

# Idaho Employment

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

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ROGER B. MADSEN, DIRECTOR

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**Idaho's unemployment rate** is released on the same day as the county and sub-county areas. For most months, this will occur on the third Friday. The U.S. Bureau of Labor Statistics will continue to release the national unemployment rate on the first Friday of the month.

## DOES IDAHO HAVE AN ECONOMIC TWIN?

Economic analysis can take on extra meaning when data are compared with what is happening elsewhere. Idaho is routinely compared to the nation and neighboring states, which are often trade partners that depend on Idaho for inputs just like Idaho depends on them. Increasing labor mobility has also contributed to neighboring states sharing economic conditions.

But even with these common characteristics, it is possible that a state not sharing Idaho's border could offer a better comparison – as an economic twin perhaps. Well, maybe not a twin, but there are some states that have some close family resemblance by some measures and statistical findings.

### REAL GROSS DOMESTIC PRODUCT BY STATE

The size of an economy is often measured by the market value of goods and services – gross domestic product. By this measure the United States produces more than every country in the world. California is the largest economy in the United States – Idaho ranked 43<sup>rd</sup> among the other states. Other states with a similar size economy include West Virginia, New Hampshire, Maine and Alaska.

| 2010 Real GDP by State<br>(Millions of \$) |          |
|--|----------|
| West Virginia                              | \$55,992 |
| New Hampshire                              | \$54,587 |
| Idaho                                      | \$50,702 |
| Maine                                      | \$45,950 |
| Alaska                                     | \$45,046 |

States with higher populations typically have higher levels of production so a per capita comparison provides a more even comparison.

| Per Capita Real GDP by State |           |
|------------------------------|-----------|
| Maine                        | \$ 34,592 |
| Kentucky                     | \$ 33,326 |
| Idaho                        | \$ 32,344 |
| Alabama                      | \$ 32,245 |
| Montana                      | \$ 32,149 |

The state of Maine takes an early lead in the search for Idaho’s economic twin. It was the only state by both measures to be among those closest to Idaho. Maine is known for seafood and Idaho for potatoes. But are the two economies so different when comparing overall industry composition?

Industry concentration measures each major industry and its proportion of total gross domestic product. No other state compared exactly to Idaho by this measure. There is one major difference between Maine and Idaho under the industry concentration measure – Maine is not an agriculture state. Due to disclosure requirements, the Bureau of Economic Analysis doesn’t even publish a value for Maine’s agriculture component of gross domestic product. Idaho ranks fifth nationally in agricultural contribution to gross product behind South and North Dakota, Nebraska and Iowa.

| Agriculture as % of GDP |    |
|-------------------------|----|
| South Dakota            | 8% |
| North Dakota            | 8% |
| Nebraska                | 7% |
| Iowa                    | 6% |
| Idaho                   | 5% |
| Montana                 | 4% |

Among the states, expenditures by federal, state and local governments ranged from 23 percent of state GDP in Hawaii to 8 percent in Massachusetts. Idaho ranked in the top half at 20<sup>th</sup> with government expenditures creating 13.2 percent of gross product, leaving private industries to generate the other 86.8 percent. Maine was similar in this regard with 13.6 percent of GDP coming from government activities.

| Government as % of GDP |       |
|------------------------|-------|
| Maine                  | 13.6% |
| Vermont                | 13.5% |
| Utah                   | 13.2% |
| Idaho                  | 13.2% |
| Georgia                | 13.1% |
| North Dakota           | 12.9% |
| Nebraska               | 12.9% |

To compare states, industry concentrations were calculated for each and compared to Idaho. The difference in absolute value was summed for all 18 industries plus the absolute difference between Idaho’s private industry concentration and those observed in other states. The end result allowed for state-by-state comparisons to be made. Lower total differences would indicate a close match to Idaho’s economy.

When comparing industry concentration to every industry sector, Idaho was not a very close match to the national average – a 33 point difference. Again, Maine is the closest match but only when excluding agriculture.

**SO WHO IS IDAHO’S TWIN?**

The Kansas industry composition is very similar to Idaho’s. By that standard alone Kansas would gain the title of Idaho’s twin – but a JUMBO-sized twin. At \$114 billion the Kansas economy is more than twice as large as Idaho’s. And per capita real GDP is 35 percent higher in Kansas. In terms of scale Maine would be a better match – if only it had agriculture. Either way, if Idahoans find their way to Maine or Kansas, the economy should feel familiar.

| Industry Concentration Comparison<br>(2010 Real GDP in Millions of \$) |          |            |
|--|----------|------------|
| Area   | Real GDP | Abs. Diff. |
| Maine  | 45,950   | 16.3%      |
| Kansas   | 114,021  | 17.1%      |
| Alabama  | 154,124  | 17.4%      |
| Utah   | 102,801  | 19.4%      |
| Vermont  | 23,140   | 19.5%      |

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See industry composition comparison table on page 31.

## “TRADITIONAL” FAMILY-OF-FOUR IS NO LONGER THE NORM

**The vast majority of households are not nuclear families headed by a husband and wife with two children under 18.** There are so many varieties of households that none is the norm. American households have changed considerably since the 1950s. More people are living alone than ever before. Women tend to have fewer children. More children are being raised by single parents. People are usually older when they first get married. More unmarried couples are living together. A higher percentage of adults are never marrying or are divorced. More adults are living with their parents or other family members. More grandparents are raising their grandchildren. The growth in the prison populations also has slightly reduced the number of people living in families and changed the composition of the families they leave behind. The tremendous growth in the over-65 population means a higher percentage of people are living in institutions, living alone or living with their adult children.

**Not everyone lives in a family.** The Census Bureau defines a family as a household where at least two members are related by marriage, blood or adoption. Only 71.8 percent of north central Idaho’s population lives in families, compared to 81.3 percent statewide and 78.9 percent nationwide. The lower regional percentage is partly because of the higher proportion of residents over 65 and partly because of the high number of college students in Moscow and Lewiston. That also explains why 28.7 percent of the region’s population lives alone, compared to 23.8 percent statewide and 26.7 percent nationally.

**Families of two or three are more common than families of four.** Over half the families in north central Idaho have only two members. The average family size there is 2.85, considerably below the state’s 3.16 and the nation’s 3.14.

**Fewer families are parents and two kids.** Even when a household is a family of four, it could be a single parent with three kids, two grandparents raising their grandchildren, a young husband and wife living with their parents, a husband and wife and their aging parents and many other combinations. In north central Idaho, the 2010 Census found 4,947 adults living with their parents. In Idaho, it found 88,037. The region had 483 adults over 65 living in households where they were related to one of the householders. In Idaho, there were 8,687.

| Census 2010                               | North Central Idaho | State of Idaho | United States |
|---|---------------------|----------------|---------------|
| Families with own children under 18 years | 100%                | 100%           | 100%          |
| Husband-wife family                       | 70.6%               | 73.4%          | 67.9%         |
| Male householder, no wife present         | 9.8%                | 8.5%           | 8.0%          |
| Female householder, no husband present    | 19.6%               | 18.1%          | 24.1%         |

## Population Characteristics

|   | North Central |        | State of Idaho |           | United States |             |
|---|---------------|--------|----------------|-----------|---------------|-------------|
|   | 2010          | 1990   | 2010           | 1990      | 2010          | 1990        |
| <b>Total population</b>                       | 105,358       | 90,175 | 1,567,582      | 1,006,749 | 308,745,538   | 248,709,873 |
| <b>In group quarters</b>                      | 5,257         | 4,013  | 28,951         | 18,733    | 7,987,323     | 5,533,112   |
| <b>Institutionalized population</b>           | 1,880         | 796    | 17,076         | 7,586     | 3,993,659     | 2,184,904   |
| <b>Noninstitutionalized population</b>        | 3,377         | 3,217  | 11,875         | 11,147    | 3,993,664     | 3,348,208   |
| <b>HOUSEHOLDS BY TYPE</b>                     |               |        |                |           |               |             |
| <b>Total households</b>                       | 100%          | 100%   | 100%           | 100%      | 100%          | 100%        |
| <b>Family households (families)</b>           | 62%           | 69%    | 70%            | 73%       | 66%           | 71%         |
| <b>With own children under 18 years</b>       | 24%           | 9%     | 33%            | 11%       | 30%           | 16%         |
| <b>Husband-wife family</b>                    | 50%           | 59%    | 55%            | 63%       | 48%           | 56%         |
| <b>With own children under 18 years</b>       | 17%           | 7%     | 24%            | 8%        | 20%           | 10%         |
| <b>Male householder, no wife present</b>      | 4%            | 3%     | 5%             | 3%        | 5%            | 3%          |
| <b>With own children under 18 years</b>       | 2%            | 1%     | 3%             | 1%        | 2%            | 1%          |
| <b>Female householder, no husband present</b> | 8%            | 7%     | 10%            | 8%        | 13%           | 11%         |
| <b>With own children under 18 years</b>       | 5%            | 2%     | 6%             | 2%        | 7%            | 4%          |
| <b>Nonfamily households</b>                   | 38%           | 31%    | 30%            | 27%       | 34%           | 29%         |
| <b>Householder living alone</b>               | 29%           | 25%    | 24%            | 22%       | 27%           | 24%         |
| <b>Average household size</b>                 | 2.3           | 2.5    | 2.7            | 2.7       | 2.6           | 2.6         |
| <b>Average family size</b>                    | 2.9           | 3.0    | 3.2            | 3.2       | 3.1           | 3.2         |

Source: U.S. Census Bureau, 2010 census

*Larger, printable version is on page 34.*

**Families without children under 18 are the norm.** Fewer than half of all families have children under 18 years old. In north central Idaho, 38.4 percent of families have children younger than 18 compared to 47.1 percent statewide and 44.8 percent nationally.

**Mom and dad may not be married.** Of the north central Idaho families with children, only 70.6 percent were headed by a husband and wife. Even in those cases, many of the children would be related only to the husband or the wife. In 2009, according to vital statistics reports, 40.6 percent of U.S. births were out of wedlock. In Idaho it was 25.6 percent, and in the north central region 26.9 percent.

