



## High Divide Region – Summary of Recreation Economy

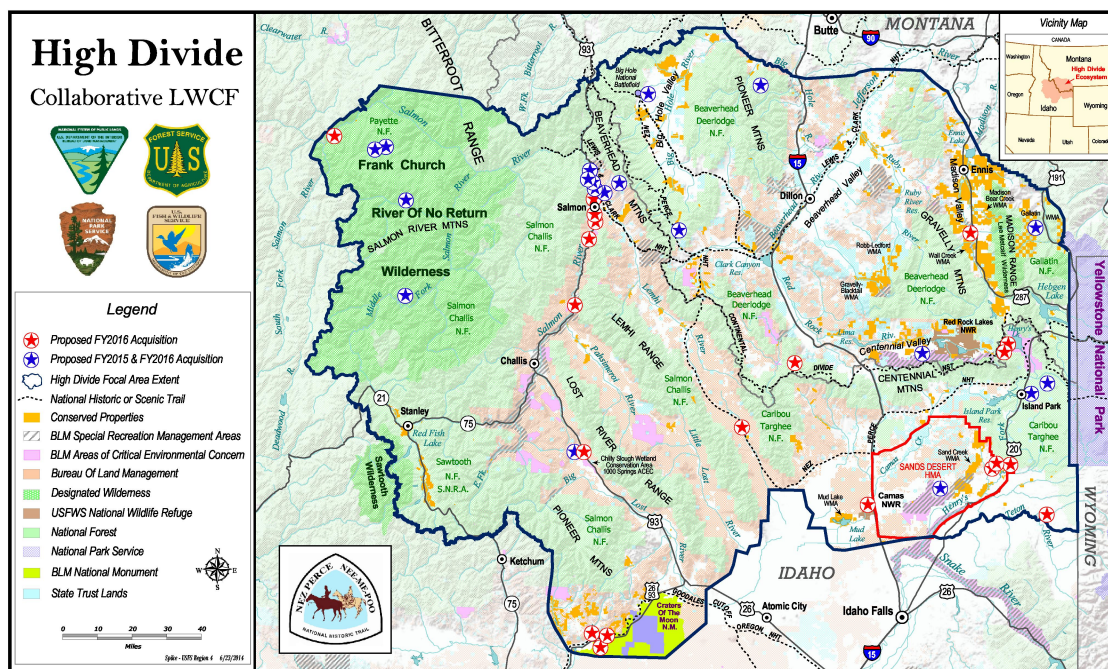
Headwaters Economics | November 2014

### INTRODUCTION

This report summarizes easily identifiable economic impacts and benefits from outdoor recreation activities in the High Divide region.

### GEOGRAPHY

For the purpose of this analysis, the High Divide is defined as the following counties: Butte, Clark, Custer, Fremont, and Lemhi counties, Idaho; and Beaverhead and Madison counties, Montana.



### POPULATION

The High Divide region is sparsely populated and consists of small communities in rural public lands counties. In 2012 the regional population was 45,734 people. The region has grown slowly in recent decades and in the last 10 years added nearly 2,000 people.<sup>1</sup>

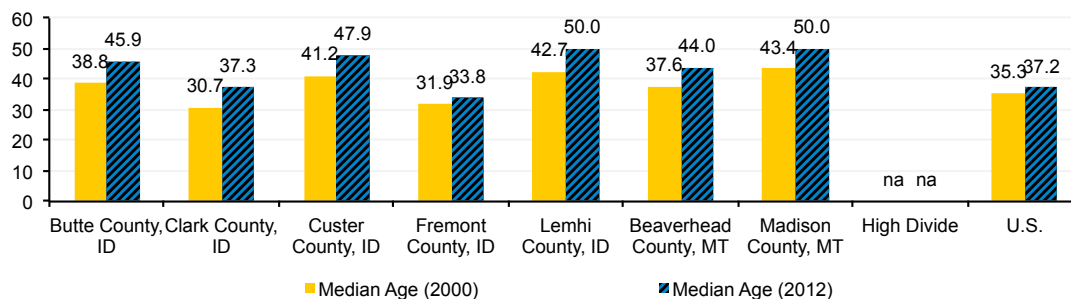
<sup>1</sup> U.S. Department of Commerce. 2014. Bureau of Economic Analysis, Regional Economic Accounts, Washington, D.C. Table CA30.

