



# Ecosystem Workforce Program

## BRIEFING PAPER # 8

### **Service Contracting, Local Benefit, and the Northwest Forest Plan**

*Cassandra Moseley* Spring 2006

The Northwest Forest Plan and associated Northwest Economic Adjustment Initiative called for the Forest Service and Bureau of Land Management to assist rural communities with long-term economic development and diversification to mitigate the loss of timber jobs that resulted from implementation of the Plan. One way this was to be accomplished was through the contracting of forest restoration and maintenance activities associated with ecosystem management. The hope was that new management priorities would create business and employment opportunities for rural, public lands communities.

#### **Approach**

The study summarized here evaluated Forest Service and BLM service contracting for forest management from 1990 through 2002 as part of the 10-year socioeconomic monitoring of the Northwest Forest Plan. The study looked particularly at changes in spending, the types of work contracted, and where the contracting activities occurred. In addition, it examined changes in the number of contractors who performed land management activities for the Forest Service and BLM and whether and how much rural communities or near public lands benefited from these changes.

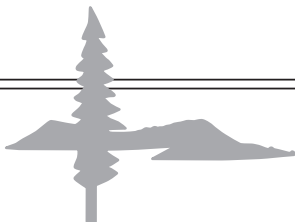
#### **Findings**

In response to the shift from intensive timber management to ecosystem management under the Northwest Forest Plan, the types of activities that the Forest Service and BLM contracted changed. The two agencies reduced spending on tree planting—a labor-intensive activity associated with intensive timber management—and increased the proportion of spending on road maintenance and decommissioning. Both agencies increased the proportion of

their spending on technical activities such as endangered species surveying. However, such technical activities made up a small percentage of spending throughout the study period.

The study shows a threefold decline in spending on contracting by the Forest Service and relatively steady spending on contracting by the BLM during the study period (Fig. 1). In fact, the Forest Service spent considerably less on contracted restoration and maintenance activities annually after the adoption of the Northwest Forest Plan than it did in the early 1990's on forestry services activities associated with timber management. This reduction in spending appears to be largely the result of reduced forest-level budgets in the Forest Plan area.

The agencies did not increase the proportion of contracts to local or rural contractors beyond what occurred as a result of the shift from labor-intensive to equipment-intensive activities. Local contractors may have suffered somewhat less than distant contractors from declining Forest Service spending by virtue of the fact that equipment intensive contracting declined more slowly than labor intensive contracting and local contractors are more likely to



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be awarded equipment contracts.

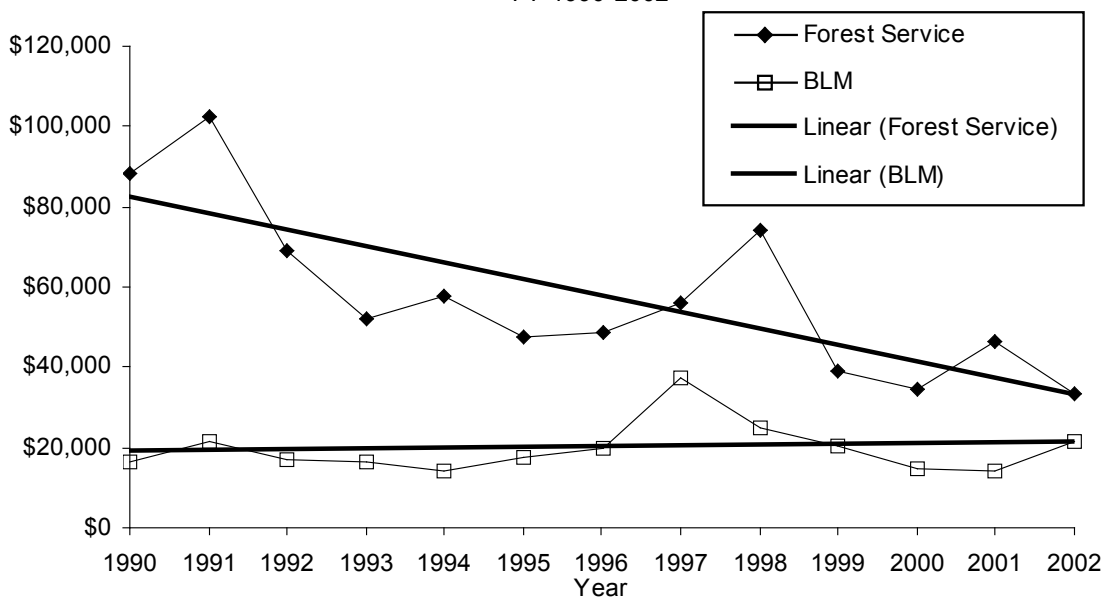
Ultimately, with a significantly reduced budget, the Forest Service could not have maintained forestry services business opportunities and jobs, much less been able to create new opportunities for displaced mill workers and loggers as envisioned in the Northwest Forest Plan and the Northwest Economic Adjustment Initiative.

## Implications

Building policies to create economic opportunity while pursuing ecologically-based environmental management by no means guarantees that they

will succeed. Just as ecological impacts need to be monitored and evaluated, so do the socioeconomic ones; conservation-based development does not succeed unless there are both ecological and socioeconomic benefits for target populations. Incorporating socioeconomic policies into the practices of natural resource agencies may confront significant institutional and political barriers. In this case, the challenge was apparent in the decline of forest-level budgets (and therefore investments in restoration) despite significant ecological need for restoration and desire to use restoration as an economic development strategy.

Fig. 1 Total annual land management procurement spending  
Forest Service and BLM  
FY 1990-2002



### For more information see:

Moseley, Cassandra. 2006. *Procurement Contracting in the Affected Counties of the Northwest Forest Plan: 12 Years of Change*. Gen. Tech. Rep. PNW-GTR-661. Portland, OR: U. S. Department of Agriculture, Forest Service, Pacific Northwest Research Station. <http://www.treearch.fs.fed.us/pubs/21683>

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