**Children may not be living with parents.** Some married couples with children are the children’s grandparents, other relatives, family friends or foster parents. In 2009, the Census Bureau’s American Community Survey estimates that about 1,300 – 6 percent – north central Idaho children lived with their grandparents while 18,900 – 4.6 percent – children statewide did. With the growth of children in foster care, there were 433 children in the region and 7,503 living with nonrelatives statewide.

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### HIRE ONE VET – FINDING JOBS FOR RETURNING SOLDIERS

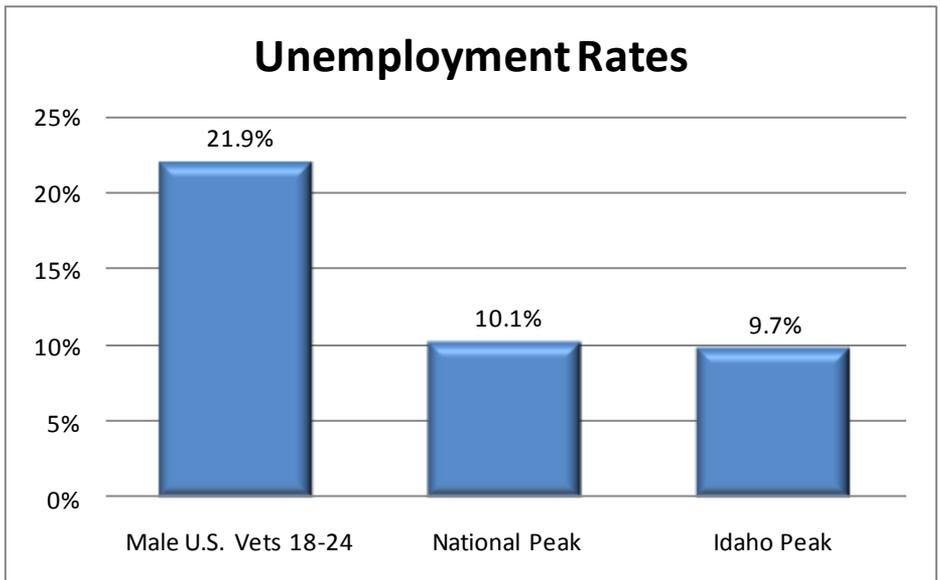
In late August the 2,700 members of the Idaho 116<sup>th</sup> Cavalry Brigade Combat Team unit will return home. After months in the Iraq war, there is little doubt these National Guardsmen will be glad to return home to family, friends and comfortable surroundings.

But some will face a challenge on their return. Many young soldiers left their jobs to serve their county.

“One of their biggest challenges will be finding employment equal to their skill level,” said Randy Halford, Idaho Department of Labor National Guard consultant in the Pocatello office. “They know our American economy has been struggling, and they are concerned about finding employment that will provide for their families’ financial, medical and other needs.”

In 2010 the U.S. Bureau of Labor Statistics commissioned a study to find out how young 18- to 24-year-old male veterans of Iraq and Afghanistan were faring in the job market on their return home. The results were alarming.

Their unemployment rate was 21.9 percent, more than twice the peak national jobless rate of 10.1 percent in October 2009 and the Idaho rate of 9.7 percent from December 2010 through March 2011.



U.S. Bureau of Labor Statistics.

In connection with Gov. C.L. “Butch” Otter’s Hire One initiative, the Idaho Department of Labor and the Idaho National Guard are encouraging Idaho businesses to “Hire One Vet.”



The Hire One program provides Idaho employers with tax credits ranging from 2 percent to 6 percent of a new worker’s gross wages over a 12-month period.

“Employers can qualify for the credit when they hire new employees who fill newly created positions,” Kandi Rudd, manager of the department’s Pocatello office, said. The jobs have to pay at least \$12 an

hour plus benefits in counties with unemployment rates of 10 percent or higher and \$15 an hour plus benefits in counties with unemployment rates under 10 percent. More information is available online at <http://business.idaho.gov/TaxCredits.aspx>.

Ron Tapia, Labor’s veterans representative in Pocatello, calls the Hire One Vet campaign “an effort to highlight the special skills and abilities that our

veterans have to offer employers. Employers can truly benefit for the training and skills our service members acquire while in the military.”

For more information on this program contact one of the 25 local Idaho Department of Labor offices. Find a list of offices at [labor.idaho.gov](http://labor.idaho.gov).

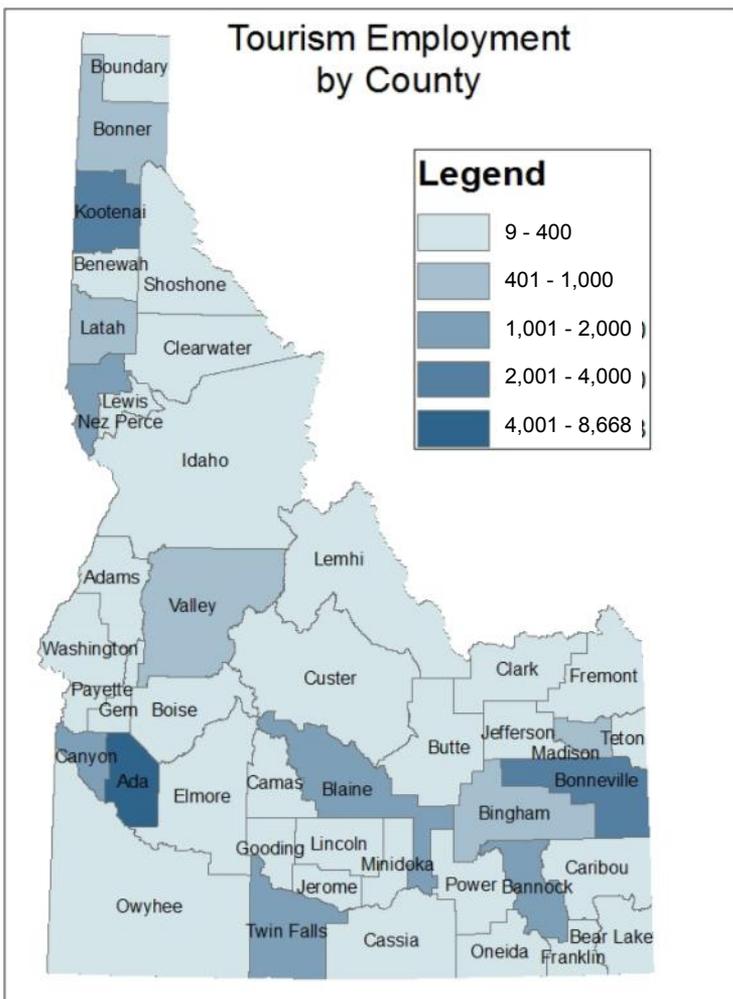
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## STUDY EXAMINES IDAHO’S TOURISM EMPLOYMENT DURING RECESSION

### STATEWIDE EMPLOYMENT

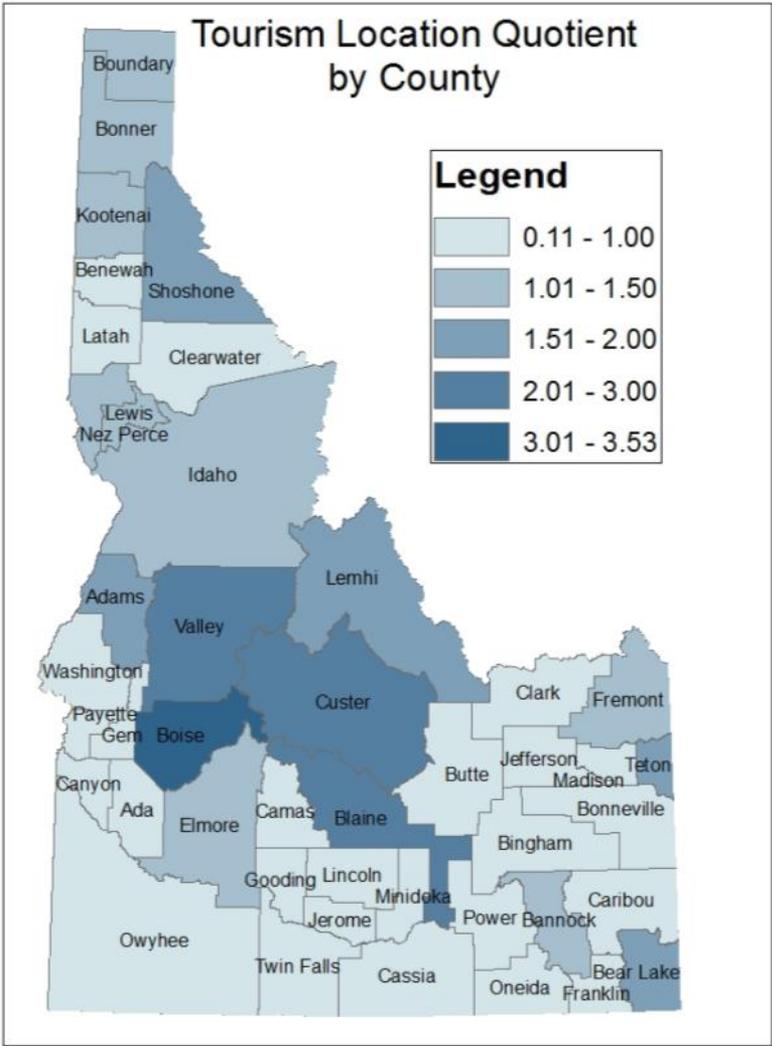
Idaho’s tourism industry encompasses almost 2,000 businesses with nearly 31,000 jobs that generate nearly \$600 million dollars in wages for Idahoans – 4.4 percent of total jobs and 2.6 percent of total wages. The estimated 12,600 indirect jobs tourism supports brings the total to over 43,600 jobs and around \$1 billion in wages for the total economic impact.

Tourism employment declined at a faster rate than employment overall once the recession began. From 2007 to 2010, Idaho’s tourism jobs fell 10 percent while employment across all sectors dropped 8 percent. This disproportionate decline may be attributed to budget-strapped consumers foregoing luxuries like vacations and eating out – mainstays of the tourism economy.



