

Idaho Employment

A monthly update of how the economy is performing in your area.

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The July 2011 unemployment rates for Idaho, its counties, metro areas and some cities will be released Aug. 19. The rates also will be posted on lmi.idaho.gov soon after.

SALES TAX REPORTS SHOW STALWART SOUTH CENTRAL IDAHO

After sales of goods and services in south central Idaho declined during the first three months of 2010, consumer activity jumped 21 percent during the first quarter of 2011, an early indication that the regional economy may finally be on the upswing.

Idaho State Tax Commission figures show sales rose from \$1.14 billion in the first quarter of 2010 to \$1.3 billion this year. Activity was up in every county but Cassia, which saw a spike in wholesale vehicle sales in 2010 before sales dropped back to normal levels of just under \$40 million in 2011.

Statewide, sales were up 37 percent after falling two years straight.

Despite the declines brought on by the recession, sales were up 31 percent in the region and 28 percent statewide.

First Quarter Sales by County (in millions)

	2011	2010	2009	2008	2007
Blaine	\$167.3	\$138.5	\$165.4	\$212.4	\$188.40
Camas	\$2.9	\$1.7	\$3.4	\$2.9	\$3.10
Cassia	\$242.0	\$321.6	\$213.1	\$200.6	\$157.50
Gooding	\$56.6	\$49.2	\$52.6	\$47.0	\$31.60
Jerome	\$288.0	\$170.4	\$141.0	\$132.6	\$120.60
Lincoln	\$27.3	\$20.7	\$19.2	\$14.1	\$13.00
Minidoka	\$181.2	\$151.5	\$135.8	\$133.2	\$114.80
Twin Falls	\$328.9	\$282.9	\$354.8	\$366.3	\$359.90
Region	\$1,294.2	\$1,136.6	\$1,085.3	\$1,109.1	\$988.90
State	\$18,178.9	\$13,330.2	\$14,177.9	\$33,103.8	\$14,205.20

Source: Idaho Tax Commission

The data indicates the agricultural counties of Cassia, Minidoka, Jerome and Lincoln excelled through the recession, surviving 2010 without seeing sales decline. They were joined by Gooding, which only saw a slight drop in sales during 2010. In these counties the step after harvesting the crops, milking cows and selling livestock entails adding value, and that gave them a leg up. Markets were generally strong, bolstered by a strong export market due to the low value of the dollar and the recovery of the Asian markets.

Jerome’s growth was in retail food, dairy product manufacturing and motor vehicles, helped by expansion of lines at existing food processors and a new milk processor.

Gooding’s growth was in grain mill processing while Minidoka saw substantial activity in non-store retail and four agricultural sectors – irrigation systems, dairy product manufacturing, agricultural chemicals and grain mill product manufacturing.

Cassia County had growth in health care, wholesale durable goods and wholesale farm products, posting growing first quarter sales through 2010 before recording the decline in 2011 because of the one-time spike in vehicle sales the year before.

Many of these high-sales areas are not subject to state sales tax.

Change in 1st Quarter Sales South Central Idaho, State

	2010-2011		2007-2011	
	Dollars	Percent	Dollars	Percent
Blaine	\$28.8	20.8%	-\$21.1	-11.2%
Camas	\$1.1	67.1%	-\$0.2	-7.7%
Cassia	-\$79.6	-24.8%	\$84.5	53.7%
Gooding	\$7.4	15.0%	\$25.0	79.1%
Jerome	\$117.6	69.0%	\$167.4	138.8%
Lincoln	\$6.6	31.9%	\$14.3	110.0%
Minidoka	\$29.7	19.6%	\$66.4	57.8%
Twin Falls	\$46.0	16.2%	-\$31.0	-8.6%
Region	\$157.6	13.9%	\$305.3	30.9%
State	\$4,848.7	36.4%	\$3,973.7	28.0%

Source: Idaho Tax Commission

Blaine County, Twin Falls County and Camas County, the second smallest county in the state, failed to regain their pre-recession sales levels by the first quarter of 2011 while the other four counties in the region recorded substantial growth over the period.

Blaine County’s economy, heavily weighted by tourism and construction, saw the biggest drop in sales regionally followed by Twin Falls County, which is the region’s retail center serving a quarter of a million consumers in a 100-mile radius. Twin Falls County experienced a sizeable loss in retail sales from the closure of auto dealerships and furniture stores in 2009.

Overall, however, south central Idaho survived the recession better than the other regions of the state, much as it did during and after the 2001 recession. The region, which boasts four of the state’s five top-producing agricul-

tural counties, has found significant stability in its mix of agricultural and non-agricultural industries.

Annual sales figures from the Idaho Tax Commission show the region suffered only a 3.7 percent decline in sales from 2007 through 2010, less than half the losses posted in north central and southeastern Idaho. Those two regional economies benefited the least during the strong expansion in the mid-2000s so they had less to lose as the recession took hold.

The state’s other three regions suffered double-digit percentage losses in sales between 2007 and 2010 while statewide sales declined just over 12 percent.

Annual Sales by Region (in billions)					
	2010	2009	2008	2007	% Change 2007-2010
South Central	\$4.3	\$4.0	\$4.7	\$4.4	-3.7%
Southwestern	\$14.9	\$13.6	\$16.8	\$16.9	-11.9%
Northern	\$4.2	\$4.0	\$4.8	\$5.0	-15.8%
North Central	\$3.0	\$3.1	\$4.1	\$3.2	-7.7%
South Eastern	\$2.4	\$2.5	\$3.0	\$2.6	-7.2%
Eastern	\$3.8	\$3.9	\$4.6	\$4.6	-16.3%
Multicounty	\$10.8	\$11.2	\$12.8	\$13.0	-16.9%
Out of State	\$10.7	\$11.0	\$11.9	\$11.8	-9.5%
Statewide Total	\$54.1	\$53.3	\$62.7	\$61.5	-12.1%

Source: Idaho State Tax Commission

One heated subject of debate has been whether to capture Internet sales for tax purposes. The Business Insider recently discussed the complexities of taxing Internet sales. “An Internet transaction is treated a bit differently from a normal store transaction. Under the 1992 case, Quill Corp. v. North Dakota, the Supreme Court ruled that a state cannot require a retailer to collect its sales tax unless the retailer has some physical presence within that state. Be it a company office/store or a company employee soliciting business within the state, a retailer must maintain some sort of physical presence within the state to be taxed by that state. This is the closest the Supreme Court has gone in drawing a line on when a state can force a retailer to collect a sales tax.

“Intuitively, this makes sense. Taxes are meant to fund government expenses, but if an individual or corporation cannot receive any benefit from that government expense, then that individual or corporation should not be taxed for that expense. For example, a book store in California theoretically benefits from the state government by having the roads to and from the store maintained, by being protected from criminals and natural disasters and by having an educated populace to hire its employees. While some of these are stretches, they remain benefits nonetheless. But a Nevada retailer who sells books over the Internet and ships them directly to a California consumer does not receive any of these benefits. For this reason, online retailers were not required to collect sales taxes from out-of-state consumers unless the retailers had some physical presence within the state.”

While the national economy is consumer-based, some experts believe consumerism is not the answer to the economic recovery. Instead, they be-

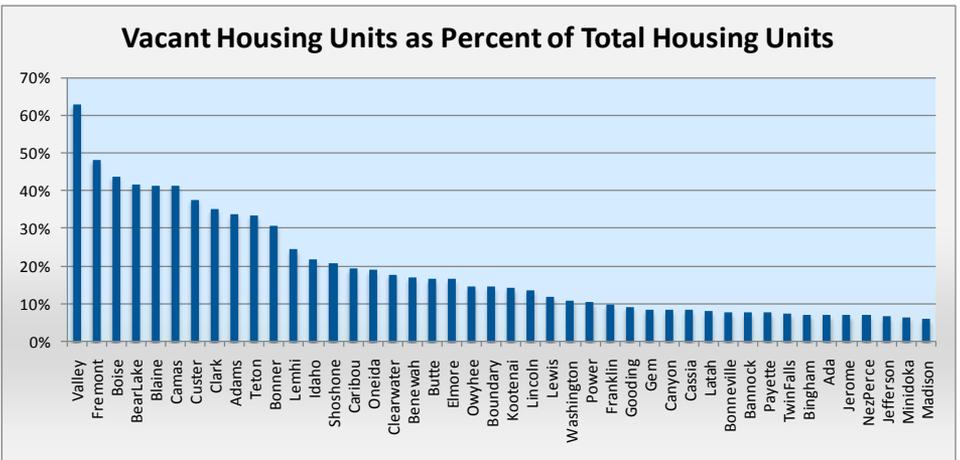
lieve investment in technology and advanced equipment, and research and development may be tools to get the country back on track. The sales reports can pick up some of the investment activity and show how production is faring.

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2010 CENSUS REVEALS IDAHO HOUSING SITUATION

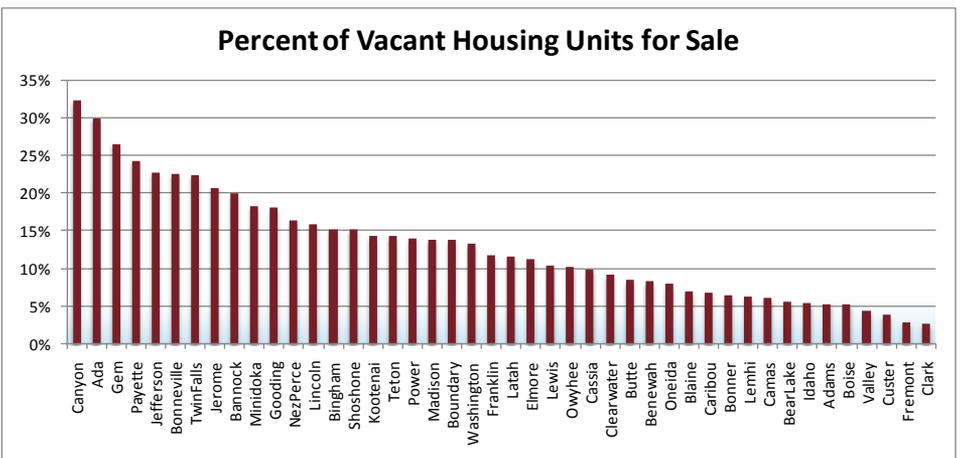
The 2010 census is unveiling some significant disparity in the economic characteristics of Idaho’s counties. Housing markets are a hot topic at leading research firms. Timing for new housing data from the most recent decennial census couldn’t be better.

A few Idaho counties stand out from the rest. Idaho has over 660,000 housing units, and more than 88,000, or 13 percent, are vacant. Among the counties, Valley, Fremont and Boise lead in the percentage of vacant housing. Madison County was the lowest. High vacancy rates are typical for areas with seasonal-use cabins and recreational property.

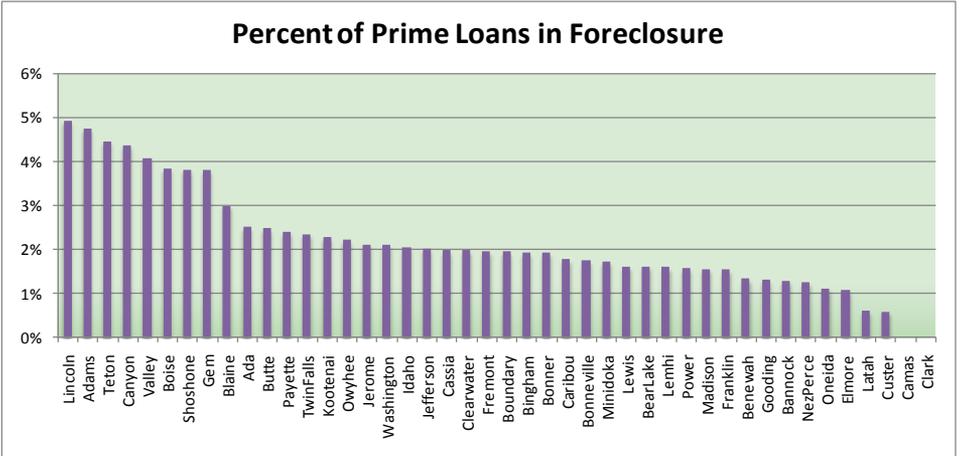


What is more revealing is to look at the percentage of these vacancies that are for sale. Canyon, Ada and Gem counties lead the state in this category. Canyon County reported over 32 percent of vacant housing units are for sale compared to Clark County with just fewer than 3 percent.

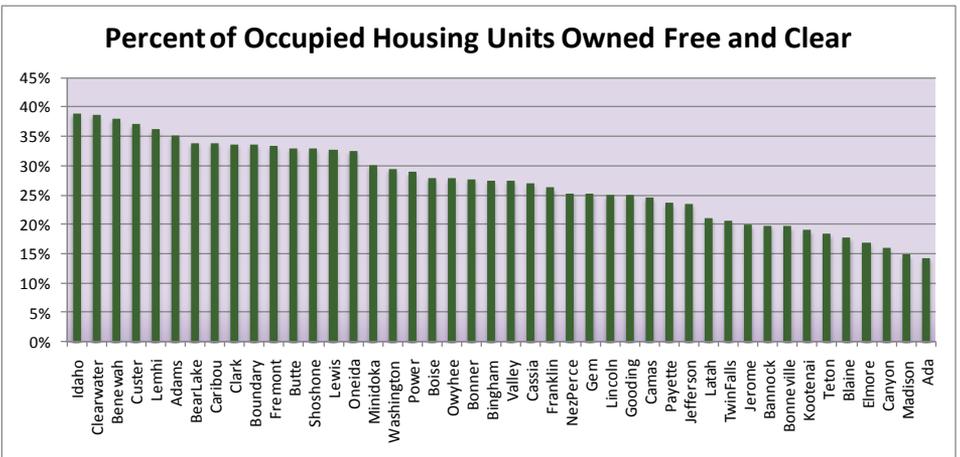
Information provided by the Federal Reserve for November 2010 showed that 10.3 percent of subprime owner-occupied mortgages were in foreclosure compared to 2.4 percent for prime loans. Prime loan foreclosure rates among



Idaho's counties ranged from 0.6 percent in Custer to 4.9 percent in Lincoln. County level foreclosure data are not available for subprime loans. Data for Camas and Clark counties are not available due to their small size and disclosure requirements.



