Idaho Employment

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

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C.L. "Butch" Otter, Governor | Roger B. Madsen, Director

IDAHO SOLDIERS RETURNING HOME—HOW CAN WE HELP?

HIRE ONE VET IDAHO

As the nearly 1,500 Idaho National Guard members return home from Iraq over the next several weeks, Idaho Department of Labor local veterans representatives throughout the state are ready to meet with the vets on many job related issues.

In addition, the state encourages employers to review the state's Hire One tax credit and consider participating in Hire One Vet.

More details are available online at http://business.idaho.gov/TaxCredits.aspx.

TEMPORARY AGENCIES PLAY LARGER ROLE IN ECONOMY

Temporary employment services are playing a much larger role in the economy today than they did 20 years ago. While solving problems for many employers, they create both opportunities and challenges for job seekers. In the last two decades, changes in temporary employment have become viewed as a bellwether for the economy. In the slow recovery of the last two years, temp services have played an even larger role, partly because of the uncertainty employers have about the economy's direction.

WHY BUSINESSES USE TEMP AGENCIES

When a business uses a temporary employment service, it pays the agency to provide workers for a period that may be last anywhere from four hours to two years. The workers are the employees of the agency, which pays their payroll taxes and is legally responsible for them. But the workers take direction from the businesses that contract for them.

For the convenience of having someone else recruit, screen, run background checks, verify references, hire, handle discipline issues and deal with payrolls taxes and paperwork, the business pays a premium – sometimes a flat fee but most often an hourly rate. For example, if a worker gets an hourly wage of $9 from the agency, the business may pay the agency $11 or $12 per hour.

Employment services include employment placement agencies, executive search services and employee leasing services, but temporary employment agencies account for 74 percent of the sector's employment.

Traditionally, employers turned to temp agencies when they need replacements for a full-time employees, who are on vacation, leaves of absence or

sick leave. Typically temps filled clerical and factory positions that involved routine or repetitive tasks. Occasionally temp agency workers were hired for seasonal projects, cleaning up after natural disasters and handling surges in workload.

But increasingly, businesses have been turning to temp agencies when they were not sure whether they had enough work to keep a permanent employee busy for a long time.

In the 1980s, businesses began relying on temp agencies to provide computer analysts, accountants and other high-skilled workers either as substitutes for workers on leave or for special projects.

In the 1990s, many businesses began using temp agency workers for longer periods.

- In the manufacturing sector, the introduction of just-in-time practices made temp workers especially attractive.
- As a nursing shortage developed, many new temp agencies sprang up to specialize in medical personnel.

Also driving growth in temporary employment was an increased focus on flexibility in responding to changes in consumer demand. As more businesses began to use temporary workers to quickly address changing labor needs, other firms altered their hiring patterns to make greater use of just-in-time labor.

Many companies find hiring temps a good way of seeing whether someone is qualified and trustworthy before offering them a permanent job. In this case, they avoid the risks of a probationary period.

There are many jobs for which businesses do their initial hiring through temp agencies and then choose the temp workers that are perfect fits to become their own permanent employees. In northern Idaho, for example, it has become increasingly common for people to get their first job with a sawmill through a temp agency. In southern Idaho, food processors increasingly rely on temp agencies for new hires.

Businesses often increase their reliance on employment agencies when unemployment is low and workers are hard to find. But some also like using employment agencies when unemployment is high and they fear advertising the jobs would bring a flood of applicants – many either over- or under-qualified.

WHERE TEMPS WORK

Not all jobs lend themselves to temporary workers, especially jobs that require considerable amounts of employer-specific training. In some cases, union contracts prevent the use of temporary employment agencies.

The sectors that use temp agencies most extensively include manufacturing, trade, transportation, utilities, financial activities and professional and business services. During the housing boom, construction managers increasingly turned to temp agencies for workers.

Temporary help occupations have been diversifying and shifting towards higher-skill and higher-paying jobs over the last two decades. In recent years, the fastest growing occupational groups nationally have been in legal practice, business and financial operations; computers, mathematics, education,

training, library science and community and social services – all occupations with higher-than-average wages.

In 1984, office and administrative support occupations accounted for most temp employment. By 2008, office occupations' share of temp jobs had shrunk by more than half and clerical positions accounted for only 16 percent of the U.S. temp employment industry's revenue.

See page 32 for a table of the top 50 temporary employment occupations in Idaho for 2010

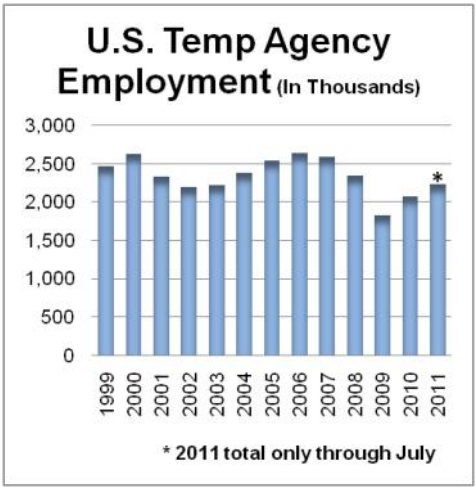
THE UPS AND DOWNS OF TEMP HELP

When temp services took modern form right after World War II, they initially employed about 20,000 Americans, mostly clerical workers. By the early 1970s, they employed about 200,000. By 1990, temp help exceeded 1.1 million jobs, and 10 years later it more than doubled to 2.6 million. In Idaho, temp agency employment rose even more dramatically from 1,878 in 1991 to 10,483 in 2000.

In response to growing demand, temp agencies have opened offices throughout Idaho in the last two decades. In 1991, there were 99. By 2000 there were 193 and today there are about 340.

The industry tends to be very volatile, responding strongly to changes in the business cycle. Temporary workers are easily hired when demand increases and laid off when it decreases. When the economy begins to recover from a recession, temporary help jobs grow much faster than permanent jobs. As businesses see demand for their products or services grow, they initially increase the hours of work of their own employees, which often were reduced during the recession. When demand continues to grow, they make temporary hires, often through temp agencies. Finally, when they are certain that demand is strong enough to sustain the new jobs, they may hire permanent employees. By the same token, when the economy falters, the first jobs to go are temp jobs.

The decline in temp employment in the United States starting in 2001 was caused by the dot.com crash and a recession. The impact was much smaller in Idaho so temp agency employment only stopped growing and did not drop significantly. Idaho's faster employment growth explains why its temp industry grew faster than the nation's between 2003 and 2006.



After 2006, the construction industry quit using temp services as intensively as it had, and manufacturing also began shedding temp workers. The fact that temporary employment declined before total employment did is one reason that changes in temp jobs are considered to be a leading indicator for the economy. In the first four months of the recession, between December 2007 and March 2008, temp agencies in the U.S. accounted for 48 percent of total payroll employment losses.

Temp agencies' extreme responsiveness to changes in the business cycle is illustrated by the 29.8 percent national employment loss from 2007 to 2009 while total nonfarm payrolls declined by only 4.4 percent. Idaho's temp industry fell even more sharply – 31 percent – while nonfarm payroll jobs dropped 7.1 percent.

AN IMPORTANT INDICATOR OF THE BUSINESS CYCLE

Temporary employment services are a key indicator of the overall job market closely watched by the Federal Reserve System, economists and policymakers. In the past, increases in temp employment have been precursors to improvements in the broader labor market. When employers hire temporary staff after a recession, it is viewed as a sign they will soon hire permanent workers. Generally, there has been a gap of only three to five months between a surge in temp hiring and an increase in total employment.

But now economists are questioning whether temp help is as good an indicator as in the past. Temp help grew for seven months during the recovery from the recent recession before total employment began to rise, and total employment never rose very much. From August 2009 to March 2010, temp agency employment rose 28.8 percent while total nonfarm payrolls rose only 0.6 percent.

The major reason why increases in temps have not led to permanent hiring is the extreme uncertainty about the future of an economy that has officially been out of a recession for two years. The recovery has been weak and threatened by many factors. Even companies that are boosting production fear their sales will remain weak or even falter. Companies don't want to hire permanent workers and then have to turn around and have to let them go six months later. So they are not hiring their own employees and are just relying on temp agencies.

In the last few months, temp services have given chilling signs that the recovery has nearly ground to a halt. Between March and July, seasonally adjusted employment at temp help agencies fell nationally 0.8 percent. Idaho also has seen similar signs. Employment services payrolls this July were 1.7 percent lower than in July 2010.

WHO WORKS FOR TEMP HELP AGENCIES

Temporary jobs can provide job seekers income, experience, training and a bridge to full-time employment.

A job seeker can reduce job search costs in terms of both time and money by allowing an employment agency to establish contact with potential employers.

Some workers love the freedom of being a temp. They enjoy trying out different settings and seeing how they can fit in. Some use temp work to explore different career options and sharpen skills or learn new ones. Many ap-

preciate the ability to take extended leaves of absence. Temp jobs can be well-suited to students and persons juggling job and family responsibilities. Nevertheless, many workers in temporary assignments would prefer the stability and greater benefits associated with full-time work. A survey conducted in 2008 by the Bureau of Labor Statistics found that about half of temporary workers appreciate the flexibility they have and about half would prefer to have a permanent job.

Some people take temporary jobs to supplement their incomes until they find permanent jobs, while others see the temporary job as an entry point to a permanent job in the industry or business they're interested in.

While women hold the majority of temp agency jobs nationwide, they are a minority in Idaho. Women account for 54 percent of the temporary workforce across the country but only 44 percent of all the nation's jobs. In Idaho, women hold only 43 percent of the temp jobs while making up 49 percent of the entire workforce. This probably is because manufacturing, transportation and laborer jobs make up a larger percentage of Idaho temp jobs compared to clerical and similar jobs.

Idaho Temp Agency, Private Sector Workforce By Age

	Temp Agencies	Private Sector
Under 25	19.3	17
25-34	27	23.5
35-44	21	21
45-54	19.3	21.4
55-64	10.6	13.5
65 and over	2.8	3.6

Temp workers tend to be younger than those in most industries. About 41 percent temp agency workers nationally are under 35 while 35 percent of all workers are under 35. The higher portion of younger workers partly reflects the large number of entry-level positions that require little formal education. In Idaho, 46 percent of temporary employment service workers are under 35 compared to 41 percent of all private-sector workers. Many students find temp agencies the easiest way to get a job for the summer or other vacation periods. During the summer months when many mothers leave the temp labor force to care for school-age children, students take their place.

PAY AND CONDITIONS OF WORK

Wages for new hires in employment services tend to be lower than average, reflecting the lower level of skills and experience generally required for the work. In Idaho, in 2010, the average monthly earnings for new hires by the employment services industry were 13 percent lower than the wages for new hires in all private-sector industries. The wage gap widens when all employees – from the least through the most experienced – are included. The average wage for employment service workers was 22 percent lower than the average wage for all private-sector workers. In addition, temp jobs rarely offer health care, vacation or retirement benefits.

The average workweek in the United States for employment services workers was about 33.6 hours in 2008, which was comparable to the average for workers across all industries. Most full-time temporary workers put in 35 to 40 hours a week, although some work longer hours. A large proportion of temporary help employees – two of every five – work part time. That is more than twice the average for all payroll workers in the U.S.

Average 2010 Idaho Monthly Wage		
	Temp Agencies	Private Sector
All Employees	$1,744	$2,382
New Hires	$1,437	$1,648

See page 32 for a table of the top 50 temporary employment occupations in Idaho for 2010

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MANUFACTURING NETWORK TO BOOST NC IDAHO ECONOMY

Increasing manufacturing employment in north central Idaho is a priority for local economic development organizations, which are trying to expand the capacity of the region's manufacturers.

A project with great possibilities got a boost this summer when the U.S. Department of Commerce awarded $160,000 to the Clearwater Economic Development Association to create the American Manufacturer Network.

The network would help manufacturers overcome the obstacles of bid development and contracting with the U.S. Department of Defense. Local manufacturers would learn about contract opportunities for making replacement parts for aging military vehicles and equipment. It eventually would work with large commercial manufacturers and military installations in the Northwest to supply "problem parts."

This will build manufacturers' capacity and help remove the impediments that small manufacturers face. It will show them how to become part of the supply chain for large commercial manufacturers and the federal government.

The network will act as a so-called Tier One Contractor, managing contracts and subcontracting jobs to local manufactures. It will decipher product specifications and provide technical assistance with reverse engineering needs, offer quality assurance, manage packaging and labeling requirements and provide support in LEAN monitoring and ISO 9000 certification.

Network backers believe local manufacturers will create one job for every $150,000 in contracts. The goal is to have $25 million in contracts by the fourth year of operation. That would mean roughly 160 jobs would be directly created, and they would indirectly lead to creation of another 330 jobs in other sectors.

For the first couple of years, the network will assist manufacturers in north central Idaho and southeastern Washington. Eventually, it will expand throughout the state of Idaho. Clearwater Economic Development is partnering with the Panhandle Area Council, the Southeast Idaho Council of Governments, the Region IV Development Association and Sage Community Resources to identify manufacturers interested in joining the network.

The Northwest Intermountain Manufacturers Association, which developed the initial concept for the network, is playing a key role. Other partners include Valley Vision, the Southeast Washington Economic Development Association, the University of Idaho, Washington State University, the Port of

Clarkston and the Nez Perce Tribe. They will call on experts at the Idaho Department of Commerce, the Procurement Technical Assistance Centers and TechHelp.

The Clearwater Economic Development Association, the Northwest Intermountain Manufacturers Association and other local economic development organizations are working on other projects as well.

- Clearwater Economic Development opened its industrial park in Craigmont last year providing local manufacturers space for expansion. The first tenant, the Ende Foundry, is helping build manufacturing capacity in the region by providing loss-foam foundry services. Through an Idaho Community Development Block Grant awarded to Craigmont, construction of the new street and utilities into the site began at the end of August and should be completed by mid-October, providing the necessary infrastructure for more businesses to locate in the park.
- The Latah Economic Development Council is working with the city of Potlatch and Potlatch Corp. on the development of a mixed-use site to include a business park. Clearwater Economic Development secured funding for a master plan and marketing strategy. Once completed, the Latah council will assist in marketing the site while Clearwater Economic Development will seek money for site development.
- In March, Clearwater Economic Development sponsored a green technology workshop to explore ways that green technology jobs can increase employment and business opportunities in the region.
- Clearwater Economic Development and the manufacturers association developed and found funding for the Snake River Boat Builders Export Program, which helped jet boat builders expand their sales to Europe. Now the Port of Clarkston has taken over leadership, and preparations are being made for a visit from U.S. Commercial Service representatives this fall. The jet boat builders plan a second visit to the international boat show in Dusseldorf, Germany, in January.
- Clearwater Economic Development is assisting local grape growers and wine makers become a significant agriculture and manufacturing sector by helping the Palouse Lewis Clark Valley Wine Alliance establish an American Viticulture Area. The application, an important first step for recognition of a local wine industry, was recently submitted to the Tobacco and Trade Bureau, which may take up to 24 months before it approves the American Viticulture Area.
- The Latah Economic Development Council is exploring the feasibility of creating a food innovation center, where new food products can be developed and marketed. Spinoff companies would create manufacturing job in the county. The center would leverage two of the county's greatest strengths – the research skills of graduates and faculty of the University of Idaho and the Palouse's bountiful harvests of wheat, garbanzos, peas and lentils – to create jobs and business opportunities for entrepreneurs and farmers.

To improve the manufacturing skills of the local workforce, Clearwater Economic Development and the manufacturers association are working with Lewis-Clark State College and the University of Idaho to expand use of the Solid Works program for professional-technical training at six local high schools. Solid Works is a three-dimensional modeling software for manufac-

turing design and would be used to teach students skills in high demand by local manufacturers. In addition, the college will develop mentoring and job shadowing programs with local manufacturers, exposing more students to job opportunities in the manufacturing sector. Other partners include Valley Vision and Idaho Tech Prep. The initiative will serve as a model for future workforce development projects that respond to rural manufacturers' needs.

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OIL FIELDS BECKON IDAHO WORKERS

The Bakken Shale Oil Field, covering 14,000 square miles of Montana, North Dakota and southern Canada in the Williston Basin Provence, is in the national spotlight as one of the most productive oil fields on the continent. The U.S. Geological Survey estimates 3.65 billion barrels of oil, 1.85 trillion cubic feet of natural gas and 148 million barrels of natural gas liquids are untapped in the formation. The Bakken is the fourth largest producer of oil in North America with 173 drilling rigs now at work.

Williston Basin Province boundary (in red) and Bakken Shale Oil Field (in blue).

The Bakken field became feasible and profitable only recently when oil prices soared and appropriate drilling technology was developed. Oil averaged $85 a barrel through August, up 11.4 percent from the same time last year, and hydraulic fracturing, or "fracking," is the technology used to create space for oil to flow out of the rock.

