

The Restoration Economy

Investing in natural capital for the benefit of communities and salmon



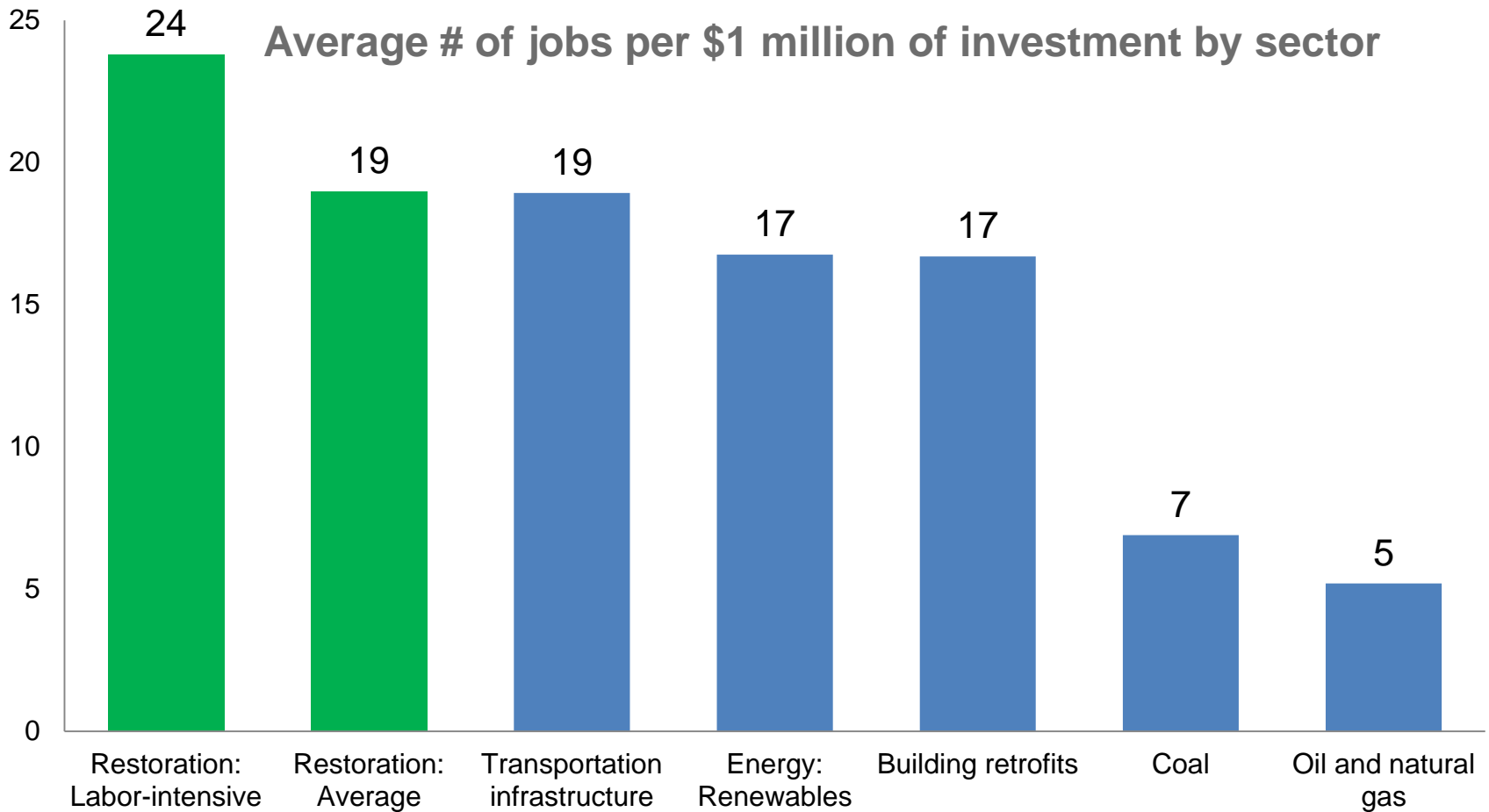
Restoration Economy



Restoration is an investment in local economies that pays out over time.