The best way to hedge against foreclosure is to own your home outright. Many homeowners dream of the day when the last payment is sent off to the mortgage company. Based on census reports, there are a few home owners where that dream has become a reality. The state's largest county, Ada, and one of the smaller counties, Idaho, were on opposite ends of the spectrum. In Ada County, 14.3 percent of housing units were owned free and clear of mortgages or loans while in Idaho County 38.8 percent of housing units were owned free and clear of mortgages or loans.



Home ownership is part of the American dream, but low home sales numbers continue to plague the housing market as supply outpaces demand, forcing prices to fall. Deflation creates an incentive for consumers to postpone buying plans, hindering economic recovery. Many banks are offering record low interest rates but have tightened lending guidelines to reduce lending risks. All these factors combine to make a slow recovery, something over 70,000 unemployed Idahoans hope will pick up soon.

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See pages 23-24 for larger, printable versions of the charts..

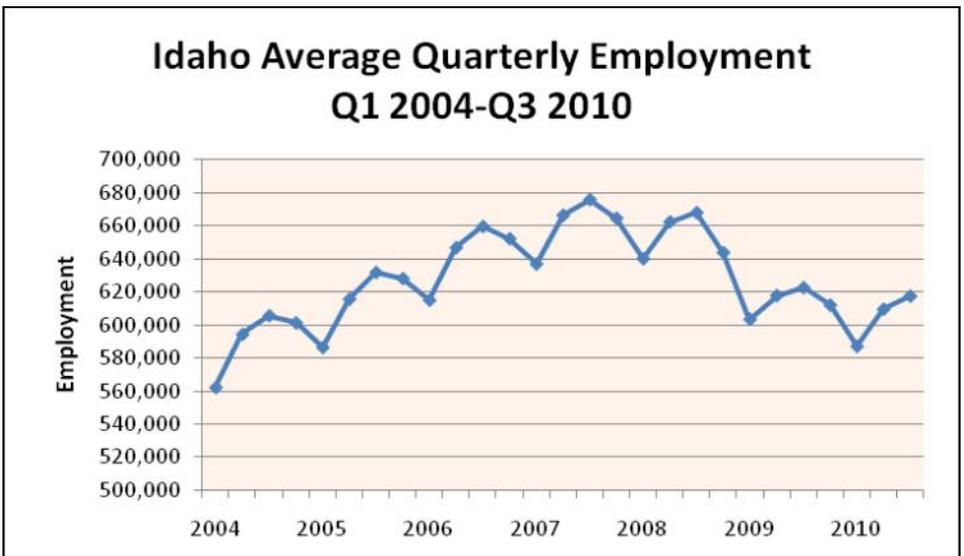
TOTAL WAGES INCHED UP FROM 2ND TO 3RD QUARTERS 2008-2009; 2009-2010

EMPLOYMENT

The Idaho economy continued to show signs of slow improvement in the third quarter of 2010. Total covered employment reported through the Quarterly Census of Employment and Wages averaged 617,541 for July through September – up from 609,655 in the second quarter. This increase came from seasonal gains experienced by many sectors but left third quarter 2010 employment 5,153 jobs below the year-earlier level.

Although the third quarter 2010 over-the-year difference in employment remained significant, it was roughly two-thirds the deficit in the prior quarter and the smallest year-to-year deficit since the third quarter of 2008. It was the fourth straight quarter that the over-the-year job deficit has declined. It turned into negative territory in the second quarter of 2008. The improvement was evident both in the goods production, where the over-the-year gap shrank from 5 percent to 4.2 percent, and in the service sector, where the gap shrank from 0.4 percent to 0.03 percent.

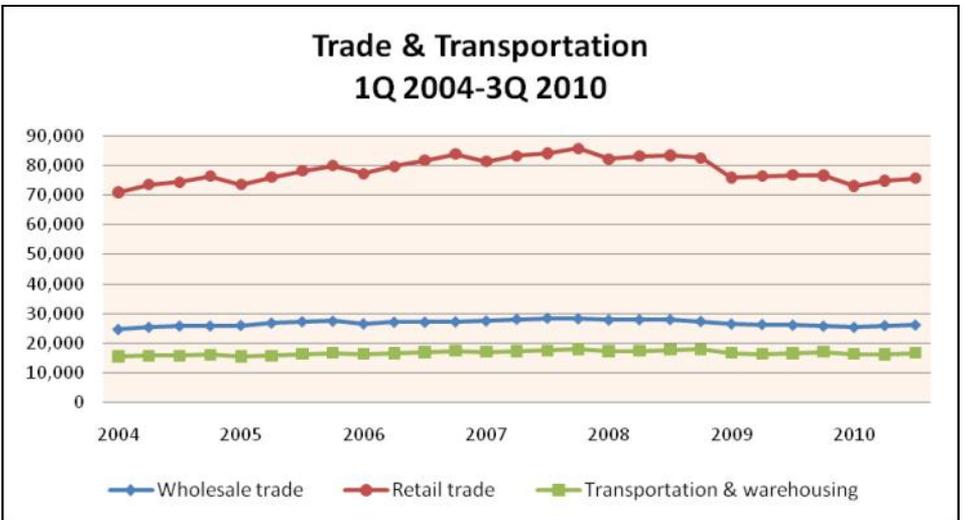
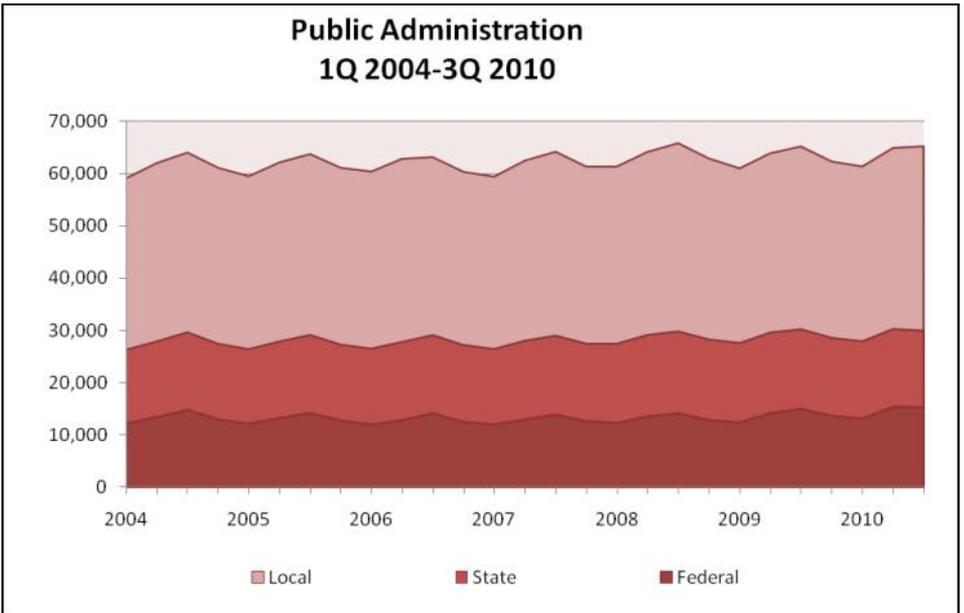
Total wages saw a significant increase from the second quarter – more than \$180 million, or 3.5 percent. This was higher than the usual second-to-third quarter seasonal increase and \$108 million, or 2.1 percent, higher than the second quarter of 2009. This was the second straight over-the-year increase in total wages after six year-over-year declines in a row going back to the fourth quarter of 2008.



Private-sector jobs totaled 506,596 in the third quarter, an increase of over 14,000 jobs, or 2.8 percent, from the second quarter. Although substantial, this job increase was not enough to keep private sector employment above year-ago levels, leaving the quarter 0.9 percent, or 4,400 jobs, below the third quarter 2009. Government including education averaged 110,945 jobs in the third quarter, a decrease of 6,147, or 5.2 percent, from the second quarter and 0.6 percent below the third quarter of 2009. The decline in government employment levels could be attributed to a seasonal decrease in education, which accounted for a loss of over 6,000 jobs, and the loss of 1,100 census jobs following peak census employment in May 2010. Mean-

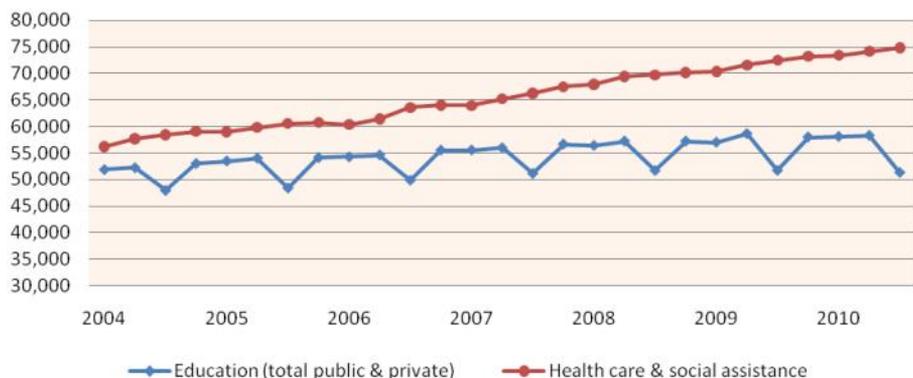
while, state government gained 400 jobs, and local government, excluding the loss of nearly 7,000 jobs in local education, gained nearly 600 jobs.

July, August and September of 2010 brought further seasonal gains in retail jobs – over 800, or 1.1 percent, from the second quarter to bring total jobs in the sector to 75,606. That was still 1,037 lower than the year-earlier level. Though the over-the-quarter gain may seem slight, the 1.4 percent over-the-year retail deficit was a marked improvement over the 2.1 percent deficit in the prior quarter. The most significant over-the-quarter gains were in non-store retailers at 6 percent and clothing and clothing accessories at 4.3 percent. Five retail subsectors saw third quarter employment levels higher than the year before. Transportation and warehousing experienced a modest quarterly gain of 3.1 percent, and wholesale trade gained 0.8 percent over the prior quarter.



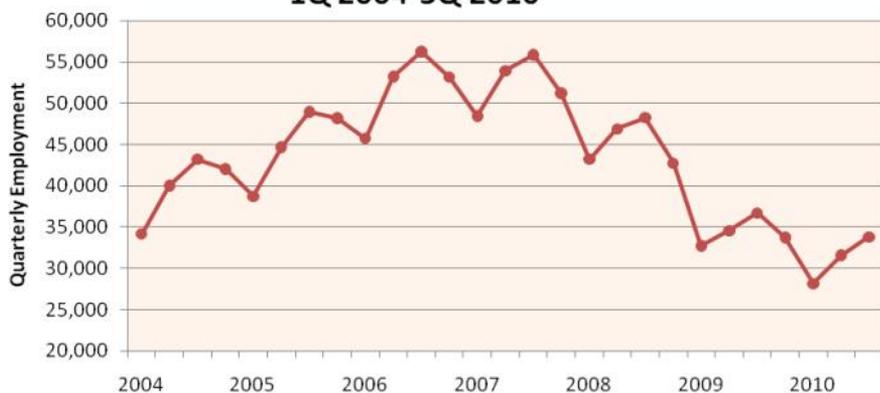
Health care continued to grow as usual, gaining 682 jobs, or 0.9 percent, in the third quarter of 2010 to put the sector 3.3 percent above the year-earlier level. Although ambulatory services posted a loss of jobs from second to third quarter, all health care components had more jobs in the third quarter than they had one year prior.

Education & Health Services 1Q 2004-3Q 2010

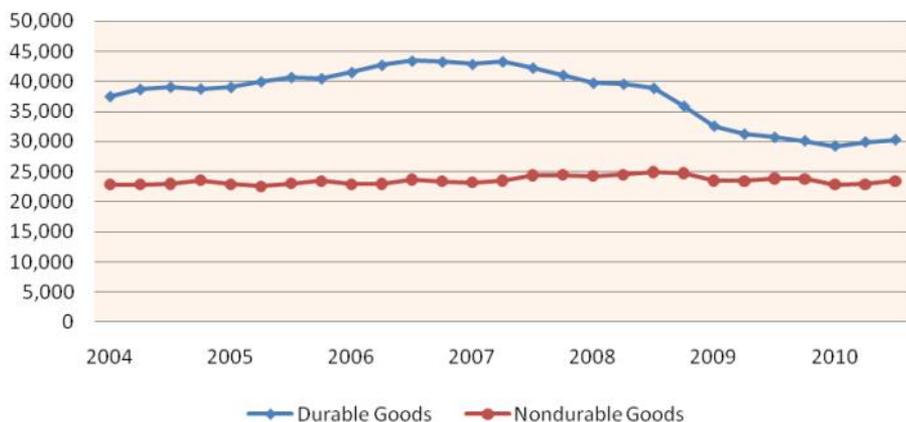


Construction experienced a seasonal third quarter gain of just over 2,200 jobs, or 7 percent, from the second quarter. This was more substantial growth than the 6.2 percent a year earlier and drove down the year-over-year deficit from 8.6 percent to 7.9 percent in the third quarter. Over-the-quarter gains occurred across all construction subsectors, but employment levels in all subsectors remained below year-earlier levels in spite of the seasonal increases.

Construction 1Q 2004-3Q 2010



Manufacturing 1Q 2004-3Q 2010



Manufacturing added 930 jobs in the third quarter of 2010, a 1.8 percent increase. Aside from a slight gain of less than 100 jobs in the second quarter of 2008, this was only the second quarter-to-quarter gain in manufacturing since the second quarter of 2007. The other was the second quarter of 2010. This return to normal seasonal increases contributed to a diminishing over-the-year job gap, which dropped from 3.4 percent in the second quarter to 1.5 percent in the third. Both durable and nondurable goods manufacturing participated. The over-the-year deficit was 1.3 percent in durable goods, down from 4.2 percent in the second quarter, and 1.7 percent in nondurable goods, down from 2.2 percent in the prior quarter. Four manufacturing sub-sectors experienced over-the-year gains in the third quarter.



WAGES

During the third quarter of 2010, Idaho’s average weekly wage for all industries was \$665, up \$14 from the previous quarter. The lowest wages were reported in accommodations and food services at \$264, a \$14 increase from the second quarter, and leisure activities at \$311, a \$33 increase. Company management continued to pay the highest wage at \$1,452 a week. Utilities followed at \$1,307, and mining came in at \$1,176.

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CONSEQUENCES OF AN EXTREMELY SLOW RECOVERY

Although the U.S. recession officially ended more than two years ago, the subsequent recovery has been sluggish. After most recessions, the economy recovered faster and the labor market improved sooner.