Over a quarter of all tourism employment is at restaurants and bars. An additional 20 percent is found in industries related to traveler accommodations such as hotels, campgrounds and RV parks. These two groups account for nearly half of all Idaho’s tourism-related employment. Participant sports account for another 12 percent and retail trade 8 percent. The rest of the tourism jobs – just over a third – are spread across 20 smaller industry sub-sectors established by the U.S. Bureau of Economic Analysis.

Not surprisingly, the highest concentrations of tourism employment are in popular destinations such as the McCall-Donnelly area of Valley County and the Sun Valley-Ketchum area of Blaine County. Boise County in the Boise metropolitan area has the highest concentration of tourism-related employment – three and a half times as great as the concentration of tourism jobs in the overall Idaho economy. This is primarily due to employment at the Bogus Basin ski area – the county’s largest employer and less than an hour from downtown Boise.



**Location quotient** is a measure that compares the concentration of a resource or activity, such as employment, in a defined area to that of a larger area or base. In this article, tourism industry employment by county is compared as a ratio of tourism employment relative to the state as a whole.

A full report on tourism employment in Idaho will be released later this summer.

The report is the result of an agreement between the Idaho Department of Commerce and the Idaho Department of Labor to determine the economic impact of tourism on Idaho's economy. The June 2011 agreement was developed by analysts and administrators from both agencies, meeting over several weeks in a notable example of collaboration that produced great value for both.

**METHODOLOGY**

The Idaho Department of Labor used data from the Quarterly Census of Employment Wages program to capture employment covered by Idaho's unemployment insurance system and non-employer data from the U.S. Census Bureau, which provided information about sole proprietorships.

Tourism employment at county and statewide levels was produced by applying a tourism industry taxonomy and employment ratios generated by the U.S. Bureau of Economic Analysis and non-employer figures from the Census Bureau to covered employment data compiled by the Labor Department. Earnings, jobs and sales multipliers were generated using a third-party program created by Economic Modeling Specialists Inc. of Moscow, Idaho.

**Regional Data**

**Northern Idaho – Benewah, Bonner, Boundary, Kootenai and Shoshone Counties**

- Largest County Jobs Multiplier – Bonner/Kootenai (1.43)
- Total Tourism Wages - \$106,000,000
- Total Tourism Employment – 5,538
- Regional Location Quotient – 1.38
- Largest County Location Quotient – Shoshone (1.66)



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**North Central Idaho – Clearwater, Idaho, Latah, Lewis and Nez Perce Counties**

- Largest County Jobs Multiplier – Idaho (1.31)
- Total Tourism Wages - \$37,000,000
- Total Tourism Employment – 2,171
- Regional Location Quotient – 1.03
- Largest County Location Quotient – Lewis (1.30)



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**Southwestern Idaho – Ada, Adams, Boise, Canyon, Elmore, Gem, Owyhee, Payette, Valley and Washington Counties**

- Largest County Jobs Multiplier – Ada (1.41)
- Total Tourism Wages – \$250,000,000
- Total Tourism Employment – 12,189
- Regional Location Quotient – 0.88
- Largest County Location Quotient – Boise (3.53)



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**South Central Idaho – Blaine, Camas, Cassia, Minidoka, Twin Falls, Gooding, Jerome and Lincoln Counties**

- Largest County Jobs Multiplier – Twin Falls (1.43)
- Total Tourism Wages - \$85,000,000
- Total Tourism Employment – 4,284
- Regional Location Quotient – 1.09
- Largest County Location Quotient – Blaine (2.51)



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### **Southeastern Idaho – Bingham, Bannock, Bear Lake, Caribou, Franklin, Oneida and Power Counties**

- Largest County Jobs Multiplier – Bannock (1.35)
- Total Tourism Wages - \$46,000,000
- Total Tourism Employment – 2,770
- Regional Location Quotient – 0.95
- Largest County Location Quotient – Bear Lake (1.71)



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### **Northeastern Idaho – Bonneville, Butte, Custer, Jefferson, Clark, Madison, Fremont, Teton and Lemhi Counties**

- Largest County Jobs Multiplier – Lemhi (1.42)
- Total Tourism Wages - \$66,000,000
- Total Tourism Employment – 4,014
- Regional Location Quotient – 0.98
- Largest County Location Quotient – Custer (2.12)



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## **REC TECH INDUSTRY FINDS HOME IN IDAHO**

Idaho’s stunning natural beauty and abundant recreational opportunities make it a clear choice for any business in the recreation technology industry.

There are over 100 recreation technology related companies spread across Idaho, employing over 3,500 people. A rec tech business, as it is called, makes products used for recreation. The data below do not include service-based recreation industries.

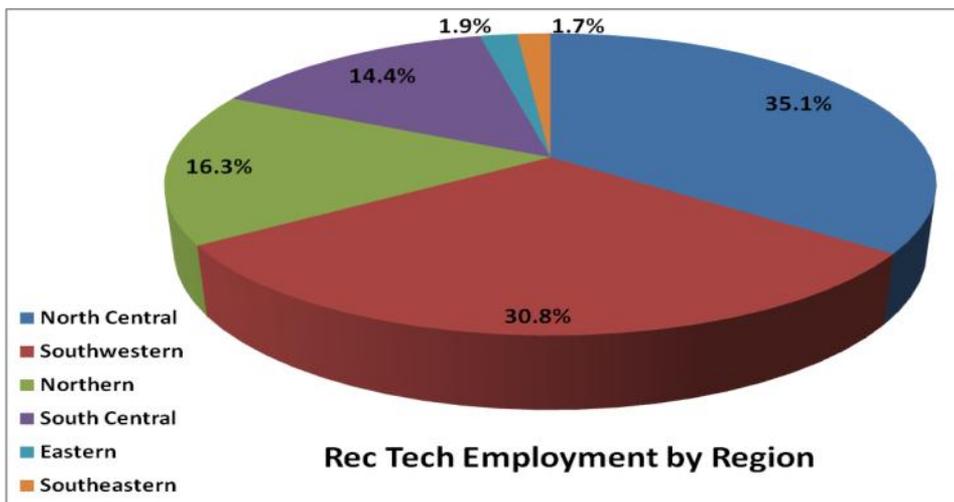
Some examples of rec tech companies include:

- Buck Knives in Post Falls
- Aire Inc., an inflatable boat manufacturer, in Meridian
- National River Supply, or NRS, in Moscow
- Boise-based Lucky Bums
- SCOTT Sport manufacturing in Sun Valley
- Gun makers
- Ammunition manufacturers
- ATK CCI/Speer in Lewiston, produces ammunition
- Quest Aircraft in Sandpoint
- Milt Sparks Leather Holsters is in Idaho City near Boise
- Herrett Gun Stocks in Twin Falls
- KK Air in Rathdrum makes Cabala’s “Bullet Proof” series gun cases

Other recreational technologies include companies that make bow hunting and fishing equipment

Southwestern Idaho has 57 small rec tech businesses with 1,100 workers. North central Idaho has only 15 but employs 1,250. There are 16 rec tech businesses in northern Idaho, which employ approximately 580 people.

Over the past decade, jobs in Idaho’s rec tech industry grew 25.6 percent. The number of employers rose as much from 104 in 2000 to 127 by 2010. Southwestern Idaho added 14 new employers, but the size of the industry’s workforce downsized.



With the help of Quest Aircraft and the relocation of Buck Knives to Idaho, northern Idaho accelerated in employment over the last decade, adding nearly 500 jobs. The north central region was not far behind with an additional 430 jobs, mostly in small arms ammunition manufacturing. According to the Idaho Department of Commerce, the state’s firearms and ammunition manufacturing industry is worth \$2 billion a year.

As the impacts of the housing bubble loomed over Idaho, the rec tech industry limped along.

Statewide, the industry experienced a net loss of nearly 700 jobs during the recession. Most of the loss was in southern Idaho’s travel trailer and camper manufacturing industry. Northern and north central Idaho saved the remainder of the industry from being hit harder, adding a total of 270 jobs from 2007 to 2010. Aircraft and small arms ammunition manufacturing were the two components that attributed most to the growth.

Because the rec tech industry is a combination of manufacturing subsectors, it is heavily export-oriented so a high percentage of its gross revenue comes from outside the region, giving it much more economic impact than many other sectors. The rec tech industry has a multiplier of 2.6 in Idaho. That means for every 10 jobs it creates, another 16 are created in other areas of the economy.

According to Economic Modeling Specialists Inc., the industry is projected to grow six percent annually over the next 10 years, compared to a projected 0.3 percent decline nationwide. The annual growth is driven by expected aircraft manufacturing in northern Idaho, where it is projected to grow 18 percent on annual basis through 2020.

| Region              | Average Employment |              |              | From 2000-2010 |             | From 2007-2010 |              | 2010 Establishments |
|---------------------|--------------------|--------------|--------------|----------------|-------------|----------------|--------------|---------------------|
|                     | 2000               | 2007         | 2010*        | numeric change | % change    | numeric change | % change     |                     |
| North Central       | 816                | 1,018        | 1,249        | 433            | 53.1%       | 231            | 22.7%        | 15                  |
| Southwestern        | 1,467              | 1,764        | 1,096        | -371           | -25.3       | -668           | -37.9        | 57                  |
| Northern            | 104                | 545          | 581          | 477            | 458.7       | 36             | 6.6          | 16                  |
| South Central       | 228                | 694          | 512          | 284            | 124.6       | -182           | -26.2        | 13                  |
| Eastern             | 88                 | 65           | 66           | -22            | -25         | 1              | 1.5          | 12                  |
| Southeastern        | 152                | 163          | 59           | -93            | -61.2       | -104           | -63.8        | 6                   |
| <b>Idaho Total:</b> | <b>2,855</b>       | <b>4,249</b> | <b>3,563</b> | <b>708</b>     | <b>24.8</b> | <b>-686</b>    | <b>-16.1</b> | <b>119</b>          |

Idaho has continued to be a recreation destination for locals and visitors alike, producing about \$2.2 billion a year in retail sales and services. The diverse landscape is a prime research ground for companies like Buck Knives and Aire, which can test their products in the environments where they will be used.

