Who Gets the Work?

National Forest Contracting in the Southwestern Crown of the Continent

Chelsea McIver, Bureau of Business and Economic Research
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Significance to the FLRA

The purpose of this title is to encourage the collaborative, science-based ecosystem restoration of priority forest landscapes through a process that—

• (1) encourages ecological, economic, and social sustainability;

A collaborative forest landscape restoration proposal shall—

• benefit local economies by providing local employment or training opportunities through contracts, grants, or agreements for restoration planning, design, implementation, or monitoring

SW Crown Collaborative proposal: “Expanded and predictable restoration projects will facilitate investment strategies by local restoration contractors and help diversify local economies.”
Questions

• How successful are local entities (businesses, nonprofits, institutions, etc.) in accessing restoration opportunities?

• How do these trends compare to CFLRP trends to-date?

• Do the above trends vary according to the type of work being conducted? Size of contract?
Who is Local?
Methods

Types of instruments analyzed:
1. Service Contracts
2. Timber Contracts
3. Agreements
4. Stewardship Contracts
Service Contracting
Local contractor’s share of the work
Measuring Job Quality

Contract records were categorized into Work Types:

- Equipment-intensive;
- Labor-intensive;
- Technical;
- Products
Distribution of Contract Obligations by Work Type

- **Equipment**: Local (15 millions) + Semi-Local (2 millions) + Other MT Counties (2 millions) + Non-Local (1 million)
- **Labor**: Local (4 millions) + Semi-Local (2 millions) + Other MT Counties (1 million) + Non-Local (1 million)
- **Technical**: Local (10 millions) + Semi-Local (2 millions) + Other MT Counties (2 millions) + Non-Local (1 million)
- **Product**: Local (5 millions) + Semi-Local (1 million) + Other MT Counties (1 million) + Non-Local (1 million)
Service Contracting - CFLRP

- Overall, local contractors have been slightly less successful capturing restoration opportunities (51% vs. 60%)
- However, they have been more successful capturing equipment-intensive work (77% vs. 69%) and labor-intensive work (31% vs. 28%)
- But far less successful capturing technical work (34% vs. 68%)
Agreements

- FS Cash to Partner
- Partner In-Kind Contributions

Millions of 2011 Dollars

- 2005
- 2006
- 2007
- 2008
- 2009
- 2010
- 2011

2.5
2.0
1.5
1.0
0.5
0.0
Invested $2.1 million in Partnership Agreements with 17 Organizations
Timber Sales

Timber Volume Sold on the Lolo, Flathead, Helena NF FY05-11
CFLRP Timber Sales

- CFLR: total of 3 timber sales sold + 1 stewardship contract
- Approx. 3 MMBF
- All were purchased by local firms
- Equates to creation/maintenance of approx. 54 jobs in logging, forestry support and wood products mfg. over the life of these timber sales
Challenges & Limitations

- Difficult to compare service, timber and agreement data due to how information is stored/reported.
- Dataset does not capture any of the sub-contracting activity, which is significant—especially in stewardship contracts.
- Assumptions based on business location of contractors cannot account for workers that reside in a different location and therefore economic impacts may be more distributed (or more local) than the data suggest.
Recommendations

• Hold another contractor meeting
• Study sub-contracting
• Measure impact of agreements with non-profits on local contractors
• Conduct workforce assessment to gauge level of interest and capacity to meet the needs of CFLRP, extent to which there exists untapped capacity.
Questions?

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