Not this time.

Only two other times has job growth been this slow in a recovery – two years after the 1980 recession when the national economy experienced a severe double dip – and in the recovery of 2001.

Postwar Recessions and Recoveries

Recessions		Duration	24 Months into Recovery	
Beginning Date	Ending Month	Months	Jobs Added	Percent Growth
November 1948	October 1949	11	5,059	11.8%
July 1953	May 1954	10	3,687	7.5%
August 1957	April 1958	8	3,559	7.0%
April 1960	February 1961	10	2,660	5.0%
December 1969	November 1970	11	4,480	6.3%
November 1973	March 1975	16	5,267	6.9%
January 1980	July 1980	6	-704	-0.8%
July 1981	November 1982	16	7,190	8.1%
July 1990	March 1991	8	1,381	1.3%
March 2001	November 2001	8	-755	-0.6%
December 2007	June 2009	18	524	0.4%

One reason is the recession's depth. It began in December 2007 and ended in June 2009, according to the National Bureau of Economic Research, making it the longest economic downturn since the Depression. By most measures, it also was the most severe.

Recessions caused by financial crises are notoriously difficult to recover from as in Japan following its financial crisis in the early 1990s.

One effect was limited available credit, which prevents businesses from expanding or making investments and consumers from purchasing big-ticket items. Since the recession's end, banks have reduced money available through credit cards from \$3.04 trillion to \$2.69 trillion. They have also reduced home equity lines of credit from \$1.33 trillion to \$1.15 trillion, according to the Federal Reserve Bank of New York.

Increased consumer spending is the engine that pulls the economy out of most recessions, but Americans have less to spend and less confidence to spend what they do have. The decline in the home values makes many Americans feel less wealthy, which reduces spending. During the housing bubble, many used their homes like ATMs, continually refinancing their mortgages in order to purchase more things. Now, given the collapse in housing prices, they can't.

The biggest problem may be household indebtedness. At the peak of the economic boom in the third quarter of 2007, U.S. households collectively had borrowed the equivalent of 127 percent of their annual incomes to fund purchases of homes, cars and other goods, up from an average of 84 percent in the 1990s. Many families are now struggling to pay down that debt. About one-quarter of American households have mortgages larger than the value of their homes.

With credit limited, it is harder for consumers to get credit cards or home equity loans. Americans have already brought their household debt levels down to 112 percent of annual income. But to get back to a 1990s debt-to-income ratio, incomes would need to be nearly \$4 trillion higher, which is about nine years worth of income growth, according to Credit Suisse estimates.

Continued high unemployment limits consumption. Wages and salaries accounted for just 1 percent of economic growth in the first 18 months after the recession ended. In the same period after the 2001 recession, wages and salaries accounted for 15 percent. After the 1991-92 recession, they made up 50 percent.

Also reducing consumer spending is the increase in gasoline prices, which despite their recent drop, are about 82 cents ahead of last summer.

No wonder consumer spending scored a meager 0.1 percent growth rate in the second quarter.

In a normal recovery, a surge in housing starts helps pull the economy ahead. But that's not happening because of the huge inventory of houses built during the bubble and the additions from foreclosures. While new and existing home inventories normally averaged 2.5 million, they currently are at about 4 million, and another 500,000 houses will join their ranks as they go through foreclosure.

In June, housing starts were an exceptionally low at 629,000. The average for the past 40 years was 1,503,300. Home building has a high economic multiplier. Each new home built creates an average of three jobs for a year and generates about \$90,000 in taxes, according to the National Association of Home Builders. Housing starts help many other industries – including produc-

Idaho's Labor Force Picture

Employment	Percent Change				
	June 2011	June 2009	June 2007	2009-11	2007-09
United States (000)	139,334	140,038	146,057	-0.5%	-4.1%
State of Idaho	691,957	688,770	728,395	0.5%	-5.4%
Northern	93,422	95,819	102,318	-2.5%	-6.4%
North Central	43,701	45,447	45,598	-3.8%	-0.3%
Southwestern	299,166	296,588	316,310	0.9%	-6.2%
South Central	88,012	86,552	90,810	1.7%	-4.7%
Southeastern	75,675	74,028	76,985	2.2%	-3.8%
Eastern	91,981	90,337	96,378	1.8%	-6.3%
Unemployment					
United States (000)	14,087	14,721	6,966	-4.3%	111.3%
State of Idaho	72,171	59,463	21,624	21.4%	175.0%
Northern	13,201	10,666	3,091	23.8%	245.1%
North Central	4,266	3,462	1,431	23.2%	141.9%
Southwestern	32,193	28,398	9,836	13.4%	188.7%
South Central	8,021	5,924	2,677	35.4%	121.3%
Southeastern	6,737	5,395	2,281	24.9%	136.5%
Eastern	7,753	5,618	2,308	38.0%	143.4%
Unemployment Rate					
United States	9.2%	9.5%	4.6%		
State of Idaho	9.4%	7.9%	2.9%		
Northern	12.4%	10.0%	2.9%		
North Central	8.9%	7.1%	3.0%		
Southwestern	9.7%	8.7%	3.0%		
South Central	8.4%	6.4%	2.9%		
Southeastern	8.2%	6.8%	2.9%		
Eastern	7.8%	5.9%	2.3%		

ers and sellers of building material, appliances, furniture, landscaping supplies and tree nurseries. Low housing starts have a special impact on Idaho communities that rely on logging and mill jobs.

The fear of a double-dip recession, which intensified the last couple of months, is holding back consumer spending and business investment. The price of gold, considered a safe haven during severe economic crises, illustrates the high level of uncertainty and fear.

Contributing to the fear is the knowledge that government cannot come to the rescue if the economy goes back into recession. Most monetary tools have been used. Federal fund rates are near zero. The federal stimulus ended last year. Fears about the high level of the U.S. debt makes further stimulus unlikely. State and local governments are still floundering and are concerned about expected cuts in federal programs that help them.

Payroll Jobs Covered by Unemployment Insurance

	Percent Change				
	1st Qtr 2011	1st Qtr 2009	1st Qtr 2007	2009-11	2007-09
Total Nonfarm Jobs					
United States (000)	129,025	131,348	135,709	-1.8%	-3.2%
State of Idaho	587,586	603,476	636,919	-2.6%	-5.3%
Northern	72,027	74,607	78,444	-3.5%	-4.9%
North Central	40,223	41,304	42,779	-2.6%	-3.4%
Southwestern	264,551	270,906	292,603	-2.3%	-7.4%
South Central	74,433	77,115	78,417	-3.5%	-1.7%
Southeastern	55,703	57,760	60,192	-3.6%	-4.0%
Eastern	75,820	77,727	80,616	-2.5%	-3.6%
Private-Sector					
United States (000)	106,642	108,581	113,386	-1.8%	-4.2%
State of Idaho	477,891	491,045	526,835	-2.7%	-6.8%
Northern	56,983	59,377	63,606	-4.0%	-6.6%
North Central	29,071	29,758	31,340	-2.3%	-5.0%
Southwestern	218,877	223,601	247,669	-2.1%	-9.7%
South Central	62,900	65,420	66,986	-3.9%	-2.3%
Southeastern	41,627	43,391	44,580	-4.1%	-2.7%
Eastern	63,619	65,441	68,800	-2.8%	-4.9%
Manufacturing					
United States (000)	11,542	12,276	13,890	-6.0%	-11.6%
State of Idaho	53,505	56,041	66,103	-4.5%	-15.2%
Northern	6,858	7,294	8,143	-6.0%	-10.4%
North Central	3,930	3,648	3,960	7.7%	-7.9%
Southwestern	24,485	25,919	33,768	-5.5%	-23.2%
South Central	7,681	7,640	7,983	0.5%	-4.3%
Southeastern	6,248	6,913	6,801	-9.6%	1.6%
Eastern	3,939	4,280	5,123	-8.0%	-16.5%
Construction					
United States (000)	5,108	6,035	7,274	-15.4%	-17.0%
State of Idaho	25,926	32,719	48,455	-20.8%	-32.5%
Northern	3,646	5,057	6,966	-27.9%	-27.4%
North Central	1,273	1,455	1,853	-12.5%	-21.5%
Southwestern	11,882	14,300	24,113	-16.9%	-40.7%
South Central	3,007	4,449	5,592	-32.4%	-20.4%
Southeastern	2,490	2,857	3,541	-12.8%	-19.3%
Eastern	3,358	4,222	5,929	-20.5%	-28.8%

Although the economy has grown, unemployment remains high. Changes in labor market practices over the last 20 years are one reason why jobs have not bounced back.

A jobless recovery may be the new norm. This is the third straight recovery since 1991 to begin with months of little job growth. In the 1990-91 and 2001 recessions, just as with the most recent recession, employers were quick to lay off workers and cut hours than in previous downturns. In recent recoveries, they were slower to rehire. Between the end of 2007 and the end of 2009, the U.S. economy's output of goods and services fell 4.5 percent, but the number of workers dropped a much deeper 8.3 percent. When businesses need more workers, they are more likely to use temporary-help agencies rather than hire their own workers as they did before the 1990s.

Higher productivity is allowing businesses to do more with fewer workers. After cutting their workforces in 2008 and 2009, many businesses realized fewer employees are managing to provide enough output to satisfy the stronger demand for goods and services.

Given the economic uncertainty, businesses that wish to expand production are doing so by buying more capital rather than more labor. Improvements in software, robotics and machinery are allowing employers to replace some workers with technology.

Even when economic expansion creates jobs, many are not created in the United States. When they do hire, big U.S.-based multinational companies are able and willing to hire overseas, both because wages are often cheaper and that's where their customers are. Analyzing U.S. Commerce Department data in April, David Wessel of The Wall Street Journal estimated major multinational corporations cut employment in the United States by 2.9 million during the 2000s while increasing employment overseas by 2.4 million. Even small businesses are outsourcing work overseas.

Idaho Food Stamp and Welfare Reciprocity

	Recipients			Percent Change		Percent of 2011 Pop.
	June 2011	June 2009	June 2007	2009- 2011	2007- 2009	
Food Stamps						
State of Idaho	234,763	146,516	86,946	60.2%	68.5%	15.0%
Northern	32,453	18,473	11,028	75.7%	67.5%	15.3%
North Central	11,245	7,866	6,201	43.0%	26.9%	10.7%
Southwestern	108,544	67,978	35,422	59.7%	91.9%	15.7%
South Central	27,611	16,570	10,159	66.6%	63.1%	14.9%
Southeastern	26,314	17,273	12,624	52.3%	36.8%	15.8%
Eastern	27,881	18,024	11,380	54.7%	58.4%	13.4%
Temporary Assistance to Families in Idaho						
State of Idaho	3,153	2,474	2,369	27.4%	4.4%	0.2%
Northern	319	330	271	-3.2%	21.8%	0.2%
North Central	157	140	156	11.9%	-10.3%	0.1%
Southwestern	1,784	1,211	1,142	47.3%	6.0%	0.3%
South Central	397	345	325	15.0%	6.2%	0.2%
Southeastern	287	266	276	8.0%	-3.6%	0.2%
Eastern	204	182	191	12.0%	-4.7%	0.1%

With so many Americans out of work for months – even years – incomes have fallen, poverty has risen and families struggle to keep afloat. Food stamp participation is up since the recession began. By April, nearly 45 million Americans — about one out of every seven — were receiving food stamps. In 2007 fewer than one in 13 were receiving food stamps.

Idaho also has seen an increase in families struggling to make ends meet. The percentage of Idahoans living below the poverty level increased from 12.1 percent in 2007 to 14.4 percent in 2009. Given further reductions in income and increased unemployment, poverty has risen in the last two years.

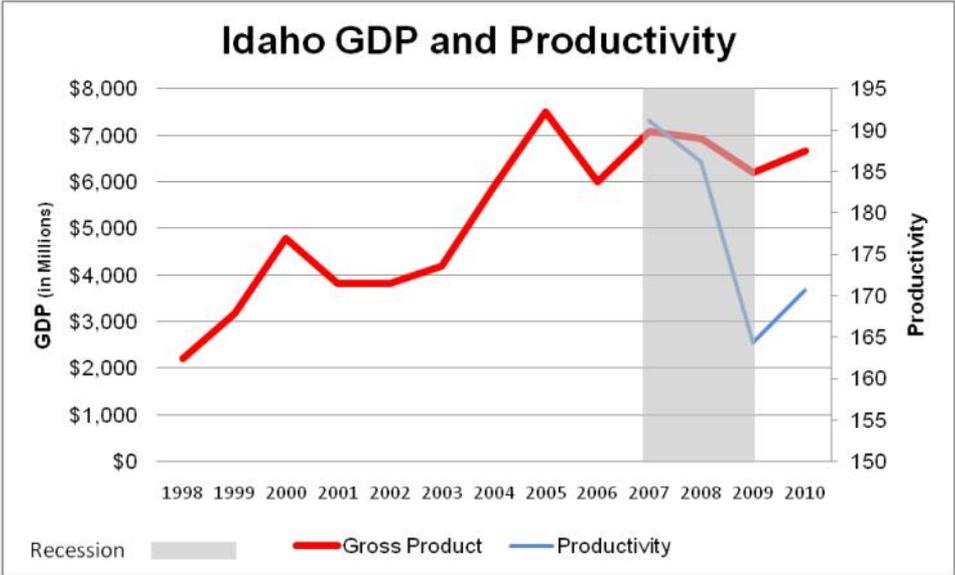
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MANUFACTURING PRODUCTIVITY FELL DURING RECESSION

In a recession, output and hours worked contract. So productivity – the measure of output, or gross product, per hour worked – is a tool for analyzing the business cycle. Under that analysis Idaho’s manufacturing sector fell more than any other sector of Idaho’s economy during the Great Recession.

Manufacturing produces about 15 percent of Idaho’s private sector output, more than any other component of Idaho’s private sector economy, and accounts for almost 11 percent of its employment. From 2007 to 2009, manufacturing productivity declined 10.7 percent, and most of the decline occurred in 2009 when hours worked fell 5.1 percent and output declined 6.2 percent.

Output usually slows earlier than hours worked in a recession as backlogs slowly dwindle. It recovers sooner during an expansion. Manufacturing in Idaho is a prime example; the number of hours worked continued to increase throughout the recession, but gross product declined 12.6 percent from 2007 to 2009. The industry gained traction, increasing output 7.4 percent in 2010.