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## UNIVERSITY BUDGET CUTS IMPACT LATAH COUNTY

Facing a \$5 billion budget deficit, the state of Washington will cut funding to Washington State University by \$107.8 million – a 26 percent reduction – in the 2011-2012 fiscal year. About \$14.4 million comes from a 3 percent decrease to the university's salary base. Washington does its budgeting for two years, and Washington State will be cut another 26 percent in the 2012-2013 fiscal year, bringing the two-year reduction to \$231 million. The regents approved a 16 percent tuition hike for in-state undergraduate students to \$9,374 beginning this fall. Nonresident tuition will rise 8 percent to \$20,652 for undergraduates and \$22,830 for graduate students, and resident graduate tuition will be up 16 percent to \$9,676. The increases should generate almost \$70 million. In an attempt to maintain access for Washington students, the university plans to spend about \$2 million of that new revenue to increase financial aid. Over the previous four years, tuition for in-state undergraduates already had risen 75 percent.

To help offset funding cuts, enrollment will rise. The school has received a record number of applications, and officials expect the incoming on-campus freshman class will total between 4,100 and 4,400, about 1,000 students larger than the record fall 2008 class. The university can handle the increase because last year's freshman class was relatively small, and the just-graduated senior class was large. To accommodate more students, classes will be scheduled earlier and later in the day, and some spaces are being converted into classrooms.

The University of Idaho also has experienced decreases in state funding although not as dramatic. Overall, the state has slashed Idaho's budget by \$20 million over the past three years, including nearly \$3 million for the coming academic year.

The State Board of Education approved an 8.4 percent tuition increase, which will raise resident undergraduate tuition to \$5,856 a year to generate about \$4.2 million.

Given rising costs, the university still must cut 1.8 percent across the board to balance its books.

Idaho has relied on rising enrollment and higher tuition to offset some of the effects of reduced spending. The state provided 73 percent of the university's budget in 2000-01. Today it is slightly more than 53 percent. Fees collected from students currently make up more than 42 percent of the budget, up from 19 percent a decade ago.

In the last two years, the University of Idaho has eliminated 217 full-time positions.

Officials at both schools are concerned about the impact on their ability to attract and keep faculty.

“At a time when WSU's best faculty are already being poached by universities in other states and nations because of restrictions imposed over the last two years, this budget will make it harder than ever to keep our best and brightest faculty,” Washington State Chief Budget Officer Joan King said.

University of Idaho President Duane Nellis said that the school has “not had salary raises for our faculty and staff in four years – I think this is the fifth year coming up – and we're losing faculty.”

Layoffs and pay cuts at the universities reduce consumer spending in Pullman and Moscow although that is somewhat offset by rising enrollment. The budget cuts also may affect government revenues including property tax collections and sales tax sharing.

Latah County’s economy relies heavily on the University of Idaho. In 2008, before the budget cuts, the University of Idaho's payroll made up 35 percent of total wages in the county. Whitman County’s reliance on WSU is even greater. In 2008, the university paid 43 percent of the county’s total payroll.

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**SOUTH CENTRAL IDAHO ANALYSIS: ARE THESE WORST OF TIMES?**

The nation is bemoaning the current economic conditions and for good reason. “For Sale” signs dot nearly every block. Neighbors exchange stories of their misadventures seeking work. All of this at a time when jobs are in short supply – nonexistent in some industries.

But are these the worst of times since the Great Depression in south central Idaho?

**BLAINE COUNTY**

With the exception of the region’s two small counties – Lincoln and Camas – Blaine County was hit the hardest by the recession. Its unemployment rate in May was still at 9.5 percent, a tenth of a point higher than the state rate and four-tenths above the national rate. The lack of jobs also spills over into Lincoln County, where many resort economy workers live. Blaine County’s rate peaked at just over 11 percent in the recession. But while high, the county was weathering the severe downturn better than it did during the back-to-back recessions from January 1980 through November 1982. Back then, double-digit interest rates unlike anything seen since were toxic to tourism and the mini-construction boom that had started. The mansion building frenzy the affluent and celebrities had been in ground to a halt. Home mortgages below 10 percent were coveted. Retirees with little debt and money to invest were making hay in that climate. Many throughout southern Idaho

| <b>Historic and Current Unemployment Rates</b> |                                  |               |                                  |                |                         |
|--|----------------------------------|---------------|----------------------------------|----------------|-------------------------|
|  | <i>Highest Rate</i><br>1978-2011 |               | <i>Highest Rate</i><br>2008-2011 |                | <i>May 2011</i><br>Rate |
|  |                                  | <i>Date</i>   |                                  | <i>Date</i>    |                         |
| Blaine   | 14.9%                            | May 1983      | 11.1%                            | February 2011  | 9.5%                    |
| Camas  | 25.0%                            | March 1986    | 15.6%                            | September 2010 | 14.7%                   |
| Cassia   | 17.6%                            | January 1986  | 8.1%                             | May 2010       | 7.2%                    |
| Gooding  | 16.1%                            | January 1984  | 8.0%                             | September 2010 | 6.5%                    |
| Jerome   | 13.4%                            | January 1983  | 9.6%                             | October 2010   | 8.5%                    |
| Lincoln  | 20.0%                            | August 1997   | 14.9%                            | October 2010   | 14.5%                   |
| Minidoka                                       | 16.9%                            | August 1986   | 8.8%                             | November 2010  | 7.0%                    |
| Twin Falls                                     | 13.1%                            | February 1983 | 9.1%                             | August 2010    | 8.4%                    |

Source: Idaho Department of Labor

paid 50 cents on the dollar for condos they still own. Rates and financing became such a challenge for developers that they were giving away their inventory during that dark economic period.

Since then, interest rates have returned not only to affordable levels but to record low and near-record low levels, and community investments in Blaine County have been substantial. New parks and gathering spaces have been created, and facilities like the Sun Valley Pavilion, White Clouds Golf Course, River Run Lodge and River Run gondola have been built. The well-maintained and well-used bicycle and walking paths throughout the Wood River Valley helps with the traffic congestion and adds to the recreational choices.

This most recent downturn was a harsh blow to Blaine County at a time when four new hotels and the accompanying infrastructure were on the verge of construction. By 2010 the recession saw the county's population drop 4 percent back to the 2005 level and its labor force by 8 percent back to the 2003 level.

#### ***AGRICULTURAL BASE***

Camas County experienced the highest historical unemployment in the region in 1986 at a quarter of its labor force. But as the state's smallest county – fewer than 1,000 residents and only 600 in the labor force – even a small change in employment has a magnified impact on unemployment rates. While Lincoln County is five times bigger – about 5,200 residents and a labor force of 2,600 – the principle is much the same although Lincoln County often has unemployment rates in the double digits. In Camas County, many people work either in government for agencies like the U.S. Forest Service or on a ranch or farm – both inherently seasonal.

During the mid-1980s, farmers went through a credit crisis. It was a time of Farm Aid concerts that sensationalized the plight of the farmer. Oversupply had depressed market prices, and personal farm debt was high. Many growers couldn't make it, losing farms that had been in their families for generations. All of the agricultural counties in south central Idaho were hit hard 30 years ago. The data indicate the 1980s was the time of greatest economic hardship for Camas, Cassia, Gooding, Jerome, Minidoka and Twin Falls counties.

Cassia, Gooding, Jerome and Twin Falls counties are four of the five largest agriculture-producing counties in the state, according to the 2007 Census of Agriculture.

#### ***MANUFACTURING WIDESPREAD***

While Jerome County is a significant agricultural contributor because of the influx of dairies, manufacturing activity has historically been substantial, drawing workers from neighboring Lincoln and Gooding counties. The highest unemployment in Lincoln County occurred in 1997 and is likely attributable to the number of workers commuting to Jerome for work at the Tupperware plant, which closed that year.

#### ***SUMMARY***

To be sure, current times are hard, especially without any construction rally to generate jobs. The focus now is on retraining and education to qualify

workers for future jobs in the expanding sectors of health care, social assistance, utilities, advanced manufacturing and STEM — science, technology, engineering and mathematics — jobs.

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## THE END OF THE “MANCESSION?”

During the 19-month recession that ended in June 2009, men lost far more jobs than women, promoting the designation of “mancession.”

The industries that lost the most jobs during the recession were industries dominated by men – construction, logging, transportation and manufacturing. In the last 24 months, the situation has been reversed. Men found jobs as manufacturing, logging and transportation recovered while women were thrown out of work as the public sector shed jobs. Education, home health care and social services, which have seen the biggest job reductions lately, employ considerably more women than men.

Idaho has seen similar patterns. There were 34,432 fewer payroll jobs held by men after the recession than before. That was a 10.3 percent drop. Jobs held by women fell 12,782 – a 4.1 percent decrease.

In the first 12 months after the recession – between the second quarter of 2009 and the second quarter of 2010 – men lost 2,947 payroll jobs while women lost 6,025. Since then, increasing cuts in state and local government have widened that gap. Government, where women held 60 percent of jobs, lost 4,600 jobs in Idaho between April 2010 and April 2011. Manufacturing, where women held only 28 percent of jobs, added 1,100 jobs, and transportation, where women held only 24 percent of jobs, added 800 jobs.

Offsetting some of the men's gain are is the 1,500 jobs lost in construction, where women hold only 15 percent of the jobs.