- Contributes to new and existing industries (e.g. fisheries, recreation, tourism, biomass)
- Restored ecosystem functions generate many community development benefits and savings
- Creates demand for local labor and materials
- Stimulates economic activity in unrelated sectors

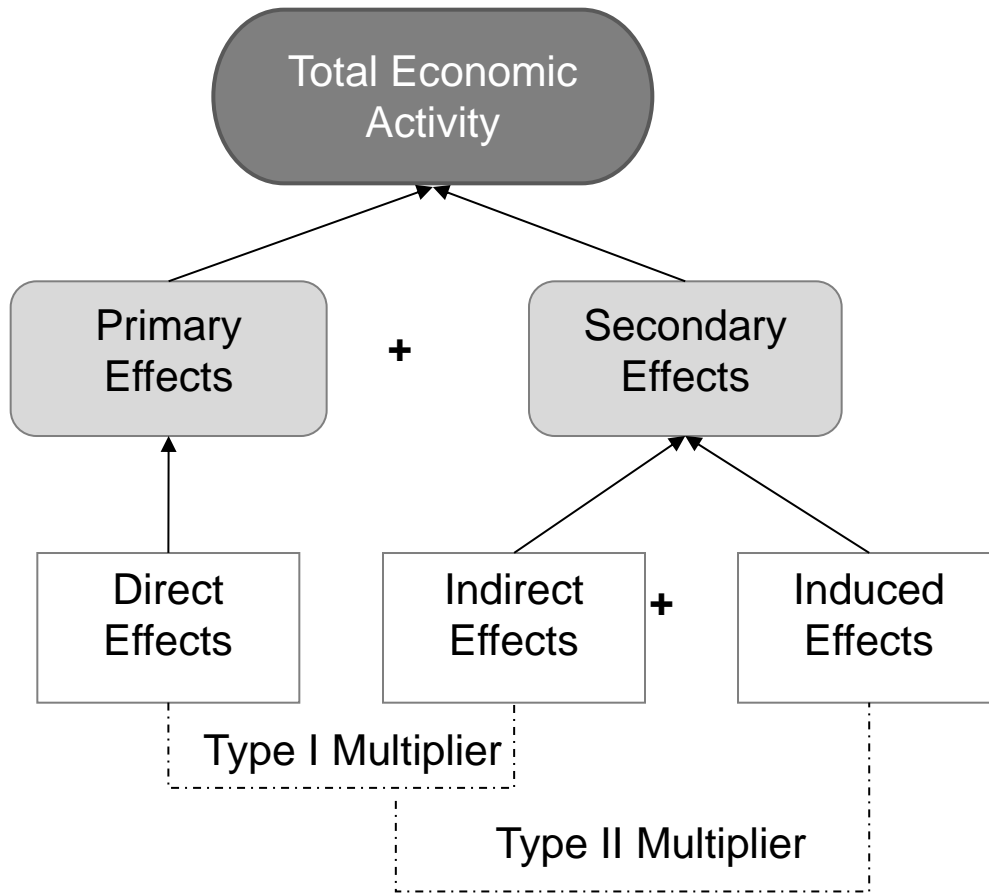
RESTORATION CREATES JOBS



RESTORATION ACTIVITIES

- Activities involve varied skill sets (landscape, engineering, heavy equipment, project management, construction).
- Typically very labor intensive
- Source locally for labor and materials
- Spending on restoration activities stays local
 - \$.80 of every \$1.00 stays in county where project is located;
 - \$.90 of every \$1.00 stays in OR (Hibbard and Lurie, 2006)