The real estate industry is the second largest private producer in terms of inflation-adjusted gross product, comprising 14 percent of the market. Output steadily declined after 2007 with the largest annual loss 4 percent in 2010.

Output and hours worked slowed in tandem from 2007 to 2008 statewide and followed through into the state's three largest metropolitan areas – Boise, Coeur d'Alene and Idaho Falls. Data was not available for Pocatello and Lewiston. Average hours worked declined 0.3 percent statewide from 2007 to 2009, while output grew 2.6 percent. Idaho Falls was the only metro area that continued to see an increase in productivity until 2009.

Average Idaho Private Sector Hours, Output

Average Weekly Hours					% Change
	2007	2008	2009	2010	2007-2009
Idaho	34.3	33.9	33.6	33.5	-2.0%
Boise	35.0	34.3	34.6	33.7	-1.1%
Coeur d'Alene, ID	33.0	32.6	31.8	32.8	-3.6%
Idaho Falls, ID	34.3	34.8	34.0	34.1	-0.9%
Inflation-Adjusted GDP					% Change
	2007	2008	2009	2010	2007-2009
Idaho	44,819	44,672	42,884	44,020	-4.3%
Boise	22,287	22,143	20,925	N/A	-6.1%
Coeur d'Alene, ID	3,472	3,445	3,198	N/A	-7.9%
Idaho Falls, ID	3,153	3,223	3,090	N/A	-2.0%

Source: U.S. Bureau of Economic Analysis

Annual Idaho Productivity

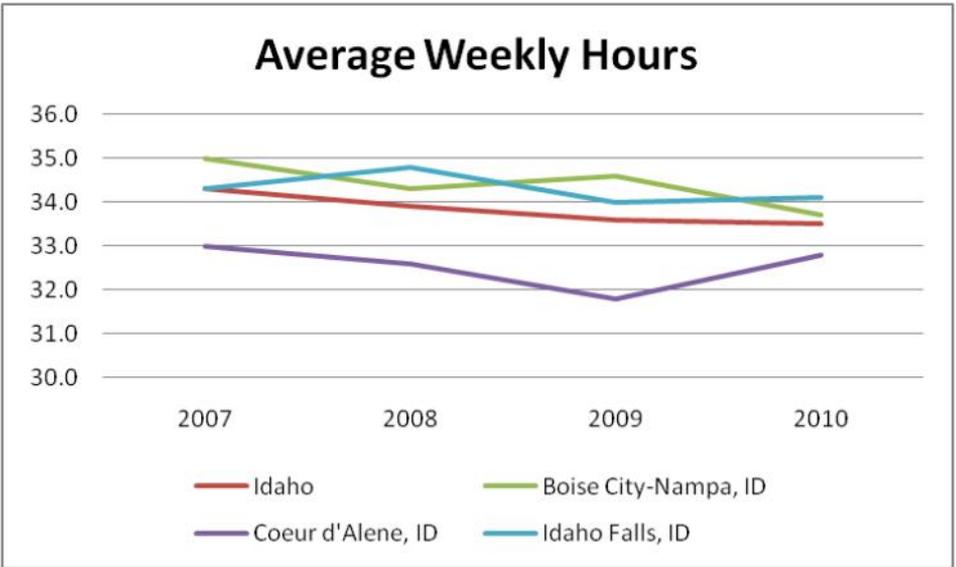
Output Divided by Hours Worked					% Change
	2007	2008	2009	2010	2007-2009
Idaho	1,306.68	1,317.76	1,276.31	1,314.03	-2.3%
Boise City	636.77	645.57	604.77		-5.0%
Coeur d'Alene	105.21	105.67	100.57		-4.4%
Idaho Falls	91.92	92.61	90.88		-1.1%

Source: U.S. Bureau of Economic Analysis

Average Hourly Earnings

	2007	2008	2009	2010	% Chg 2007-10
Idaho	\$16.51	\$17.53	\$19.26	\$21.03	27.4%
Boise	\$18.50	\$19.11	\$19.99	\$21.57	16.6%
Coeur d'Alene	\$15.10	\$15.83	\$16.42	\$16.64	10.2%
Idaho Falls, ID	\$15.02	\$16.09	\$20.67	\$23.49	56.4%

The Coeur d'Alene metro area was hit hardest. Hours worked fell 3.6 percent and output dropped 7.9 percent. Overall productivity was off 4.4 percent from 2007 to 2009. By the end of last year, the region increased manpower and was almost back to 2007 levels.



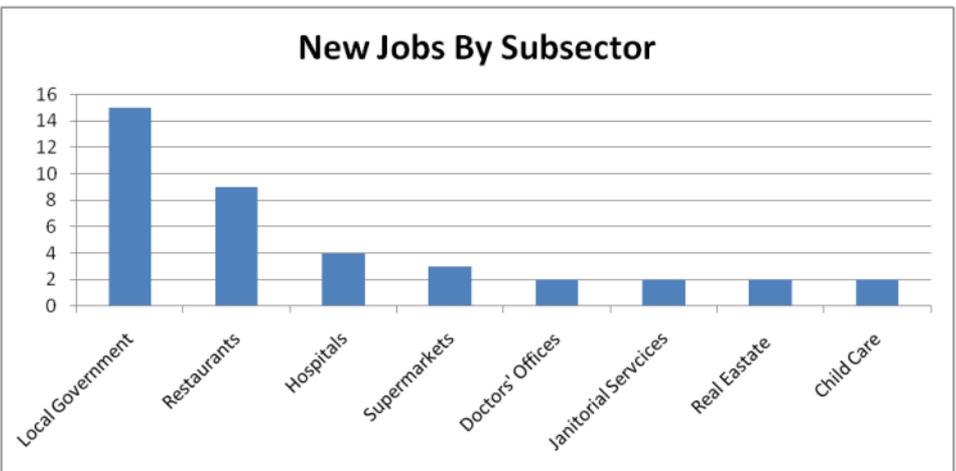
Although productivity declined substantially through this recession, average hourly earnings continued to flourish. Even as the number of hours dwindled from 2007 to 2010, the Bureau of Labor Statistics indicated a 27.4 percent increase in average hourly earnings from 2007 to 2010 statewide. Idaho Falls' average hourly earnings increased 56.4 percent while Boise was up 16.6 percent and the Coeur d'Alene metro area 10.2 percent.

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SOUTHEAST IDAHO GETS A GOOD HAND FROM ALLSTATE

Although Allstate's Customer Information Center in Chubbuck will not be operational until this fall, the company already is having a positive impact on the economy of southeastern Idaho. While Allstate has not hired anyone for the center's promised 500 to 600 new jobs, many new jobs have already been created.

Construction of Allstate's \$17.9 million facility has been a boon to the construction industry. One of the hardest hit industries in the region and state, construction has seen little if any recovery nationally and has contributed more than any other industry to Idaho's number of unemployment insurance claimants.



Economic Simulation by EMSI Complete Employment 2011

Allstate’s single construction project is providing a major injection of cash into a troubled sector. It counts for a third of the \$52 million in commercial construction under way in Bannock, Bingham and Power counties.

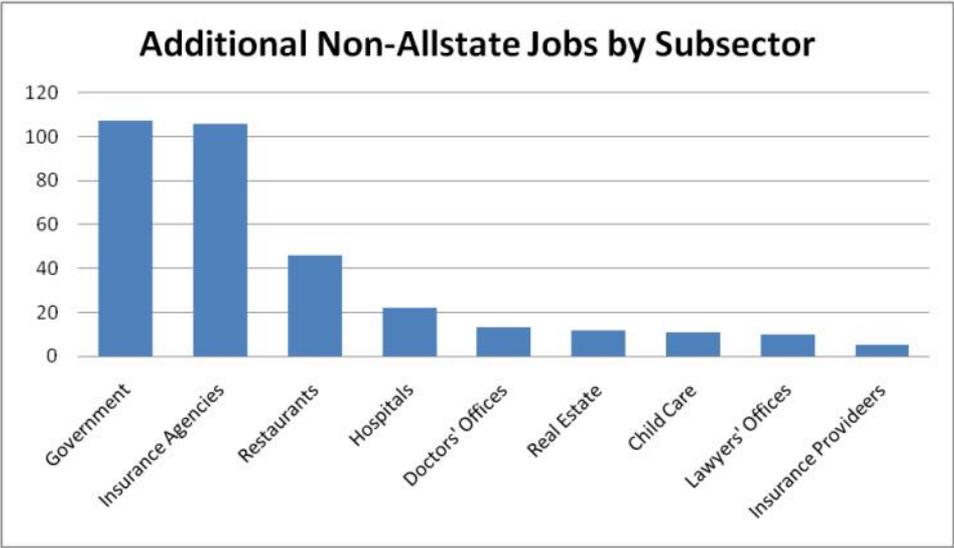
This extra cash means jobs for an industry which needs them. According to Economic Modeling Specialists Inc., the number of unemployed construction workers dropped from nearly 800 last spring to just over 400 this summer.

Several other industries have also gotten a little help from Allstate.

Once construction is complete, Allstate’s impact will be even more pronounced as the Chubbuck customer information center becomes operational and fully staffed.

Conservative estimates put employment at the center at 500, and the addition of 500 workers to the Pocatello economy will have a far reaching impact.

According to EMSI, another 500 jobs in the insurance industry will create over 700 more jobs in other sectors of the economy of Bannock, Bingham and Power counties.



The total of more than 1,200 new jobs could dramatically lower the area’s unemployment rate – assuming that all other components of the labor force remain unchanged. Using June’s jobless report, the three-county unemployment rate would drop from 8.7 percent to 6.7 percent with 1,200 new jobs.

Although estimates and simulations aren’t always 100 percent correct, the data so far suggest good reason for optimism. The presence of Allstate in the Pocatello area suggests brighter economic days ahead for southeastern Idaho.

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WOMEN’S WAGES IN IDAHO, NATION CONTINUE TO LAG MEN’S

Women have made marked progress toward matching the paychecks men get in the American workplace over the last 30 years. But they still trail men in compensation, and Idaho ranks in the bottom third of the states in women’s pay compared to men’s.

The U.S. Department of Labor found that the median weekly wage for women in the United States was 81.2 percent of the median wage for men in 2010. Women earned \$669 a week while men earned \$824.

When age is taken into account, women's earnings varied considerably compared to men's. Younger women earned more comparable wages, generating around 94 percent of men's earnings from ages 16 to 24 before steadily dropping off. Between ages 25 and 34, women earned 90.8 percent of men's wages. The median weekly wage for women over 34 ranged from 75 percent to 80 percent. But in every case except women over age 64, women's earnings as a percentage of men's increased over the last 30 years.

Women's Inflation-Adjusted Earnings as Percent of Men's			
	1979	2010	
	All Wages	All Wages	Hourly Wage
All Women Workers	62.0%	81.2%	86.0%
16 to 19 years old	85.3%	94.6%	93.6%
20 to 24 years old	76.3%	93.8%	97.8%
16 to 24 years old	78.5%	95.3%	91.7%
25 to 34 years old	67.4%	90.8%	85.6%
35 to 44 years old	58.3%	79.9%	91.9%
45 to 54 years old	56.8%	76.5%	82.9%
55 to 64 years old	60.5%	75.2%	79.9%
Over 64	77.7%	75.7%	83.2%
Over 24	62.0%	80.5%	93.8%

When only workers paid an hourly rate were considered, women's percentage of men's earnings was generally higher. Women 25 and older had an hourly rate of nearly 94 percent of men. Workers paid by the hour account for roughly 60 percent of all wage and salary workers. All wages include overtime, commissions and tips.

In Idaho, women's median pay in 2010 was \$585 a week, 77.6 percent of the media weekly pay for men at \$754.

WOMEN'S EARNINGS BY STATE

Delaware is the only state where women earn over 90 percent of what men do while women in three states – Louisiana, Wyoming and West Virginia – earn less than 70 percent. West Virginia has the lowest ratio at 68.8 percent.

In the majority of states, women earn 75 percent to 85 percent of what men do.

Idaho women rank 34th among the states. Median weekly wages for women in Idaho are \$84, or 10.2 percent, lower than the median wage for women nationally.

Nevada provides the highest women's earnings as a percent of men's for the states surrounding Idaho followed by Oregon. Women in Washington, Montana, Utah and Wyoming earn a lower percentage of men's wages than Idaho. Women's earnings in Utah rank 47th and Wyoming 49th.

Earnings across genders may be affected by several factors that may result in smaller or larger disparities in earnings. Among some of the factors cited

Women's Median Wage as a Percent of Men's 2010 Wage, Ranked by State

	Men's Wage	Women's Percentage
<i>Top 10th Percentile</i>		
Delaware	\$805	91.3%
California	\$840	88.9%
Arizona	\$767	87.0%
New York	\$861	86.8%
Vermont	\$807	86.2%
<i>90th Percentile</i>		
Maryland	\$932	85.6%
Texas	\$714	85.6%
North Carolina	\$728	85.4%
New Jersey	\$972	84.8%
Alabama	\$709	84.2%
<i>80th Percentile</i>		
Florida	\$773	83.7%
South Dakota	\$716	83.5%
Nebraska	\$748	83.0%
Minnesota	\$903	82.9%
Arkansas	\$640	82.8%
<i>70th Percentile</i>		
Wisconsin	\$826	82.8%
Hawaii	\$797	82.6%
Tennessee	\$715	82.4%
Nevada	\$751	81.8%
Mississippi	\$693	81.4%
<i>60th Percentile</i>		
Pennsylvania	\$822	80.8%
Massachusetts	\$1,033	80.5%
Kansas	\$763	80.1%
Michigan	\$857	79.8%
Oregon	\$828	79.6%
<i>50th Percentile</i>		
Iowa	\$786	79.1%
North Dakota	\$764	78.9%
Ohio	\$817	78.9%
Maine	\$810	78.6%
Kentucky	\$743	78.2%
<i>40th Percentile</i>		
South Dakota	\$752	77.9%
Illinois	\$872	77.8%
Colorado	\$925	77.7%
Idaho	\$754	77.6%
New Mexico	\$780	77.6%
<i>30th Percentile</i>		
Oklahoma	\$746	77.6%
Georgia	\$822	77.5%
Indiana	\$772	77.5%
New Hampshire	\$966	77.1%
Washington	\$978	76.5%
<i>20th Percentile</i>		
Connecticut	\$1,101	75.8%
Montana	\$730	75.8%
Rhode Island	\$930	75.3%
Missouri	\$819	75.2%
Virginia	\$956	75.2%
<i>Bottom 10th Percentile</i>		
Alaska	\$948	74.4%
Utah	\$841	73.7%
Louisiana	\$834	69.8%
Wyoming	\$891	69.1%
West Virginia	\$832	68.8%

Source: U.S. Department of Labor

have been gaps in work history when women have children and the lower number of women in typically higher paying industries like mining, construction and manufacturing.