<sup>2</sup> U.S. Department of Commerce. 2013. Census Bureau, American Community Survey Office, Washington, D.C.; U.S. Department of Commerce. 2000. Census Bureau, Systems Support Division, Washington, D.C.

On the periphery of the High Divide region are larger population centers. These include, within easy driving distance, Boise, Twin Falls, Pocatello, Idaho Falls, and Rexburg in Idaho; and Bozeman, Butte, and Missoula in Montana.

The region's population is getting older, with the median age in most High Divide counties well above the U.S. median. From 2000 to 2012, the regional population 18 years and younger declined by 1,448 people, falling from 27 percent to 23 percent of total population in that period.<sup>2</sup>

High Divide Median Age, 2000 and 2012



Source: U.S. Department of Commerce

## ECONOMY

The High Divide economy has grown over the long-term but more recently, since the Great Recession, has struggled to grow.

During the last four decades the number of jobs in the region nearly doubled to more than 34,000 in 2012. A mix of industries is driving this growth, mainly in services.

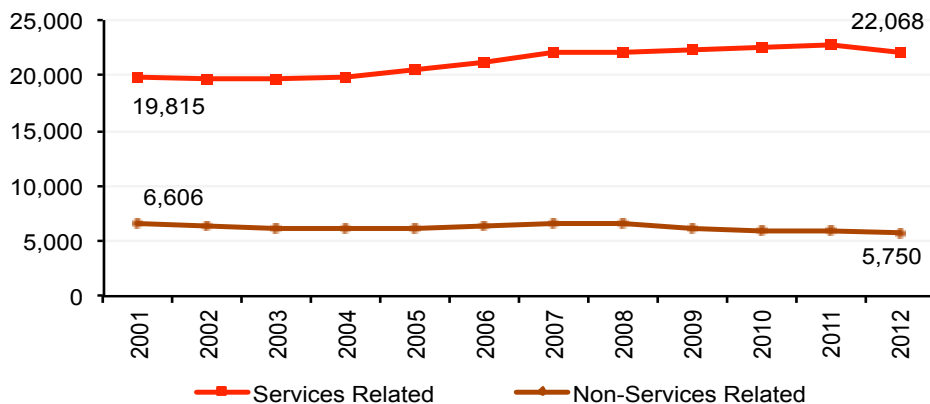
From 2001 to 2012, services industries, including travel and tourism sectors, added 2,253 new jobs (+11%), while non-services industries, including agriculture and forestry, lost 856 jobs (-13%) in the region.

More recently, from 2008 to 2012, the latest year available, the regional economy lost more than 1,100 jobs in net terms.<sup>3</sup>

<sup>2</sup> U.S. Department of Commerce. 2013. Census Bureau, American Community Survey Office, Washington, D.C.; U.S. Department of Commerce. 2000. Census Bureau, Systems Support Division, Washington, D.C.

<sup>3</sup> U.S. Department of Commerce. 2014. Bureau of Economic Analysis, Regional Economic Accounts, Washington, D.C. Tables CA25 and CA25N.

## High Divide Employment by Major Industry Category, 2001 to 2012

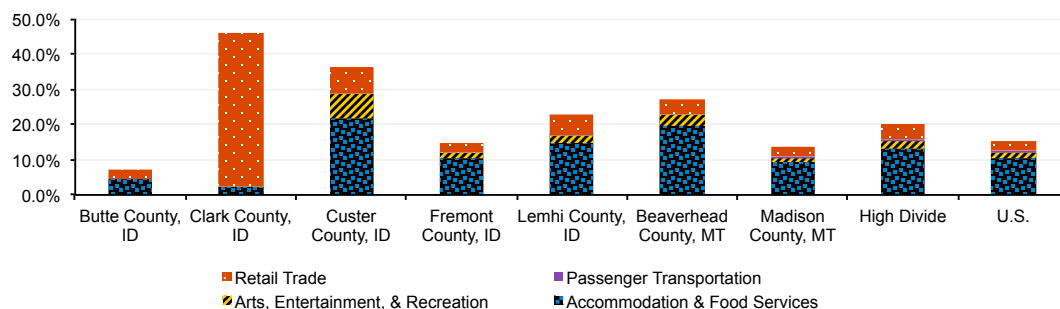


Source: U.S. Department of Commerce

## TRAVEL & TOURISM

Travel and tourism-related industries are a significant portion of the regional economy. In 2012, these sectors—including retail trade; passenger transportation; arts, entertainment and education; and accommodation and food services—accounted for nearly 9,000 jobs, or 20 percent of total private employment in the High Divide region.