Assuming oil prices remain above $60 per barrel and fracking remains acceptable within the government regulatory scheme, the Williston Basin should surpass Prudhoe Bay, Alaska, in oil production.

One might think there was no recession when traveling through North Dakota today. While the credit crunch slowed spending on infrastructure and

housing, growth is strong. The painful boom and bust in the late ’70s and early ’80s in western North Dakota made contractors reluctant to build housing and infrastructure.

Most of the companies are based in Minot in Ward County and Williston in Williams County, where only a small fraction of the reserves are located. The largest concentration of mining employment is in Williams County followed by Stark County to the south. However, the surrounding counties in western North Dakota are making their claim. With populations as low as 650, employment opportunities were nonexistent until this oil boom. Statewide, mining employment increased 75 percent from 8,179 in 2007 to 14,316 in 2010.

The state’s unemployment rate hovers around 3 percent and its economy grew 7.1 percent in the past year. State Job Service offices had 16,169 listings as of Aug. 31, 2011. Twenty-one of the 53 counties in North Dakota saw substantial upticks in new hires from 2007 to 2009. For comparison, Idaho Department of Labor reported 5,155 job openings in July and only Owyhee County saw an increase in new hires during the same period of time, according to U.S. Census Bureau Local Employment Dynamics data.

North Dakota Counties. Williams and Ward counties are highlighted in blue.

Across the board, industries in North Dakota are in the black. The influx of people is putting a strain on current infrastructure, health care and other local services. There is a severe housing shortage in the western part of the state. Some companies are dealing with the problem by building “man camps.”

Contractors from all over are setting up shop in western North Dakota, building everything from roads to man camps— more than 1,000 additional private businesses are operating in North Dakota today than in 2007. Many are from Idaho. Companies like AABCO and Knife River, both from Kootenai County, are capitalizing on the lack of supply in infrastructure and the increasing demand of the Bakken boom.

Nearly a quarter of the jobs listed through North Dakota Job Service were in health care. The rest continue to be a combination of service-related occupations and oil-rich opportunities. The higher-paying oil jobs are driving wages for typical low-wage service occupations to eye-opening levels.

The average hourly wage in Williams County, location of one of the largest of the oil companies, Ward Williston Oil Co., is $31, up 15.2 percent from last

year. Gas stations, convenience stores, even McDonald's have to start entry level employees at $12.50 to $15 an hour just to attract applicants. Overall, prices are inflated. Rents are rising, and housing is becoming less affordable for locals.

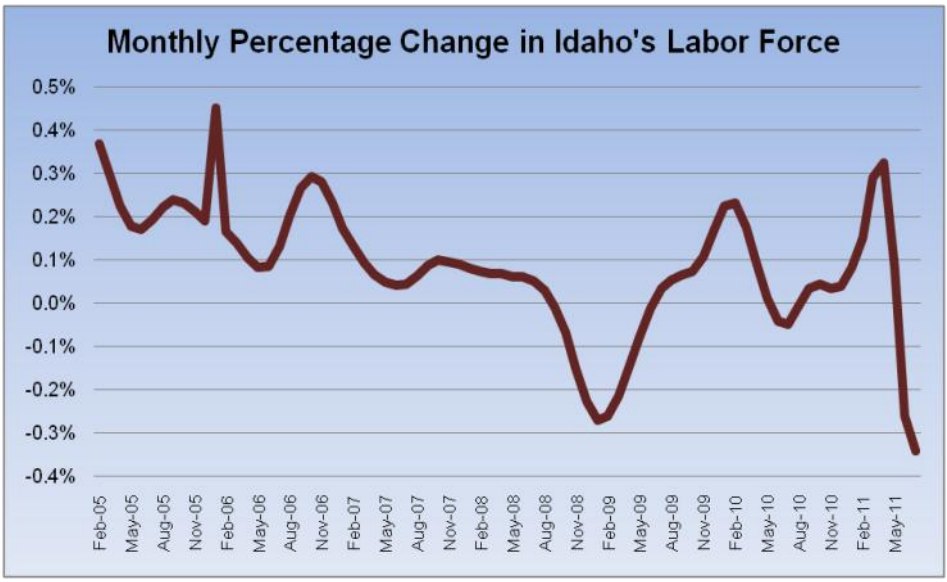
Statewide, the average annual pay for all workers was $38,128 in 2010, up 6 percent from 2009. Employees in the oil and gas sector earn on average $95,957 per year, which is 16.2 percent more than what they were earning in 2009.

The effects are rippling through the region, and people are taking advantage of the employment opportunities the Bakken Oil Field is creating. Oil companies are holding job fairs in Idaho and other states in the region. Idaho truck driving schools are advertising on the websites of major companies operating in the Bakken Oil Field. The top five states that people are migrating from are Minnesota, California, Montana, Wyoming and Texas. Migration is influenced by actual population of the contributing state as well as proximity and industrial mix.

Idaho residents – particularly those in higher unemployment areas such as northern Idaho – are jumping at the opportunity to work in North Dakota. Idaho's unemployment rate sat at 9.4 percent in July and northern Idaho's floats around 12.7 percent.

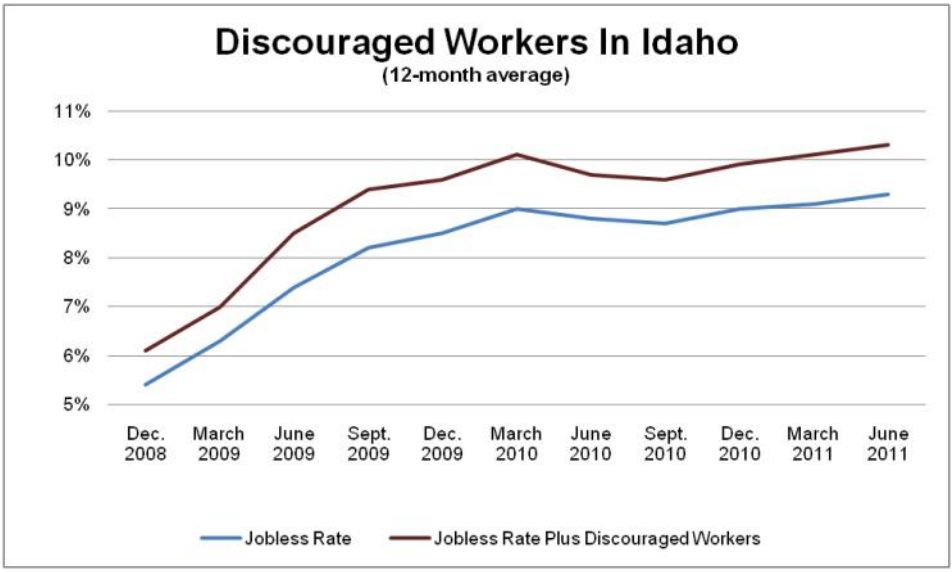
North Dakota Job Service reported a 58 percent increase in Idahoans working there from 1,090 in 2009 to 1,721 in 2010. From construction workers to loggers, Idaho's dislocated workers have the skills and are being targeted by large North Dakota oil giants. Many have lived in Kootenai, Bonner, Boundary and Bonneville counties.

The migration of workers to North Dakota, rather than stressing Idaho's labor supply has helped stabilize it. There are no hard statistics on the number of people actually picking up and moving to western North Dakota compared to those who leave for months at a time and then return to Idaho. But the current housing market coupled with families with school-age children has made workers more reluctant to make the shift permanently.



Discouraged Workers, Idaho and U.S.						
	Idaho			United States		
12-Month Period Ending	Unem-ployment. Rate	Unemployment Plus Discouraged Workers Rate	Difference	Unem-ployment. Rate	Unemployment Plus Discouraged Workers Rate	Difference
Dec 2008	5.4%	6.1%	0.7%	5.8%	6.8%	1.0%
Mar 2009	6.3%	7.0%	0.7%	6.7%	7.7%	1.0%
Jun 2009	7.4%	8.5%	1.1%	7.6%	8.8%	1.2%
Sep 2009	8.2%	9.4%	1.2%	8.5%	9.7%	1.2%
Dec 2009	8.5%	9.6%	1.1%	9.3%	10.5%	1.2%
Mar 2010	9.0%	10.1%	1.1%	9.7%	11.0%	1.3%
Jun 2010	8.8%	9.7%	0.9%	9.7%	11.1%	1.4%
Sep 2010	8.7%	9.6%	0.9%	9.7%	11.1%	1.4%
Dec 2010	9.0%	9.9%	0.9%	9.6%	11.1%	1.5%
Mar 2011	9.1%	10.1%	1.0%	9.4%	10.9%	1.5%
Jun 2011	9.3%	10.3%	1.0%	9.3%	10.7%	1.4%

Source: U.S. Bureau of Labor Statistics, Alternative Measures of Labor Utilization



The labor force statewide began drifting from its typical seasonal pattern in late 2008, at least partially due to the increasing number of discouraged workers – those who want to work but are not currently looking because they believe there are no jobs for them. As the increasing number of people exhaust their unemployment benefits, more will become discouraged and drop out of the labor force. That number has been growing.

	Jan-Jun 2009	Jan-Jun 2010	Jan-Jun 2011	Difference 2009-2011
Idaho	65.6	65.3	65.2	-0.4
U.S.	65.7	64.9	64.2	-1.5

Labor force participation rates are showing similar findings. The labor force participation rate represents the proportion of the noninstitutional population over 15 that is either working or looking for work. The first six months of this year compared to the same months in 2009, the labor force

participation rate fell by only 0.4 percentage points to 65.2. Nationwide, the rate weakened by 1.5 percentage points to an anemic rate of 64.2.

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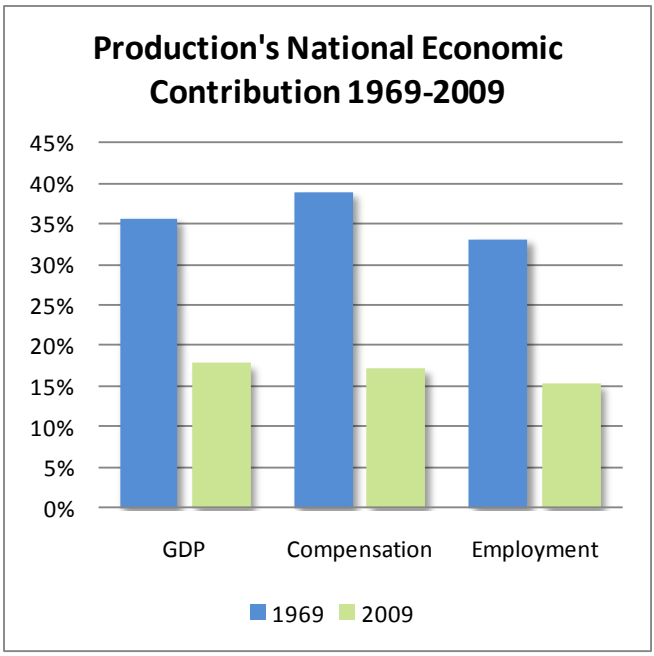
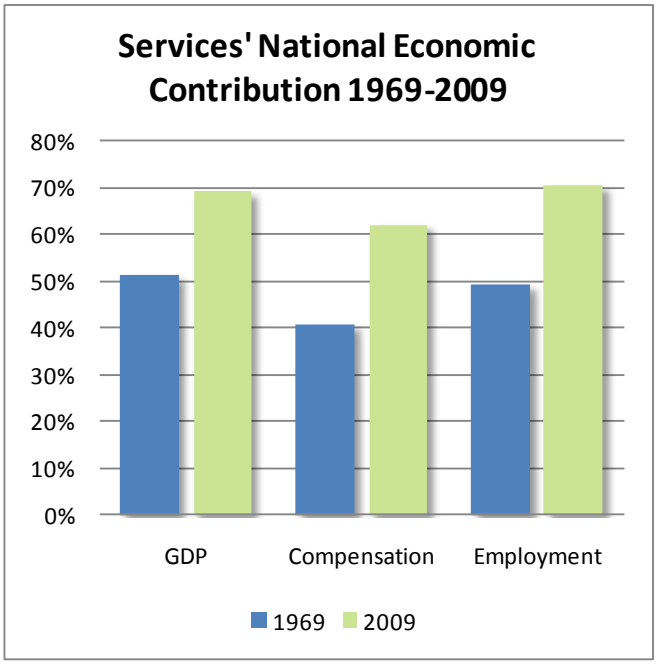
PRODUCTION TAKES BACK SEAT TO SERVICE IN TODAY'S ECONOMY

Idaho's economic transition over the last 40 years has followed the relentless national shift away from production toward services. While Idaho's shift was not as significant as the nation's and most other states, it was more dramatic than most states in the West.

The declining economic contribution of Idaho agriculture and forestry was more responsible for the reduced role production is playing in the state than manufacturing, which was the overwhelming reason for the diminished importance of production in the vast majority of other states.



But even though Idaho managed to preserve more of its overall production economy than many other states, the typically high wages that accompany those jobs have been eroding as the industry mix has changed, leaving Idaho with one of the lowest average wages in the nation.



GDP = Gross National Product

Since 1969, the production side of the economy – mining, construction, manufacturing and natural resources including agriculture – has been shrinking, supplanted by service-sector jobs.

The U.S. Bureau of Economic Analysis estimates that in 1969 the production economy nationally accounted for 36 percent

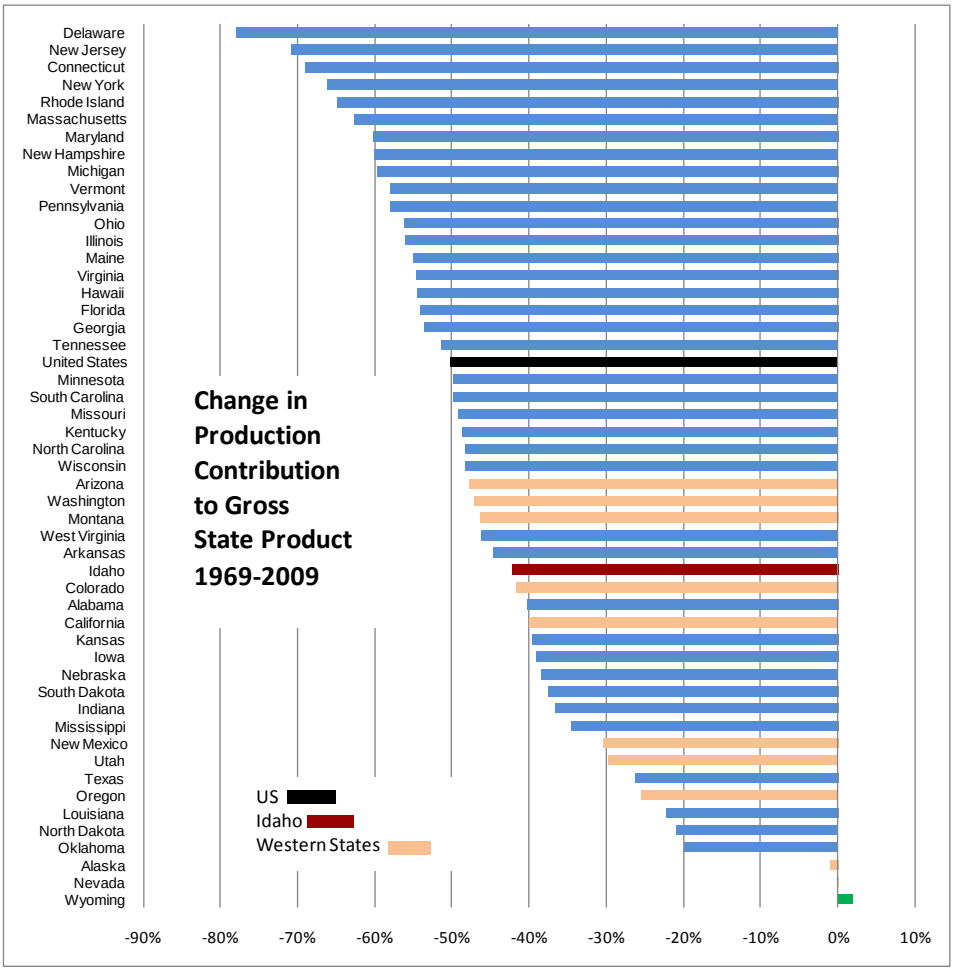
of gross domestic product, 39 percent of financial compensation and 33 percent of all jobs.

By 2009, the nation's production economy's contribution was down to 18 percent of gross domestic product, 17 percent of compensation and 15 percent of employment.

The service sector filled the void, growing from 51 percent to 69 percent of gross domestic product, 41 percent to 62 percent of compensation and 49 percent to 70 percent of all private-sector jobs.

Although government's share of gross domestic product was unchanged at 13 percent over four decades and its contribution to compensation remained at around 20 percent, government jobs fell from 17 percent to 14 percent of total jobs. Again services filled the gap.