The report is generated annually by the Bureau of Labor Statistics to analyze wage and salary earnings across genders, using data from the Census Bureau’s monthly Current Population Survey of roughly 60,000 households. Comparisons within the report are generated at a very broad level and do not take into consideration many factors that can affect earnings.

A copy of the full report is online at <http://www.bls.gov/cps/cpswom2010.pdf>.

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IDAHO SCHOOLS RECEIVE AN EXTRA \$60 MILLION FROM STATE

Gov. C.L. “Butch” Otter announced in early July that Idaho’s public schools will receive an additional \$60 million in state support this year because state tax revenue was \$85 million higher than projected. Most of the surplus will be divided among public schools to satisfy the federal stimulus funds requirement that the schools maintain the same level of operation they had before they received stimulus assistance. That will more than offset the \$47 million state funding cut the schools expected for the coming year. But it does not put much of a dent in the \$198 million in cuts during the last two years.

All districts and public charter schools received payouts based on enrollment, ranging from more than \$7 million for Idaho’s largest school district in Meridian to \$4,200 for a one-room school-house in Twin Falls County.

Two charter schools in north central Idaho – Moscow Charter School kindergarten through sixth grade and Palouse Prairie School kindergarten through eighth grade – received a total of \$56,492.

The districts can decide how to spend the extra money. Many will use it to prevent further layoffs this year. Others will pay for repairs and maintenance, textbooks, classroom supplies and restoring unpaid furlough days.

The total payroll for Idaho’s public schools fell 9.1 percent from \$254.6 million in the first quarter of 2009 to \$231.4 million in the first quarter of 2011, adjusted for inflation and expressed in today’s dollars. Over the same two-year period, enrollments increased 2.4 percent from 275,075 in the 2008-2009 school year to 281,593 in the 2010-2011 school year.

Some of the payroll decline resulted from a 1.7 percent reduction of jobs. The rest resulted from reductions in some higher-paying administrative posi-

Distribution of Extra State Money to North Central School Districts	
District	Amount
Cottonwood	\$114,640
Culdesac	\$54,805
Genesee	\$79,679
Highland	\$59,021
Kamiah	\$136,171
Kendrick	\$68,718
Lapwai	\$129,004
Lewiston	\$1,018,539
Moscow	\$472,170
Mountain View	\$284,145
Nezperce	\$54,805
Orofino	\$279,508
Potlatch	\$112,562
Salmon	\$204,888
Troy	\$91,483
Whitepine	\$85,159

tions and lower starting pay for new employees. In north central Idaho, payrolls fell for the same reasons, dropping 10.4 percent from \$18.4 million to \$16.5 million.

Idaho's three community colleges also received \$7.5 million in additional funds. The State Board of Education allocated the money based on enrollment growth – \$5 million to the College of Western Idaho, nearly \$1.8 million to North Idaho College and about \$668,800 to the College of Southern Idaho.

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MILK CONSUMPTION TRENDS ADD PRESSURE TO DAIRY INDUSTRY

Per capita consumption of fluid milk fell 21.5 percent between 1975 to 2009 as lifestyles changed, according to U.S. Department of Agriculture.

Families no longer sit down together to share breakfast and dinner where cold glasses of milk are poured with the meals, said David Pelzer, senior vice president of strategic communications for Dairy Management Inc., which manages the state's dairy check-off.

The problem is the industry has treated milk as a commodity instead of giving consumers what they want, where they want it and how they want it, he said. While milk hasn't kept up with the times, competing beverages have picked up market share, he said.

"We have to do things differently. Everybody's on the go. Milk has to be able to travel," he said.

Nonetheless, 70 percent to 75 percent of milk is still sold in gallon containers, he said. Those white, plastic, gallon containers are distributed with little to no branding or marketing, Pelzer said. The industry inadvertently contributed to the marketing problem with its generic "got milk?" campaign.

While per capita consumption has continued to drop over the decades, fluid milk sales remain fairly steady due to population growth, said John Wilson, senior vice president and chief fluid marketing officer for Dairy Farmers of America.

Per capita consumption is clearly going down over the long term, but it has been particularly troubling the last 18 months, he said. Consumption dropped about 2.5 percent in January 2010 from a year earlier, more than 3 percent in June 2010, and about 4.5 percent in October 2010. April was down 2.1 percent.

MILK PRICES

The July federal order Class III benchmark milk price jumped \$2.28 to a record high \$21.39 per hundredweight, according to the Agriculture Department. That's \$7.65 above July 2010, the highest since July 2007. It is \$2.04 above California's comparable class 4b cheese milk price and equates to about \$1.84 per gallon. The Class III average now stands at \$17.68, up from \$13.60 at this time a year ago and compares to just \$10.16 in 2009 and \$18.24 in 2008.

BOTTOM LINE

Those futures prices may sound great, but it's the bottom line that really matters. That looked a little better in July as well, according to U.S. Depart-

ment of Agriculture's latest report. Increased milk prices covered rising feed costs. The All Milk Price was estimated at a record \$22.10 per hundredweight, up 90 cents from June.

The cost of feed to produce 100 pounds of milk was \$11.57, up 29 cents from June, according to the Chicago Mercantile Exchange's Daily Dairy Report. Corn increased eight cents to a record \$6.46 per bushel, soybeans were up 20 cents to a record \$13.40 per bushel, and alfalfa hay was up \$9 to a record \$189 per ton.

"Rising milk prices left income over feed costs of \$10.53 per cwt (hundred weight), 61 cents per cwt. higher than June," according to the report. "Over the last 10 years, income over feed costs has averaged \$9.09 per cwt."

National Milk's Roger Cryan said feed costs have risen over the past month but so have projected Class I milk prices, "driven by rising cheese values."

DEMAND AT HOME AND ABROAD

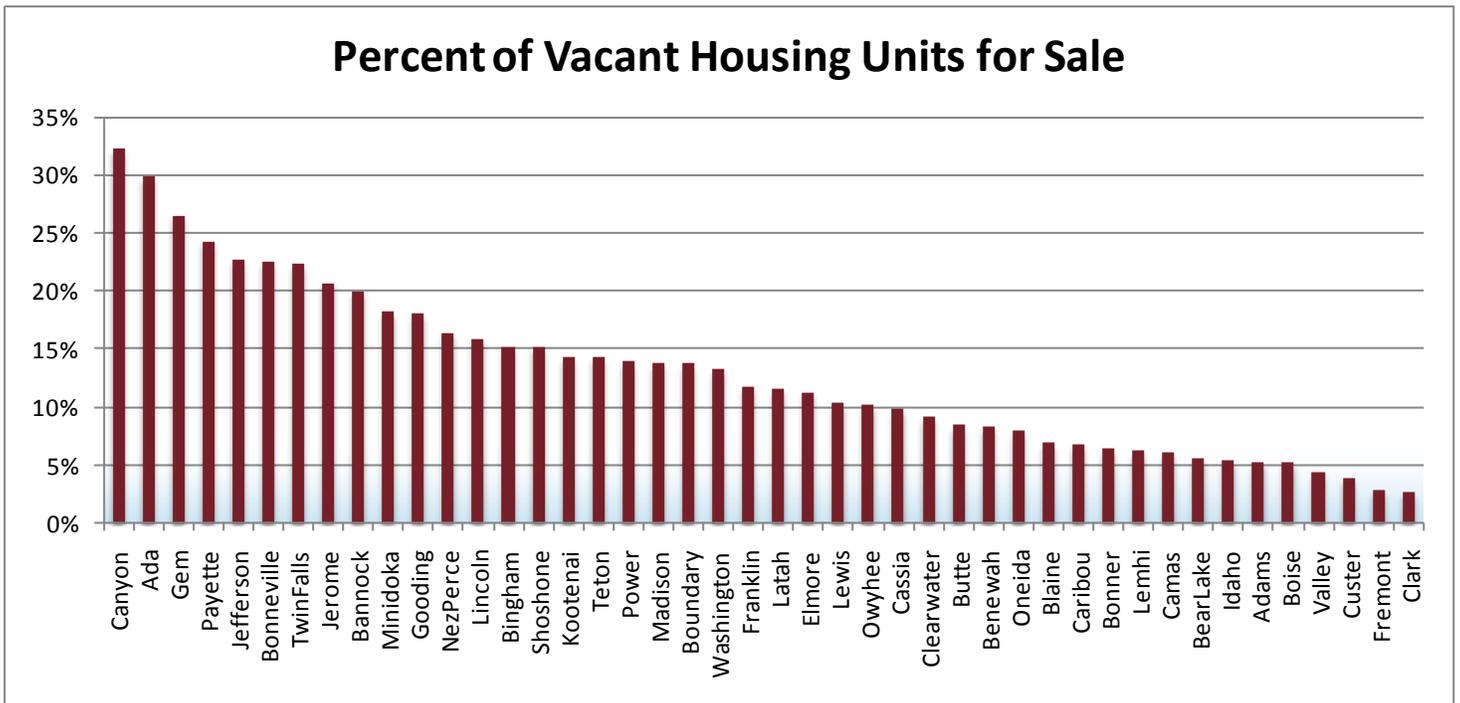
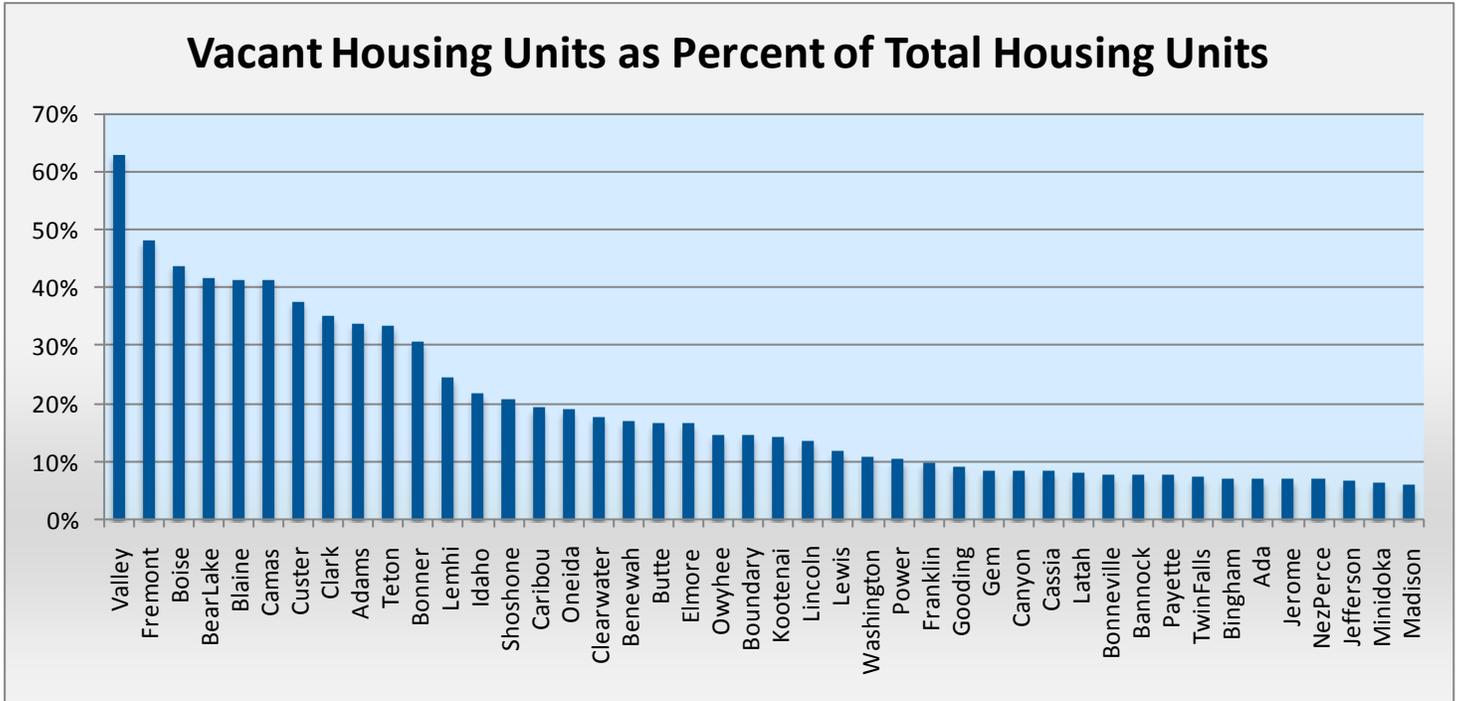
The June consumer price index for all food was 227.4, up 3.7 percent from June 2010. The dairy products index is 212.3, up 7.2 percent from 2010. Fresh whole milk was up 10.9 percent, cheese 6.9 percent and butter 21.7 percent.

Class I milk is seeing increased interest as schools reopen in the next few weeks. Cream prices were trending higher due to increased manufacturing demand and tighter supplies. But the overall economy has many concerned.