### High Divide Travel and Tourism-Related Jobs, Percent of Total Private Employment, 2012



Source: U.S. Department of Commerce

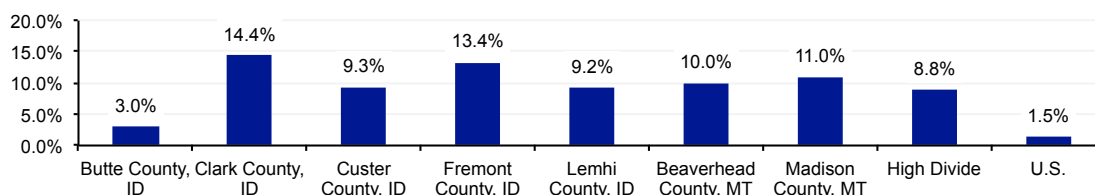
Travel and tourism-related employment as a share of total private employment in the High Divide region ranges from highs of 46 percent in Clark County, Idaho and 36 percent in Custer County, Idaho to a low of seven percent in Butte County, Idaho.<sup>4</sup>

<sup>4</sup> U.S. Department of Commerce. 2014. Census Bureau, County Business Patterns, Washington, D.C.

## AGRICULTURE

Agriculture remains a significant economic activity in the High Divide region, though its share of the economy is declining. Farm and ranch employment fell in recent decades from a high of 4,630 jobs in 1983 to 3,076 jobs in 2012, or 8.8 percent of total employment in the region that year.

High Divide Farm and Ranch Jobs, Percent of Total Employment, 2012



Source: U.S. Department of Commerce

Agricultural employment as a share of total employment varies across High Divide counties, from highs of 14 percent in Clark County, Idaho and 13 percent in Fremont County, Idaho to a low of three percent in Butte County, Idaho.<sup>5</sup>

Anecdotally, families working in agriculture often have off-farm and ranch employment. This sometimes involves outdoor recreation activities, such as outfitting and guiding or working ranch vacation businesses, that provide supplemental household income.

## VISITATION TO FEDERAL LANDS

### Contributions from Visitation to National Park Service Lands

Two National Park Service (NPS) units help anchor tourism in the High Divide region: Yellowstone National Park along the eastern edge and Craters of the Moon National Monument and Preserve (the Bureau and Land Management co-manages the Monument) in the southern portion of the region.

Researchers at the National Park Service conduct annual surveys of visitors to all park units and estimate their economic contributions. The results of this research are displayed on-line at the Headwaters Economics web site (<http://headwaterseconomics.org/interactive/national-park-service-units>) and are discussed below for Yellowstone and Craters of the Moon.

The NPS reports that in 2013 there were 3,188,030 visits to Yellowstone and 200,525 visits to Craters of the Moon—both levels are near records for annual visitation. In 2013, area national park visitors spent \$388 million in local economies, resulting in an estimated \$159 million in area personal income. The region's national park units supported 5,393 jobs.<sup>6</sup>

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<sup>5</sup> U.S. Department of Commerce. 2014. Bureau of Economic Analysis, Regional Economic Accounts, Washington, D.C. Tables CA25 and CA25N.

<sup>6</sup> Cullinane Thomas, C., C. Huber, and L. Koontz. 2014. 2013 National Park visitor spending effects: Economic contributions to local communities, states, and the nation. Natural Resource Report NPS/NRSS/EQD/NRR—2014/824. National Park Service, Fort Collins, Colorado. Online data available from Headwaters Economics here: <http://headwaterseconomics.org/interactive/national-park-service-units>.