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| Recession-Era Employment Patterns                 |         |         |                     |        |
|---|---------|---------|---------------------|--------|
|   | Idaho   |         | North Central Idaho |        |
|   | Women   | Men     | Women               | Men    |
| <b>Total Covered Payroll Employment</b>           |         |         |                     |        |
| <b>2007</b>                                       | 310,221 | 334,096 | 21,452              | 21,315 |
| <b>2008</b>                                       | 311,522 | 328,523 | 21,366              | 20,918 |
| <b>2009</b>                                       | 297,439 | 299,664 | 20,924              | 19,382 |
| <b>2010</b>                                       | 291,414 | 296,717 | 20,101              | 19,343 |
| <b>Change Q2 2007 to Q2 2009 (Recession)</b>      |         |         |                     |        |
| <b>Number</b>                                     | -12,782 | -34,432 | -528                | -1,933 |
| <b>Percent</b>                                    | -4.10%  | -10.30% | -2.50%              | -9.10% |
| <b>Change Q2 2009 to Q2 2010 (Post Recession)</b> |         |         |                     |        |
| <b>Number</b>                                     | -6,025  | -2,947  | -823                | -39    |
| <b>Percent</b>                                    | -2.00%  | -1.00%  | -3.90%              | -0.20% |

## EB-5 VISA PROGRAM TO ATTRACT FOREIGN INVESTMENT

One of the key aspects of Governor C.L. “Butch” Otter’s Project 60 Initiative is attracting foreign investment, and one way to do that is through the EB -5 Visa Program.

The U.S. Citizenship and Immigration Service administers the program that grants foreigners permanent U.S. residency in exchange for their investment to establish new businesses that create jobs.

The program, part of the Immigration Act of 1990, is based on a successful Canadian initiative to lure investors from Hong Kong before that British colony was transferred back to China in 1997.

The U.S. EB-5 program offers legal residency to foreign investors, their spouses and unmarried children under 21 in return for an investment of at least \$1 million that creates 10 permanent jobs per investment, which cannot include any provisions for repayment or another investment recovery strategy for at least two and a half years.

The investment can be reduced to \$500,000 if it is made in rural counties or in urban areas where the unemployment rate has averaged at least 50 percent higher than the average statewide unemployment rate.

Idaho has three EB-5 regional centers providing vetted investment opportunities designed to attract foreign investors and direct pooled or individual investments toward identified industry and community projects.

The Invest Idaho Regional Center recruits EB-5 investment for economic growth projects related to technology, research and education, and the Idaho State Regional Center focuses on the state's recreation and mining industry.

The Idaho Global Investment Center is specifically targeted to eastern Idaho. Chief Executive Corey Smith says the center is just months away from receiving the approval of the U.S. Department of Homeland Security, which the other two centers already have. Idaho Global Investment will focus on nine specific industry sectors

In 2009, a total of 4,267 EB-5 applications were approved nationally. There are more than 100 active regional centers in the United States each with diverse business models and functions. The most successful have attracted as many as 1,000 EB-5 investors and as much as \$500 million to various projects.

A regional center can become a magnet for new businesses and employment opportunities. As EB-5 businesses start in a community the local economy is boosted because the new business obtains products and services from other local companies.

Congress is also considering a variation on the EB-5 program. Known as the Startup Visa program, or EB-6, it would target:

- Entrepreneurs living outside the United State who have a U.S. citizen investing a minimum of \$100,000 in their venture. Within two years, the startup must have created five new American jobs and either raised over \$500,000 in financing or be generating more than \$500,000 in yearly revenue.
- Workers on an H-1B visa and foreign graduates of U.S. universities in science, technology, engineering, mathematics and computer science with annual incomes of at least \$30,000 or assets of at least \$60,000, and who have a U.S. citizen investing at least \$20,000 in the venture. Within two years the startup must have created three new American jobs and either raised over \$100,000 in financing or be generating more than \$100,000 in yearly revenue.

- Foreign entrepreneurs whose businesses have generated at least \$100,000 in U.S. sales. Within two years the startup must have created three new American jobs and either raised over \$100,000 in financing or be generating more than \$100,000 in yearly revenue.

The U.S. investor must be a government entity or a qualified venture capitalist or a “super angel” – a U.S. citizen who has made at least two equity investments of at least \$50,000 every year for the previous three years.

The EB-5 program may provide Idaho with important funding source. The program also provides access to a life in America to many talented individuals from other countries.

Information on the Invest Idaho Regional Center is at <http://www.fundthefrontier.com/>.

Information on the Idaho State Regional Center is at <http://www.idahostateregionalcenter.com/>.

Information on the Idaho Global Investment Center is at <http://idahogic.com/>.

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### NORTHERN IDAHO

Benewah, Bonner, Boundary, Kootenai & Shoshone counties

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#### REGIONAL DEVELOPMENTS



Avista announced that it has agreed to buy wind-powered energy from First Wind, a Boston-based wind-energy company that is developing the Palouse Wind project in Whitman County. The agreement will provide Avista with 40 average megawatts of renewable energy – enough to power about 30,000 homes.

- North Idaho College is going through some changes. President Priscilla Bell will be retiring when her five-year contract ends in June 2012, and Vice President John Martin has announced that he will be retiring at the end of the year after three years in that position.
- The North Idaho Health Network and MobileMD announced an agreement to provide state-of-the-art health information exchange services among Benewah Community Hospital, Bonner General Hospital, Boundary Community Hospital, Kootenai Medical Center, Shoshone Medical Center and their 305 physicians.
- A Caterpillar Inc. parts distribution center will be constructed near the Spokane Airport. Construction of the 500,000-square-foot facility will start this summer, and the center is expected to employ 100 to 150 people when it becomes operational in 2012.
- Among the large construction projects starting throughout northern Idaho this month are:
  - A 327-lot residential development in Liberty Lake
  - U.S. Highway 95 improvements from East Ohio Match Road to Bunco Road
  - U.S. Customs facility in Bonners Ferry
  - 20,000-square-foot science, technology and research center in Rathdrum
  - A new mid-mountain lodge and chairlift at 49 Degrees North
  - A 279-acre expansion at Mount Spokane
  - Forest restoration projects
  - The Kootenai Cutoff
  - The Enaville Bridge
  - The I-90 Beck Road Interchange

#### **UNDER CONSTRUCTION**

- Benewah Community Hospital
- Union Gospel Mission in the Coeur d'Alene center for women and children
- Copper Basin's Legacy Ridge at Parkside project in Liberty Lake

- BMX track in St. Maries
- Prairie-McGuire intersection improvement in Post Falls
- KYRO Ice arena, which may open in August
- \$1.73 million Benewah transfer station
- Sand Creek Byway
- Dover Bridge

### **SCHOOL BUDGET DECISIONS**

- Five positions were eliminated in the Kootenai School District budget cuts
- Five classroom aides laid off in the Coeur d'Alene School District
- Post Falls School District came to terms on a new contract that includes one furlough day for employees, payment of education and experience increments for teachers, a 10 percent reduction in the district's pay for family benefits and a one-time stipend for employees who do not qualify for state increments
- Lakeland School District reached an agreement with teachers on three furlough days and frozen salaries for the next school year
- The St. Maries Education Association proposed that the district stay with the current health insurance plan, which will cost an additional \$96,000. It was also proposed that the district pick up the entire cost of the plan without cutting benefits to staff.

## **COUNTY DEVELOPMENTS**

### **BENEWAH COUNTY**

- Over 500 runners from 13 different states participated in the inaugural St. Joe River Marathon in mid-June. The event includes a 5 kilometer, a half marathon and a full 26.2-mile marathon.

### **BONNER COUNTY**

- Amtrak and the Burlington Northern Santa Fe Railroad agreed to restore the historic Sandpoint Depot. The railroad, which owns the depot, will lease the building and platform to Amtrak, which will sublease it to the city of Sandpoint. As part of a requirement of the Sand Creek Byway's Environmental Impact Statement, the Idaho Transportation Department will accumulate \$1 million in escrow funds.
- The Sandpoint Urban Renewal Agency awarded a \$450,000 grant to the Panida Theater, moving fundraising efforts closer to the \$1 million needed to restore the building.
- The bicentennial of David Thompson's exploration that resulted in a fur traders route was celebrated by communities all across the Pacific Northwest. A 170-person brigade paddled 25-foot canoes along the same route Thompson took in 1811 – 1,200 miles from Livermore, British Columbia, to Astoria, Ore. One of the many stops was in Clark Fork, which also celebrated its centennial.
- The fourth annual Veteran Stand Down in Bonner County drew 1,500 veterans and family members and 100 volunteers.

## **BOUNDARY COUNTY**

- Idaho Canopy Tours is constructing a zip line in Boundary County. The site is in the mountains of the McArthur Lake Wildlife Corridor between Sandpoint and Bonners Ferry.
- Boundary County School District Superintendent Don Bartling has officially retired.

## **KOOTENAI COUNTY**

- Stogie Group International, an independent film company based in Coeur d'Alene, plans to start production of a movie titled "How to Date Beautiful Women" in Coeur d'Alene and at Carlin Bay.
- The Post Falls City Council voted not to extend the life of the East Post Falls Urban Renewal District, which was pegged to fund an Interstate 90 overpass or interchange at Greensferry Road.



TriGeo, a Post Falls software firm, is being bought for \$35 million by Texas-based SolarWinds, a provider of information technology management software.

## **SHOSHONE COUNTY**

- Despite halting production this winter for repairs needed to resume mining in higher-grade areas, U.S. Silver still reported record earnings for the first quarter. Cash flow from operating activities was \$7.2 million, up from \$3.5 million in 2010 - an increase of 106 percent. Pretax net income totaled \$6.1 million, up from \$800,000 in 2010.
- Hecla Mining Co. has agreed to pay \$263.4 million plus interest to the federal government, the Coeur d'Alene Tribe and the state of Idaho to resolve claims over environmental damages in the Coeur d'Alene Basin.