As the national economy evolved in the second half of the 20th Century, so did Idaho's. But the Upper Midwest and the Northeast – the Rust Belt – bore the brunt of the shift away from production, primarily in lost manufacturing.



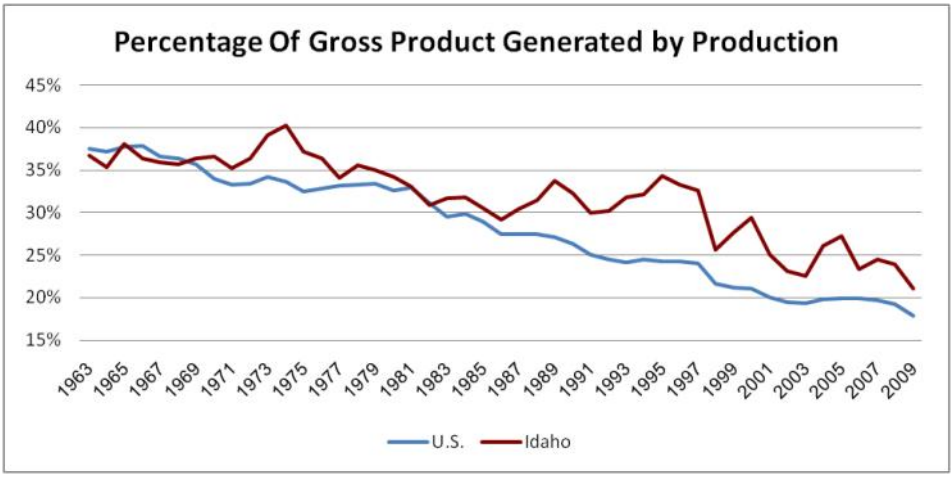
Idaho's production sector did not contract as much as many other states, limiting the increase in the economic contribution of the service sector. But the loss was greater than all the border states except Montana and Washington and all the other western states but Arizona.

Production in Idaho dropped from 36 percent of gross product in 1969 to 21 percent in 2009, from 30 percent of total compensation in 1969 to 19 per-

cent in 2009 and from 34 percent of total employment in 1969 to 20 percent in 2009.

A smaller percentage of production jobs generates a larger percentage in wages while the reverse is true in the service sector. In 1969, the average **annual** wage was $4,939 for Idaho production jobs, held by one of every three workers, and $4,201 for service workers. In 2009, production jobs, down to one in five, averaged $35,845 while service workers, two-thirds of the labor force, averaged $27,802.

The decline in the production side of Idaho's economy was much slower than the nation's over the decades. Production nationally has been on a steady slide since the 1960s while Idaho got a boost from the housing boom of the late 1960s and 1970s, which sent demand for Idaho lumber soaring. Between 1967 and 1977, wood products manufacturing employment was up 40 percent, compensation tripled and the contribution to gross state product quadrupled.



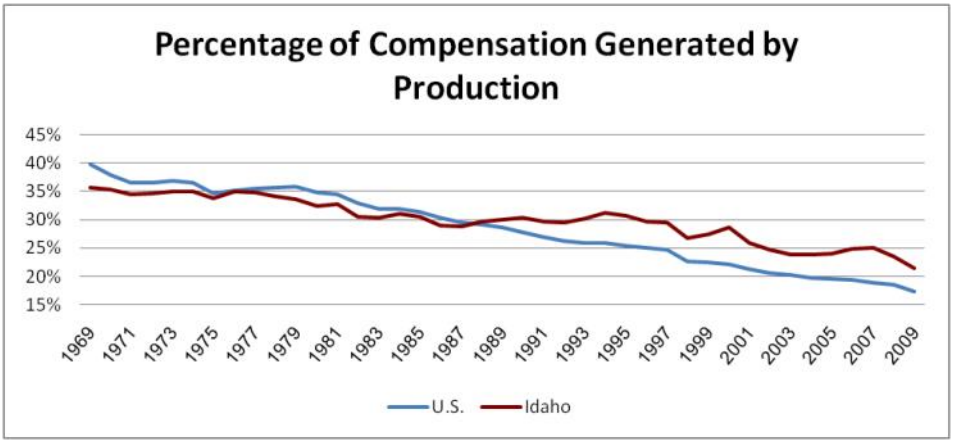
Gross product from production rode the expansion of wood products to a peak of just over 40 percent in 1974 and remained above 35 percent through the end of the decade. But it was becoming clear the economy was changing.

The recessions of the 1980s finally began the downward slide of production in Idaho. The contribution to gross state product slipped below 30 percent by the downturn's end in 1986 before rebounding somewhat with the recovery. Production generated over 33 percent of gross state product in the mid-1990s before beginning to slip again as the 2001 recession loomed. That recovery gave production a slight boost before the Great Recession pulled the rug from under that side of Idaho's economy, sending production to 21 percent of gross state product. From 2007 to 2009, the Idaho economy lost nearly 46,000 jobs, and more than two-thirds of them were from the production side of the economy.

As wood product manufacturing fell from its peak of 7.5 percent of gross state product in the late 1970s, electronics manufacturing was picking up some of the slack.

This sector emerged from insignificance before and during the 1980s recessions to accounting for 9 percent of the gross state product in 2000 and nearly 10 percent in 2005 before the global recession undermined that market.

High technology manufacturing offered the prospect of filling the void being creating through the demise of the wood products sector. But while the jobs in high-tech paid good money, they were concentrated in the big cities so the transition from wood products to high-tech helped maintain the production side of the economy. But those comparatively large paychecks wood products provided to rural communities migrated to an extent to the cities with high-tech jobs, undercutting those rural economies, particularly in the northern part of the state. At its peak in the early 1970s, wood products payrolls accounted for 9 percent of total compensation. Today they have fallen to less than 1 percent. At the same time, high-tech peaked at 9 percent in 2000 but never provided more than 6.9 percent of total compensation in any other year.



The shift in the kinds of jobs on the production side of the economy has also had a big impact. The mill jobs that disappeared in the 1980s and continued dwindling since supported many more jobs in the community. Every 100 mill jobs in a northern Idaho community essentially created or sustained another 300 jobs in related sectors like logging and other sectors like restaurants, health care and education – mainly because of the larger paychecks those mill jobs provided.

Mining offered a similar but lesser impact, generating 150 more jobs for every 100 jobs in the mines.

By comparison, the firearms manufacturers that have located in recent years in north central Idaho generate 100 additional jobs for every 100 in that business, and the average paycheck in today's dollars runs about $9,000 a year less than the mill jobs paid.

Semiconductor manufacturing, which was at the heart of the high-tech expansion in southwestern Idaho, generates about 175 jobs for every 100 directly in that business, not quite half the additional jobs mill workers generated.

And the service jobs that took the place of those lost production jobs generally pay about half or less what a mill worker or miner was making.

Agriculture, heavily dependent on supply and demand's influence on market prices, has been stable over the last two decades, providing an average of 38,000 to 39,000 jobs and gross state product of $1.3 billion. But because overall gross state product and employment have steadily risen, agriculture's percentage share has slipped. Compensation, however, has generally kept

pace with overall growth, running between 2 percent and 2.5 percent of total compensation.

While mining has some of the highest payrolls of any sector in the Idaho economy, its contribution overall has always been limited statewide although this sector has been locally significant. At its peak from 1979 through 1981, mining generated 3 percent of gross product and 2.8 percent of compensation but never more than 1.3 percent of employment. After falling below 1 percent in the late 1980s and early 1990s, employment and compensation have remained there while the sector's contribution to gross state product has bounced back over 1 percent on the strength of rising precious metal prices in recent years.

Construction employment grew with Idaho's population, which more than doubled in the last 40 years to rank eighth among the states. Employment rose five and half times from 1969 to its peak in 2006, doubling its share of total jobs to over 9 percent. But the implosion of the housing market erased 25 percent of those jobs in just three years to drop construction below 7 percent of total employment. The sector lost another 30 percent in 2010. Still, the sector's share of total jobs remained high among the states, a reflection of the state's continued population growth.

In terms of gross state production and compensation, however, the drop from the peak of the housing boom left both below the 1969 levels at 5.9 percent of total compensation and 5 percent of gross state product.

Over the same four decades, real estate doubled its share of gross state product – from 6 percent to 12 percent. Financial services boosted its contribution by two percentage points to nearly 6 percent, and health care more than doubled to 8 percent.

Despite significant population gains since 1969 – 118 percent to rank eighth among the states – retail was shrinking as a component of the Idaho economy. Retail was down 4 percentage points in employment to 11.3 per-

The Production Economy and Wages

	% of Gross Product		% of National Average Wage		
	1969	2009	1969	1977	2009
U.S.	**35.7%**	**17.8%**	**$6,506**	**$10,992**	**$45,831**
Idaho	**36.4%**	**21.0%**	**82.8%**	**87.6%**	**76.7%**
Border States					
Washington	33.0%	17.4%	104.5%	105.5%	104.9%
Oregon	35.5%	26.4%	97.9%	98.8%	89.8%
Nevada	14.5%	14.5%	111.8%	104.1%	95.7%
Utah	27.6%	19.4%	88.3%	90.7%	85.7%
Wyoming	42.2%	43.0%	86.9%	100.2%	90.6%
Montana	33.9%	18.2%	85.5%	89.2%	74.0%
Rest of the West					
California	28.4%	17.0%	112.7%	107.8%	115.1%
Arizona	28.7%	15.0%	95.4%	94.8%	95.5%
New Mexico	28.8%	20.1%	89.5%	90.4%	85.8%
Colorado	26.9%	15.7%	94.6%	98.2%	103.9%

Source: U.S. Bureau of Economic Analysis

cent of all jobs and over two percentage points each in compensation at 10.6 percent and gross state product at 9.8 percent, a possible reflection of the growth of Internet sales or of the inability of Idaho paychecks to maintain their value over the years. Compared to the national average wage, Idaho's average wage fell from 87.6 percent in 1977 to 76.7 percent in 2009.

Although the shift was much more significant elsewhere in America, Idaho felt it much more than other states in the West. The reason was the slide in the economic contribution of agriculture and forestry, underscoring their importance to what was once one of the strongest resource-based economies in the nation.

Wyoming was the only state to record a higher economic contribution from production sectors in 2009 than in 1969, and it was one of five states that posted an increase from the manufacturing sector. The others were North Dakota, South Dakota, Louisiana and New Mexico. In those four states, the decline in the production sector would have been even greater had it not been for the boost in manufacturing.

Of the 45 states that saw both production and manufacturing fall as a percent of gross state product, only Nebraska, Iowa and Utah attributed less of their overall decline to manufacturing than Idaho.

Idaho's economy grew from $2.75 billion in 1969 as measured by gross state product to $53.66 billion in 2009 – over 18 times in 40 years. Production accounted for $1 billion of the 1969 gross state product – 36.4 percent. By 2009, production's contribution had grown to $11.28 billion, but that was an increase of only 11 times over the same 40 years so its contribution to gross state product dropped to 21.1 percent.

The decline in manufacturing accounted for only about a third of production's reduced economic contribution. Primarily wood products and food processing manufacturing accounted for 16.3 percent of total gross state product in 1969, a little less than half the overall production contribution. By 2009, manufacturing's contribution, now primarily from food processing and high-tech, was down to 10.5 percent, but that was half the total production side contribution.

Agriculture and logging turned in the real decline, from 13.1 percent of gross state product in 1969 – $361 million for a third of the production side contribution – to 4.4 percent in 2009, $2.36 billion, or just a fifth, of the overall economic activity in production.

The market value of Idaho commodities was three to four times greater in 2009 than in 1969 depending on the commodity, according to price statistics compiled by the U.S. Department of Agriculture. But the cost of production as calculated by the USDA increased 20 times in those four decades. Without technological and biological advances to increase yields, agriculture's contribution would have declined even further.

See related tables on pages 29-31.

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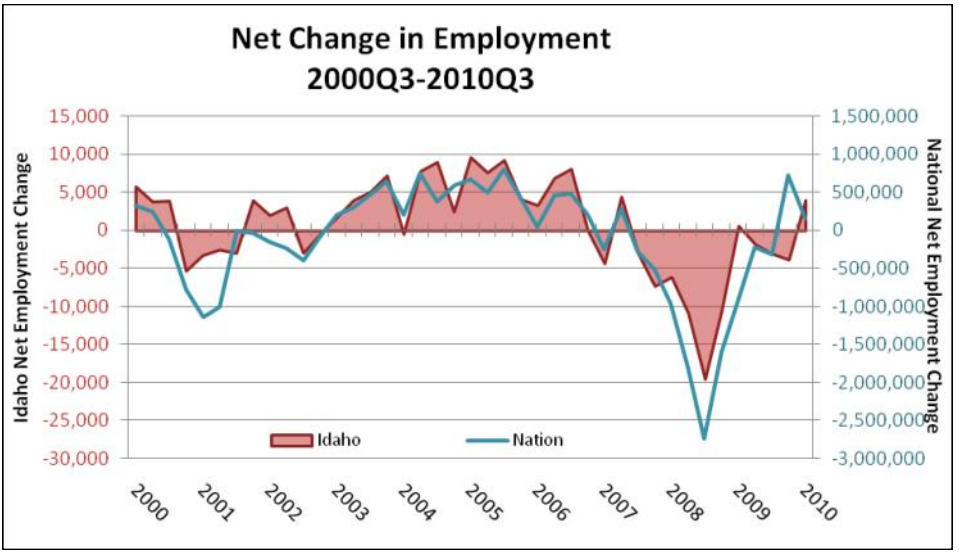
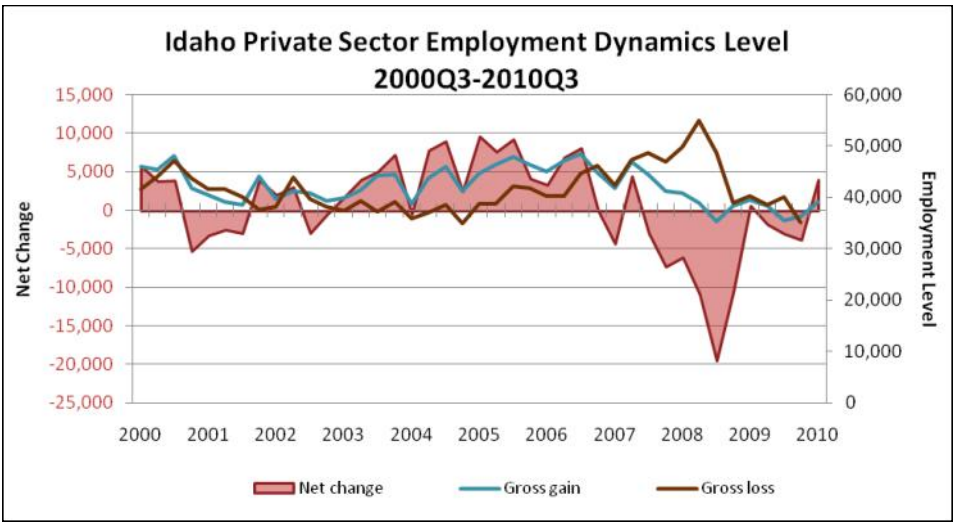
PRIVATE SECTOR JOBS INCREASED IN 3RD QUARTER 2010

Idaho experienced a seasonally adjusted net gain of 4,008 private sector jobs during the third quarter of 2010, according to the Business Employment Dynamics program of the U.S. Bureau of Labor Statistics.

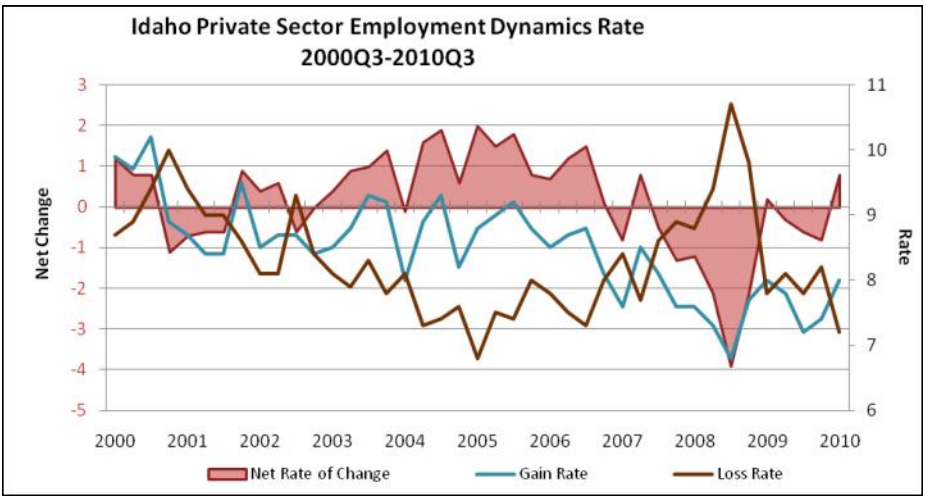


From July through September 2010, Idaho's opening and expanding businesses added 39,190 jobs while those closing or downsizing cut 35,182. The net gain of just over 4,000 jobs signaled an end to a streak of job losses that began in the first quarter of 2008, interrupted only by a slight net gain of 600 jobs in the third quarter of 2009.