## High Divide Visitation, Spending, Income, and Jobs Supported by National Park Units, 2013

| NPS Unit            | Visitation       | Visitor Spending (\$mil) | Income (\$mil) | Jobs         |
|---------------------|------------------|--------------------------|----------------|--------------|
| Yellowstone         | 3,188,030        | \$ 382                   | \$ 157         | 5,300        |
| Craters of the Moon | 200,525          | \$ 7                     | \$ 2           | 93           |
| <b>Total</b>        | <b>3,388,555</b> | <b>\$ 388</b>            | <b>\$ 159</b>  | <b>5,393</b> |

Source: National Park Service

### Contributions from Visitation to Bureau of Land Management Lands

The St. Anthony Sand Dunes, a 10,600-acre area located 50 miles northwest of Idaho Falls also attracts substantial visitors because of its exceptional off-road vehicle opportunities as part of the larger Sands Ecosystem Management area of roughly 300,000 acres.<sup>7</sup> The latest information available (2006) showed that roughly 100,000 visitors came to this area each year, and that visitation was increasing by 10 percent annually. Visitor expenditures were relatively high—on average \$320 per person per trip.<sup>8</sup>

### Contributions from Visitation to Forest Service Lands

The Sawtooth National Recreation Area (SNRA) is one of the highest profile unit managed by the U.S. Forest Service and anchors the western edge of the High Divide region. The SNRA covers 756,000 acres and includes a number of remarkable lakes, mountains, and a range of outdoor recreation activities. For the twelve months from October 2004 to September 2005, a Forest Service National Visitor Use Monitoring study found that there were more than 623,000 visitors to the SNRA (visitation to the entire Sawtooth National Forest is described below).<sup>9</sup>

For the SNRA, 77 percent of those interviewed visited for recreation. The top five recreation activities were viewing natural features (58%), hiking/walking (55%), relaxing (52%), viewing wildlife (47%), and driving for pleasure (40%).<sup>10</sup>

The High Divide region as a whole contains portions or the entirety of several National Forests: Beaverhead-Deerlodge, Caribou-Targhee, Gallatin, Salmon-Challis, and Sawtooth.

Each of these National Forests reports the results of their most recent National Visitor Use Monitoring study. The statistics that follow are drawn from these analyses. The results described here cover the entire National Forest, so portions of the visitor data may be outside the High Divide area.

As the next shows, the National Forests combined had nearly 6.5 million visitors in the latest year studied. Median spending varied widely, from a high of \$145 per trip on the Salmon-Challis to a low of \$15 per trip on the Gallatin. Total spending related to area National Forest visits, using the latest available data, was \$354 million.<sup>11</sup>

<sup>7</sup> [http://www.blm.gov/id/st/en/visit\\_and\\_play/places\\_to\\_see/upper\\_snake\\_field/St\\_Anthony\\_Sand\\_Dunes.html](http://www.blm.gov/id/st/en/visit_and_play/places_to_see/upper_snake_field/St_Anthony_Sand_Dunes.html).

<sup>8</sup> Saint Anthony Sand Dunes Visitor Use And Local Resident Surveys, Institute for Outdoor Recreation and Tourism, Utah State University. 2006. [https://extension.usu.edu/iort/files/uploads/pdfs/SASDReport\\_JZ\\_rev.pdf](https://extension.usu.edu/iort/files/uploads/pdfs/SASDReport_JZ_rev.pdf).

<sup>9</sup> Transportation Observations, Considerations, and Recommendations for Sawtooth National Recreation Area, Interagency Transportation Assistance Group, August, 2008. <http://ntl.bts.gov/lib/44000/44400/44470/Sawtooth.pdf>.

<sup>10</sup> Ibid.

<sup>11</sup> U.S. Forest Service. <http://apps.fs.usda.gov/nrm/nvum/results>.