## **OPENINGS**

- Big R in Ponderay, employing about 70
- FIRE, a new pizzeria, in Coeur d'Alene
- ACES Community Services in St. Maries
- Seasons of Coeur d'Alene with 50 jobs available
- Kootenai River Brewing Co. in Bonners Ferry
- Wild Flower, a men's and women's designer clothing boutique in Coeur d'Alene
- Lemon Grass, a French-Asian restaurant in Coeur d'Alene
- Vac Shack in Coeur d'Alene
- The Shoot House indoor shooting range in Coeur d'Alene
- Tap or Snap Martial Arts Supply in Coeur d'Alene
- Invisible Fence in Coeur d'Alene
- The Sprague Pole @ the Falls in Post Falls
- Coeur d'Alene Hair Co. in Coeur d'Alene
- North Idaho Foot & Ankle Institute in Coeur d'Alene
- Mercer's Memories Antiques in Priest River

## **EXPANSIONS**

- Kootenai Prosthetics to Post Falls

## CLOSURES

- Lone Wolf Harley Davidson in Coeur d'Alene
- W. Cleaners in Coeur d'Alene
- Budget Blinds in Coeur d'Alene
- Bella Rose in Coeur d'Alene

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## NORTH CENTRAL IDAHO

Clearwater, Idaho, Latah, Lewis and Nez Perce counties

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### REGIONAL DEVELOPMENTS

- CenturyLink purchased Qwest on April 1, making the company the third largest telecommunications provider in the U.S. Serving the Lewiston-Clarkston area and much of Idaho and Lewis counties, it will offer the same services as Qwest – including local and long distance telephone calls and high-speed Internet. It also eventually may add an alternative to cable television after it makes the required infrastructure upgrades. Qwest's 15 employees in the region will keep their jobs. CenturyLink, which also serves most of southern Idaho, announced in early July that it plans to spend at least \$15 million to expand high-speed Internet service to Idaho households and businesses in the next few years.



The Clearwater Basin Collaborative will receive \$3.4 million for a second year of forest restoration projects. Despite tight budgets, the Forest Service is giving the collaborative more than the \$1 million it received for its first year of operation. The restoration projects on the Clearwater and Nez Perce national forests are expected to take 10 years and create up to 300 jobs. The new funds will be used to maintain 225 miles of forest roads and trails, improve 1,000 acres of crucial elk habitat, enhance fish passage, restore 25 acres of stream vegetation, increase weed control measures, reduce fire risks on 2,000 acres through prescribed burning and upgrade forest health on 2,000 acres within the wildland-urban interface through commercial thinning. Most of the work will be contracted to local companies.

- Horizon Air eliminated a midday Seattle flight to and from the Lewiston-Nez Perce County Regional Airport in June and will end the flight to Boise from Pullman-Moscow Regional Airport this fall. But it will continue service between Boise and Lewiston. Direct flights to Seattle from Lewiston and Pullman have mostly replaced what had been Seattle flights that stopped at both airports to determine whether either is self-sustaining. It is possible that Alaska/Horizon may eventually choose to serve only one of the two airports. Lewiston's boardings fell from 68,444 in 2007 to 58,435 last year. In the same period, the growth of the universities and Schweitzer Engineering Laboratory caused Pullman's boardings to rise 42 percent from 24,856 to 35,233. Lewiston's downward trend, which is attributed to the recession, began turning around last year. Since August, boardings each month are higher than the same month the year before. While the volume of Horizon flights has diminished, Horizon's capacity is greater than it was in 2005 because it went from 37-passenger to 70-

passenger planes. The SkyWest schedule at the Lewiston airport is expected to remain stable since its passenger load rose even during the recession.

### **NEZ PERCE TRIBE**

- The Nez Perce Tribal Housing Authority landed a \$1.18 million grant to develop housing and provide housing services for low-income families on the reservation.

## **COUNTY DEVELOPMENTS**

### **CLEARWATER COUNTY**



The Idaho Department of Environmental Quality awarded Orofino an \$8.5 million interest-free loan to build a new water treatment plant, water intake system and pump station. The city will use a \$500,000 Idaho Community Development Block Grant and \$438, 875 of its own funds to complete the financing. The city will also upgrade the Wixon Heights water reservoir and associated transmission lines. Construction is expected to begin in November and end by July 2013.

- Clearwater Valley and St. Mary's hospitals and clinics are using telemedicine to expand the specialist services available to their patients. In the last two years, their telemedicine program including a robot with a zoom camera that can be moved wherever the patient is has provided access to psychiatrists, cardiologists and emergency care specialists. Now the clinics in Orofino and Cottonwood offer access to a dermatologist in Minnesota. The two hospitals also just expanded mobile MRI services. The trailer with the magnetic resonating imaging equipment will be in Orofino two days a week and Cottonwood two days a week.



Most of the contracts awarded by the Clearwater National Forest awarded for construction and maintenance under the American Recovery and Reinvestment Act in 2010 are still under way in the North Fork Ranger District. The stimulus projects include bridge repair and maintenance, road resurfacing, culvert replacements and recreation site improvements. All the projects should be completed before winter.

### **IDAHO AND LEWIS COUNTIES**

- Resurfacing work began in June on a seven-mile stretch of Idaho Highway 13 between Grangeville and Kooskia. It also includes guardrail construction and shoulder improvements. Poe Asphalt Paving of Clarkston is the contractor for the \$2.6 million project, scheduled for completion by September.
- The weather kept some potential visitors out of the national forests this spring and early summer. Higher than normal snow levels, washouts and landslides delayed the opening of many roads and trails on the Nez Perce and Clearwater national forests in May and June. Because most forest roads remained snow-covered and soft, visitors were asked to avoid driving or riding on muddy roads to prevent surface damage. Slide activity continued due to saturated soils. Unstable soil also caused trees to fall, presenting another hazard. In addition, many national forest creeks and rivers were swollen and swift, subject to flooding if temperatures rose quickly.

- This summer is strengthening area tourism. A film company making a movie for German State TV shot scenes around Winchester and Kamiah in June and early July. The Winchester Rodeo took a star turn. “Rodeoboxer” is the true story of a German bricklayer who came to America to earn money boxing in matches at rodeos. The German crew plans to premiere the film in Winchester. The Good Sam Club Idaho held its state convention there in early June for more than 200. The Border Days rodeo, held in early July for the 100th year in a row, was featured in two national magazines—Western Horsemen and Cowboys and Indians. The Avista Foundation awarded a \$2,500 grant to the Community of St. Gertrude near Cottonwood. The Catholic monastery that includes a museum, convention center and bed and breakfast is one of the largest tourism businesses in the region. The fund will help replace a 50-year-old water line the community relies on for fire protection. The line also serves Prairie High School adjacent to the monastery.



Elk City, an unincorporated area of about 500 residents, is celebrating its 150<sup>th</sup> year. The remote community that lies 50 miles east of Grangeville in the heart of the Nez Perce National Forest sprang into existence during the early days of the Idaho gold rush that began in 1860. The town’s economic development group, Framing Our Community, was created in the late 1990s when the community faced the loss of its largest employer, a sawmill. To preserve the community, the group sought to turn its problems into an engine of prosperity. It turns wood from diseased, dead and downed trees into value-added products. Today, Framing Our Community operates a business incubator, where many tenants make wood products. Partnering with state and federal land management agencies, tribal government and private landowners, the organization helped switch the community from an extraction-based economy to a restoration-based economy. It is running a work experience program for a dozen teens for the third summer in row. They are learning workforce skills including basic workplace habits, surveying, data entry, water monitoring and basic carpentry as they improve aquatic and wildlife habitat, build trails and create defensible space around private residences to protect them from wildfires.



Grangeville recently was awarded a \$500,000 Community Development Block Grant to upgrade its wastewater treatment plant’s phosphorus removal filtration equipment. The existing system was built in the late 1980s and no longer meets federal requirements. The treatment plant upgrade also is being paid for by a \$3.5 million bond and \$1.6 million U.S. Department of Agriculture rural development grant. Construction is likely to begin this fall.

- The Kamiah School District eliminated four teaching positions and froze pay and reduced benefits for its remaining staff to deal with a 10 percent cut in state funding for the 2011-12 school year. That follows a 14 percent reduction this past year. Rising utility costs have widened the budget gap. The district made the staff reduction even though school enrollment is projected to rise fractionally to 556.
- Idaho County is one of the state’s counties most affected by the inability of farmers to plant crops this spring. Muddy fields prevented growers

from seeding more than 21,000 acres, leading county commissioners to request an emergency designation from the governor. That would make farmers eligible for crop disaster assistance payments for specified losses.

- Lewis County recently upgraded its 911 system. Now, a screen displays the caller's phone number, address and which agencies are responsible for responding. Dispatchers can transfer emergency calls directly to the emergency systems of other law enforcement agencies with enhanced 911 systems including Idaho and Nez Perce counties. The new system substantially cuts response times.

#### **LATAH COUNTY**



A \$500,000 Community Development Block Grant will pay for the completion of a wastewater treatment plant in Potlatch that has been undergoing upgrades for nearly five years. The system, which relies on lagoons and pumps, is nearly 100 years old. This is the third block grant the city of 804 has received to pay for the \$8 million project. Federal stimulus dollars are also part of the financing scheme.

- A new \$710,000 advanced spectrometer, obtained with federal stimulus money, is currently being assembled at the University of Idaho. Fewer than 50 laboratories worldwide have similar equipment. Used in nanotechnology research that manipulates material at the molecular level, it will help improve the strength, durability and other characteristics of nanomaterials. The experience that students gain using the equipment will enhance their ability to find work, and the nanomaterials developed are likely to have commercial applications that could lead to the creation of spin-off companies, like GoNano Technologies founded in 2007, and jobs in Moscow.
- Latah County commissioners signed a crop disaster declaration in late June for thousands of acres of farmland affected by this spring's cold, wet weather. Muddy conditions prevented 237 farmers from planting nearly 19,000 acres with wheat, barley, peas, lentils and chickpeas at a loss of nearly \$7 million. Nine other counties had already made their own disaster declaration requests, and Gov. C.L. "Butch" Otter issued a statewide disaster declaration over flooding in the northern and southeastern parts of the state in late May. If the secretary of agriculture accepts the declarations, farmers will be able to request low-interest emergency loans through the Farm Service Agency as well as relief through federal disaster programs offered by the U.S. Department of Agriculture. For the land that was seeded, most farmers expect a good year—higher than normal yields because of built-up soil moisture and strong prices. In a few areas, the weather also increased the prevalence of a fungal disease called wheat rust. That could lead to smaller harvests, which would reduce farm income. It also would negatively impact trucking and barge companies and grain and legume storage and processing operations including Primeland Cooperatives and Pacific Northwest Farmers Cooperative. Altogether grain and legume storage and processing operations employ more than 90 people in Latah County, and trucking companies that serve them employ about 30.
- Bloomberg Businessweek recently named Moscow the best place in Idaho to raise children, citing better-than-average schools and an abundance of

outdoor activities. The rankings put the most weight on school performance and number of schools, crime statistics and cost of living but also paid attention to general economic conditions.

