

Arizona Forest Restoration Spurs Important Jobs and Income, But Wood Processing Infrastructure Still Lacking

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A new [report](#) from the Conservation Economics Institute (CEI) details the regional economic contribution of the Four Forest Restoration Initiative (4FRI) in five northern Arizona counties. The report was conducted for the 4FRI Multi-Party Monitoring Board and was authored by economist Dr. Evan Hjerpe, Director of CEI, and Anne Mottek Lucas of Mottek Consulting. Support for the research was provided by the U.S. Forest Service (USFS), Arizona Department of Forestry and Fire Management, and Coconino County.

The authors spent over a year surveying restoration contractors and compiling economic data on Fiscal Year (FY) 2017 expenditures and contributions associated with 4FRI and the Flagstaff Watershed Protection Project. Results showed that over 12,000 acres in northern Arizona were mechanically thinned in FY 2017, leading to the removal of 400,000 green tons of sawlogs and biomass for processing.

The economic activity that was tracked in this study included thinning, wood utilization, and other restoration activities. 4FRI restoration led to over 500 full-time equivalent (FTE) direct jobs in the region. When adding the additional jobs spurred by the local recirculation of expenditures, more than 900 FTE jobs were maintained. In total, 4FRI restoration activities generated \$150 million in regional output, \$50 million in regional labor income, and impacted over 140 different industry sectors in FY 2017.

“Forest restoration provides numerous good-paying jobs in Arizona, allowing for economic diversification in rural communities that often struggle with economic development,” stated primary author Evan Hjerpe.

While the focus of the study was on market impacts, the authors noted many other economic benefits provided by forest restoration including reduced wildfire risk and associated reductions in loss of life, property, and degradation of critical ecosystem services like clean drinking water, recreation, and native biodiversity.

According to Dr. Hjerpe, “Given the vast public benefits, funding and implementation of forest restoration on public lands must be treated differently than traditional logging and timber production from yesteryear, requiring innovative and collaborative funding efforts.”

Forest restoration in northern Arizona provides significant employment and income but the scale of restored forests is well short of original goals set by 4FRI stakeholders. The report illustrates stark regional differences in wood utilization between the White Mountains region and the Flagstaff region and pointed to a lack of woody biomass utilization infrastructure near Flagstaff as the primary culprit in limiting forest restoration accomplishments.

Hjerpe summarized the economic challenge in saying, “With limited profitability coming from logging and processing of small diameter ponderosa pine and biomass, there is a tremendous need for supplemental funding to increase the scale of forest restoration in Arizona and assist wood products industries.”

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