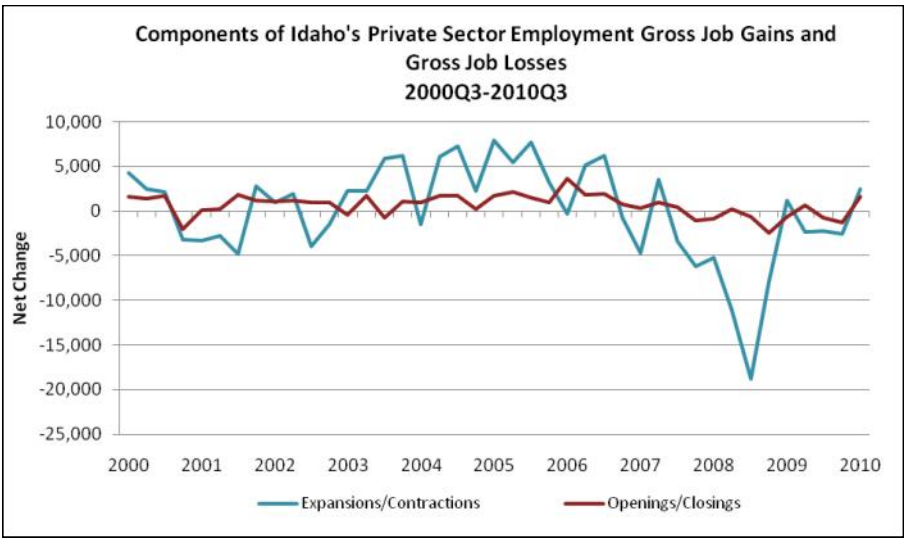
The Business Employment Dynamics program tracks information on job gains and job losses from private businesses opening, expanding, closing and downsizing, providing another tool for analyzing the business cycle.



The National Bureau of Economic Research marks the beginning of the recession in December 2007 although Idaho began to see evidence of a slowdown during the second quarter of 2007. In the 13 quarters that followed, Idaho lost jobs in all but three. Even with these slight gains, net job loss since the downward trend began was still over 58,000 by the end of September 2010 although that was down from more than 62,000 in the second quarter 2010.



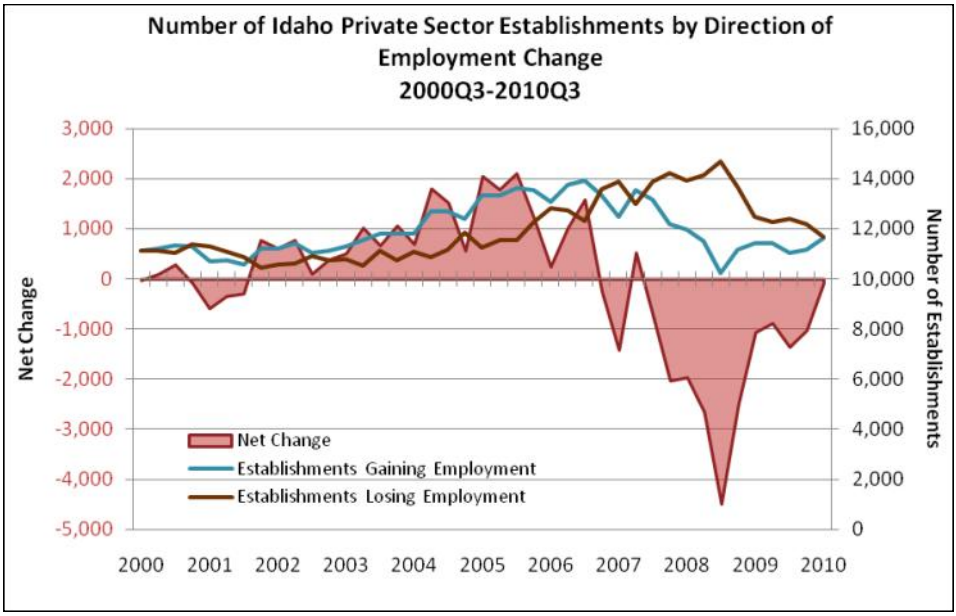
Jobs increased 8 percent in the third quarter of 2010, the second straight quarter in which the percentage increase has risen and the fourth quarter of increasing gains since the beginning of the recession. But unlike in the previous two quarters, the third quarter's gross job gain rate was greater than the percentage of gross job losses. The loss of 7.2 percent was a full percentage point lower than the second quarter's.



Expanding businesses created about 2,400 more jobs than contracting businesses eliminated during the quarter. Meanwhile, new businesses created 1,600 more jobs than closing businesses eliminated.

Nearly 11,600 of Idaho's 50,000 businesses added jobs during the third quarter – 8,800 through expansion and 2,800 opening for the first time. A nearly equal number, close to 11,700 establishments, eliminated jobs – 8,800 downsized and 2,900 closed altogether.

Nationally, third quarter 2010 saw a net job gain of just over 151,000 stretching across all economic sectors. This was only the second gain on a national level since the fourth quarter of 2007 but paled in comparison to the second quarter gain of over 700,000 jobs. New and expanding businesses created 6.6 million jobs in the third quarter, roughly 340,000 fewer than in the second quarter. Meanwhile, the nation experienced a loss of 6.4 million jobs as more businesses closed or pared payrolls. This loss was 240,000 jobs more than in the second quarter.



Third quarter 2010 brought a shift in the industry-by-industry picture. The number of industry sectors experiencing net losses had been decreasing over the past several quarters, but there was a roughly equal number of gaining sectors and losing sectors in the third quarter. Significant gains were made in professional and business services at 73,000 jobs, education and health services at 55,000 and manufacturing at 43,000. The gain in manufacturing was especially significant since it was the second quarterly increase in a row after the sector lost jobs steadily since the beginning of the recession. Construction, another steady loser during the recession, had experienced a slight gain in the second quarter but dipped back into negative territory in the third quarter with a loss of 1,000 jobs. Significant losses were felt by the retail at 96,000, finance and insurance at 23,000 and other services sectors at 15,000.

Wyoming was the state with the highest gross job gain at 9.8 percent followed by Alaska's 9.4 percent and Montana's 8.1 percent. The third quarter's steepest losses were 10 percent in Alaska, 8 percent in Wyoming and 7.5 percent in Montana. The end of 2009 and the first two quarters of 2010 had seen an increasing number of states experiencing job gains at least equal to if not greater than their losses. This trend moderated in the third quarter with just over half of all states experiencing a net gain and the rest either recording no change or a net loss.

Third quarter marked a turning point in the Idaho economy, bringing the first substantial net job gain since the beginning of the recession. On the national level, continued improvement was evident on an industry-by-industry and state-by-state basis. It remains to be seen, however, if these positive changes are the beginnings of a genuine recovery.

**The Business Employment Dynamics data series includes job gains and losses at private sector establishments. The data represent the change I*

n the number of jobs over time, which is the net result of increases and decreases in employment that occur at all businesses in the economy. More information on Business Employment Dynamics series is on the Web at www.bls.gov/bdm/.

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IDAHO'S LABOR FORCE PARTICIPATION RATE AT LOWEST POINT SINCE 1983

Without a sufficient number of promising job prospects, many of Idaho's residents have left the labor force.

Over the last decade, Idaho's population has grown faster than all but three states. Combining the two statistics sheds light on a trend that started in 1998 and has accelerated during the recent recession. Between October 1998 and July 2011 Idaho's labor force participation rate fell 6 percentage points while the nation fell only 3.3.

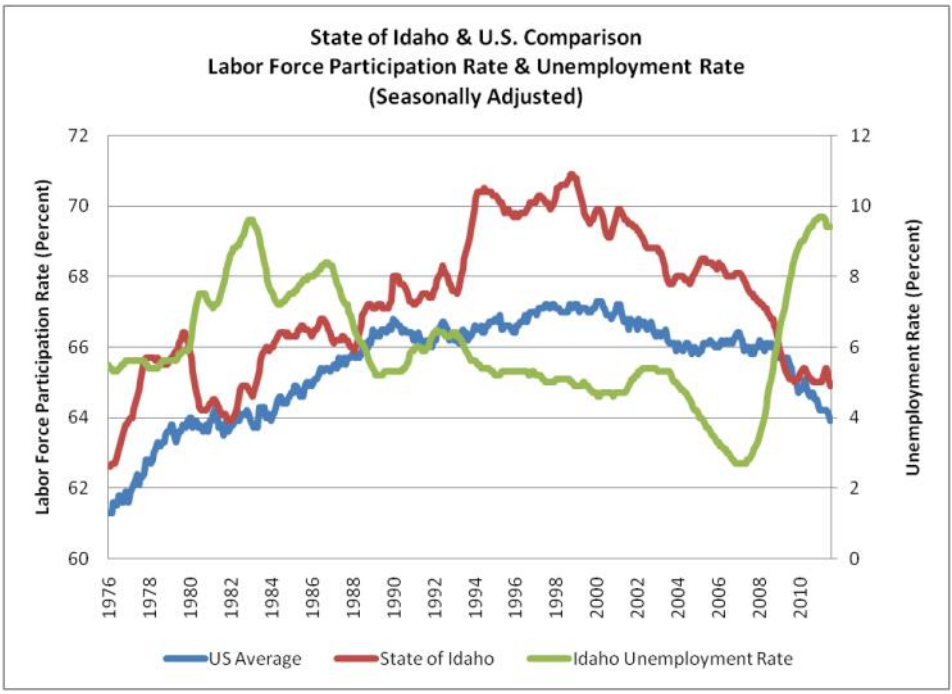
The labor force participation rate is one indicator being used to interpret recent economic activity. Calculating the rate consists of dividing the labor force – the number of people who have jobs or are actively looking for jobs – by the total number of people 16 and older. The U.S. Bureau of Labor Statistics together with the U.S. Census Bureau goes to great expense to accurately count this select population who are capable of entering the labor force. Individuals younger than 16, incarcerated, serving in the military, living in nursing homes or admitted in long-term care facilities would not be counted as part of this population. Over the last 35 years Idaho's labor force participation has averaged 67.3 percent while the nation sat at 65.5 percent. Idaho's rate for July 2011, however, was 64.9 percent while the nation's was 63.9 percent.

Labor force participation rates going back more than 35 years reveal only one period where Idaho's rate was eclipsed by the national rate – between April and October 2009. This rare occurrence was preceded by a rapid decline in the rate which is inversely related to Idaho's rapid increase in unemployment rates.

Idaho's labor force participation rate experienced sharp gains in the early '90s through the early 2000s. The peak came in 1998 when the rate reached 70.9 percent. In fact, Idaho's rate averaged 2.9 percentage points higher than the nation between 1993 and 2003. Excluding that decade, the rate averaged only 1.3 percentage points above the nation. The spread between Idaho and the nation has definitely narrowed as the recession took hold – although the gap is widening again.

It is not the first time Idaho has seen rapidly changing labor force participation rates. During the late 1970s the rate grew by almost 4 percentage points over the course of four years. With the onset of another recession in the early 1980s, the rate plunged as job seekers failed to find work. Another notable decline occurred a few years later ending in 1987.

Idaho's labor force participation rates consistently rank higher than the national average – the only exception being periods of recession. A nationwide trend of more women entering the labor force could also be impacting Idaho. According to national trends, in 1950 only 33.9 percent of women were a part of the labor force. By 2004 that number grew to 59.2 percent. Idaho's lower than average wages could be another explanation for exceptionally higher labor force participation rates. According to the 2010 Bureau of Labor Statistics Occupation and Employment Statistics, the average wage in Idaho is 13 percent lower than the U.S. average. The Bureau of Economic Analysis place Idaho's 2009 per-capita income at 30 percent below the national average.



Many Idahoans who would not be part of the labor force in higher income sates are forced to work in Idaho to stay afloat financially.

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JUVENILE OFFENDERS GET CHANCE TO LEARN VALUABLE JOBS SKILLS

Bannock County is defying convention and linking juvenile delinquency to job skills development.

A program called Constructing a Future is providing troubled youth the opportunity not only to make restitution for their crimes but also to learn how to become valuable employees.

While many young people see education and career success as a path to upward mobility, those from disadvantaged backgrounds too often see crime as a path to what they believe is a better life.

Young offenders in "Constructing a Future" program work on restoring and remodeling a run-down house.

But Constructing a Future tries to change this sociological pattern. Over the past three years 45 young offenders have worked over 4,200 hours restoring and remodeling a home donated by the city of Pocatello to the project. Besides the results of their work, the young people earned over $27,000 in wages that paid restitution to the victims of their crimes.

Participants in the program are selected from among juvenile offenders in Bannock County. The youth go through an application process and hiring process much like they would encounter with a typical job.

More importantly, however, Bannock County Juvenile Probation Officer Dan Montgomery says there was "a real change in how the youth in the program see themselves and their lives. They now understand the value of money, property and why hard work is important."

Montgomery said just coming to work regularly was an adjustment for most of these young people.

"It takes many of them a while to learn to work under a boss and with each other," he said. "We want these youth to learn how to become valuable employees so they can understand that a good work ethic is a path to a successful life."

Program participants are employees of Bannock County, and every payday they are taken to a local bank to cash their paychecks and then to the courthouse to turn the cash over to the county to pay their restitution.

"As the youth pay out their wages in fines, they understand that if they had not broken the law they could be keeping their wages," Montgomery said. "Our young people get a real world lesson in the value of money and in work."

He said program participants develop a sense of pride in their work and that "none of our kids has ever vandalized the home they worked on. They feel a sense of accomplishment from being part of the project."

Before and after views of the house participants rehabbed while in the "Constructing a Future" program.

Shari Garmise, assistant professor of economic development at Cleveland State University, said many employers find that young people generally lack many of the soft jobs skills they need to succeed like dependability, diligence, communication and the ability to follow directions.

Constructing a Future helps young people develop those soft skills, giving local employers a broader pool of talented, competent workers to draw on.

In addition to acquiring new job skills and a new perspective on life, the young people leave the program with a job history. As they enter the workforce, they can use Bannock County as an employment reference, and when an employer calls the county to check the reference, no mention is made of the applicants past offenses. Instead the young person's abilities as a worker are discussed.

Constructing a Future is benefiting the lives of young people and strengthening the Pocatello area's workforce. The program is proof that local government can have a positive impact on the lives of Idaho's youth.

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CLEARWATER AND NEZ PERCE NATIONAL FORESTS MOVE TOWARD CONSOLIDATION

The supervisor of the Clearwater and Nez Perce national forests released a draft plan this summer to merge the two forests. It would eliminate 36 jobs by 2014.

The merger would create a 4-million-acre administrative unit to be called the Nez Perce-Clearwater National Forests. Both forest headquarters would continue to operate at their current locations until their building leases expire – three more years in Orofino and 11 more in Grangeville. Eventually, the new forest might be headquartered in Kamiah with ranger district offices remaining in Orofino and Grangeville. Kamiah seems the most likely locale because the Forest Services owns the land around its building there and because it is centrally located.

If approved after public meetings, the new forest would operate with about 260 employees, 36 fewer than today and about 70 fewer than in May 2010. The forests have been working toward a merger since 2009 when they received a common supervisor. Over time, they have reduced duplicate management jobs. Further reductions would be made largely through attrition and partly by further reductions in duplicate jobs.

Falling Forest Service budgets largely drive the consolidation. In 2010, the two forests had combined budgets of $30 million. This year's budget is $27.9 million. It is projected to drop to $26 million in 2012.

Next year, the two forests' recreation budget will be $1.2 million, half of what it was five years ago. Officials plan to hold public meetings this fall to determine which sites and programs should continue being funded and which will be reduced or closed .

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MOSCOW-PULLMAN SHUTTLE SERVICE ENDS WITH FUNDING CUT

After providing shuttle service between Moscow and Pullman for nearly 20 years, the University of Idaho and Washington State University were forced to discontinue funding the service that runs from August through May between the two campuses.

The colleges did not renew their agreement with Wheatland Express, which operates the shuttle service that cost each school $140,000 last fiscal year. Wheatland Express recorded 48,669 rides between August 2010 and May 2011.

College officials are working to develop ridesharing services and a car-sharing program for students and employees who have no personal transportation between the two campuses. Other options include reciprocal parking agreements between campuses, vanpools and carpools.