#### **NEZ PERCE AND ASOTIN COUNTIES**

- Lewiston's urban renewal agency recently began a makeover on two major downtown streets. Better infrastructure should make undeveloped property on First and Fifth streets including the former Twin City Foods site more appealing to businesses. The project will ensure water, sewer and storm water capabilities are adequate for future development. Downtown-wide standards will also be developed for street lighting, sidewalks, benches and other amenities. The agency will spend \$1.7 million for street reconstruction and other infrastructure improvements to prepare for relocation of the city library moving in October 2012.
- Regence BlueShield of Idaho cut 58 jobs in its four-state service area in May including nine customer service jobs in Lewiston. Despite the cut, employment at the Lewiston health insurance center grew from 655 a year ago to 726 in June.
- Seven bridges in a three-mile section of U.S. Highway 95 south of Culdesac are being widened. Wadsworth Brothers of Draper, Utah, is the contractor on the \$8.9 million project.
- Lewiston expanded its bus service in late spring, adding new routes to eastern and northern Lewiston. That increased access to areas of multi-family residences, family activities such as the fairgrounds and the airport and an industrial park now under construction, which is expected to create jobs. In addition, buses now run every half hour instead of every hour. The city reduced the cost of the system, allowing the expansion. It also used federal funding to purchase new buses, reducing maintenance costs. The city recently signed in agreement with the Nez Perce Tribe so that the Appaloosa Express, which serves Orofino, Lapwai and other communities on the reservation, can pick up and drop off passengers at two northern Lewiston bus stops on the way to the Lewiston Community Center. Appaloosa Express passenger boarding in Peck, Lenore, Lapwai and Culdesac can transfer to Lewiston or Asotin County Public Transit Benefit Area buses without paying a new fare. By providing expanded service, the city hopes to reduce its more expensive Dial-A-Ride services, which would allow it to expand bus hours in the future. Currently buses run between 6 a.m. and 6 p.m.

#### **OPENINGS**

- Bizaarn, a variety store near Kamiah
- Gradient Shift, selling custom-designed t-shirts, in Riggins
- Johnny's Tobacco & Spirits selling beer, wine, cigarettes, electronic cigarettes and cigars in the Lewiston Orchards
- Paulucci's Italia Coffee House in Lewiston
- Purses Galore, a boutique in Cottonwood's Duman Mini Mall
- Redneck Engineering, a gift store in Kamiah

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## **SOUTHWESTERN IDAHO**

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

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### **COUNTY DEVELOPMENTS**

#### ***ADA COUNTY***

- Boise Fry Co. plans to expand operations in metropolitan Boise but has not announced any specifics. The company opened a few years ago in downtown Boise.
- The Eagle Island State Park has begun a \$24.4 million overhaul, adding a new lake, RV camping, a beach and water slide. The lake will be built first, and further upgrades will be partially subsidized by selling gravel from the park as the lake is being created.
- Hewlett Packard has sold one of its data centers in Meridian as it moves toward consolidation of data centers around the world. Data centers house computers and computer related equipment and have high energy demand and relatively low employment needs.
- A sports complex is in the process of being developed in Star and will feature two softball fields and three soccer fields. Star has grown by over 200 percent since 2000, and the complex is a direct result of that growth.
- Wal-Mart may have plans for a second store on top of the one it is already planning in Meridian. The second store would be located south of Interstate 84 near Roaring Springs water park. Each Wal-Mart employs several hundred full- and part-time workers.
- St. Luke's has plans for \$1.25 billion in expansions at its downtown Boise and Meridian locations over the coming decade. The employment from both construction and operation would be substantial. The health care industry is expected to grow by the largest number of jobs over the next 10 years with an expected net growth of over 4,000 jobs.

#### ***BOISE COUNTY***

- Several new stores have opened in Idaho City within the past six months, reviving the little town that is utterly dependent on tourism. Some of the businesses include an Old Time Photo, where customers are able to have their pictures taken dressed up in 19<sup>th</sup> Century garb, and Pillow Talk Etc., which sells homemade clothing and other goods.

#### ***CANYON COUNTY***

- XL Four Star Beef closed its doors in early June, laying off more than 500 employees. It is estimated that the impact will ultimately lead to an additional 500 jobs being lost throughout the rest of the Boise metro economy. The plant closure will force ranchers to ship livestock further and at a higher cost, increasing costs for the local agriculture industry.
- Home Federal Bank based in Nampa received permission from the Idaho Department of Finance to move into commercial and business lending. Home Federal has been working toward commercial banking for the last decade.

- Amalgamated Sugar Co. has entered a joint marketing venture with Sudden Americas, a French company. The marketing venture will reduce per-bag marketing costs, allowing the company to decrease overall expenses.

**PAYETTE COUNTY**

- The Snake River Economic Development Association has taken the responsibility of staffing and overseeing operations of the Idaho Gateway Southwest Visitor Center off Interstate 84 near the Oregon border. Two part-time, temporary jobs will open up through Labor Day. Several other volunteer positions will be available as well.

**VALLEY COUNTY**

- A Cascade company secured the bid for work on Middle Fork Road, which is the beginning of up to \$5 million in work financed by the federal government. The initial \$108,000 project will assist in providing steady employment to Valley County workers.
- The golf course at Meadow Creek will remain open this year. The non-profit Meadow Creek Resort Association purchased the property from Hopkins Meadow Creek LLC.
- Valley County is committed to economic development, earmarking \$60,000 for the work. The county commissioners met following the resignation of John Blaye, who had spearheaded economic development in the area for the last decade.

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**SOUTH CENTRAL IDAHO**

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

**COUNTY DEVELOPMENTS**

**BLAINE COUNTY**



Drones are being deployed over Blaine County to document the habitat and vegetation in specific areas. The real time video will be used for endangered species analysis. The U.S. Geological Survey is partnering with the University of Idaho, Boise State University and the U.S. Bureau of Land Management. Options for preserving species, particularly for the pygmy rabbit, should emerge from the collected data.



Fundraising for the 15<sup>th</sup> annual Trailing of the Sheep took on some realism during an event at the Flat Top Ranch, where owners John and Diane Peavey had about 2,000 of their band up close and personal for the picnickers amidst the wide open expanse and spring wildflowers. The big prize at the event was a “workcation” during which the winners will help the Peaveys move their sheep across the desert to the



Steve Platzer/trailingofthesheep.org.

Pioneer Mountains. This October, the Trailing of the Sheep festival will focus on stories of ranch women and their roles over the past century and a half.

- Scott USA and its workforce expansion made local headlines. The Sun Valley company falls under the new industry ‘recreational technology’ a catch phrase for manufacturers of high-tech recreational products. The company started in 1958 making aluminum ski poles and has since expanded to motocross equipment; mountain bikes and components, equipment and clothing; feather-light alpine ski boots, goggles and skis; and all types of clothing for snowmobiling, motocross, running and biking. The company likes the Sun Valley atmosphere and brings its professionals under one roof to design and market its products. The company reported a current payroll of 62.

#### **CASSIA COUNTY**

- The Cassia County School District announced it will not fill the equivalent of five and half full-time jobs that have become vacant through attrition. Furloughs of up to seven days will also be required of all certified employees, and administrators will be required to take 10.5 days off without pay. The approved budget for the next fiscal year is \$43.2 million, an 11 percent decrease from last year’s budget.

#### **MINIDOKA COUNTY**

- Amalgamated Sugar is joining forces with Sucden Americas in a marketing joint venture called National Sugar Marketing. Sucden has a strong presence in Central America and will provide efficiencies to Amalgamated and its customers. The White Satin branding for Amalgamated will not change. Bill Smith, Amalgamated vice president of marketing, will become president and chief executive of the new marketing firm. Amalgamated is the second largest beet sugar processor in the U.S. with 900,000 tons annually. The Sucden group is a French sugar trading company with a worldwide presence of 8 million to 10 million tons annually.

#### **TWIN FALLS COUNTY**

- Kimberly native Sharon Allen recently retired as chairman of the board of Deloitte & Touche USA. In 2009, Forbes Magazine listed her as the 98th most influential person worldwide. Allen, 59, returned to her home town as a guest speaker for the Twin Falls Chamber of Commerce Success Breakfast in 2007, donating \$5,000 to a memorial scholarship in the name of her mother, Barbara Irwin. She attributes her success to working on the Kimberly farm alongside her brothers – passing on the same work ethic and lack of gender bias to the boardroom. Bertha Irwin, Allen’s great grandmother, was one of Idaho’s first female legislators.
- Castleford was the site for Governor C.L. “Butch” Otter’s latest Capital for a Day event. A major point of discussion was the EB-5 program that provides a path to citizenship for foreigners investing in the United States and is a building block of the governor’s Project 60 initiative to boost gross state product to \$60 billion. (*See related story on page 3.*) The other major issue was state rights regarding federal tolerances for arsenic in drinking water and the cost of meeting them for small communities like Castleford.

- Glanbia USA won three gold medals, five silver medals and two bronze medals at the 2011 U.S. Championship Cheese Contest in Wisconsin. Jeff Williams, president and chief executive officer of Glanbia Foods, said the “Twin Falls plant has earned an unprecedented number of medals this year for producing outstanding, flavorful cheeses, some of the best this country has to offer. Our 650 employees and the 120-plus dairy farms that supply Glanbia with superior quality milk should be very proud of these national recognitions for making award-winning cheese.”

**OPENINGS**

- Jimmy John’s sandwich shop in Twin Fall’s new strip at 5 Points
- Valley Apothecary, a drugstore featuring compounding services in Ketchum
- Saucy restaurant in Twin Falls, offering local and healthy food and serving as pick up point for Idaho Bounty local produce consumers

**CLOSURES**

- Molly’s Bagels near the Magic Valley Mall whose owner is retiring

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**SOUTHEASTERN IDAHO**

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

**COUNTY DEVELOPMENTS**

**BANNOCK COUNTY**

- Idaho Department of Labor regional economists Will Jenson and Dan Cravens discussed the growth prospects in what they termed eastern Idaho “Corridor of Opportunity” with business, community and media leaders from southeastern Idaho at the Gate City Rotary Club. They detailed the positive impact of the entry of Allstate and Areva into the regional economy along with the prospects for rare earths mining in Salmon, the further expansion of Brigham Young University-Idaho in Rexburg and the region’s advanced manufacturing companies.