### High Divide National Forest Visitation, Median Trip Spending, and Total Spending

| National Forest             | Total Visitation | Median Total Trip Spending per Party | Total Spending for Both Local and Non-Local Visits |
|-----------------------------|------------------|--------------------------------------|--|
| Beaverhead-Deerlodge (2005) | 692,000          | \$ 50                                | \$ 43,981,000                                      |
| Caribou-Targhee (2005)      | 2,065,000        | \$ 90                                | \$ 70,549,000                                      |
| Gallatin (2009)             | 2,098,000        | \$ 15                                | \$ 118,445,000                                     |
| Salmon-Chalis (2009)        | 276,000          | \$ 145                               | \$ 17,904,000                                      |
| Sawtooth (2005)             | 1,363,000        | \$ 150                               | \$ 103,490,000                                     |
| <b>Total</b>                | <b>6,494,000</b> | <b>na</b>                            | <b>\$ 354,369,000</b>                              |

Source: U.S. Forest Service

Younger populations constitute a significant share of National Forest visitation in the High Divide region. Visitors 19 years and under make up around a quarter of all National Forest recreationists. The one exception is the Gallatin National Forest, where younger recreation visitors account for 12 percent of visitation.<sup>12</sup>

### High Divide National Forest Visitation, 19 Years of Age and Under

| National Forest             | Share of Total Visits |
|-----------------------------|-----------------------|
| Beaverhead-Deerlodge (2010) | 24%                   |
| Caribou-Targhee (2010)      | 23%                   |
| Gallatin (2009)             | 12%                   |
| Salmon-Chalis (2009)        | 22%                   |
| Sawtooth (2010)             | 25%                   |

Source: U.S. Forest Service

The appeal of outdoor recreation to youth in the High Divide may be a draw for families moving to the area and a reason for families not to leave the region. If this is the case, National Forest resources may help to mitigate the loss of younger individuals from the area.

## FISHING

Fishing on High Divide rivers and lakes is a popular activity among residents and non-residents alike. Below are data on angler days for select rivers in the area, and spending patterns where available.

In southwest Montana, from March 2011 to February 2012, the Madison River had 39,713 resident angler days and 108,840 non-resident angler days, for a total of 148,553 angler days. The nearby Beaverhead River, during the same time period, had 13,477 resident angler days and 23,252 non-resident angler days, for a total of 36,729 angler days. Combined, these two rivers supported more than 185,000 angler days from 2011 to 2012.<sup>13</sup>

<sup>12</sup> Ibid.

<sup>13</sup> Montana Fish Wildlife and Parks, Montana Statewide Angling Pressure, 2011, Annual Estimates March 2011 - February 2012.



#### Southwest Montana, Select Rivers, Angling Pressure, 2011 to 2012

| River            | Resident Angler Days | Non-Resident Angler Days | Total Angler Days |
|------------------|----------------------|--------------------------|-------------------|
| Madison River    | 39,713               | 108,840                  | 148,553           |
| Beaverhead River | 13,477               | 23,252                   | 36,729            |
| <b>Total</b>     | <b>53,190</b>        | <b>132,092</b>           | <b>185,282</b>    |

Source: Montana Fish Wildlife and Parks

In central Idaho, research from the Idaho Department of Fish and Game examined angler activity and spending for counties and water bodies in 2003. Fremont County ranked 3<sup>rd</sup> in the state in the number of angler trips (167,275 trips) and 1<sup>st</sup> in angler expenditures (\$50.8 million), with prominent water bodies such as the Henrys Fork Snake River, Henrys Lake and Island Park Reservoir. Custer County ranked 12<sup>th</sup> in the number of angler trips (107,984 trips) and 3<sup>rd</sup> in angler expenditures (\$32.9 million), with rivers such as the Salmon River, Middle Fork Salmon River, and Big Lost River. Lemhi County ranked 16<sup>th</sup> in the number of angler trips (81,205) and 6<sup>th</sup> in angler expenditures (\$23.2 million), with rivers such as the Salmon River and Lemhi River.<sup>14</sup>

#### Central Idaho, Select Counties, Angling Trips, Avg. Trip Cost, and Total Spending, 2003

| County         | Estimated Number of trips | Average Trip Cost | Estimated Total Spending |
|----------------|---------------------------|-------------------|--------------------------|
| Fremont County | 167,275                   | \$ 304            | \$ 50,815,785            |
| Custer County  | 107,984                   | \$ 304            | \$ 32,877,278            |
| Lemhi County   | 81,205                    | \$ 286            | \$ 23,216,577            |
| <b>Total</b>   | <b>356,464</b>            | <b>\$ 298</b>     | <b>\$ 106,909,640</b>    |

Source: Idaho Fish and Game

Whitewater rafting also is popular on rivers in the High Divide region. Like anglers, whitewater paddlers can contribute a significant amount of money to local economies through spending on gas, food, lodging and other items, as well as guided services.