The loss of the shuttle potentially endangered bus services offered by Moscow Valley Transit, because the Moscow bus system used the $140,000 as "soft match" to secure federal matching funds to operate services in Moscow.

But Valley Transit found other matching money including the $70,000 in value Gritman Medical Center puts into its service vehicles. The bus system also gets an annual hard match of $60,000 from the city of Moscow. With the match, the bus system was able to secure $357,000 in federal transportation funding to maintain and operate its two routes next year. The bus system hopes to add another route this year.

Ridership last year was up 24 percent, and so far this year's it is up another 21 percent.

To help with the loss of the Wheatland Express shuttle, both universities are offering Zipcar and Zimride services.

Zipcar is a car-sharing program that boasts more than half a million members and more than 8,000 vehicles in the United States, Canada and the United Kingdom – mostly in urban areas and on university campuses.

Applying for a Zipcar membership, which includes a check of the applicant's driving record, takes a few days. If approved, members receive a keyless entry card that unlocks Zipcar vehicle doors at specified times they've reserved, either online or via phone. Membership costs about $35, and rental fees start at $8.50 per hour, or $66 per day. That includes the cost of gas, insurance, roadside assistance and up to 180 miles of driving per day.

Zimride is a ridesharing service available only to university faculty, staff and students, and the universities pay a small fee to offer the service. Zimride members can use the service's university-specific websites to network with other members who are offering rides or need to find rides throughout the region. Zimride members can arrange carpools between the two universities, or they can set up longer road trips for holiday or weekend breaks.

The Palouse-Clearwater Environmental Institute also provides a ridesharing website.

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NEGOTIATION YIELDS MORE RESULTS THAN LITIGATION IN TWIN FALLS COUNTY

PRISTINE SPRINGS

The long-running water wars throughout the West have divided communities and created wealth for water resource attorneys. But there is now some movement toward resolution outside of the courtroom, at least in Twin Falls County, where combatants are realizing a little civil conversation and understanding can avoid a lot of legal wrangling.

In south central Idaho, the conflict began on two fronts. More than a decade ago, Blue Lakes Trout Farm invoked its more than century-old right to water, demanding that other trout farms and groundwater users in the area curtail their usage. And 10 years ago, the Environmental Protection Agency radically lowered its tolerance for arsenic in drinking water, placing tremendous pressure on small communities to comply with the lower standard. Others joined in those lawsuits and fights over access to water in the following

years, but to list them all would only add to the confusion over water rights in the Magic Valley.

Last year, the Idaho Water Resource Board arranged the purchase of the assets and water rights of Pristine Springs Inc. for $26 million to take some of the pressure off everyone in the region. The deal included not just water rights but a trout farm, a 400 acre ranch, two hydro power plants producing 325 KW and a 100 KW geothermal turbine.

And it took everyone in the region to make the deal work. The water board put up $5 million. Then the city of Twin Falls got court approval to borrow $10 million toward the purchase of water rights to be paid from future municipal water receipts. The groundwater users contributed another $10 million they borrowed from the state water board, and added $1 million from their own reserves.

Recognizing the gap between its current resources and future water demands, the city of Twin Falls convinced 5th District Judge Randy Stoker that it needed to finance not just the water right purchase but to build the infrastructure for transporting the spring water to where it was needed – south of Twin Falls so it can be mixed with city well water to lower arsenic levels to the new standard.

Pristine Springs trout raceways.

The State Water Resource Board could easily justify its contribution since it will own the property, collect lease payments from operators, interest on the loan to the groundwater districts and revenue from the hydropower plants.

The apparent success of the Pristine Springs transaction has spawned further efforts to resolve the conflict more amicably. The Aberdeen-American Falls, Bingham, North Snake and the Magic Valley groundwater districts and the Southwest Irrigation District will go before a judge in Power County in mid-October with their bid to buy the Blue Lakes Trout, Clear Lake Trout and Rim View Trout fish farms and all the associated water rights.

The deal is estimated at around $30 million plus, but it would avoid future demands by the trout producers for their water – demands that would in all likelihood pull participants back into court.

Revenue bonds from the Idaho Water Resource Board would finance this second deal. The final question is the effect on Idaho trout production. The state currently produces about 75 percent of the nation's commercial trout.

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SHOSHONE-BANNOCK TRIBES HOTEL, EVENTS CENTER PUMPS IDAHO ECONOMY

Despite past hardships, the Shoshone-Bannock Tribes have become an economic force in Southeastern Idaho.

Their roots go back centuries, and few know that the tribes share a common linguistic heritage with the Aztec civilization of Central America. But during the mid- and late-1800s, the tribes lost much of their land and were forced to relocate to the Fort Hall Reservation that covers parts of Bannock, Bingham and Power counties.

Their economic strength is again being demonstrated in the construction of a five-story hotel and events center that began in April.

The new hotel just off Interstate 15 at Fort Hall will have 156 rooms, a spa, guest pool, fitness center, laundry, a 125-seat sports bar and grill, a deli and a 1,400-seat events center. It should open next Memorial Day weekend.

But it is already having a profound economic impact on the region. The $47 million project has created many badly needed construction jobs. According to Laverne Beech, the tribes' public affairs manager, construction is employing an average of 100 workers per month.

Once the complex opens, it will have a staff of 50 and will likely attract many new visitors to the area, who will generate additional jobs in the local leisure and hospitality sector.

Even at just 50 percent occupancy, the 164,000-square-foot complex would generate over $7 million in local economic activity.

And leaders of Shoshone-Bannock Tribes are planning beyond the hotel and events center. They are planning an expanded casino in the near future, and developing a water park has also been discussed.

Southeastern Idaho's future looks bright, and the Shoshone-Bannock Tribes have much to do with the outlook.

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MEGALOADS UPDATE: SHIPMENTS CONTINUE

The number of Imperial Oil megaloads that will go through Lewiston has gotten smaller.

The oil company has stockpiled 49 of its Korean-made modules at the Port of Pasco and will use U.S. Highway 395 and Interstate 90 to move the loads to the Kearl Oil Sands in Alberta, Canada.

In the last two months, Imperial has shipped five oversized loads along U.S. 95. The Exxon subsidiary spent about $16 million turning 33 megaloads

at the Port of Lewiston into 66 loads that are half as high and can move on U.S. 95 through Moscow and then to I-90. Crews finished cutting the U.S. 95 modules in half in early September. As many as 300 people worked on the project at the port. Since most were from other states, their presence boosted activity at local motels, restaurants and stores.

The oil company still hopes to send 60 to 70 megaloads on its preferred route along U.S. 12, but litigation in both Idaho and Montana has held up those shipments and prompted the search for an alternative route. The Idaho Transportation Department issued a final order Sept. 7 that it would grant permits for shipments along Highway 12 as long as they follow the requirements imposed on the test module last February.

Nickel Bros. received permits to move 11 oversize rigs from the Port of Wilma just outside Clarkston through Idaho on U.S. 12 to the Montana border. At least one shipment will take up two lanes of traffic. The first shipment was on Aug. 29. The last is expected to leave in mid-October.

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Percentage Change in Production Component of Gross State Product and Contribution to That Change by Sector 1969-2009

	Percentage Point Change in Production	Manufac-turing	Construc-tion	Agriculture Logging	Mining
US	**-17.9%**	**-14.9%**	**-1.1%**	**-1.8%**	**-0.1%**
Alabama	-15.2%	-13.2%	-0.5%	-1.7%	0.3%
Alaska	-0.3%	-1.2%	-6.0%	-0.5%	7.4%
Arizona	-13.7%	-6.1%	-1.5%	-3.5%	-2.5%
Arkansas	-18.0%	-11.9%	-1.5%	-5.2%	0.6%
California	-11.3%	-8.9%	-1.0%	-1.3%	-0.2%
Colorado	-11.2%	-7.7%	-1.6%	-3.4%	1.4%
Connecticut	-29.7%	-26.2%	-2.7%	-0.8%	-0.1%
Delaware	-36.0%	-31.9%	-2.3%	-1.8%	0.0%
Florida	-12.9%	-7.5%	-1.6%	-3.0%	0.0%
Georgia	-18.2%	-14.8%	-2.0%	-2.1%	-0.4%
Hawaii	-9.7%	-4.4%	-0.9%	-2.6%	-0.4%
Idaho	**-15.3%**	**-5.8%**	**-2.6%**	**-8.7%**	**-0.1%**
Illinois	-21.7%	-18.3%	-0.6%	-1.6%	-0.2%
Indiana	-17.6%	-13.6%	-1.5%	-2.3%	-0.3%
Iowa	-16.3%	-5.8%	-1.7%	-8.8%	-0.1%
Kansas	-13.7%	-5.3%	-1.6%	-4.3%	-0.2%
Kentucky	-23.2%	-18.5%	-1.5%	-3.0%	-2.7%
Louisiana	-10.0%	3.9%	-1.7%	-1.4%	0.1%
Maine	-19.4%	-16.0%	-0.8%	-2.2%	-11.8%
Maryland	-16.2%	-13.9%	-1.2%	-1.1%	0.0%
Massachusetts	-20.6%	-18.3%	-1.0%	-0.4%	-0.1%
Michigan	-29.3%	-27.2%	-1.8%	-0.6%	0.0%
Minnesota	-18.4%	-11.0%	-1.4%	-3.9%	-0.1%
Mississippi	-13.0%	-6.9%	-1.8%	-4.0%	-1.6%
Missouri	-16.9%	-13.4%	-0.7%	-2.0%	-1.3%
Montana	-15.7%	-6.9%	-1.1%	-8.5%	-0.4%
Nebraska	-13.3%	-4.5%	0.1%	-6.6%	-0.3%
Nevada	0.0%	-0.5%	-1.7%	-1.6%	-0.4%
New Hampshire	-22.7%	-18.1%	1.2%	-1.1%	0.8%
New Jersey	-27.1%	-24.7%	-3.5%	-0.5%	-0.1%
New Mexico	-8.8%	2.2%	-1.7%	-2.4%	-0.1%
New York	-17.8%	-16.7%	-0.8%	-0.6%	-7.8%
North Carolina	-22.0%	-17.9%	-0.5%	-3.1%	0.0%
North Dakota	-6.5%	3.6%	-0.9%	-10.8%	-0.2%
Ohio	-25.6%	-22.4%	-0.8%	-0.8%	1.5%
Oklahoma	-6.3%	-2.7%	-2.3%	-3.3%	-0.1%
Oregon	-9.0%	-5.5%	-1.3%	-2.0%	1.0%
Pennsylvania	-23.5%	-21.4%	-1.5%	-0.7%	0.0%
Rhode Island	-22.2%	-21.4%	-1.5%	-0.4%	0.1%
South Carolina	-20.7%	-17.8%	-0.4%	-2.1%	0.0%
South Dakota	-12.1%	1.9%	-0.8%	-12.4%	-0.1%
Tennessee	-19.6%	-15.4%	-1.2%	-2.1%	-0.4%
Texas	-9.5%	-6.1%	-1.8%	-2.1%	-0.4%
Utah	-8.2%	-2.9%	0.2%	-2.4%	-3.0%
Vermont	-21.6%	-14.3%	-3.3%	-3.7%	-0.3%
Virginia	-15.7%	-12.6%	-1.2%	-1.6%	-0.4%
Washington	-15.5%	-13.6%	-0.5%	-1.5%	0.0%
West Virginia	-21.2%	-18.6%	-1.3%	-0.8%	-0.5%
Wisconsin	-21.2%	-16.0%	-1.7%	-3.5%	0.0%
Wyoming	0.8%	3.3%	-0.7%	-5.5%	3.7%

Source: U.S. Bureau of Economic Analysis

The first column show the difference between production's contribution to gross state production in 1969 and in 2009 in percentage points. The subsequent columns show how much of that difference is attributable to each sector.

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Percentage Change In Production Component of Total Compensation and Contribution to That Change by Sector 1969-2009

	Percentage Point Change in Production	Manufac-turing	Construc-tion	Agriculture Logging	Mining
US	**-22.0%**	**-20.5%**	**-1.2%**	**0.0%**	**-0.3%**
Alabama	-18.1%	-17.3%	-0.5%	0.1%	-0.4%
Alaska	-4.7%	-3.6%	-4.4%	-0.7%	4.0%
Arizona	-18.1%	-10.5%	-3.1%	-0.5%	-4.0%
Arkansas	-18.1%	-16.5%	-1.4%	0.0%	-0.1%
California	-15.9%	-14.7%	-1.0%	0.0%	-0.2%
Colorado	-12.8%	-11.1%	-0.9%	-0.1%	-0.7%
Connecticut	-34.3%	-31.4%	-2.6%	-0.2%	0.0%
Delaware	-37.4%	-35.8%	-1.4%	-0.2%	0.0%
Florida	-15.3%	-11.0%	-3.4%	-0.5%	-0.3%
Georgia	-20.1%	-18.7%	-1.0%	0.0%	-0.3%
Hawaii	-8.7%	-5.1%	-3.5%	-0.1%	0.1%
Idaho	**-11.5%**	**-9.2%**	**-0.8%**	**0.2%**	**-1.8%**
Illinois	-26.0%	-23.9%	-1.5%	-0.1%	-0.5%
Indiana	-26.2%	-24.8%	-1.2%	0.0%	-0.2%
Iowa	-16.9%	-15.2%	-1.3%	-0.1%	-0.3%
Kansas	-12.5%	-9.8%	-1.4%	-0.2%	-1.1%
Kentucky	-18.9%	-14.4%	-3.0%	0.1%	-1.7%
Louisiana	-11.8%	-8.8%	-0.6%	0.0%	-2.4%
Maine	-23.7%	-22.9%	-1.0%	0.2%	-0.1%
Maryland	-17.8%	-16.9%	-0.6%	-0.2%	-0.1%
Massachusetts	-24.2%	-22.2%	-1.8%	-0.1%	0.0%
Michigan	-32.9%	-30.7%	-1.9%	0.0%	-0.2%
Minnesota	-20.4%	-15.8%	-3.3%	-0.1%	-1.2%
Mississippi	-16.2%	-15.2%	-0.7%	0.2%	-0.6%
Missouri	-20.5%	-19.5%	-0.5%	-0.1%	-0.4%
Montana	-11.1%	-9.1%	-0.7%	0.1%	-1.4%
Nebraska	-11.8%	-9.6%	-1.9%	0.0%	-0.3%
Nevada	0.1%	-0.2%	1.0%	-0.1%	-0.5%
New Hampshire	-27.2%	-24.0%	-3.0%	-0.1%	-0.1%
New Jersey	-31.1%	-29.0%	-1.8%	-0.2%	-0.1%
New Mexico	-7.0%	-2.0%	-0.8%	-0.2%	-4.0%
New York	-22.9%	-22.0%	-0.7%	-0.1%	-0.1%
North Carolina	-24.9%	-23.7%	-1.0%	0.0%	-0.1%
North Dakota	3.6%	1.2%	0.6%	0.0%	1.9%
Ohio	-31.3%	-28.3%	-2.6%	-0.1%	-0.3%
Oklahoma	-12.0%	-9.1%	-0.9%	-0.1%	-2.0%
Oregon	-16.7%	-16.0%	-1.1%	0.5%	-0.1%
Pennsylvania	-29.9%	-27.9%	-1.3%	-0.1%	-0.7%
Rhode Island	-26.0%	-24.9%	-1.0%	-0.1%	0.0%
South Carolina	-24.0%	-23.3%	-0.6%	0.0%	-0.1%
South Dakota	-2.3%	-0.5%	0.0%	-0.1%	-1.7%
Tennessee	-23.6%	-21.8%	-1.3%	-0.1%	-0.4%
Texas	-13.3%	-12.9%	-0.8%	-0.2%	0.5%
Utah	-8.9%	-6.1%	1.0%	-0.1%	-3.6%
Vermont	-22.4%	-19.2%	-2.6%	0.0%	-0.5%
Virginia	-17.0%	-14.9%	-1.2%	-0.1%	-0.7%
Washington	-17.5%	-17.3%	-0.4%	0.2%	-0.1%
West Virginia	-27.5%	-20.9%	-1.2%	0.0%	-5.5%
Wisconsin	-23.0%	-21.2%	-1.7%	0.0%	-0.1%
Wyoming	-1.0%	-3.0%	2.0%	-0.1%	0.1%

Source: U.S. Bureau of Economic Analysis

The first column show the difference between production's contribution to total compensation in 1969 and 2009 in percentage points. The subsequent columns show how much of that difference is attributable to each sector.