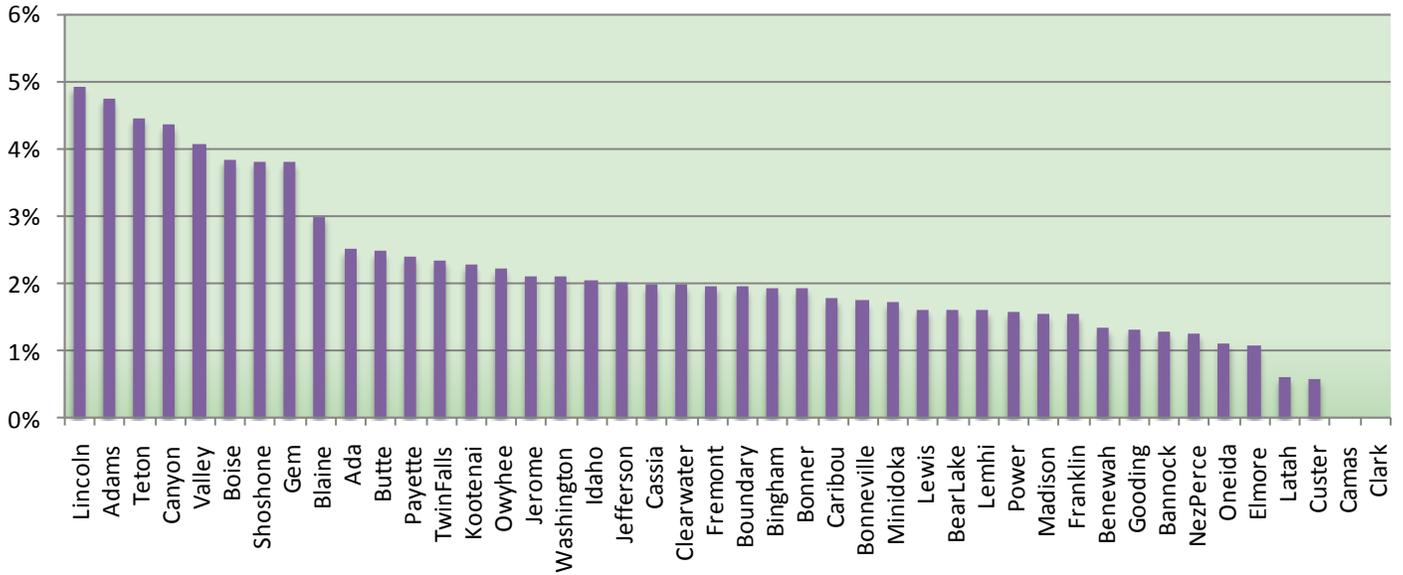
Worldwide prices continued to weaken in the Aug. 2 Global Dairy Trade auction, according to the Daily Dairy Report. The weighted average price for skim milk powder was \$1.58 per pound, down 20 percent since June 1. Whole milk powder was also \$1.58, down 11 percent in the last three auctions. The anhydrous milkfat price was \$1.95 per pound, down 24 percent since June 1. Cheddar cheese for industrial use received an average winning bid of \$1.91 per pound, down 2.3 percent from the prior auction.

The Cooperatives Working Together program announced the acceptance of eight requests for export assistance from Bongards Creamery and Dairy Farmers of America to sell 7.9 million pounds of cheddar cheese to customers in Asia, the Middle East, Central America and the South Pacific. The product will be delivered through December and raises 2011 cheese export total to 57.6 million pounds.

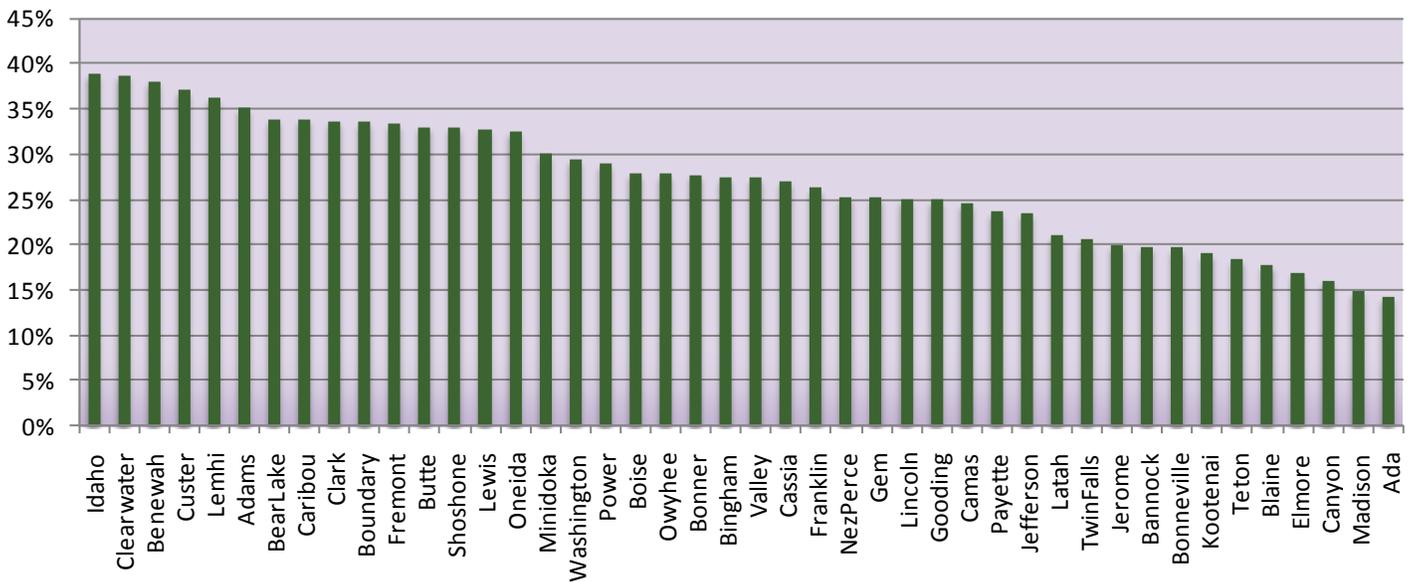
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Percent of Prime Loans in Foreclosure



Percent of Occupied Housing Units Owned Free and Clear



NORTHERN IDAHO

Benewah, Bonner, Boundary, Kootenai & Shoshone counties

REGIONAL DEVELOPMENTS

- Law enforcement officers, nonprofit representatives and health care providers are planning a new child advocacy center in Kootenai County. The center would receive child abuse cases from all over northern Idaho and could include child-specific interview rooms, a family waiting area and access to health care or counseling services.
-  The Renaissance Free Energy Convention at the Coeur d'Alene Resort in late July focused on the latest products and prototypes in energy savings, which attracted large overseas governments looking to save money.
- Stillwater Mining Co. of Columbus, Mont., is holding a job fair at the Wallace Inn this month. The company is looking for electricians, miners and mechanics for their mine site in Nye near Billings. Stillwater is the only producer of palladium and platinum in the nation and currently employs 1,492.
- The Colville Tribe has moved from considering bankruptcy in 2009 to being \$2.3 million in the black by the third quarter of 2010. Now the tribe is planning a \$30 million casino-hotel complex including an events center and two convenience stores with gas stations in Omak, Wash.
- Stinger Welding, a fabricator of steel bridge components in Libby, Mont., has received \$17 million to complete a fabrication plant there that will bring 100 or more jobs to the region. The plant is scheduled to begin production in the fall.

COUNTY DEVELOPMENTS

BENEWAH COUNTY

- Local school districts in Benewah County have an additional \$424,953 from the \$60 million state surplus that was promised to the districts at the end of the legislative session. The St. Maries school district will receive \$237,771; Plummer-Worley \$109,611; Avery \$5,092 and the Kootenai School District \$71,669.
- Benewah Community Hospital and the city of St. Maries have agreed to renovate Seventh Street including the intersections. The city will cover the cost of utility installations and the hospital will pay for the street reconstruction.

BONNER COUNTY

- Judges from USA Today and Rand McNally have chosen Sandpoint as the most beautiful small town in America in the Best of the Road competi-

tion. A page in both the upcoming Rand McNally atlas and an issue of USA Today will be dedicated to the town. An hour-long Travel Channel special will also feature the contest winners.

- The Selkirk-Pend Oreille Transit bus system's ridership nearly doubled in its fifth week to 923.
- Kate Buska resigned as Downtown Sandpoint Business Association manager.



The Friends of Pend d'Oreille Bay Trail have won their effort to secure a public waterfront trail. City Council members decided to support the group by purchasing the third of four property parcels in a four-year acquisition plan. The plan recommends Sandpoint buy the first two parcels over two years for \$400,000 each plus a three-year \$10,000 lease payment. In the third year, Ponderay steps in to buy the third parcel for the same amount. Finally, the Friends of Pend d'Oreille Bay Trail are committed to raising the final \$370,000 for the fourth parcel themselves.

- With increasing demands and empty shelves, the Bonner Community Food Bank has been awarded a \$30,000 grant from Walmart to supplement volunteers and donations.
- Quest Aircraft plans to increase production. The company recapitalized earlier this year, secured new funding from investors, developed a more expansive domestic and international sales network and expanded its authorized service center operations.

BOUNDARY COUNTY

- Amelia "Amy" Cutsack Trice, a Kootenai Tribe icon, died July 21. Trice was best known for her courageous efforts leading the Kootenai people into a war against the United States in 1974 to obtain the resources necessary for the tribe's survival. Her story was later told in the documentary, "Idaho's Forgotten War." She was involved in many organizations that promoted women and Indian people's concerns. She was a founding member of the Upper Columbia United Tribes, received the Women of Color Alliance Breaking Barriers for Women of Color in Idaho Award and the Chairman's Award from the Confederated Salish and Kootenai tribes.
- The first Run For the Fallen in Idaho is set for Saturday, Aug. 20, at the Veteran's Memorial at Boundary County Library. The route is 44 kilometers – each one dedicated to a soldier with ties to Idaho.

KOOTENAI COUNTY

- Ptera Wireless Inc., a Liberty Lake-based wireless broadband Internet provider, plans to expand into Coeur d'Alene, Post Falls and Rathdrum. The provider competes with larger Internet service providers that offer connections to businesses and urban customers.
- The Lake City Center, formerly Lake City Senior Center, is becoming more multifunctional so it can bring in more revenue through rentals for events.
- Advanced Input Systems, the maker of custom keypads and other input devices, has expanded its workforce by 30 employees since it opened a

\$3 million, 54,000-square-foot addition last summer. The company is coming off a record year and expects to continue to grow over the next year. The manufacturer has a workforce of about 350 permanent employees and 30 part-time employees during peak production.



The Economic Advisory Council is recommending a \$495,000 Community Development Block Grant to support the expansion of Underground Force Manufacturing, a sister company to Ground Force Manufacturing in Post Falls. The money would finance sewer and water line expansion, street improvements, a paved trail, trees and lighting. The company hopes to add over 80 employees with the expansion.

- Coeur d'Alene Mines Corp. announced that Dennis E. Wheeler resigned as president, chief executive officer and chairman of the board and will be succeeded as president and chief executive by Mitchell J. Krebs and by Robert E. Mellor as non-executive chairman of the board.
- Kootenai County has eliminated another 10 jobs, bringing staff reductions to 20. The recent reductions in the adult misdemeanor probation, juvenile probation, building and grounds, noxious weeds and solid waste divisions will save almost \$430,000 in wages and benefits a year. That brings annual savings to \$845,000 since reductions began.
- This year's North Idaho Veteran's Stand Down brought nearly 1,500 veterans to the Kootenai County Fairgrounds. Groceries, clothing and equipment were available with about 250 volunteers. Stand Downs are one- to three-day events providing services to homeless veterans.
- Publicly traded SolarWinds of Texas completed its purchase of Post Falls technology firm, TriGeo Network Security, for \$35 million. TriGeo has developed a series of security products that monitor and track corporate networks and protect against unauthorized intrusions, data leaks or external threats. SolarWinds provides IT management software to companies and government entities of all sizes.

SHOSHONE COUNTY

- The long-dormant Star Mine, which last operated as the Star-Phoenix Mine in the 1990s, is being re-opened by Hecla. Crews are rehabilitating the infrastructure and re-establishing ventilation on the 2000 level of the Star-Morning mine. Hecla's board of directors has also given final approval for the Lucky Friday #4 Shaft Project. The addition of the new shaft is expected to extend the mine life by more than 20 years and increase production by an additional two million ounces of silver per year with higher grades and mill throughput.
- Pre-production mine operations and exploration at the Crescent Silver Mine near Kellogg have ceased while Vancouver, British Columbia, owner United Silver Corp. reviewed its finances. On Aug. 4, the company agreed to a joint venture with Gold Finder Explorations Ltd., another Canadian company. The two parties are currently drafting the agreement with United Silver as operator and 80 percent owner and Gold Finder as 20 percent owner.
- Sunshine Silver Mines Corp. of Denver, which purchased the Sunshine Mine in Kellogg in the first half of 2010, filed its registration statement

with the Security and Exchange Commission on July 7 and plans to list on the New York Stock Exchange under the symbol "AGS." Backers include Morgan Stanley, RBC Capital Markets and UBS Investment Bank. The initial public offering is intended to raise \$250 million to finance continued exploration, pre-feasibility studies, refurbishing and updating the Sunshine Mine property and various corporate expenses.

OPENINGS

- Sweet Magnolia Bed and Breakfast in Sandpoint
- Bonner County Gardeners Association in Sandpoint
- Fogarty's, an Irish pub, in Kellogg
- Jamms Yogurt in Coeur d'Alene
- Community 1st Bank branch in Coeur d'Alene
- Razzle's Bar & Grille in Hayden
- Paladin Services and Susan Keeley Counseling, joint counseling services, in Coeur d'Alene
- Hospice of North Idaho in Hayden

EXPANSIONS

- Ground Force expands its operations to include Underground Force in Post Falls

LAYOFFS

- Kootenai County eliminated 10 more positions

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NORTH CENTRAL IDAHO

Clearwater, Idaho, Latah, Lewis and Nez Perce counties

REGIONAL DEVELOPMENTS

- Idaho Department of Labor Director Roger Madsen will meet with business and other leaders in Orofino Aug. 18 at City Hall. The stop is one of nine that Madsen is making in July, August and September throughout Idaho.

FARM UPDATE



Crops are running about three to four weeks behind normal. Farmers are spending more money on preventive treatment for diseases that affect crops in wet, cool weather. When harvest is pushed back this late in the season, farmers worry they might not have enough time to finish before fall rains begin. With a smaller window, harvest is likely to be more hectic. Some farmers, who normally don't hire help, are trying to line up workers to ensure they get their crops in. So far, it appears the wheat harvest for those who were able to plant will provide slightly higher than normal yields. Wheat was selling in July for \$6.80 to \$7.10 a bushel, compared to a year ago at \$4.80 to \$5 a bushel.

Haying, which generally occurs in June at most elevations, generally took place in July this year. For many farms, the cool, rainy weather affected the quality, reducing the price \$50 to \$110 per ton. Prices for premium alfalfa range between \$230 and \$260 per ton this summer. Timothy prices also are strong, hovering around \$250 per ton. Hay

prices have risen close to their 2008 levels because of low hay inventories and the delay in cutting. The drought in the U.S. Southwest — which has made some pasture unusable as well as reducing hay production there — is causing cattle growers to bid up hay prices there and indirectly buoying prices in the Northwest.