A 1996 study of five prominent whitewater rivers in the nation found that 4,500 people boated on the Middle Fork Salmon River supporting 278 local jobs, \$5.2 million in personal income, and \$9.7 million in total economic output in 1992.<sup>15</sup>

More recently, a 2005 study on the Upper Snake River (Henrys Fork and South Fork) found that fishing supported 1,460 jobs and \$46 million in personal income, and boating supported 560 jobs and \$11.7 million in personal income in southwest Wyoming and southeast Idaho.<sup>16</sup>

The wide variety of outstanding fishing and boating opportunities in the High Divide contributes to the ability of these recreationists to find good fishing and paddling opportunities and assists guiding businesses that aim to provide top-level experiences year-after-year despite changes in fish populations, snow pack, or drought.

<sup>14</sup> Idaho Department of Fish and Game, Fisheries Department, 2003 Idaho Sport Fishing Economic Report.

<sup>15</sup> English, Donald B. K. and J. M. Bowker. 1996. Economic Impacts of Guided Whitewater Rafting: A Study of Five Rivers. Water Resources Bulletin. 32(6): 1319-1328.

<sup>16</sup> Loomis, John. 2005. The Economic Value of Recreational Fishing and Boating to Visitors and Communities along the Upper Snake River, Department of Agricultural and Resource Economics, Colorado State University, Fort Collins, Colorado.

## HUNTING

Hunting for wild game is a popular activity for resident and non-resident hunters in the High Divide region. Below are data on elk hunting, including hunter days and spending per day where available. We show elk hunting because it is one of the more lucrative hunts in terms of guiding and per day expenditures, and include hunting districts that overlap with the High Divide region.

In southwest Montana, according to Montana Fish Wildlife and Parks, in 2012 there were 18,369 resident elk hunters who hunted for 113,246 hunter days and spent on average \$85 per day for a total of \$9.6 million in total spending in area economies. In the same year, 4,243 nonresident elk hunters were active for 27,353 hunter days, spending on average \$400 per day and a total of \$10.9 million dollars. Altogether in 2012, 22,611 elk hunters were active for 140,599 hunter days and spend \$20.6 million dollars in southwest Montana.<sup>17</sup>

Southwest Montana, Elk Hunters, Hunting Days, and Spending, 2012

|              | Hunters       | Hunter Days    | Spending/Day | Total Spending       |
|--------------|---------------|----------------|--------------|----------------------|
| Resident     | 18,368        | 113,246        | \$ 85        | \$ 9,625,910         |
| Non-Resident | 4,243         | 27,353         | \$ 400       | \$ 10,927,524        |
| <b>Total</b> | <b>22,611</b> | <b>140,599</b> | <b>na</b>    | <b>\$ 20,553,434</b> |

Source: Montana Fish, Wildlife and Parks

In central Idaho, according to Idaho Fish and Game, in 2012 there were 10,169 elk hunters who hunted for 61,930 hunter days in districts that conform to the High Divide geography. Total Expenditures associated with angling (in 2011) and hunting (2013) in the Idaho portion of the High Divide were about \$153 million per year.<sup>18</sup>

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<sup>17</sup> Montana Fish, Wildlife and Parks, 2012, Harvest and Hunting Reports, <http://fwp.mt.gov/hunting/planahunt/harvestReports.html>; hunting districts included: 250, 270, 300, 302, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 334, 340, 341, 362.

<sup>18</sup> Idaho Fish and Game, 2012, Idaho Hunt Planner, <http://fishandgame.idaho.gov/ifwis/huntplanner/stats.aspx>; hunting districts included: 21, 21a, 27, 28, 29, 30, 30a, 36, 36a, 36b, 37, 37a, 50, 51, 58, 59, 59a, 60, 60a, 61, 62, 62a.