

Newberry National Volcanic Monument

A Summary of Economic Performance in the Surrounding Communities



Newberry National Volcanic Monument

BACKGROUND

The 55,500 acre Newberry National Volcanic Monument was created in 1990 to protect the unique combination of lakes, lava flows, and geological features around the Newberry Volcano. Located in Deschutes County, Oregon the monument is managed by the U.S. Forest Service.

PUBLIC ACCESS AND USE OF THE MONUMENT

The monument allows current geothermal leases to continue in designated special management and transferal areas while also providing a recreational playground for thousands of visitors each year and management for hunting under state laws.

TRAVEL AND TOURISM

Travel and tourism is important to communities in Deschutes County, representing about 20% of total private wage and salary employment, or 12,350 jobs, in 2008. In Oregon, the Outdoor Industry Foundation reports that recreation contributes more than \$5.8 billion annually to the state's economy.⁶

SUMMARY FINDINGS

Research shows that conserving public lands like the Newberry National Volcanic Monument helps to safeguard and highlight amenities that draw new residents, tourists, and businesses to surrounding communities.¹

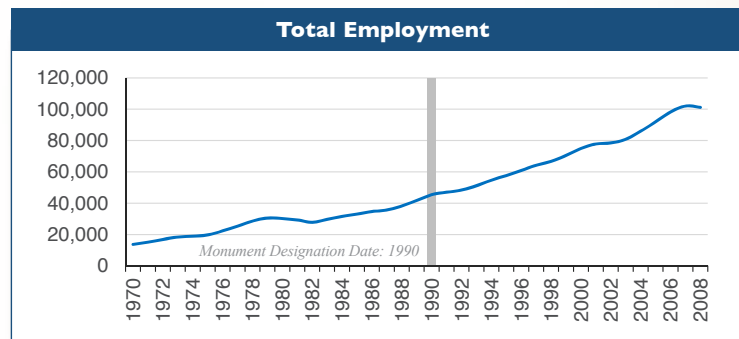
Western counties with protected public lands, like national monuments, have been more successful at attracting fast-growing economic sectors and as a result grow more quickly, on average, than counties without protected public lands.² In addition, protected natural amenities—such as the pristine scenery found at Newberry—also help sustain property values and attract new investment.³

ECONOMY GROWS AFTER DESIGNATION

The communities in Deschutes County, Oregon neighboring the Newberry National Volcanic Monument experienced strong growth after the 1990 designation of the monument, accelerating the growth trend from the 1980s.

From 1990 to 2008, in Deschutes County:⁴

- Population grew by 107%
- Real personal income grew by 150%
- Jobs grew by 123%
- Real per capita income grew by 21%

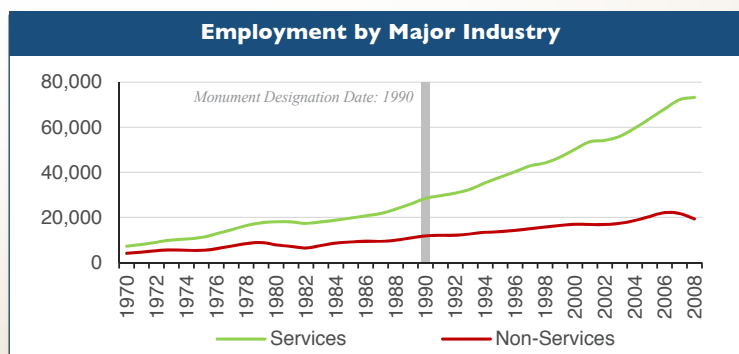


SERVICES JOBS INCREASING ACROSS THE BOARD

Services jobs—such as doctors, engineers, and teachers—account for the majority of employment growth in Deschutes County in recent decades. These jobs are increasingly mobile, and many entrepreneurs locate their businesses in areas with a high quality of life.

From 1990 to 2008, in Deschutes County:⁵

- Services grew from 28,444 to 73,253 jobs, a 158% increase
- Non-Services grew from 11,835 to 19,341 jobs, a 63% increase





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THE COMMUNITIES IN DESCHUTES COUNTY NEIGHBORING THE NATIONAL MONUMENT EXPERIENCED STRONG GROWTH SINCE ITS DESIGNATION IN 2000.

THE INCREASES IN POPULATION, JOBS, PERSONAL INCOME, AND PER CAPITA INCOME ALSO MIRROR OTHER WESTERN COUNTIES WITH NATIONAL MONUMENTS OR OTHER PROTECTED LANDS.

METHODOLOGY

This fact sheet is part of a series that assesses the economic performance of local communities that are adjacent to national monuments. The series examines national monuments in the eleven western continental states that are larger than 10,000 acres and were created in 1982 or later.