Log prices have edged down in the last two months. In the first six months of this year, log prices shot up, while lumber prices fell. Higher input costs and low output revenues squeezed lumber mills. The easing of log prices and a recent increase in lumber prices should make local mills less likely to reduce production and employment. Although log prices have moderated from their recent highs, Northwest log exports are expected to continue at a steady clip as demand from Asia remains strong. The Random Lengths composite price per 1,000 board feet of framing lumber edged up to \$273 in the last week of July from \$259 in the last week of May, but still remained below the \$301 lumber fetched at the beginning of the year.

- Seven nonprofit organizations in north central Idaho will receive a share of the state tourism tax from the Idaho Travel Council to spend on promotion. The Hells Canyon Visitor Bureau will get \$38,830, North Central Idaho Travel Association \$66,152, Moscow Chamber of Commerce \$33,000, Salmon River Chamber of Commerce \$26,180, Kamiah Chamber of Commerce \$12,485, Orofino Chamber of Commerce \$10,364 and Grangeville Chamber of Commerce \$10,120.
- The number of Imperial Oil megaloads that will go through Lewiston appears to have gotten smaller. The oil company has stockpiled 49 of its Korean-made modules at the Port of Pasco. The company said it will use U.S. Highway 395 and Interstate 90 to move the loads to the Kearl Oil Sands in Alberta, Canada.
- Companies losing revenue to foreign competitors could receive as much as \$75,000 in matching federal grants. To qualify, businesses must show they have experienced a decline in sales or production coupled with a reduction in work hours that is linked to losing domestic sales to imports. The Northwest Trade Adjustment Assistance Center in Boise will prepare the grant application at no cost. If the grant is accepted, the center will help develop a strategy to strengthen the company including a description of the work that will be done with the federal grant. Product design, succession planning and export development are examples of the projects that might qualify for the grant money.
- The Nez Perce Tribe began broadcasting KIYE 88.7 FM in the Kamiah area this month. The station has been developed with tribal support and a \$277,389 U.S. Department of Commerce Public Telecommunication Facility Program grant. KIYE is a non-commercial station with a mission to inform, educate and entertain listeners from the heart of the reservation.

COUNTY DEVELOPMENTS

CLEARWATER COUNTY

- The U.S. Postal Service has released a list of nearly 3,700 post offices nationwide that may be closed or downsized, and the post office in Ahsahka

was among them. Ahsahka Postmistress Anita Brumley said customers were mostly curious about how it will work, where they will get their mail and when it will take place.

IDAHO AND LEWIS COUNTIES

- ML Albright and Sons, a Lewiston-based contractor, began work on a \$1.2 million project to improve highway safety on Jentges Road along U.S. Highway 95 five miles north of Cottonwood. The creation of turn bays are expected to reduce traffic accidents. The project should be completed this fall.
- Two other highway safety projects may start as early as this fall but are more likely to begin next summer. At the Greencreek Road intersection with U.S. Highway 95, one project will add a streetlight, rehabilitate and widen asphalt shoulders, put in turn lanes and increase the visibility of the road to highway motorists. The project is estimated to cost between \$1.5 million and \$3 million. On State Highway 162 from Four Corners to Kamiah, improvements will include widening the 22-foot roadway to 30 feet and rehabilitating the asphalt surface at a cost of up to \$11 million.

LATAH COUNTY

- B.J. Swanson, the co-chairman of the Idaho Workforce Development Council, will serve as the interim executive director of the Latah Economic Development Council based in Moscow. Swanson's appointment follows the resignation of Aimee Shipman, who is taking a job with the Idaho Department of Health and Welfare. Swanson, who has served for years on the LEDC board, is the chairwoman of the board at Gritman Medical Center in Moscow and recently retired from AmericanWest Bank.
- Gritman Medical Center in Moscow was recently recognized by Yellowstone Insurance Exchange, RRG for its commitment to quality and patient safety processes in healthcare. Member hospitals throughout Montana, Idaho, New Mexico and Wyoming were eligible to apply for the awards.
- Moscow's Eastside Marketplace is finally taking its place as a "downtown for the east side." Co-owner Shelley Bennett says her father told her it would take 20 years, and he was right. Since her family purchased the building, then called the Moscow Mall, in 1990, Bennett has fought to make the complex attractive to businesses and useful to the east side community. There's no temptation to compete with the Palouse Mall as a regional shopping center because it's impossible to win. Instead, the marketplace has taken on a distinctly east side emphasis, which is exactly what the residents wanted in the first place. And while this community- and family-oriented leaning has failed to lure flashy retailers like Michaels or Hastings, it is finally beginning to win over businesses that the community can use.
- The University of Idaho is winding up three construction projects. A safety upgrade on the 35-year-old Kibbie Dome is nearing completion. Walsh Construction of Portland is the contractor for the \$11 million project, which is reducing the potential for fire and making it possible to clear the stadium much faster in case of fire. For another \$5.2 million, McAlvain Construction of Boise tore out the old plywood press box and is putting in a booster box with 32 loge seats, 232 club seats and eight private suites.

On the other side, its crew is installing a new box for media and coaches. That job is valued at \$5.2 million. Also to be completed by the beginning of the fall semester is a \$2.5 million reconstruction of the Dan O'Brien Outdoor Track and Field Complex. Built in the 1970s, the complex needed renovations before the university hosts the 2012 Western Athletic Conference outdoor track and field championships.



The Idaho Department of Environmental Quality has awarded the city of Potlatch a \$1.2 million interest-free loan to build a slow-rate land application system to dispose of treated effluent from an existing lagoon. Since the annual cost of wastewater service for Potlatch's residential customers exceeds 1.5 percent of the median household income, the city qualifies for a "disadvantaged" loan that carries favorable repayment terms. The loan from the State Revolving Loan Fund is payable over 20 years and has \$243,852 of the principal forgiven. The city will save about \$893,700 compared to average costs for municipal general obligation bond issuances.



The search for a long-term water supply for Moscow has been narrowed down to four basins on Moscow Mountain. The city council commissioned a surface water feasibility study about 18 months ago to find alternative water sources to the Grand Ronde and Wanapum aquifer systems. While Wanapum has been shown to recharge better, neither are considered a long-term solutions to Moscow's water needs. Four basins - the South Fork Palouse, Flannigan Creek, Hatter Creek and Felton Creek - were analyzed. The South Fork Palouse basin is at the low end of the spectrum while Flannigan Creek has the largest supply.

NEZ PERCE COUNTY

- The Lewiston Historic Preservation Commission is proposing what it is calling a Heritage Overlay Zone for the area of the city called Normal Hill, which includes St. Joseph Regional Medical Center and Lewis-Clark State College. The purpose is to protect the appearance of the neighborhood so it does not completely change even while growth is happening. The proposal is being reviewed by the city Planning and Zoning Commission.
- Schweitzer Engineering Laboratories' Lewiston plant is on schedule. Property manager Jana Schultheis said construction crews almost have the building under roof and should meet the completion date at the end of September.

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SOUTHWESTERN IDAHO

Ada, Adams, Boise, Canyon, Elmore, Gem, Owyhee, Payette, Valley & Washington counties

COUNTY DEVELOPMENTS

ADA COUNTY

- The new Kohl's in Boise is slated to open sometime in September. The company is currently hiring 130 staff for the store, which is taking over the space in the Towne Square Mall previously occupied by Mervyns.

- Wells Fargo is expanding its operations at its contact center in Boise, adding 150 people over the next few months at salaries of \$24,000 to \$30,000. The commercial bank also has 25 teller positions open.

ELMORE COUNTY

- The Union Pacific Railroad began upgrading its rail lines with new railroad ties near Mountain Home in July. The company is spending over \$3 billion in capital investments across the nation, and \$23.1 million is being spent in southern Idaho.

GEM COUNTY



The cherry harvest for the year may be down by as much as 80 percent. An unusually cool spring has shortened the season, which may cost growers up to \$2.5 million.

VALLEY COUNTY

- The Valley County Planning & Zoning Commission voted to allow the owner of two of Tamarack's seven ski lifts, Banc of America Leasing and Capital, to remove those ski lifts. Banc of America was awarded ownership by the courts and will remove the lifts and sell them to another mountain in another area to recoup some of the money lost when Tamarack filed for bankruptcy several years ago.

OWYHEE COUNTY



Idaho's first large-scale solar power plant, expected to generate around 20 megawatts of power, may break ground as early as August of 2011. The plant may be operational by mid-2012 and will sell power to Idaho Power. The plant is expected to employ seven.



Droplet Irrigation, an irrigation supply retailer based in Owyhee County, recently relocated to a larger and more convenient location in Home-dale. The business hired two additional staff during the expansion.

PAYETTE COUNTY

- The new \$1.6 million Payette Fire Station is under construction and is expected to be completed sometime in October of this year. The station will be over twice the size of the previous facility, which was too small to support the first responders and their equipment.
- Ground was broken on the 30,000-square-foot Saint Alphonsus Fruitland Health Plaza, which will provide the growing area with increased access to medical services.

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SOUTH CENTRAL IDAHO

Blaine, Camas, Cassia, Gooding, Jerome, Lincoln, Minidoka and Twin Falls counties

LIVESTOCK INDUSTRY

Beef Cattle



The National Agricultural Statistical Service reported Idaho red meat production dropped 16 percent during the first five months of 2011 compared to the same period in 2010. Fewer grazing opportunities and

higher feed costs were responsible. Bill Brockman, former president of the Magic Valley Cattlemen's Association, said consolidation of meat packing plants also put the squeeze on area producers. Outlying packers have closed, forcing producers to ship cattle to more centralized plants. Four meatpackers now control 80 percent of slaughtered beef in the nation – Tyson Foods, Cargill Meat Solutions, JSB USA and National Beef Packing. The recent closure of XL Four Star Beef in Nampa has negatively affected producers. They will now have to haul their animals to plants in either Washington, Arizona or California, adding transportation costs at a time when fuel is high.

COUNTY DEVELOPMENTS

BLAINE COUNTY



A public hearing will be held in August on the call some senior surface water rights holders have made. They claim they are being denied their water allotments by groundwater users, who are overstepping their rights. The Idaho Department of Water Resources said there is a need to find out how much water is being withdrawn from the aquifer in the Wood River Valley.

- Developer David Hennessy has not given up his plans to develop Quigley Canyon near Hailey, and he still hopes the city will annex the 1,100 acres. But for now, he and Picabo farmer Dick Springs have gotten 25 volunteers to help plant 500 raspberry plants and 15 apple trees on the site. Hennessy has told authorities he will not build homes above Quigley Pond, which had been opposed by conservationists, and that the proposed golf course would be dropped in favor of farming part of the site. Homeowners could get a share of the produce, but right now it is being marketed through the Wood River Sustainability Center.
- The Knob Hill Inn in Sun Valley has been sold. The buyer will be disclosed once the deal closes later this summer. The original price for the luxury hotel was \$17 million but was dropped to \$8 million with a minimum \$3.1 million starting bid at the auction. Sotheby's represented the winner from among the six bidders from Texas, California, Washington, Idaho and Utah.
- The Croy Canyon Ranch Foundation has received a \$250,000 pledge toward the \$13 million for a new senior care facility. The Nancy Eccles Hayward and Homer M. Hayward Family Foundation pledged the money to help fund the planned Croy Canyon Ranch Continuing Care Facility west of Hailey. So far, \$3.8 million has been raised toward the goal.
- The city of Bellevue will contract with the city of Hailey for its police services. Hailey won the contract over the Blaine County Sheriff's Office. The two bids came in at \$361,549 for 2012 by the Sheriff's office and \$312,186 by the city of Hailey.
- Sun Valley Marketing Alliance has changed its name to Visit Sun Valley. This fall, it will unveil a modern, edgier website appealing to a younger market. The new president and chief marketing officer is Arlene Shieven.
- The Community School will be leasing the Bald Mountain Inn at the base of Warm Springs Mountain for three years as a residential facility for its

academic program. With the Sun Valley Ski Academy as its partner, the school will recruit national and international students and winter athletes who want to train in Sun Valley. The inn has 15 rooms capable of double and triple occupancy, private bathrooms and a common area for studying.

- Sun Valley local option taxes rose 17 percent in May from a year earlier and were up 7 percent from the first five months of 2010. City leaders maintain that July will show huge advances due to the Ride Sun Valley Inaugural Bike Festival.

GOODING COUNTY

- The South Central Community Action Partnership has opened a new office in Gooding. The agency administers the weatherization program and other programs for low-income residents. The latest grant will improve housing conditions for elderly and low-income residents. They will be in the same old Gooding Memorial Hospital where the new Idaho Department of Labor office will be.
- Wel Companies had its grand opening in Gooding at the former Kiefer-built plant. The company is based in DePere, Wisc., and has a small warehousing operation in Idaho Falls. The property is being retrofitted for refrigeration to accommodate its cheese aging, storage and distribution.
- Idaho Department of Labor announced it will be opening an office this fall in Gooding. The office will be open four days a week and managed by Chris Orders, regional manager for the Magic Valley, Mini-Cassia and Blaine County offices.

JEROME COUNTY

- By January 2012, a new dealership will be located at Crossroads Point. Warren Truck Center recently purchased Freightliner dealerships in both Twin Falls and Jerome with roughly 40 workers. The two dealerships will be consolidated in a 62,000-square-foot building under construction on 11 acres at Crossroads Point. The company is based in West Valley, Utah, and expects to add 40 jobs once the dealership opens. There will be an indoor showroom, a training room to accommodate 100 people, a 70-foot paint bay and 32 computers that help program, diagnose, run and repair the heavy trucks.
- Justice Roger Burdick is the new Chief Justice for the Idaho Supreme Court. Burdick started out as a magistrate in Jerome County, moved to the district court in Twin Falls and served as administrative judge for the 5th Judicial District. He was appointed to the Supreme Court by Gov. Dirk Kempthorne in 2003.



The Jerome waste water treatment center needs \$3.25 million in enhancements to bring it into compliance with federal guidelines. The Clean Water Act is at the heart of a potential lawsuit, and the city could pay up to \$37,500 a day in fines if the system is not improved to avoid clogs like the one that disrupted operations earlier this year. Some companies such as Glanbia in Gooding construct and oversee their own wastewater treatment centers.

- Jerome School District will furlough employees for 8½ days and cut 15 full-time positions to cope with a \$1.3 million drop in revenue for the coming year.

