**Measuring Local Contractor Participation in the SW Crown of the Continent CFLRP project, Montana**

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**Congress established the Collaborative Forest Landscape Restoration Program (CFLRP) in 2009 to encourage increased restoration of our National Forests while creating job opportunities and benefits to communities. In 2010, the Southwest Crown of the Continent (SW Crown) (Figure 1) in western Montana was selected as one of the first ten CFLRP sites.**

**Objective**

The objective of this study is to determine the spatial distribution of businesses engaged in restoration activities in the SW Crown and measure the success of local contractors in accessing these job opportunities while comparing these trends to the surrounding region, previous years, and non-CFLRP projects.

**Methods**

US Forest Service procurement (“service”) contract records were downloaded from the Federal Procurement Data System for fiscal years 2005 through 2011. The data were then filtered to include: 1) restoration activities as defined by the Ecosystem Workforce Program, and 2) additional related activities not included in 1) that are being conducted in the SW Crown CFLRP project. The combination of 1) and 2) are herein referred to as “restoration activities”.

The resulting data were then analyzed to establish:

- baseline trends pre-CFLRP (FY05 - FY09) (Figures 2, 3, 4),
- baseline trends for non-CFLRP restoration activities during the first two years of CFLRP implementation (Figure 3, 4, 5),
- trends specific to the first two years of CFLRP implementation (Figure 2, 4, 6).

**Results**

During the first two years of CFLRP implementation, local contractors captured fewer contract dollars than both the pre-CFLRP baseline and the non-CFLRP spending during the same time period, although differences were slight (Figure 2). However, Montana contractors captured a greater proportion of the contract dollars--increasing significantly from an average of 73 percent between FY05 and FY09 to 67 percent for non-CFLRP spending during FY10 and 11 and up to 92 percent for CFLRP investments during the same time period.

Contracts were also analyzed by work type: labor-intensive (e.g. tree planting and thinning), equipment-intensive (e.g. road maintenance and in-stream restoration), and technical (e.g. natural resource studies). Local contractors captured 100 percent of equipment-intensive contracts through CFLRP, compared to only 66 and 68 percent for non-CFLRP and baseline contracts. Conversely, local contractors captured fewer of the contract dollars awarded through CFLRP for all other work types as compared to the baseline and non-CFLRP contracts (Figure 4).

Local contractors captured not more than 40 percent, and as little as 30 percent, of contract spending for labor-intensive work for all contracts analyzed.

**Discussion**

Communities in western Montana have a long and rich history of deriving their livelihoods from the forest. Many of these rural communities are undergoing economic and demographic changes, in part due to changes in the way forests are managed. Restoration holds the potential to provide new economic opportunities, helping to maintain the knowledge and skills needed to steward our natural resources into the future.

However, this study reveals that more work is needed to better connect the local workforce with restoration opportunities.

The results of this study will be analyzed using the economic modeling program IMPLAN to estimate the direct, indirect and induced impacts of the captured and missed restoration opportunities in the SW Crown.

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