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Percentage Change In Production Component of Total Employment and Contribution to That Change by Sector 1969-2009

	Percentage Point Change in Production	Manufacturing	Construction	Agriculture Logging	Mining
US	**-17.8%**	**-15.4%**	**0.6%**	**-2.9%**	**0.0%**
Alabama	-17.1%	-13.3%	1.4%	-5.0%	-0.1%
Alaska	-1.2%	-1.8%	-0.1%	-0.6%	1.3%
Arizona	-14.5%	-8.5%	-0.4%	-3.4%	-2.3%
Arkansas	-18.8%	-10.7%	0.7%	-9.1%	0.3%
California	-13.2%	-12.0%	0.6%	-1.7%	-0.1%
Colorado	-9.6%	-7.4%	1.4%	-3.5%	-0.1%
Connecticut	-26.3%	-25.5%	0.0%	-0.8%	0.1%
Delaware	-25.2%	-22.3%	-0.2%	-2.8%	0.0%
Florida	-12.7%	-8.2%	-1.3%	-3.2%	0.0%
Georgia	-18.6%	-15.8%	0.8%	-3.5%	-0.2%
Hawaii	-7.2%	-4.3%	-1.0%	-2.0%	0.1%
Idaho	**-14.4%**	**-6.6%**	**2.1%**	**-9.1%**	**-0.8%**
Illinois	-21.1%	-19.3%	0.2%	-1.9%	-0.1%
Indiana	-22.6%	-19.7%	0.4%	-3.4%	0.0%
Iowa	-15.6%	-7.2%	0.5%	-8.9%	-0.1%
Kansas	-11.8%	-5.2%	0.1%	-7.1%	0.3%
Kentucky	-17.5%	-9.6%	-0.2%	-7.0%	-0.7%
Louisiana	-10.5%	-6.9%	1.0%	-3.7%	-0.9%
Maine	-20.2%	-19.4%	1.7%	-2.5%	0.0%
Maryland	-14.4%	-13.2%	0.5%	-1.6%	0.0%
Massachusetts	-19.4%	-19.1%	0.2%	-0.5%	0.0%
Michigan	-24.7%	-23.3%	0.1%	-1.5%	0.1%
Minnesota	-17.1%	-10.7%	-0.3%	-5.5%	-0.6%
Mississippi	-17.8%	-11.0%	1.5%	-8.4%	0.1%
Missouri	-17.4%	-13.7%	1.0%	-4.5%	-0.2%
Montana	-11.3%	-5.3%	2.1%	-7.5%	-0.6%
Nebraska	-12.6%	-4.7%	0.5%	-8.2%	-0.1%
Nevada	-1.9%	-0.6%	1.0%	-1.6%	-0.7%
New Hampshire	-22.4%	-21.1%	0.3%	-1.5%	0.0%
New Jersey	-25.0%	-24.1%	-0.2%	-0.6%	0.0%
New Mexico	-6.7%	-2.1%	0.8%	-3.3%	-2.2%
New York	-17.8%	-17.7%	0.6%	-0.6%	0.0%
North Carolina	-26.9%	-20.9%	1.0%	-7.0%	0.0%
North Dakota	-10.6%	1.5%	1.7%	-14.9%	1.1%
Ohio	-23.4%	-21.5%	-0.3%	-1.6%	0.1%
Oklahoma	-8.7%	-5.7%	0.6%	-4.5%	0.9%
Oregon	-14.0%	-12.3%	0.4%	-2.1%	0.0%
Pennsylvania	-22.8%	-22.1%	0.4%	-0.8%	-0.3%
Rhode Island	-21.8%	-22.0%	0.6%	-0.5%	0.1%
South Carolina	-25.3%	-20.7%	0.5%	-5.1%	0.0%
South Dakota	-11.9%	1.5%	1.9%	-14.8%	-0.6%
Tennessee	-22.4%	-17.6%	0.9%	-5.5%	-0.2%
Texas	-12.3%	-9.1%	0.7%	-4.2%	0.3%
Utah	-9.2%	-5.0%	1.9%	-4.0%	-2.0%
Vermont	-18.0%	-14.0%	0.4%	-4.1%	-0.3%
Virginia	-15.9%	-12.2%	0.6%	-3.9%	-0.4%
Washington	-12.4%	-11.2%	1.1%	-2.3%	0.1%
West Virginia	-19.3%	-14.8%	0.2%	-2.1%	-2.6%
Wisconsin	-18.9%	-14.2%	0.2%	-4.9%	0.0%
Wyoming	-5.1%	-2.1%	2.8%	-6.0%	0.2%

Source: U.S. Bureau of Economic Analysis

^The first column show the difference between production's contribution to total employment in 1969 and 2009 in percentage points. The subsequent columns show how much of that difference is attributable to each sector.

Top 50 Temp Employment Occupations in Idaho 2010

Description	Jobs	2011 Avg Hourly	Education Level
Laborers and freight, stock and material movers, hand	1,199	$10.80	Short-term on-the-job training
Office clerks, general	870	$12.32	Short-term on-the-job training
Team assemblers	482	$13.49	Moderate-term on-the-job training
Construction laborers	395	$15.91	Moderate-term on-the-job training
Customer service representatives	367	$12.99	Moderate-term on-the-job training
Registered nurses	361	$29.16	Associate's degree
Production workers, all other	293	$13.90	Moderate-term on-the-job training
Packers and packagers, hand	277	$10.22	Short-term on-the-job training
Executive secretaries and administrative assistants	257	$16.79	Moderate-term on-the-job training
Helpers--Production workers	250	$12.37	Short-term on-the-job training
Truck drivers, heavy and tractor-trailer	191	$17.88	Moderate-term on-the-job training
Carpenters	188	$18.19	Long-term on-the-job training
Packaging and filling machine operators and tenders	176	$12.42	Short-term on-the-job training
Licensed practical and licensed vocational nurses	173	$17.98	Postsecondary vocational award
Receptionists and information clerks	169	$11.52	Short-term on-the-job training
Nursing aides, orderlies and attendants	166	$11.51	Postsecondary vocational award
Employment, recruitment and placement specialists	163	$21.16	Bachelor's degree
Bookkeeping, accounting and auditing clerks	148	$14.31	Moderate-term on-the-job training
General and operations managers	147	$35.46	Degree plus work experience
Shipping, receiving and traffic clerks	139	$13.10	Short-term on-the-job training
Machinists	139	$17.28	Long-term on-the-job training
Janitors and cleaners, except maids and housekeepers	137	$11.06	Short-term on-the-job training
Computer support specialists	121	$19.07	Associate's degree
Computer programmers	121	$23.38	Bachelor's degree
Stock clerks and order fillers	113	$10.69	Short-term on-the-job training
Industrial truck and tractor operators	112	$13.68	Short-term on-the-job training
Assemblers and fabricators, all other	105	$11.98	Moderate-term on-the-job training
Sales representatives, services, all other	92	$18.46	Moderate-term on-the-job training
Maintenance and repair workers, general	91	$14.65	Moderate-term on-the-job training
Welders, cutters, solderers and brazers	87	$15.35	Long-term on-the-job training
Landscaping and groundskeeping workers	85	$10.87	Short-term on-the-job training
File clerks	84	$13.36	Short-term on-the-job training
Secretaries, except legal, medical and executive	82	$13.66	Moderate-term on-the-job training
Cutting, punching and press machine operators, metal and	81	$14.75	Moderate-term on-the-job training
Data entry keyers	75	$11.61	Moderate-term on-the-job training
First-line supervisors of office and administrative support	74	$20.43	Work experience in a related field
Inspectors, testers, sorters, samplers and weighers	74	$14.48	Moderate-term on-the-job training
Material moving workers, all other	71	$12.22	Moderate-term on-the-job training
Construction and related workers, all other	68	$28.45	Moderate-term on-the-job training
Maids and housekeeping cleaners	64	$8.48	Short-term on-the-job training
Truck drivers, light or delivery services	60	$15.18	Short-term on-the-job training
Waiters and waitresses	59	$9.20	Short-term on-the-job training
Retail salespersons	58	$11.24	Short-term on-the-job training
Electricians	57	$20.76	Long-term on-the-job training
Home health aides	56	$9.68	Short-term on-the-job training
Business operation specialists, all other	49	$25.70	Bachelor's degree
Demonstrators and product promoters	48	$11.16	Moderate-term on-the-job training
Engineers, all other	47	$36.20	Bachelor's degree
Accountants and auditors	45	$21.04	Bachelor's degree
Managers, all other	44	$17.63	Work experience in a related field
Source: Economic Modeling Specialists Inc., 2011.3			

NORTHERN IDAHO

Benewah, Bonner, Boundary, Kootenai & Shoshone counties

REGIONAL DEVELOPMENTS

- Center Partners officially moved its Coeur d'Alene call center and 400 workers to its new Liberty Lake location. The company plans to hire another 200 workers at the new location.
- Providence Sacred Heart Medical Center & Children's Hospital is planning an 18,000-square-foot addition and remodeling of its 10,000-square-foot emergency room. Pending environmental review, construction could start this fall.
- The U.S. Department of Housing and Urban Development has awarded $3.6 million to the Colville Indian Housing Authority, the low-income housing agency of the Confederated Tribes of the Colville Reservation. The Indian Housing Block Grant will be used for operation, maintenance and modernization of low-income housing. The funds also can be used for down payment and rental assistance, crime prevention, helping the elderly remain in their homes, and administration and salaries. The Colville Indian Housing Authority manages more than 400 residential units and employs 28 people.

SCHOOLS

- The St. Maries Foundation for Education is awarding more than $17,000 in grants to the St. Maries School District. The grant requests are made by teachers and administrative staff. The foundation was formed in 2001 by a group of local volunteers to supplement local school budgets. With no increase in endowment funds for Idaho schools next year and further budget cuts possible, the group is looking at fundraising and marketing opportunities to help the supplement budgets.
- Bonner County commissioners have come up with additional tax revenue to keep the University of Idaho Extension Office in Sandpoint open.
- The Coeur d'Alene Tribe made a $210,000 donation to the Plummer/ Worley School District. As part of the gaming contract between the tribe and the state of Idaho, the tribe is required to contribute 5 percent of the casino net profit to schools "on or near the reservation."
- Kootenai County funding for the University of Idaho Extension Office in Coeur d'Alene is dropping $20,000 to $140,000. County commissioners have called for cutting two secretarial staff positions from 40 to 35 hours a week, which would result in the Extension Office being open only four days a week; reducing support for the Master Gardener program coordinator by 25 percent and cutting an additional 21 percent from other operating expenses.

PROJECTS

- Walker Construction started work on the $17.3 million Benewah Medical Center near Plummer in mid-July. The 50,000-square-foot outpatient clinic run by the Coeur d'Alene Tribe is expected to be completed by September 2012.
- Renovation has begun at the Star mine, which was shut for over 15 years. The project could create a connection to the existing development at Lucky Friday mine and coincides with the recent approval of the Lucky Friday #4 Shaft Project, which is expected to extend the life of the mine by more than 20 years. The additional shaft is expected to be completed by late 2014. The Star mine is expected to re-open soon. The work began after income from the mine doubled in the second quarter from a year earlier.

Borgford BioEnergy LLC, of Colville, Wash., started construction of a biomass-to-energy project at a lumber mill in Springdale, Wash., about 40 miles northwest of Spokane. The new plant is part of a broader plan to develop a bioenergy park with two campuses that could employ 40 people when it's fully operational.

- Reconstruction of Gold Creek Road has begun in Shoshone County. The $5.7 million project will be paid for by the federal forest highway program, but the federal, state and local governments have worked together on the project.
- Paving the rest of the Little Joe Road in Montana to the Idaho state line has been delayed due to reported bear and lynx activity in the area. The Forest Service highways department and Mineral County started work on the project at least two different times. Improvements to the road will help promote tourists to the Benewah County area.
- The Idaho Transportation Board accepted Apollo Inc.'s $12.7 million bid to reconstruct and widen U.S. Highway 95 from Sandpoint through Ponderay. The Kennewick, Wash., company's bid came in over the $11.8 million engineering estimate, requiring the board to make the final funding decision.
- The Sand Creek Byway is still officially slated to be completed in November 2012 although contractor Parsons RCI is working on an accelerated schedule, which could put traffic on parts of the U.S. Highway 95 bypass sooner than that.
- The Bristol Heights Assisted Living facility has started construction in Hayden. The first building is scheduled to be completed in early September. It will have 16 beds and 17 caregivers. The second phase will include two more buildings with 32 beds. The total project is estimated to cost just less than $2 million.
- Construction has started on the Northern Lakes Fire Station in Rathdrum.
- Snap Fitness broke ground on its Hayden facility across from Super 1.

COUNTY DEVELOPMENTS

BONNER COUNTY

- Due to technological advances, Coldwater Creek is closing a West Virginia call center and concentrating the operation at its Coeur d'Alene location. The 15 laid-off workers were offered jobs in the Coeur d'Alene distribution center. The change is not expected to increase in the number jobs, locally.
- The Greater Sandpoint Chamber of Commerce received a $103,000 grant from the Idaho Travel Council to promote tourism in Sandpoint.
- Bonner General Hospital in Sandpoint bought a two-acre downtown lot for expansion. The hospital has hired a health care consultant and facility developer to study how best to use the property. Currently, the hospital's accounting, business, home health and hospice services are housed in other buildings near the hospital. The hospital employs more than 400 people and has 75 physicians.

KOOTENAI COUNTY

- Department of Labor Local Veterans Representative Robert Shoeman was honored at the American Legion national convention in Minneapolis as the Local Veterans Employment Representative of the Year. Shoeman has been chairman of the North Idaho Veterans Stand Down for the past 10 years. This year the event assisted 1,900 veterans with food, clothing, haircuts and a meal. He also helps organize Project Homeless Connect, which helped more than 1,000 people this year including veterans in similar ways. The Idaho American Legion also received an award for its outreach to homeless veterans. The award was received by Brandia Young, the department's disabled veterans outreach program specialist in Coeur d'Alene and chairperson of the state legion's homeless outreach committee.
- Love's Travel Stops and Country Stores held a job fair to fill 80 positions at its new location in Post Falls at the Pleasant View interchange on Interstate 90. Most of the jobs are part time and include cashiers, cooks and maintenance and tire technicians.
- Kootenai Health plans to create a primary care physician residency program beginning in mid-2014 through the University of Washington that would recruit 18 physicians to complete the last three years of their medical training. The program would encourage physicians to establish their professional practice in the area after completing their residencies.
- The Gozzer Bay Resort project will advance but only if the developer provides additional paid parking. The developer will also have to assure that the 15 condominium-motel units are available for rent at least 183 days per year and begin operating a separate on-site reservations office before certificates of occupancy are granted for any of the units.
- Dirne Health Clinic will soon be operating its first mobile health care unit to provide care for the homeless. The $22,000 modified mobile unit was funded with contributions from the Rotary Club of Coeur d'Alene, Kootenai Electric Cooperative, the Kiwanis and the Lay Institute Mary of

Annunciation. The health care services themselves will be funded by Dirne as an extension of its dental and homeless programs.

- Kootenai County commissioners approved the Silverwood Amusement Park's request to rezone 95.5 acres of adjacent land for eventual expansion. Silverwood will wait to break ground until after the Idaho Transportation Department completes widening U.S. Highway 95 and an interchange leading to a new park entrance. The theme park recorded 628,000 guests last year, and out-of-town guests were estimated to have spent $79.5 million during their stays. The park employs 79 year-round staff and 1,200 seasonal workers.

- LA Aluminum Casting Co., the Hayden-based metal foundry, has added a new line of equipment resulting in a 20 percent increase in sales during the last several months. The company expects to see that double-digit growth continue now that the foundry has completed a $1 million, 10,000 -square-foot expansion. The additional space made it possible to add powder-coating equipment to the production line. So far the foundry has received powder-coating jobs from six dental-care equipment manufacturers and Southwest Windpower, a Flagstaff, Ariz.-based wind turbine manufacturer that formerly had its components made in China.

SHOSHONE COUNTY

- Gold Finder Explorations Ltd., a Canadian resource company, announced that United Mining Group has earned an 80 percent interest in the Silver Valley's Crescent Silver Mine after spending more than $9 million on exploration and development. The remaining 20 percent is retained by Gold Finder.

OPENINGS

- Coeur d'Alene Salsa Company
- Sweet B Cupcakes in Coeur d'Alene
- Auto Credit Sales in Post Falls
- A Pend Oreille Vet Service clinic in Bonners Ferry
- Jimmy John's in Hayden
- Huckleberry Thicket at the Silver Lake Mall in Coeur d'Alene
- Lake City Community Food Bank in Coeur d'Alene

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NORTH CENTRAL IDAHO

Clearwater, Idaho, Latah, Lewis and Nez Perce counties

REGIONAL DEVELOPMENTS

- For the first time since 1992, the lower Snake River hosted jet boat races in late August. Northwest River Runners sponsored Thunder on the Snake, two days of professional racing. Fifteen boats started at Hells Gate State Park and ran 34 miles upstream to Bear Bar. After a two-hour break, they raced back to Hells Gate. Jet boats can reach speeds up to 130 miles an hour. Next year the World Marathon Jet Boat Races will be held April 18 and will include a run on the Clearwater and Snake rivers from Orofino to Lewiston and back. The 2012 championships will be held April 12 to 21

on the St. Joe River near St. Maries, the Snake and Clearwater rivers near Lewiston and the Salmon River near Riggins. The race, which will cover about 500 miles, is likely to involve more than 50 teams. Each team includes a driver, navigator and several support people. Its organizers expect it to significantly boost local tourism. It also could provide good advertising for the region and the local jet boat industry.

