

The full report explains in detail how the \$11 to 1 ratio of return on investment was calculated. It also contains case studies which demonstrate how specific LMF projects contribute to local economies.

The report's conclusion is that LMF is a necessary investment – both in the short term, as it generates an economic return 11 times over; and in the long term, in order to safeguard the natural resources which support at least 62,000 jobs and generate billions in economic value for Maine businesses.



*For a copy of the complete report visit  
[www.tpl.org/maine](http://www.tpl.org/maine)*

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## THE TRUST *for* PUBLIC LAND

CONSERVING LAND FOR PEOPLE

The Trust for Public Land conserves land for people to enjoy as parks, gardens, and other natural places ensuring liveable communities for generations to come.

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# RETURN ON *the* INVESTMENT *in* LAND *for* MAINE'S FUTURE *A Report by The Trust for Public Land*



## EXECUTIVE SUMMARY

The Trust for Public Land (TPL) conducted an economic analysis of the return on Maine's investment in land conservation through the Land for Maine's Future program (LMF). TPL analyzed the past (i.e., 1998 to 2011) and likely future (i.e., over the next ten years) economic returns generated from LMF acquisition spending, and found that **every \$1 invested in land conservation through LMF returned \$11 in natural goods and services to the Maine economy.**

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## Lands Conserved by LMF Return \$11 For Every \$1 Invested

The natural goods and services provided by land conserved by LMF – such as water quality protection, air pollution removal, flood control, and wildlife habitat – have real measurable economic value. We used the benefits transfer method, which included a thorough literature review relevant to Maine’s ecosystem types, to determine the natural goods and services and associated monetary values provided by LMF funded land conservation projects. The benefits transfer method is a commonly used approach in environmental economics analyses that uses existing studies on economic value of natural goods and services provided by ecosystems. We then estimated per-acre economic value of these natural goods and services to determine the economic values of the different ecosystem types identified from those sources.

From 1998 to 2010, LMF conserved 550,000 acres. On average 42,300 acres of conservation lands were acquired annually through LMF, using an average of \$4.78 million annually in state funding for these acquisitions (this is nominal spending, that is, not in today’s dollars). The average cost per acre of acquisition between 1998 and 2010 was \$113. The most common type of ecosystem type preserved was forest land (including evergreen, deciduous, and mixed forest types), which was 75 percent of all land conserved.



TPL found that LMF conserved lands provided \$833 million in total economic value in the form of natural goods and services over the next 10 years (2021) from date of purchase. When this is compared to LMF’s investment of \$76 million (in today’s dollars) every \$1 invested returns \$11 in economic value in natural goods and services.

## Jobs and Revenues Generated from LMF Conserved Lands

In addition to providing natural goods and services, land conservation creates jobs, generates tax revenue, and bolsters the Maine economy.

- **Tourism and outdoor recreation:** In 2006, 845,000 residents and non-residents participated in some form of fish and wildlife-related recreation in Maine. Anglers, hunters, and wildlife viewers spent \$1.14 billion in retail sales, creating \$5.7 billion in salaries and wages, and supporting nearly 26,000 jobs.
  - ◊ **Wildlife watching** supports more than 15,000 jobs and generates \$575 million in retail sales and \$286 million in salaries and wages.
  - ◊ **Sport Fishing** supports 6,600 jobs and generates \$349 million in retail sales and \$140 million in salaries and wages.
  - ◊ **Hunting** supports 4,000 jobs and generates \$217 million in retail sales and \$81.4 million in salaries and wages.
  - ◊ **Snowmobiling** supports 3,600 jobs and generates \$273 million in snowmobile-related expenditures and over \$400 million in total economic impact.
  - ◊ **Conserving the land and water resources which support these activities is vital to supporting the jobs that rely upon them.** The total economic effect (which employs a multiplier to account for indirect sales and earnings) from fish and wildlife-related recreation was estimated at \$1.9 billion.
- **Forestry industry:** The economic impact of timber harvesting, production, and manufacturing on Maine’s economy is substantial. In 2010, forestry and logging employed 2,460 people with wages of \$94.8 million. In 2009, forestry-related manufacturing, which accounts for 26 percent of the value of all manufacturing in the state, contributed well over \$2 billion to Maine’s economy and employed nearly 13,000 people in the state. The conservation of working forestland helps to safeguard these jobs.
- **Agriculture industry:** Farmland preservation helps sustain the agriculture industry in Maine. Farming and its related industries add almost \$1.7 billion to the state’s economy and directly employ more than 8,000 people.
- **Commercial Fishing:** The working waterfront component of LMF supports a thriving commercial fishing industry. In 2008, the industry, comprising commercial harvesters, seafood processors and dealers, seafood wholesalers and distributors, and retail sectors, supported 15,000 jobs and generated \$1.01 billion in sales and \$527 million in income.

