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Economic Analysis Shows Benefits of Southern New Mexico's Natural Assets

*Investment in Conservation and Restoration Will Create Jobs,
Improve the Region's Quality of Life, and Promote Long-Term Economic Health*

ALBUQUERQUE, New Mexico – A new study shows that investments in conservation and restoration in southern New Mexico will provide multiple returns—including increased employment and revenue related to tourism, already New Mexico's second largest industry, bringing more than \$5.7 billion to the state annually—while promoting long-term economic growth and development in the region that extends far beyond travel and recreation.

The report, done by Headwaters Economics for Audubon New Mexico, has been endorsed by the Socorro Chamber of Commerce.

"Over the past few years smart investment in conservation, natural areas and related businesses has created additional local jobs, improved existing business and industry, and helped maintain our outstanding quality of life here in southern New Mexico," said Terry Tadano, Director of the Socorro County Chamber of Commerce.

The study notes that today's changing economy presents an economic opportunity for the region: "The greatest value of southern New Mexico's natural amenities and recreation opportunities lies in their ability to attract and retain people, entrepreneurs, their businesses, and the growing number of retirees who locate for quality of life reasons."

The full report, fact sheet, references, county-specific data, and other information can be found at: www.headwaterseconomics.org/NMnaturalassets.

"This is great news for New Mexico – preserving and enhancing our natural resources not only makes ecological sense, it also makes economic sense," explained Karyn Stockdale, executive director of Audubon New Mexico.

"In today's economy lawmakers have tough budget decisions to make, and this report clearly demonstrates that investing in conservation and restoration projects pays large dividends now and in the future," continued Stockdale. "Our state's leaders have an opportunity to fund vital conservation programs that will enhance our quality of life and create jobs."

The Headwaters Economic study summarizes how protecting southern New Mexico's high quality of life will attract businesses, investment, and retirees while reviewing the already beneficial impact that conservation and restoration have on the region through job creation and benefits to existing industries. Excerpts are included below:

Preserving the Region's High Quality of Life Attracts Businesses, Investment

Ratings by the Federal Reserve, Economic Research Service, and others show that every county in southern New Mexico ranked in the middle or top quarter for outdoor resources. Straddling a major bird migration corridor, home to several national parks and monuments, and within easy drive of large metropolitan centers—southern New Mexico is well-positioned to benefit to attract recreation and other businesses.

With the increased mobility of today's businesses, entrepreneurs often decide to locate their company in areas with a high quality of life, such as natural amenities. The same qualities that attract businesses also draw retirees and people with investment income.

Two of the fastest growing sectors of the economy, people working in knowledge-based industries and retirees, often have a choice of where to live. Surveys consistently have identified natural amenities and recreation opportunities as key factors determining where entrepreneurs and retirees chose to locate. Research published in the *American Journal of Agricultural Economics*, for example, has shown that, nationwide, protected natural amenities lands—such as pristine scenery and wildlife—help sustain property values and attract new investment.

Wildlife and Recreation Already a Strong Economic Benefit for Southern New Mexico

Wildlife and recreation today play an important economic role in New Mexico—hunting, fishing, and outdoor recreation annually injects \$3.8 billion into the state, sustaining 47,000 jobs (more than employed in statewide farming and forestry combined), and generating \$184 million in yearly sales tax revenue. The Festival of the Cranes at the Bosque del Apache National Wildlife Refuge, for instance, contributes more than \$2.2 million to the region over its six days, with a large amount of this money staying in Socorro County. In another example, in Silver City the lodger's tax collected more than \$265,000 in 2008.

Tourism and recreation is especially important for rural communities. A study by the Economic Research Service of the U.S. Department of Agriculture found that “recreation and tourism development contributes to rural well-being, increasing local employment, wage levels, and income, reducing poverty, and improving education and health.” Job earnings in rural recreation counties, for example, are \$2,000 more per worker than for those in other rural counties.

Restoration Can Help Create New Jobs, Reduce Public Costs

Restoration activities to protect watersheds and hunting also can provide immediate local employment. The U.S. Department of Interior estimates that for restoration projects “every \$1 million invested creates an average of 30 jobs. Investments in recreation also have big pay-offs; every \$1 million invested creates about 22 jobs. These are largely private sector jobs.”

Healthy lands and watersheds also create value through what scientists call “ecosystem benefits” such as flood control, purification of water, and carbon sequestration. Restoration activities often have multiple returns on investment, complimenting existing uses such as agriculture while also attracting tourists and reducing a town's water treatment costs. In addition, restoration dollars can be stretched further by leveraging the funds with matches from federal programs like the Land and Water Conservation Fund and the Farm Bill.

Conservation Protects Natural Amenities and Benefits Existing Industries

Such activities not only improve wildlife habitat and recreation opportunities but also benefit existing industries such as agriculture and ranching. Programs such as the Abo Arroyo watershed project in Torrance County to remove the noxious weed saltcedar increased bird abundance and variety while improving water quality and management crucial to farms, ranches, and nearby communities. Other efforts, such as the Conservation Reserve Program at the U.S. Department of Agriculture, provide funding and assistance to farmers and ranchers to protect their land, enhance habitat, reduce soil erosion, and limit sedimentation in streams and lakes—improving natural values and recreation while allowing families to continue to work their land.

“Southern New Mexico has many advantages in natural beauty and amenities compared to other regions, but the potential loss of more wetlands, habitat, and recreation opportunities could harm the area’s future economic growth, diversity, and vitality,” said Chris Mehl, Policy Director at Headwaters Economics. “By comparison, targeted investments in conservation and restoration will yield a wide variety of future dividends that protect southern New Mexico’s environmental assets, create jobs and revenue, improve its quality of life, and attract new businesses to the region.”

About Headwaters Economics

Headwaters Economics is an independent, nonprofit research group. Its mission is to improve community development and land management decisions in the West:

www.headwaterseconomics.org.

About Audubon New Mexico

Now in its second century, Audubon connects people with birds, nature and the environment that supports us all. Its national network of community-based nature centers, chapters, scientific, education, and advocacy programs engages millions of people from all walks of life in conservation action to protect and restore the natural world: <http://nm.audubon.org>.