- Reductions in government spending directly impact some private-sector businesses. A 34.5 percent cut in the Medicaid reimbursement rate for providing developmental therapies has forced agencies that serve people with developmental disabilities to reduce staffing. The largest agencies include Alternative Nursing Services in Moscow, Kamiah and Lewiston; Opportunities Unlimited in Lewiston, Moscow and Grangeville; Inclusion North in Moscow, Orofino and Grangeville; and C & R Inc. in Moscow. Opportunities Unlimited closed its Kamiah office, which employed 20 people, last summer. In addition to the loss of about four dozen jobs – nearly one in 10 of their jobs – in the last year, the reduced reimbursement made companies switch from individual developmental therapy to group therapy, which makes it less likely that clients will learn the skills to live independently and participate in the labor force.

- The U.S. Postal Service's list of 3,653 post offices that may be closed or downsized includes post offices at Ahsahka, Harvard and at the University of Idaho. Ahsahka is located about four miles west of Orofino, while Harvard is located about eight miles east of Potlatch. The University of Idaho with 4,000 students living on campus and 5,000 employees has its own post office, which is two miles from the Moscow post office. First, a feasibility study will track mail at each listed post office to determine volume. Then, a public meeting will be held in each community. A decision will be made 30 days after the meeting. The community will then have 30 days to respond. In many cases, the closed post offices would be replaced by "village post offices" where local stores, libraries or government offices sell stamps and take parcels. In January, an earlier list of potential closures included Elk River's post office. No decision has been announced yet. The service needs to cut costs because it lost $8.5 billion in 2010 after it went from delivering 213 billion pieces of mail at its peak in 2006 to 170 billion.

Harvest was in full swing on the Palouse and the Camas and Weippe prairies in late August. Winter wheat was ready for harvest, but in some areas spring crops still had not ripened. Although weather conditions were problematic and harvest is later than normal, yields are slightly above normal in most areas, and prices remain high.

NEZ PERCE TRIBE

- When the Nez Perce Tribe celebrated the 15th anniversary of the Clearwater River Casino in August, it was preparing to break ground on a 1,200-seat event center to replace the tent structure that currently provides seating for 900. The expansion at the Lewiston casino also will provide space for 200 more video gaming machines. The project will also give the complex a theme that better represents the Nez Perce heritage. Work should start in October and take about 14 months. The new event center

will allow the casino to offer more entertainment and bring more dollars into the community. Five percent of casino revenues go to local schools every year in accordance with the tribe's gaming compact with the state.

- The tribe plans to distribute gaming revenues to its enrolled members in late September. This is the first distribution of gaming revenues to members. In December 2009, the tribe made a stimulus payout of $1,000 per member from a fish mitigation settlement with Avista Utilities. The tribal executive committee would not release the amount of the September payment to protect the privacy of members. It believes the payments will give a boost to the economies of communities in and around the reservation. About 3,400 people are on the tribe's membership rolls, and about two-thirds live in north central Idaho.

The Nez Perce Tribe is installing devices that will provide information about fish critical to restoring fish to levels that allow for desired harvest and natural reproduction. The tribe and Quantitative Consultants from Boise are installing two state-of-the art fish detection systems in the South Fork of the Clearwater River near Kooskia, using $250,000 from the Bonneville Power Administration. Designed by Boise-based Biomark, the systems detect fish that are marked with a Passive Integrated Transponder tag, a microchip inserted by biologists that allow them to safely track individual fish from their native streams to the ocean and back to spawn. When a tagged fish swims over a Biomark system, the tag is read and provides an individual code for that fish so researchers know where and when the fish has been detected. Biomark systems will be installed in the South Fork of the Clearwater in a couple of months and in Lolo Creek and the Grand Ronde by mid-2012.

COUNTY DEVELOPMENTS

CLEARWATER COUNTY

- Nightforce Optics, a manufacturer of high-quality riflescopes, is completing an expansion to meet growing demand for its products. It is doubling the square footage of its facilities near Orofino. The new area adds warehouse space and will accommodate anticipated growth in manufacturing activities in the next year or two. Since relocating to Orofino in 2000, Nightforce employment has grown from three to 73. Almost half of those jobs have been added just in the last three years. Nightforce has earned international recognition for the superb optics of its sport and military scopes. Eighty percent of its optical products are sold for civilian applications, and about 20 percent are sold for military use. Currently, more than 60 people work at the Orofino complex and 10 more work in Georgia. One branch of the company called Lightforce Performance Lighting, also housed at the Orofino complex, employs three people for North American distribution of lighting products and systems for rugged working and sporting environments. The company plans to hire 27 more people by year's end. All jobs are full-time and offer benefits. Like manufacturers across the U.S., Nightforce however is finding it hard to find skilled CNC machinists.

- Orofino patrons defeated a $7.7 million supplemental school district levy. The money would have funded improvements including additional classroom space at Orofino High School and Timberline School.

- The Army Corps of Engineers will provide the labor and equipment to install three docks on Dworshak Reservoir, an important draw for tourists. The corps is working with local ATV groups to provide ATV access to trails to campsites.

Clearwater County commissioners in August reviewed the final presentation of a biomass utilization feasibility study, which found determined abundant logging slash would provide good feedstock. The next step is building a stakeholder coalition for siting a plant, acquiring land and clearly identifying the thermal energy off-take. The county will pursue several funding opportunities for the proposed biomass plant, which would burn wood waste to generate electricity that would be sold on the grid. Excess steam would be used to heat the prison next door. It would give the local timber industry another outlet for its products and help reduce the costs at the prison, making it more likely to remain open. The plant is expected to employ about 25 people.

IDAHO AND LEWIS COUNTIES

Seven students from Kamiah High School won SkillsUSA gold medals from the Idaho competition in May, allowing them to compete at nationals in June. A team of three earned a silver medal there. About 5,600 students from across the nation participated in the contests, which were judged by industry experts. SkillsUSA seeks to increase the technical skills of America's future workforce. Using equipment and software purchased with a $53,000 green industry grant from the Idaho Department of Labor, students began constructing Green Training Pods and curriculum at the beginning of the school year. Once constructed, the students offered free classes to the community this spring.

The Lewis County commissioners declared an agricultural emergency because many farmers were unable to plant spring crops. More than 25,000 acres were not planted because of rainy weather. If the federal government accepts the declaration, it will mean a few million dollars for affected farmers with federal crop insurance. Because much of the county's farmland is above 4,000 feet in elevation, it is more susceptible to cold spring weather. Agriculture is the most important industry in the county so reductions in farm income as the result of fewer crops will have considerable impact on consumer spending there.

- Syringa Hospital in Grangeville keeps on expanding its services. In July, Syringa Health opened a clinic for pain management, and its Soltman Center began offering mobile MRI services.

Heavy snowpacks and an unusually cool spring keep water levels higher than normal in most of the region's rivers this summer. Rafts still were able to run the Selway in August after the managed float season. The Forest Service requires a permit to float the river from May 15 to July 31 and allows one party of no more than 16 people to launch per day. After the season ended, permits are not needed and an unlimited number of groups of 16 people or fewer can launch per day. Outfitters and guides say high river levels caused several parties to cancel trips in May and June and some chose to come back in late summer.

- When the popular MTV Cribs series debuted Aug. 12 under its new name Extreme Cribs, it featured an 18-minute segment on Dog Bark Park in Cottonwood. The series that features “unusual, weird and wacky dwellings” filmed the park’s big beagle that is an overnight motel room. Park owners Dennis and Frances Sullivan built the 33-foot high beagle that looms above U.S. 95 as a way to promote their chain-saw carving studio and gift shop. Offering a unique bed-and-breakfast experience, it has garnered lots of national and international attention since it was built about eight years ago.
- Idaho County employees will go without a pay raise for the third year in a row next year. In addition, the benefits package county employees receive as been modified in the upcoming budget with large increases in the health insurance deductible, co-pay and prescription plans.
- Kamiah is trying to determine potential demand and possible locations for a business or industrial park. With a U.S. Department of Agriculture Rural Development grant, the city is using a Web-based survey to learn the potential needs and preferences of businesses for space, utilities, services, access, workforce needs and learn about business conditions. A consulting firm visited the area in August to identify and assess potential sites. It also met with community and tribal leaders and businesses to discuss the local business climate, workforce training and potential tenants for the park.
- The Top 10 Scenic Drives in the Northern Rockies marketing initiative received an award at the National Scenic Byways Conference in August. Initiative Coordinator Anna Holden of White Bird accepted the award on behalf of 10 byways and four connecting National Historic Trails in Idaho, Montana, Wyoming, Oregon and Washington and Alberta and British Columbia in Canada. The byways and trails adopted a unified branding and website that presents the area as a single destination for travelers. The groups involved are:
    - Beartooth Highway All-American Road
    - Circle the Continental Divide Driving Tour
    - Hells Canyon Scenic Byway All-American Road
    - Hot Springs Circle Tour
    - International Selkirk Loop All-American Road
    - Montana Scenic Loop
    - Northwest Passage Scenic Byway All-American Road
    - Salmon River-Sawtooth Scenic Byways
    - Waterton-Glacier International Peace Park Loop
    - Yellowstone-Grand Teton Driving Loop
    - David Thompson Historic Route
    - Lewis Clark National Historic Trail
    - Nez Perce National Historic Trail
    - Oregon National Historic Trail

LATAH COUNTY

- A Fairfield Inn and Suites by Marriott soon will rise at the former Karl Tyler Motors site on West Pullman Road in Moscow. The 73-room, three-story inn with a conference room and indoor pool is expected to open in the fall of 2012.

- The September destruction of an abandoned warehouse was another step toward revitalizing the blighted area between downtown Moscow and the University of Idaho. Germer Construction of Moscow demolished the Sack Warehouse in a former industrial area along the railroad tracks. Earlier this year the abandoned warehouse was found structurally unsound and at risk of collapse. The Moscow Urban Renewal Agency purchased the building and surrounding land in 2010 for redevelopment as part of the city's Legacy Crossing urban renewal plan to create a high-density, mixed-used community centered on a former grain elevator.

- BioTracking LLC, a technology transfer company in Moscow, is using nanomaterials and a $150,000 grant from the National Institutes of Health Small Business Innovation Research program to increase the sensitivity of its pregnancy tests for cows. It already has established itself as a leader in pregnancy testing for livestock and wildlife, but nanomaterials made by GoNano Technologies, another tech transfer company in Moscow, could allow pregnancy detection up to eight days sooner and perhaps permit testing of milk, rather than blood. Eight days could result in better coordination of calving.

The University of Idaho and Washington State University received a three-year, $1.2 million NASA grant to study the effects of extreme wildfires on people and the environment. Researchers will learn how severe fires change forest vegetation, soil, water quality and wildlife habitat. They also will examine how communities respond to fires. Their findings will help forest managers and communities learn how to speed recovery from fires. As many as 20 people will participate in an interdisciplinary team of scientists, and several people could be hired.

- This July for the fourth summer in a row Potlatch played host to a speeder car convention. Speeder cars are small rail cars originally used for track inspection and train maintenance away from stations. They got their nickname from loggers because they were the quickest way to get an injured logger to a doctor. Dozens of people come from all over the country to show off their speeder cars. The event is organized every year by the Washington, Idaho and Montana Railway History Preservation Group, which has been working for 10 years to restore the Potlatch depot.

NEZ PERCE COUNTY

- The Lewiston Urban Renewal Agency has voted to approve spending $33,000 to improve a downtown area where an exact, life-size replica of Idaho's first territorial capitol will be built. From 1863 to 1865, Lewiston was Idaho's capital, and the capitol – a small wooden building – was located just a block away from the planned site. The improvements include installing 235 feet of curb and sidewalk and providing 12 diagonal parking spaces. The citizens group that plans to build the replica also wants to put

a restored trolley car at the site. The replica would be part of a campus that includes the Nez Perce County Historical Museum, Nutting House, the new city library and Lewis-Clark State College Center for Arts and History. Together, they should prove a draw for visitors.

- Tri-State Memorial Hospital in Clarkston was recently recognized as the most wired hospital in a small area by Hospitals and Health Networks magazine. Being wired allows a small hospital like Tri-State to stay connected to the rest of the world while giving doctors quick access to patients' medical records. Tri-State can restore clinical data within 24 hours after a power loss and even has a backup system to its backup system.
- Culdesac School will keep its seventh through 12th graders at least for another year. After a $350,000 levy failed in May, the Culdesac school board looked at sending junior and senior high students to Lewiston this fall. But it managed to scrape together enough to keep them in Culdesac for the school year that just began. On Aug. 30, a $250,000 supplemental levy failed, leaving the future of the district up in the air. Because of dramatic cuts in state funding and declining enrollment, the district lost $750,000 in state funding over the past three years. The district's enrollment last fall was 102, half of what it was eight years earlier. That has put lots of pressure on its ability to maintain services. To save money, it switched to a four-day week. It also cut all field trips and extracurricular activities. Last year, it began contracting with the Lewiston School District for counseling, food and school bus maintenance services, which has cut costs for both districts.

OPENINGS

- Drop Dead Taxidermy in Orofino
- Little Caesars Pizza on 21st Street in Lewiston
- Maddog Bar-B-Q in downtown Lewiston
- Schierman's Clubhouse and Event Center, available for meeting and celebration rental, on Robinson Park Road in Moscow
- Sonic Drive-In, featuring carhops on roller skates, on 21st Street in Lewiston

CLOSING

- Sandpiper Grill on North Main Street in Moscow

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SOUTHWESTERN IDAHO

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

MEET NEW REGIONAL ECONOMIST

Idaho Department of Labor welcomes its newest regional economist, Andrew Townsend, who will serve southwestern Idaho. Born and raised in the Treasure Valley, Townsend joined the agency as a research analyst to work on green jobs research, funded by the American Recovery and Reinvestment Act of 2009. Prior to that, Townsend spent 10 years at the Boise

local ABC affiliate as a newscast director. He brings education and experience that includes economics, media familiarity and project management to his new role as regional economist. Townsend earned a degree in Business Economics from Boise State University.

Townsend is married with one daughter and likes to spend time with them, and fishing and hunting.

COUNTY DEVELOPMENTS

ADA COUNTY

- The new Kohl's in Boise is opening in September. The company is currently hiring 130 people to staff the new store, which was formerly occupied by Mervyns at Boise Towne Square Mall.
- UBS announced that it is trimming 3,500 jobs globally. No announcement on where those layoffs will come be. UBS, a Swiss-based global finance company, has employees in Idaho, the majority located in Boise.
- Terry Reilly Health Services received a $650,000 federal grant to open a clinic in Middleton. The clinic will provide medical and dental care, mental health counseling and case management services. The clinic is expected to employ 11 including a full-time physician and dentist. Terry Reilly, a nonprofit organization that provides services based on ability to pay, currently operates six medical offices and four dental offices in the Treasure Valley.
- Eagle Island Marketplace and Fred Meyer broke ground in western Ada County for a $50 million shopping center. Construction on the 175,000-square-foot Fred Meyer will begin in September and is slated to open June 2012.
- Collective Brands Inc., the company that owns Payless ShoeSource, plans to close 475 stores and may sell the company. The Topeka, Kan.-based company operates 4,844 stores – 4,461 are Payless stores. No word yet if any of the seven Payless ShoeSource stores in the Treasure Valley will be closed.
- Idaho's first Chipotle Mexican Grill will open in September at the Boise Towne Square mall. Chipotle has about 1,100 restaurants around the country.
- Icon Credit Union, which has branches in Boise, Coeur d'Alene and La Grande, Ore., will open a branch office in Meridian this month.

CANYON COUNTY

- Vic's Family Pharmacy has opened a second location. The 1,500-square-foot space in west Nampa accommodates packaging operations. The new store employs three people full-time and one part-time.

ELMORE COUNTY

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

- The VA Mortgage Center has opened in Mountain Home. The organization specializes in assisting military veterans purchase or refinance homes.

The Bureau of Land Management has released the Environmental Impact Statement on the proposed Gateway West Transmission Line that would carry 500 kilovolts of electricity 1,150 miles from Wyoming to Melba, Idaho. Idaho Power Co. would like to run two sets of lines, one north of Mountain Home and the second skirting Glenns Ferry, Hammett and Bruneau. The cost of the project is estimated in the billions of dollars.