MINIDOKA AND CASSIA COUNTIES

- Burley city council members voted against giving themselves pay raises. One believed raises were a good idea because they might entice others to run for the office. However, the other council members felt differently. "I personally cannot vote myself a raise until I can vote city employees a raise," said Councilman Casey Andersen.

TWIN FALLS

- The Perrine Bridge breezed through bridge inspection by the Idaho Transportation Department. The bridge is 35 years old and if well maintained could last the estimated 50 years of wear and tear, according to the inspector. Next year, the bridge will close one lane at a time for resurfacing.
- The College of Southern Idaho announced it will use the \$668,000 budget surplus for staff over the next year. When student enrollment is larger than estimated, adjunct instructors can be hired with those funds. The College of Western Idaho received \$5 million and Northern Idaho College received \$1.8 million. The funding was split between the community colleges based on student population, full-time equivalent students and other factors. Executive Vice President Jeff Fox said summer enrollment numbers have seen a steady increase since 2009 when 1,662 students enrolled. This summer, 2,220 students took more than 250 sections over four-, six- or eight-week periods at the College of Southern Idaho.
- Murtaugh hosted its first Magic Man triathlon at Murtaugh Lake. There were 200 who made the one-mile swim, 24-mile bike race and 6.2-mile run. There was also a sprint category that halved the biking and running distances. Proceeds went towards a playground at Murtaugh Lake.

OPENINGS

- Cupcakes, a bakery in Twin Falls
- 18 Hole Disc Golf Course @ Pomerelle outside Albion
- Lefty's BBQ in downtown Twin Falls
- Kiwis Fish'n Chips & Meat Pies in Twin Falls with a menu from New Zealand
- The Bronco Shop in the Magic Valley Mall in Twin Falls

CLOSURES

- S & G Produce, a wholesaler in Twin Falls

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SOUTHEASTERN IDAHO

Bannock, Bear Lake, Bingham, Caribou, Franklin, Oneida & Power counties

COUNTY DEVELOPMENTS

BANNOCK COUNTY

- Daniel Varas, an animal husbandry expert and educational assistant at the Pocatello Zoo, held an enrichment camp to share with the area's children his passion for his field of work. The camp, which ran in mid-July, gave

young people an opportunity to find out what it is like to have a career working with animals. During the camp participants researched and created projects designed to provide the zoo animals with entertainment. Some examples of projects included puzzle feeders, scent bags and piñatas.

- Mayor Brian Blad declared July 26 Pocatello's Night Out Against Crime. The special evening was designed to draw attention to community policing efforts. The evening included a parade with classic cars and local emergency vehicles. Several organizations banded together to make the event possible including Pocatello Police Department, Pocatello Neighborhood Watch Inc., Pocatello Fire Department, the Classic Car Club of Pocatello and Idaho State University.
- As part of the Idaho Department of Labor's support of the state's Hire One Vet initiative, the department's Pocatello office is offering veterans a free computer class. The goal of the free class is to help vets learn basic computer skills and use various job search engines including IdahoWorks. The workshop is held on the first Wednesday of the month from 9:30 a.m. to 11:30 a.m. For more information and registration contact Sue Miller at 232-6710 ext 3709 or Peggy Morgan 232-6710 ext 3702.

BEAR LAKE COUNTY

- High water levels at Bear Lake are drawing more tourists. While the Utah side of the lake has suffered flooding in many boat launch areas and attractions, the Idaho side has remained relatively unaffected. Idaho officials officially opened a new Bear Lake State Park visitors center in St. Charles on July 27. The new center is 1,250 square feet and houses administrative offices, public restrooms and a nature store where visitors can buy souvenirs.

BINGHAM COUNTY



The Idaho Department of Environmental Quality awarded the city of Firth a \$25,000 wastewater planning grant so the city of just over 400 can complete a wastewater facility plan and environmental study. The city is paying the other \$30,000.

- Summer in Blackfoot would not be the same without Blackfoot Pride Days. The two-day mid-July festival included boat races, free potato feed, snowmobile races on the water, a motorcycle rodeo, children's events and a free breakfast. The festival is a tradition which attracts many visitors and serves as a homecoming for former residents.

CARIBOU COUNTY

- Aug. 1 marked the opening of the Caribou County Fair in Grace. The 63-year-old week-long event draws 20,000. The fair included a rodeo, several musical performances and a demolition derby.

FRANKLIN COUNTY

- Federal budget cuts may have a direct impact on the lives of residents of Weston. The community of about 425 people in southwestern Franklin County may lose its post office. About 40 local residents attended a meeting held by U.S. Postal Service at the Weston Church to discuss the possi-

ble closure. A decision is expected within 60 days. Weston's post office is among 2,000 the Postal Service is considering closing nationwide.

ONEIDA COUNTY

- The Oneida County Library hosted author Steve Cotler on Aug. 1 for a special presentation. The well-known children's author of "Cheesie Mack Is Not a Genius or Anything," focused on the importance of reading and writing as a young person.

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EASTERN IDAHO

Bonneville, Butte, Clark, Custer, Fremont, Jefferson, Lemhi, Madison & Teton counties

REGIONAL DEVELOPMENTS

- The U.S. Postal Service announced it may close 3,700 post offices around the country – including those in Chester, Clayton and Hamer in eastern Idaho.
- The Eastern Idaho Entrepreneurial Center is touring the region to offer Rural Business Workshops. Workshops have already been held in Montpelier, Arco, Challis and Driggs. The last workshop will be held in Salmon on Sept. 7 at the Salmon Valley Business & Innovation Center from 2 p.m. to 7 p.m. Topics at the workshop include marketing, funding acquisition, competitive differentiation, planning for growth and available business resources.

COUNTY DEVELOPMENTS

BONNEVILLE COUNTY



CH2M Newport News Nuclear has withdrawn its protest to block the Idaho Treatment Group from taking over the Advanced Mixed Waste Treatment Project. The Idaho Treatment Group will take over on Oct. 1.



The Idaho National Laboratory is requesting air quality permits to build a \$10 million irradiated materials laboratory. The project should be complete by the end of 2012. Once completed, the facility will allow researchers to examine micro and nano-level irradiated materials. The research will be used to build future nuclear facilities.



Nuclear Regulatory Commission hearings on Areva's Eagle Rock Nuclear Enrichment Facility were held July 12 in Idaho Falls, and new supply and demand information was provided for enriched uranium. Areva expects to receive its license in late September. The commission questioned Areva about other possible suppliers for enriched uranium. According to Areva, if the U.S. does not supply uranium, it could be sourced through Russia or other countries, creating national security risks.

LEMHI COUNTY

- North Idaho College is partnering with the Lemhi Education Project to provide classes in Salmon. Starting this fall classes on elementary algebra, intermediary algebra and a survey of art will be taught via videoconfer-

ence. The classes are held at the Salmon Valley Business and Innovation Center. For more information call Kelley Christianson at (208) 756-1551.

MADISON COUNTY

- Brigham Young University-Idaho had its largest July graduation in school history – up more than 12 percent from July 2010. The university holds three graduation ceremonies each year in April, July and December. The school graduated 1,466 this July compared to 1,305 in July 2010. That was up 23 percent from 1,062 in July 2009, which was fractionally higher than 1,044 in July 2008.

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State of Idaho Data – State Economic Indicators

Note: The U.S. Bureau of Labor Statistics will release the July 2011 state, counties, metro areas and some cities Aug. 19. The most recent rate and civilian labor force information is always posted on lmi.idaho.gov. Other current economic data is also posted regularly on the website.

	Jun 2011**	May 2011*	Jun 2010	% Change From	
				Last Month	Last Year
IDAHO LABOR FORCE (1)					
<i>Seasonally Adjusted</i>					
Civilian Labor Force	764,100	765,900	758,200	-0.2	0.8
Unemployment	72,200	71,600	70,300	0.8	2.7
Percent of Labor Force Unemployed	9.4	9.4	9.3		
Total Employment	691,900	694,300	687,900	-0.3	0.6
<i>Unadjusted</i>					
Civilian Labor Force	769,800	763,000	765,000	0.9	0.6
Unemployment	71,900	66,100	67,100	8.8	7.2
Percent of Labor Force Unemployed	9.3	8.7	8.8		
Total Employment	697,900	696,900	697,900	0.1	0.0

U. S. UNEMPLOYMENT RATE⁽²⁾

	Jul 2011	Jun 2011	Jul 2010
	9.1	9.2	9.5

UNEMPLOYMENT INSURANCE

Claims Activities

Initial Claims ⁽³⁾	9,832	10,591	10,596	-7.2	-7.2
Weeks Claimed ⁽⁴⁾	68,799	75,106	81,365	-8.4	-15.4

Benefit Payment Activities⁽⁵⁾

Weeks Compensated	57,430	76,234	69,601	-24.7	-17.5
Total Benefit \$ Paid	\$13,034,497.17	\$17,437,688.60	15,844,544	-25.3	-17.7
Average Weekly Benefit Amount	\$226.96	\$228.74	228	-0.8	-0.3
Covered Employers	47,838	47,550	48,649	0.6	-1.7
Total Benefit \$ Paid During Last 12 Months ⁽⁴⁾	\$241,122,607	\$243,932,654	\$322,113,325	-1.2	-25.1

U.S. CONSUMER PRICE INDEX⁽²⁾

	Jun 2011	May 2011	Jun 2010	% Change Month	% Change Year
Urban Wage Earners & Clerical Workers (CPI-W)	222.5	223.0	213.8	-0.2	4.1
All Urban Consumer (CPI-U)	225.7	226.0	218.0	-0.1	3.6

**Forecast data

* Preliminary estimate

(2) Source: U.S. Bureau of Labor Statistics – The July 2011 CPI Index will be released the Aug. 18.

(3) Includes all entitlements on intrastate and interstate agent, new and additional claims.

(4) Includes all entitlements, intrastate and interstate agent.

(5) Includes all entitlements, total liable activities.

Glossary of Labor Market Terms

Agriculture Employment: Persons on agriculture payrolls who work or receive pay for any period during the survey week. This includes owners, operators, unpaid family members who work at least 15 hours a week, and hired laborers.

Average Hourly Earnings/Average Weekly Hours: The average total money earnings earned by production or non-supervisory workers for selected industries. The average number of hours worked by production or non-supervisory workers including overtime, paid vacation, and sick leave. The data is collected for the week including the 12th of the month.

Average Weekly Earnings: Average Hourly Earnings multiplied by Average Weekly Hours.

Civilian Labor Force: A count of non-institutional persons 16 years of age and over residing within a specific geographic area, excluding members of armed forces, who are classified as employed, unemployed and seeking employment, or involved in a labor dispute.

Consumer Price Index (CPI): A national index measuring changes over time in the price of a fixed market basket of goods and services. There are two indexes—the All Urban Consumers (CPI-U) represents the buying habits of about 80 percent of the non-institutional population of the United States, and the Urban Wage & Clerical Workers (CPI-W) represents 40 percent of the population.

Covered Employers: Employers who are subject to state and federal Unemployment Insurance laws.

Durable Goods: Also known as “hard goods” because they include items manufactured or provided by wholesalers with a normal life expectancy of three years or more.

Employed: Individuals, 16 years of age or older, who worked at least 1 hour for pay or profit or worked at least 15 unpaid hours in a family business during the week including the 12th day of the month. Individuals are also counted as employed if they had a job but did not work because they were: ill, on vacation, in a labor dispute, prevented from working because of bad weather, or temporarily absent for similar reasons.

Initial Claim: Any notice of unemployment filed to request (1) a determination of entitlement to and eligibility for compensation or (2) a second or subsequent period of unemployment within a benefit year or period of eligibility.

Metropolitan Statistical Areas (MSA): A county or a combination of counties in which at least half the residents live in an urban center of 50,000 or more and the rest have significant commuting ties to that central county. The Office of Management and Budget designates the MSAs. Idaho has five MSAs: Boise MSA including Ada, Canyon, Boise, Gem and Owyhee counties; Bonneville MSA including Bonneville and Jefferson counties; Pocatello MSA including Bannock and Power counties; Lewiston MSA including Nez Perce County and Asotin County, Wash.; Coeur d’Alene MSA including Kootenai County.

Micropolitan Statistical Area (MicSA): Combinations of counties in which at least half the residents live in urban centers totaling at least 10,000—or 5,000 living in a single urban center—and the rest have significant commuting ties to that central county. The Office of Management and Budget designates the MicSAs. Idaho has three MicSAs: Burley MicSA including Cassia and Minidoka counties; Rexburg MicSA including Madison and Fremont counties; Twin Falls MicSA including Twin Falls and Jerome counties.

Glossary of Labor Market Terms (cont.)

Nonfarm Wage & Salary Employment: Persons on nonfarm establishment payrolls (including employees on paid sick leave, paid holiday, or paid vacation) who work or receive pay for any part of the week including the 12th of the month. It is a count of jobs by place of work. It does not include self-employed, unpaid volunteer or family workers, domestic workers in households, military personnel and persons who are laid off, on leave without pay, or on strike for the entire reference period.

Nondurable Goods: Also known as “soft goods” because they include items manufactured or provided by wholesalers that generally last for only a short period of time (three years or less).

Seasonally Adjusted: Data is seasonally adjusted to remove the impact of regular events that occur at the same time every year such as the effect of cold weather on outdoor activities, the Christmas holiday, or the summer influx of youth into the labor market.

Small Labor Market Areas (SLMA): Combinations of counties with significant ties through commuting patterns but no urban centers with populations of 10,000 or more. The Office of Management and Budget designates the SLMAs. Idaho has two SLMAs: Hailey SLMA including Blaine and Camas counties; Grangeville SLMA including Lewis and Idaho counties.

Unemployed: Those individuals, 16 years of age or older, who do not have a job but are available for work and actively seeking work during the week including the 12th of the month. The only exceptions to these criteria are individuals who are waiting to be recalled from a layoff and individuals waiting to report to a new job within 30 days—these, too, are considered unemployed.

Unemployment Insurance: Unemployment Insurance is a program for the accumulation of funds paid by employers, to be used for the payment of Unemployment Insurance to workers during periods of unemployment which are beyond their control.

Unemployment Rate: The number of persons unemployed expressed as a percentage of the labor force.

Weekly Benefit Amount: The amount payable to a claimant for a compensable week of total unemployment.

Weeks Claimed: The number of weeks that unemployed workers claimed Unemployment Insurance benefits.

Weeks Compensated: The number of weeks for which compensation was actually paid.

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