Economic Multipliers



Multiplier 1.5 =
\$1.50 stimulated
by each initial \$1

- Output
- Income
- Employment

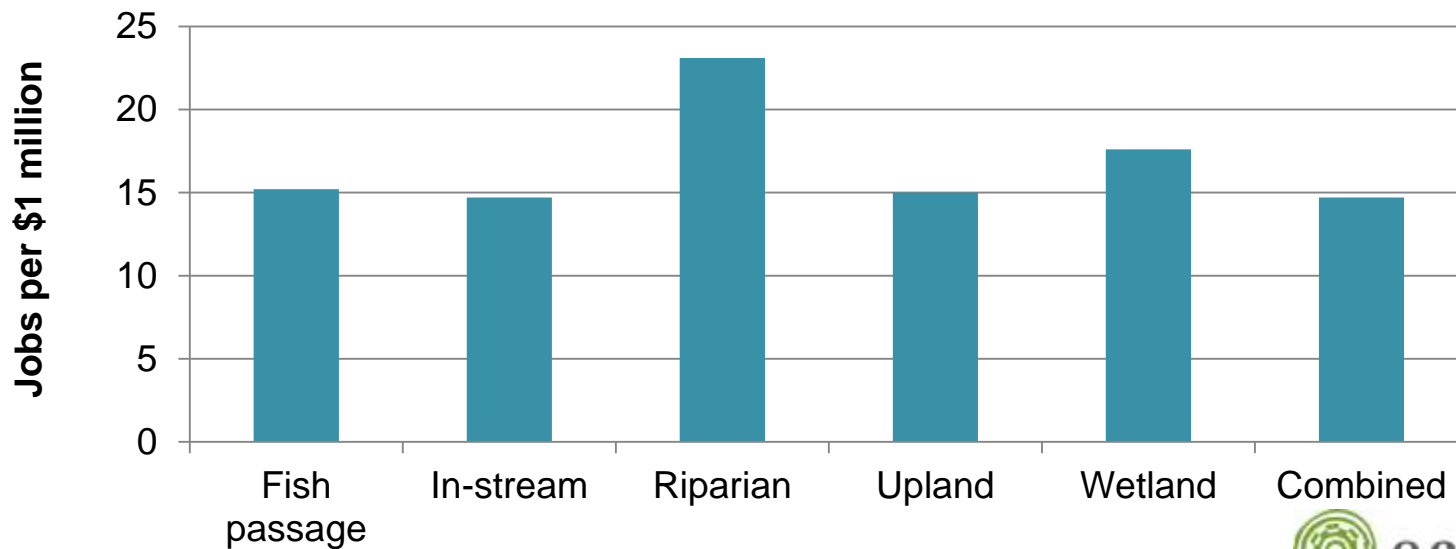
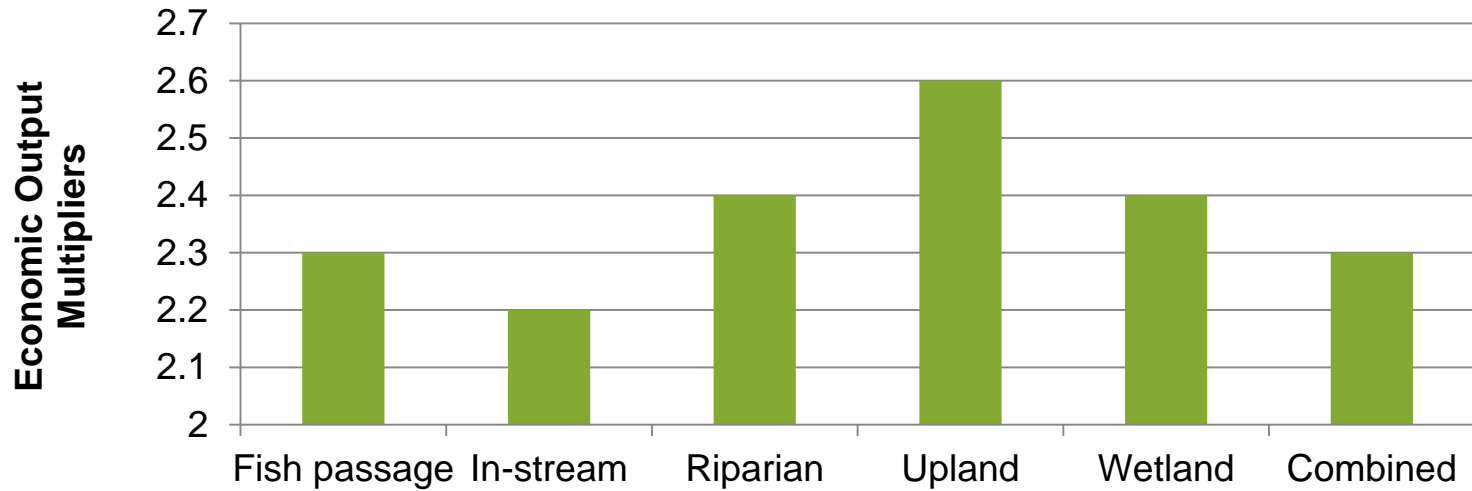
OUTPUT AND EMPLOYMENT EFFECTS

Restoration generates additional spending and economic activity in the economy as the initial dollars are spent and re-spent.

Every dollar spent on restoration generates an additional \$1.20-\$1.40 in economic activity, for a total economic impact of \$2.20-\$2.40.

This “multiplier effect” captures the direct, indirect, and induced effects of restoration spending.

The Multipliers...



Restoration Employment & Economic Output Estimates

**Figure 3. Oregon restoration projects by county:
estimated employment and economic output, 2001–2010²**



**4,628 -
6,483
jobs**

**\$752.4 -
\$977.5
million**

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.)

NON-MARKET VALUES