- Enrollment for Mountain Home School District has declined again this year, off 110 students from last year. Both changes at Mountain Home Air Force Base and families generally having fewer children are the major reasons. The decrease in state funding associated with a decrease in enrollment will not be felt until next year since state law requires state school support to total at least 95 percent of the previous year's level.

High Mesa Energy's proposal to build a series of wind turbines capable of generating 40 megawatts of power was approved by the Elmore County Commission. Seven of the proposed turbines will go up in Elmore County while the remaining 11 will go up in Twin Falls County. This is just one of many alternative energy projects in various stages of development and operation.

VALLEY COUNTY

- The Valley County Planning and Zoning Commission voted to allow the owner of two of Tamarack's seven ski lifts, Banc of America Leasing and Capital, to remove the ski lifts. The bank was awarded ownership by the courts and will remove the lifts and sell them to another ski area to recover 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 and be operating by mid-2012. It will sell the power to Idaho Power Co. The plant is expected to employ seven.

PAYETTE COUNTY

- The new $1.6 million Payette Fire Station is under construction and expected to be completed sometime in October. The station will be over twice the size of the previous facility, which was too small to support the first responders and their equipment.

Treasure Valley Community College is on track to launch a renewable energy program in the fall term. The college received a two-year $117,000 Rural Economic Development grant from the U.S. Department of Agriculture. The money will be used for salaries and equipment to get the program up and running. Currently, the college is hiring an instructor for the fall. The program will emphasize solar power, but will cover all renewable energy technologies.

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SOUTH CENTRAL IDAHO

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

COUNTY DEVELOPMENTS

BLAINE AND CAMAS COUNTIES

- At their annual convention in August, The Idaho Milk Producers Association raised concerns about the differential in pricing across the nation with south central Idaho coming in on the low end.
- A revamped Murdoch Creek Trail opened to hikers this summer. Congress provided $200,000 to make it and another trail more useable for wheelchairs and walkers. Normally, a wheelchair or walker would be a barrier to regular hiking, but the revamped trails offer access to wilderness areas in the Boulder Mountains. Federal legislation has been offered by Congressman Mike Simpson to name the area the Hemingway Wilderness Area. The Arthur Schulz Foundation provided the funding for the environmental assessment of the trail modifications, not a typical role for the group that provides mobility equipment to those needing it.
- The Stanley Cup, the trophy awarded to the champion of the National Hockey League, made a two-day tour through the Wood River Valley, photographed at various functions and transported to the top of Baldy at sunrise. The Sun Valley Suns Foundation in collaboration with the Boston Bruins, current professional hockey champions, shared the glory of the oldest sporting trophy with hockey lovers throughout the area.

Jimmy "Beets" Johnson, an assistant equipment manager for the Boston Bruins, holds the Stanley Cup atop Baldy's summit in a recent tour through the Sun Valley area. *Photo: Willy Cook, Idaho Mountain Express.*

- Stanley's Salmon River Lodge changed hands this summer in a foreclosure sale. The property was sold after the lender, First Bank of Idaho, was closed by the Federal Deposit Insurance Corp., leaving the lodge without a line of credit to cover its expenses. Karen Day, the owner for over 10 years, had hoped to buy it back after the foreclosure, but the new owner, Jack Cassidy, is purchasing the property for a family retreat. Cassidy previously lived in the Stanley Basin and was a commercial raft guide.
- A memorial scholarship is being established in honor of the late state Sen. Clint Stenett. The Clint Stennett Scholarship will be in the College of Arts and Letters at Idaho State University. Fundraising is under way with support from Lt. Gov. Brad Little, State Rep. Wendy Jaquet and Stennett's widow, Michelle, who replaced him in the state Senate. The scholarship will be available to Blaine County students with a grade point average of

at least 3.0 in high school who are majoring in any courses at the College of Arts and Letters. Financial need will be a consideration.

- The Federal Aviation Administration has put an end to plans for a new airport in Blaine County, at least for the near future. Donna Taylor, manager of the Airports Division of the FAA's Northwest Mountain Region, told county commissioners in a letter, "Considering uncertainties about our FAA grant program and the limited availability of local funds, we are unable to foresee sufficient federal funding that we believe would be needed to build a replacement airport." There was also a reference to wildlife issues after providing notice that an environmental analysis would not be completed. It was unclear whether the proposed sites were not acceptable to the FAA, which had warned that the current airport cannot continue operating at its existing level because of the flanking mountain range, a short runway and commercial development surrounding the airport.
- The Knob Hill Inn of Ketchum, originally offered at $17 million, was reportedly sold for $4.7 million. Columbia Hospitality of Seattle, part of the principal ownership group, will manage the 26-bed hotel on 1.2 acres. Sun Valley Sotheby's International Realty handled both sides of the sale, and the starting bid was $3.1 million.
- Camp Rainbow Gold, started as a camp for kids with cancer, has expanded, Held at Cathedral Pines campground north of Ketchum, it provides an opportunity for participants to get out into nature and celebrate life. Teens are separated from the younger kids and a similar experience is provided for siblings of the cancer patients and for the families to enjoy a camping experience together. Most of the summer is devoted to these gatherings, and it has become a tradition for many to move up in the ranks to become counselors. The camp was started by Dr. Dave McClusky of Twin Falls, who envisioned just what it has become — a great celebration of life in a safe setting with medical staff and a licensed social worker onsite. The added camps have required a larger number of volunteers, and organizers are surprised at how great a response they get each year.

Dr. Dave McClusky

- Old Cutters Inc., a subdivision on the east side of Hailey, has filed for protection from its creditors under Chapter 11 of the U.S. bankruptcy code. The city of Hailey claims $2.5 million is owed from an annexation agreement. According to court documents, the subdivision does not believe it is obligated to city of Hailey for any amount due to the invalidity of the remaining terms of the annexation agreement.

MINIDOKA AND CASSIA COUNTIES

- Construction will wrap by year's end on a new Idaho Central Credit Union branch in Burley. Regionally, the credit union has branches in Twin Falls

and a small one inside the Walmart store. It will close when the new building is completed. When membership reached 1,500, the decision was made to build a larger office for a growing customer base.

- The Cassia Food, Fit and Fun in the Park event attracted nearly 1,000 children over its seven-week run at the city park. Many organizations gathered to provide games, teach dance, conduct activities such as the summer reading program and provide lunch. At the end of the event, participants in the library's children's summer reading program were awarded over 100 prizes donated by local businesses.

- Paul's Palooza celebrated its fifth anniversary of community building. The event includes a barbeque lunch, games and activities at the New City Park, which will eventually have a walking trail with exercise stations, a playground, a spray park and picnic shelters. The city is selling trees, benches and tables, all with plaques, to commemorate its purchase.

The Minidoka Ranger District office has moved to a new building in Burley, pictured on the right. The staff nearly doubled in size over the years, outgrowing the previous location. The office now has a conference room that can be used by the public. An open house is scheduled for October.

GOODING COUNTY

Solar panels designed to heat water, have been installed at West Point Farm's dairy, financed with a $16,323 grant from the U.S. Department of Agriculture. Another dairy in Rupert, Whitesides, has installed the same solar project. More than 900 agricultural producers and rural small business across the nation were awarded $11.6 million in grants. Twenty-two Idaho farmers and business owners received a little more than $143,900.

- Gooding County voters approved a $2 million school bond to update mechanical systems in the schools. The vote was 491 in favor and 178 against, 73.4 percent approval.

JEROME COUNTY

- St. Benedict's Family Medical Center is merging with St. Luke's Health System. The center believes the merger will increase efficiency and cut administrative and technology costs as health care reform occurs. Patients should have the advantage of integrating and coordinating care with both facilities, using the same electronic medical record system.

- Jerome's charter school, The Heritage Academy, opened to 145 students this fall. State Rep. Maxine Bell spoke at the opening on the first day of school. The school is based on an enrichment model developed by the University of Connecticut, focusing on each child's strengths. "We are building on a long-standing tradition of treating all kids as if they are

gifted and talented students," Principal Randy Reddington said. The school currently employs six teachers and the student teacher ratio cannot exceed 25 to one. The school is in the former Magic Valley Christian School, which closed earlier this year due to declining enrollment and funding.

TWIN FALLS COUNTY

- The U.S. Department of Labor has provided a $277,617 National Emergency Grant supplement to continue offering training and re-employment services to the hundreds of workers laid off when Dell closed its call center in January 2010. In February 2010, a grant was approved for up to $1,324,672, with $614,808 released initially. The remaining $709,864 was approved for release in December 2010. The supplement brings the total to $1,602,289.
- Glanbia Cheese is finishing a $7 million expansion of refrigerated space in Twin Falls, one of its cheese making facilities. While construction was under way, the company was using space at WOW Logistics for its overflow. Glanbia has another cheese plant in Gooding along with whey plants in Gooding and Richfield. The company foresees continued expansion into the Asian market. Glanbia is Irish-based and is the world's largest manufacturer of barrel cheese – 500 pounds to a barrel. It is developing a low-sodium cheese to appeal to the ever increasing health conscious market in the U.S.
- Seneca Foods started processing corn this August with the early crop coming from the Glenns Ferry area. This year is its first for freezing rather than canning sweet corn. Seneca has contracted for 10,000 acres of sweet corn across southern Idaho. The freezing of the sweet pea crop was a six week process that wrapped up prior to corn harvest. The plant invested $8 million in the new freezer equipment.
- From Seed to Store in Buhl has added organic flour to its retail floor complete with a grinder and flour sacks. The store is also offering fresh produce that is delivered daily.

OPENINGS

- Horizon Home Health & Hospice in Burley, providing home health services
- Hookah Paradise, a hookah lounge in downtown Twin Falls

CLOSURES

- Twin Falls US Post Office Processing Center, which is consolidating operations in Boise by October
- The Southern Idaho Learning Center in Twin Falls at the end of the year due to lack of funding

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SOUTHEASTERN IDAHO

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

COUNTY DEVELOPMENTS

BANNOCK COUNTY

- Lt. Gov. Brad Little, addressing 200 at Bannock Development Corp's 20th annual Economic Symposium on Aug 24, was optimistic about the future of the region and Bannock Development's role in expanding the local economy. Department of Labor Director Roger B. Madsen praised Bannock Development for its success in attracting new businesses in tandem with the department's efforts to promote economic growth in the region. The corporation recognized Department Project Manager Leandra Burns for her efforts in helping it attract new businesses.

BEAR LAKE COUNTRY

- The city of Montpelier will give the money from the planned auction of property to the Bear Lake Housing Coalition. The city expects to raise at least $2,000. The Bear Lake Housing Coalition has recently painted 15 houses and developed a local tenant education program. The group and the Southeast Idaho Community Action Agency fostered a sweat-equity home building program that has allowed nine Bear Lake County lower-income families to own homes.

BINGHAM COUNTY

- Idaho Department of Labor Director Roger B. Madsen met with local business operators on Aug. 25 in Blackfoot to hear their concerns and discuss the department's programs. Among the issues covered in the listening session were the Hire One tax credit, immigration, veterans employment, the local economy and economic development. Madsen has held similar sessions throughout the state including Soda Springs.

A ribbon cutting ceremony was held in Aberdeen to open a new section of the Gem Trail, a system of loops and connecting trails for walking and bicycling in and around the city. The new section is one of several planned expansions of the system that is heavily used by residents and visitors alike.

- The Aberdeen Library had an open house Sept. 12 for its expanded computer center, which features new computers with faster access to the Internet so library patrons can access online classes and job search resources. The expansion was made possible thought the help of the Idaho Commission for Libraries' Broadband Technology Opportunity Program, financed with federal stimulus funds and a grant from the Bill & Melinda Gates Foundation.

ONEIDA COUNTY

- Beatles' tribute band Imagine closed out the Malad Chamber of Commerce Summer Concert in the Park series Aug. 26. The popular concerts are part of a plan by the chamber to encourage visitors and local residents to patronize Malad's businesses. Merchants hope concert goers will return to Malad after the concerts have ended.

POWER COUNTY

Ridgeline Energy celebrated its new Rockland wind farm with over 100 local residents and officials on Aug. 3. Idaho Lt. Governor Brad Little, in his keynote address, said the project is providing "a service not only for the community but for the state of Idaho and the country." The 44 turbines will generate enough electricity for about 37,000 homes.

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EASTERN IDAHO

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

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COUNTY DEVELOPMENTS

BONNEVILLE COUNTY

The Advanced Mixed Waste Treatment Project will soon have a new contractor. Former contactor Bechtel BWXT Idaho will turn the keys over to the Idaho Treatment Group, which will be hiring back most of the 860 former Bechtel employees. Current plans show 100 to 200 former employees will not be rehired. Idaho Treatment Group has assured the Department of Energy that cleanup goals will still be met according to what its bid outlined.

- The Idaho National Laboratory has nearly met its goal to reduce staff by up to 100 positions. INL has asked employees to self-select for the layoff. Cost savings will be used in part to fund necessary investments and modernize facilities.

The Center for Advanced Energy Studies was been awarded $2.8 million for research on solar energy over three years. Studies will include sunshine quality, availability of water and transmission infrastructure. The information gathered will help guide developers to optimal solar energy sites.

- Inman News – an independent real estate news, information, advice and research group – recently listed Idaho Falls as ninth on its list of Top 10 Real Estate Boomtowns: 2020. The group projects the Idaho Falls metropolitan area to grow 27.3 percent between 2010 and 2020. Raleigh-Cary, N.C., topped the list with projected growth of 35.7 percent.
- The trial surrounding the unfinished Marriot Residence Inn hotel in Idaho Falls has been canceled. Construction was halted in 2009, and since then the project has amassed close to $6 million in liens. Proposals have been made by Utah-based developer Woodbury Corp. The property currently has 14 different lien holders who are waiting to be paid for labor and materials.

LEMHI COUNTY

- Five times was not the charm in Salmon. Voters rejected the latest school bond effort. The most recent bond asked for $12.9 million to build a new kindergarten through eighth-grade school. Previously rejected bonds ranged in price from $26 million down to $12.9.

CLARK COUNTY

Final cost estimates could make or break Clark County's chances to build a new waste-to-energy plant in Dubois. The plant would accept solid waste from member counties for a fee and would generate additional revenue through energy sales. The plant is estimated to cost $57 million. Counties are waiting to learn the amount of the tipping fee – the cost of dropping waste off at the plant — before considering final approval.

CUSTER COUNTY

- The Ride Idaho bicycle touring group recent made a stop in Challis. The group brought over 400 people to town and a positive economic impact. Ride organizers provide the host city with money for local improvements like new borders for the playground in Centennial Park. The city of Stanley will get new picnic tables and Lowman will get new helmets for firefighters. Arco will get new sidewalk benches. Hailey will receive new playground equipment.

MADISON COUNTY

- Brigham Young University-Idaho was recently ranked ninth among the best universities in the nation for the cost by Forbes. The selection criteria included quality of teaching, career prospects, graduation rates and level of student debt.

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State of Idaho Data — State Economic Indicators

	Aug 2011**	Jul 2011*	Aug 2010	% Change From Last Month	% Change From Last Year
IDAHO LABOR FORCE (1)					
Seasonally Adjusted					
Civilian Labor Force	759,000	761,400	757,800	-0.7	0.2
Unemployment	70,000	71,300	71,500	-2.9	-1.3
Percent of Labor Force Unemployed	9.2	9.4	9.4		
Total Employment	689,000	690,100	686,300	-0.4	0.3
Unadjusted					
Civilian Labor Force	763,000	769,000	763,100	-0.8	0.0
Unemployment	66,100	67,300	69,700	-7.9	-5.2
Percent of Labor Force Unemployed	8.7	8.7	9.1		
Total Employment	696,900	701,700	693,400	-0.1	0.5

U. S. UNEMPLOYMENT RATE(2)	Aug 2011	July 2011	Aug 2010
	9.1	9.2	9.5

UNEMPLOYMENT INSURANCE					
Claims Activities					
Initial Claims(3)	9,134	9,832	12,447	-7.1	-26.6
Weeks Claimed(4)	78,204	68,799	94,009	13.7	-16.8
Benefit Payment Activities(5)					
Weeks Compensated	64,997	57,430	78,565	13.2	-17.3
Total Benefit $ Paid	$14,707,660.34	$13,034,497.17	17,889,649	12.8	-17.8
Average Weekly Benefit Amount	$226.28	$226.96	228	-0.3	-0.6
Covered Employers	47,831	47,838	48,696	0.0	-1.8
Total Benefit $ Paid During Last 12 Months(4)	$237,940,618	$241,122,607	$317,357,066	-1.3	-25.0

U.S. CONSUMER PRICE INDEX(2)	Jul 2011	Jun 2011	Jul 2010	% Change Month	% Change Year
Urban Wage Earners & Clerical Workers (CPI-W)	222.7	222.5	213.9	0.1	4.1
All Urban Consumer (CPI-U)	225.9	225.7	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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