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Healthy Forests create Healthier Economies

Economist says Large-scale Forest Restoration Means Money and Jobs for Rural Northern Arizona

FLAGSTAFF, Ariz. – Every \$10 invested by the federal government can make a \$13 difference to rural northern Arizona economies while creating healthy forests and reducing the risk of catastrophic wildfire. That, according to an Ecological Restoration Institute at Northern Arizona University study released this week.

Ecological Restoration as Economic Stimulus: A Regional Analysis says that a government investment to carry out a large-scale forest treatment project (restoring 1.7 million acres of degraded National Forest land) can generate nine jobs for every 1,000 acres treated.

NAU School of Forestry Associate Professor of Ecological Economics Dr. Yeon-Su Kim says the analysis is based on today's average costs for thinning and pile burning in the Apache-Sitgreaves, Coconino, Kaibab and Tonto National Forests where the restoration treatments would occur.

"According to the economic model we used, treating 1.7 million acres would cost \$1 billion at the current rate, which would generate \$518 million in labor income from a total of 14,820 jobs, or some 741 jobs a year for 20 years. Plus it would generate nearly \$1.3 billion in total economic outputs."

Kim points out that the projections are conservative and do not account for additional benefits if excess woody biomass removed from the forest is used to generate energy to power such things as cars or factories in a commercially-viable way, rather than being burned.

The study also does not figure in payment back to the government for the sale of the woody material to the wood products industry, which also would provide jobs and improve local economies. For example, a 2007 NAU College of Business impact analysis for a proposed oriented-strand board facility in Winslow says the *construction* of such a facility could generate an additional \$244 million into the economy and more than a thousand jobs. The *operation* of the plant could create another \$170 million and almost 600 jobs a year.

"It will take a significant financial investment to make our Southwest forests healthy; however, this investment will also serve as an economic stimulus to rural communities," said Kim.

Once the forests are healthy again, ecologists say natural fire can safely return, playing out its role of cleaning up the dead and dying debris and recycling nutrients. In today's overcrowded forests of the West, fire has become a dangerous enemy, threatening the destruction of millions of forested acres, wildlife habitat and communities.

Ecological Restoration as Economic Stimulus: A Regional Analysis is on the ERI Web site at eri.nau.edu

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