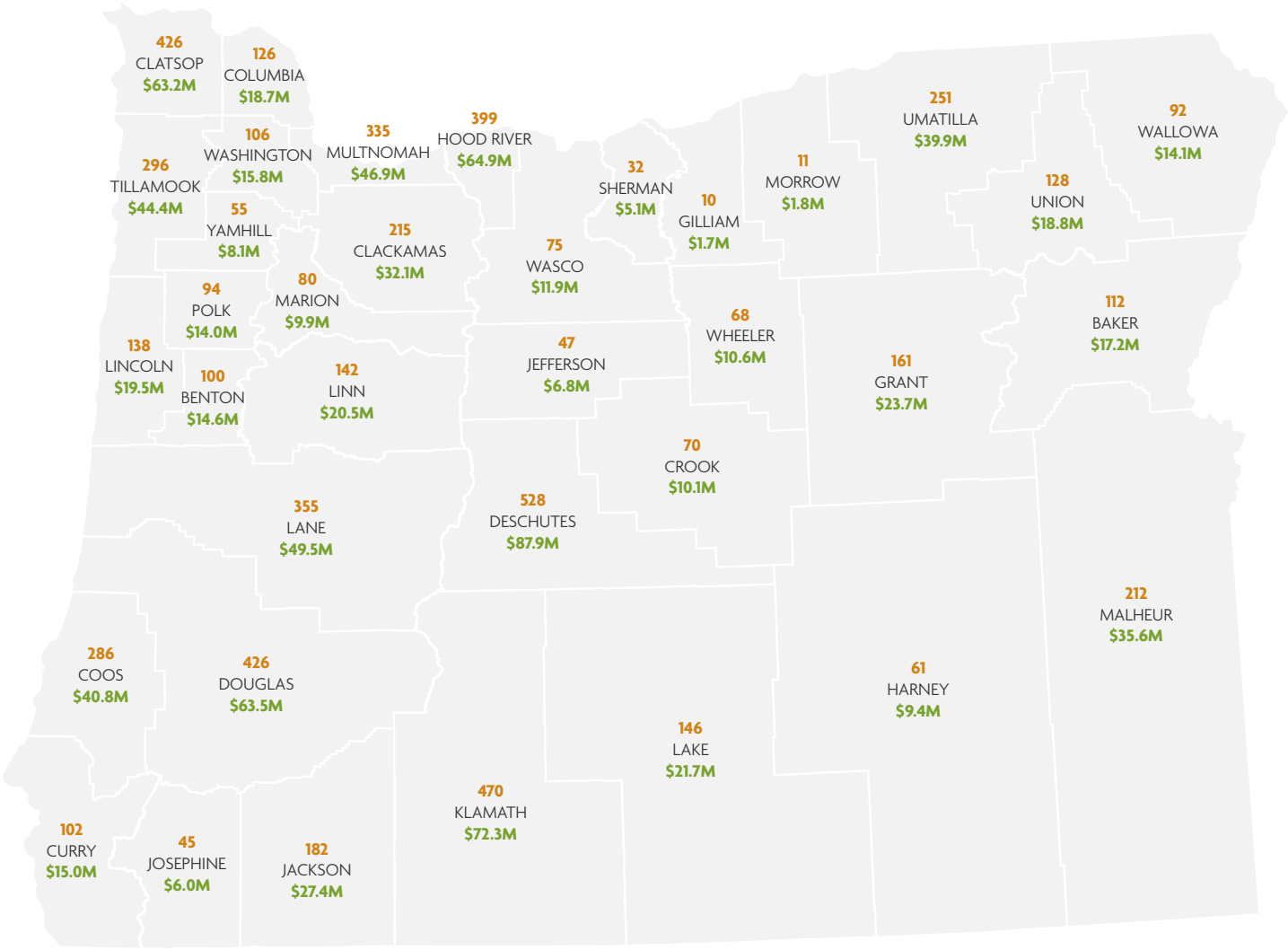
$0.80 of every $1.00 stays within the COUNTY where it was spent

$0.90 of every $1.00 spent stays within OREGON

"I hired an employee who'd been laid off from his previous job. When I talked with him about wrapping up restoration work this season he said, 'When you hired me, I was behind on my bills, and I want to let you know that I'm caught up on my bills, and I'm not apprehensive about the winter.' "

—Bill Leavens, L&S Rock Products, Central Point, OR

Figure 3. Oregon restoration projects by county: estimated employment and economic output, 2001–2010[2]



An estimated **4,628–6,483 jobs** have been created or supported, and **$752.4–$977.5 million** in economic output generated from restoration activities in the past decade. (Map shows upper-bound estimates.)

"I'm 71 years old, have two grandchildren, and I want those kids to come back here in 60 years to a stream that is viable and productive that they can fish."

—Ray Tharp, Middle Rogue Steelheaders, Central Point, OR

About Us

The Whole Watershed Restoration Initiative (WWRI) is a public-private competitive grant program for salmon habitat restoration in Oregon, Washington and Idaho. The WWRI partners believe that by concentrating and coordinating salmon habitat restoration efforts, measurable and sustainable recovery can be achieved faster than when efforts are spread thinly across the landscape. We fund projects where there is strong community support, effective collaboration, and high ecological value.

www.ecotrust.org/wwri

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Notes

1 Nielsen-Pincus, M. and C. Moseley. 2010. "Economic and Employment Impacts of Forest and Watershed Restoration in Oregon." University of Oregon: Ecosystem Workforce Program, Working Paper Number 24.

Heintz, H., Pollin, R. and H. Garrett-Peltier. 2009. "The Economic Benefits of Investing in Clean Energy: How the Economic Stimulus Program and New Legislation Can Boost U.S. Economic Growth and Employment." Amherst, University of Massachusetts: Political Economy Research Institute.

Heintz, H., Pollin, R. and H. Garrett-Peltier. 2009. "How Infrastructure Investments Support the U.S. Economy: Employment, Productivity and Growth." Amherst, University of Massachusetts: Political Economy Research Institute.

2 Original restoration project data was sourced from the Oregon Watershed Restoration Inventory (OWRI), accessed online on 5/29/12 at http://oregonexplorer.info/EnhancingWatersheds#TheOWRIDatabaseandGISdata. Economic output and employment estimates derived using multipliers provided by Nielsen-Pincus, Max and Cassandra Moseley. 2010. "Economic and Employment Impacts of Forest and Watershed Restoration in Oregon," Ecosystem Workforce Program, Working Paper Number 24. Estimated range provided by using Type I and Type II multipliers. During 2001–2010, a total of $411.4 million was invested in 6,740 watershed restoration projects completed in the the state of Oregon. Applying specific restoration related economic and employment multipliers developed by the Ecosystem Workforce Program of the University of Oregon, our findings suggest that initial investments generated an estimated $752.4–$977.5 million in economic output and approximately 4,628–6,483 jobs. While the Oregon Watershed Restoration Inventory (OWRI) is the most comprehensive database documenting watershed restoration projects and likely includes the majority of restoration projects occurring in the state, it does not include all restoration projects and efforts. Additionally, there are further non-market environmental and social benefits resulting from watershed restoration that are not accounted for in this analysis. Therefore, the presented estimates are likely low bound estimates when valuing the total economic impact of watershed restoration to Oregon.

3 Hibbard, M. and S. Lurie. 2006. "Some Community Socio-Economic Benefits of Watershed Councils: A Case Study From Oregon." *Journal of Environmental Planning and Management* 49: 891-908.

Photos by: Sam Beebe, Ecotrust

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