FOR MORE INFORMATION

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Series: *The Economic Importance of National Monuments*

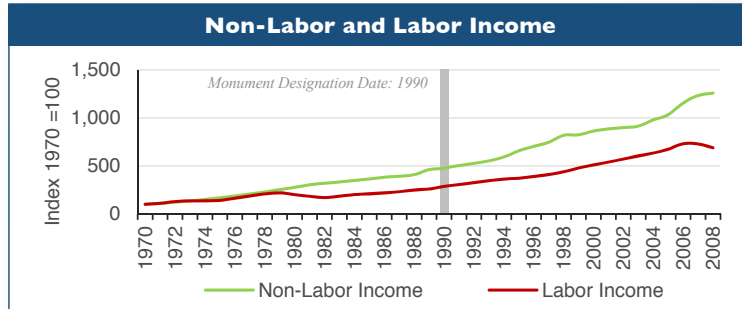
NON-LABOR INCOME GROWS FASTEST

One of the largest and fastest growing sources of new personal income in Deschutes County is non-labor income, which is made up of investment income such as dividends, interest and rent, and government transfer payments such as Social Security and Medicare.

For people with investment income and many retirees, protected public lands and recreation provide important aspects of a high quality of life. Non-labor income already represents more than a third of all personal income in the West—and will grow as the Baby Boomer generation retires.⁷

From 1990 to 2008, in Deschutes County:

- Non-Labor income grew from \$890 million to \$2.4 billion, a 165% increase
- As a result, in 2008 non-labor income made up 41% of total personal income



TRADITIONAL JOBS HOLD STEADY

Long before the monument's creation, commodity industries (agriculture, mining, timber) were becoming a smaller share of the overall economy in Deschutes County. These industries remain part of the region's economy today.

In 2008, in Deschutes County:

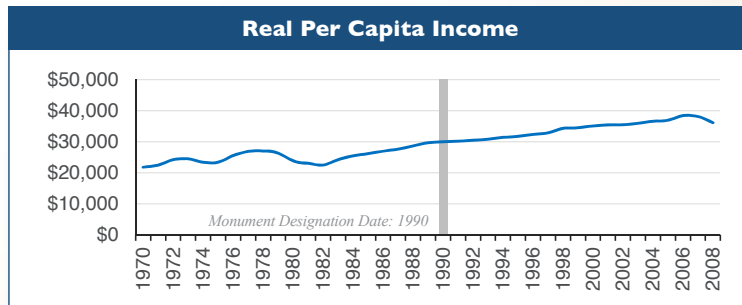
- Agriculture accounted for 1.6% of total employment
- Mining accounted for 0.1% of total private employment
- Timber accounted for 3% of total private employment

PROSPERITY ON THE RISE

As the economy has grown since designation of the Newberry National Volcanic Monument, per capita income has risen as well. This indicates growing prosperity in the region.

From 1990 to 2008, in Deschutes County:

- Real per capita income grew from \$30,017 to \$36,185, a 21% increase



¹ Lorah, P., R. Southwick, et al. 2003. Environmental Protection, Population Change, and Economic Development in the Rural Western United States. *Population and Environment* 24(3): 255-272. McGranahan, D. A. 1999. Natural Amenities Drive Rural Population Change. E. R. S. U.S. Department of Agriculture. Washington, D.C. Haas, W. H., W. J. Serow, et al. 2002. The Baby Boom, Amenity Retirement Migration, and Retirement Communities: Will the Golden Age of Retirement Continue? *Research on Aging* 24(1): 150-164.

² Rasker, R. 2006. An Exploration into the Economic Impact of Industrial Development Versus Conservation on Western Public Lands. *Society & Natural Resources*, 19(3): 191-207.

³ Deller, S. C., T. H. Tsai, et al. 2001. The Role of Amenities and Quality of Life in Rural Economic Growth. *American Journal of Agricultural Economics* 83(2): 352-365.

⁴ All economic data comes from U.S. Department of Commerce. 2010. Bureau of Economic Analysis, Regional Economic Information System, Washington, D.C.; U.S. Department of Commerce. 2010. Census Bureau, County Business Patterns, Washington, D.C.

⁵ The U.S. Department of Commerce changed with way it classifies industries between 2000 and 2001. To show a continuous timeline for services and non-services employment we subtracted non-services jobs from total private employment to derive services jobs. The national recession from March-November 2001 also may account for short-term employment volatility around 2001.

⁶ Outdoor Industry Foundation. 2006. *The Active Outdoor Recreation Economy: A \$730 Billion Annual Contribution to the U.S. Economy.*

⁷ Frey, W.H. 2006. *America's Regional Demographics in the '00 Decade: The Role of Seniors, Boomers and New Minorities.* The Brookings Institution, Washington, D.C.