**BEAR LAKE COUNTY**

- A rare tornado hit Bear Lake County on June 23. It was the second reported in the state this year. While no damage was attributed to the tornado itself, hail accompanying the storm ranging from quarter to egg sized damaged some crops and caused minor property damage.

**FRANKLIN COUNTY**

- Renovations to the local senior citizens center in Soda Springs are being completed with the support of a \$130,000 federal grant. They include a new roof and addition on the north end of the building. Before the remodeling project, the center was too small for many community functions.

**ONEIDA COUNTY**

- Thousands of visitors came to the Malad Valley between June 30 and July 2 for the annual Welsh Festival. The festival, which celebrates the fact that Malad area has the highest percentage of Welsh ancestry in the United States, features Welsh food, music, wagon rides and opportunities

to learn about the history and culture of Wales. One Malad family, the Rodericks, descends from original settlers from Wales in the mid-1800s and has over 1,500 of its relatives attend the festival each year.

#### **POWER COUNTY**

- After seeing how popular art booths were at the American Falls Days festival last year, Jim Walmsley decoded American Falls needed an art guild to enhance the city's art community. Eventually, the recently formed group with 20 members hopes to have its own gallery and learning center. The guild meets monthly at the library.

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## **EASTERN IDAHO**

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

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### **REGIONAL DEVELOPMENTS**



Starting this month, visitors to the tri-state region of Yellowstone and Grand Teton national parks will have the option of public transit. The Linx bus service was recently approved for service in Yellowstone. Travelers arriving at airports in Idaho Falls and Bozeman or Billings, Mont., can access the national parks without renting vehicles. The service is not a tour bus, but it is basic transportation. Busses will run on a fixed route, and users can buy day passes to access major attractions. The busses also stand to benefit disabled visitors as well as seasonal employees. Reservations will be required in most cases. Linx is being administered by the Yellowstone Business Partnership, a nonprofit organization of the greater Yellowstone region. More information is available at [www.linx.coop](http://www.linx.coop).

- Yellowstone National Park visitation was down 11.4 percent for January through May compared to the first five months of 2010. Increased snow and adverse weather conditions may have contributed to the decline. Many visitors tour the park during the first two weeks of July. May represents the first month when most roads become accessible to vehicles.

### **COUNTY DEVELOPMENTS**

#### **TETON COUNTY**

- The Teton Valley Hot Air Balloon Festival celebrated its 30<sup>th</sup> year in 2011. But uncooperative winds delayed the scheduled launch. Pilots and spectators travel from all over the country to participate in the annual event.
- Tight finances have left the Senior Center in Driggs looking for donations. Current operating budgets are expected to run out in a couple months. The center was partially funded by the Eastern Idaho Community Action Partnership, which recently had its funding cut in half. The Senior Center provides much-needed meals five days a week to 10 to 14 seniors and homebound individuals.

## **MADISON COUNTY**



Madison High School is saving money. Over 300 solar panels perched atop the school are projected to save the district between \$9,000 and \$15,000 annually. The district was able to install the panels with a \$444,000 grant. The Center for Advanced Energy Studies in Idaho Falls is teaming up with the school to add alternative energy conservation to its curriculum.



Rexburg Rapids is now open as the newest water park in Rexburg. The park was near its capacity for swimmers during its first week in operations. It is expected to bring visitors from all over during the summer months – adding additional jobs and economic impact to the community.

## **BONNEVILLE COUNTY**



The Horse Butte Wind Farm was dedicated on 17,000 acres east of Idaho Falls. The new wind farm will feature 32 wind turbines measuring 452 feet tall and weighing 298 tons. The turbines will have the capacity to produce 57.6 megawatts of energy. The Utah Associated Municipal Power Service developed the farm. Power will be sold to 24 member utilities in Utah, Idaho, Wyoming, Nevada and California.



Idaho Falls Power is rolling out a new energy efficiency project. The utility is seeking 1,500 volunteers to have energy usage devices installed on their electric hot-water heaters and household thermostats. Battelle Energy Alliance will be analyzing data produced by usage meters to determine the effectiveness in reducing energy usage and cost.

- The U.S. Department of Energy has named James Cooper as the Idaho Cleanup Project deputy manager. Cooper will oversee the cleanup of hazardous waste in storage at the Idaho National Laboratory site west of Idaho Falls. Seventy federal and 3,000 contract employers work on the cleanup project, which has a contractor budget of over \$400 million.

## **BUTTE COUNTY**

- Craters of the Moon National Monument was recently listed by Sunset Magazine as one of the top 10 monuments in the west. Hundreds of thousands of visitors travel through the monument west of Arco each year. The landscape was created by volcanic lava flows over 2,000 years ago. Those flows have been dormant but could start up again.

## **JEFFERSON COUNTY**

- A \$37 million contract to build the new Rigby High School could bring some much needed construction activity to Jefferson County. The project is expected to employ 100 to 150 workers. The school is expected to be completed in summer 2013.

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Cont. from page 2.

| <b>Industry Composition Comparison</b>             |              |            |               |            |            |              |            |            |                      |            |            |
|--|--------------|------------|---------------|------------|------------|--------------|------------|------------|----------------------|------------|------------|
| <b>(2010 Real GDP in Millions of Dollars)</b>      |              |            |               |            |            |              |            |            |                      |            |            |
|  | <b>Idaho</b> |            | <b>Kansas</b> |            |            | <b>Maine</b> |            |            | <b>United States</b> |            |            |
| <b>Industry</b>                                    | RGDP         | % of Total | RGDP          | % of Total | Abs. Diff. | RGDP         | % of Total | Abs. Diff. | RGDP                 | % of Total | Abs. Diff. |
| <b>All industry total</b>                          | 50,702       | 100%       | 114,021       | 100%       |            | 45,950       | 100%       |            | 13,099,722           | 100%       |            |
| <b>Private industries</b>                          | 44,020       | 87.0%      | 97,509        | 86.0%      | 1.3%       | 39,707       | 86.0%      | 0.4%       | 11,520,566           | 88.0%      | 1.1%       |
| <b>Agriculture, forestry, fishing, and hunting</b> | 2,469        | 5.0%       | 4,056         | 4.0%       | 1.3%       | (D)          |            |            | 137,337              | 1.0%       | 3.8%       |
| <b>Mining</b>                                      | 621          | 1.0%       | 1,757         | 2.0%       | 0.3%       | (D)          |            |            | 271,182              | 2.0%       | 0.8%       |
| <b>Utilities</b>                                   | 955          | 2.0%       | 2,017         | 2.0%       | 0.1%       | 757          | 2.0%       | 0.2%       | 209,275              | 2.0%       | 0.3%       |
| <b>Construction</b>                                | 2,176        | 4.0%       | 3,406         | 3.0%       | 1.3%       | 1,605        | 3.0%       | 0.8%       | 430,889              | 3.0%       | 1.0%       |
| <b>Manufacturing</b>                               | 6,654        | 13.0%      | 14,994        | 13.0%      | 0.0%       | 5,095        | 11.0%      | 2.0%       | 1,554,402            | 12.0%      | 1.3%       |
| <b>Wholesale trade</b>                             | 3,103        | 6.0%       | 8,582         | 8.0%       | 1.4%       | 2,567        | 6.0%       | 0.5%       | 844,290              | 6.0%       | 0.3%       |
| <b>Retail trade</b>                                | 4,230        | 8.0%       | 7,813         | 7.0%       | 1.5%       | 4,165        | 9.0%       | 0.7%       | 830,797              | 6.0%       | 6.3%       |
| <b>Transportation and warehousing</b>              | 1,338        | 3.0%       | 3,558         | 3.0%       | 0.5%       | 1,042        | 2.0%       | 0.4%       | 347,645              | 3.0%       | 2.7%       |
| <b>Information</b>                                 | 1,245        | 2.0%       | 6,717         | 6.0%       | 3.4%       | 1,281        | 3.0%       | 0.3%       | 691,348              | 5.0%       | 2.8%       |
| <b>Finance and insurance</b>                       | 2,943        | 6.0%       | 7,509         | 7.0%       | 0.8%       | 3,526        | 8.0%       | 1.9%       | 1,129,374            | 9.0%       | 8.6%       |
| <b>Real estate and rental and leasing</b>          | 6,149        | 12.0%      | 11,376        | 10.0%      | 2.2%       | 6,290        | 14.0%      | 1.6%       | 1,712,707            | 13.0%      | 0.9%       |
| <b>Professional and technical services</b>         | 3,443        | 7.0%       | 5,961         | 5.0%       | 1.6%       | 2,402        | 5.0%       | 1.6%       | 972,209              | 7.0%       | 0.6%       |
| <b>Management of companies and enterprises</b>     | 579          | 1.0%       | 1,880         | 2.0%       | 0.5%       | 623          | 1.0%       | 0.2%       | 220,266              | 2.0%       | 0.5%       |
| <b>Administrative and waste services</b>           | 1,436        | 3.0%       | 3,234         | 3.0%       | 0.0%       | 1,208        | 3.0%       | 0.2%       | 367,171              | 3.0%       | 0.0%       |
| <b>Educational services</b>                        | 295          | 1.0%       | 576           | 1.0%       | 0.1%       | 499          | 1.0%       | 0.5%       | 122,411              | 1.0%       | 0.4%       |
| <b>Health care and social assistance</b>           | 3,830        | 8.0%       | 8,364         | 7.0%       | 0.2%       | 5,212        | 11.0%      | 3.8%       | 958,579              | 7.0%       | 0.2%       |
| <b>Arts, entertainment, and recreation</b>         | 377          | 1.0%       | 447           | 0.0%       | 0.4%       | 448          | 1.0%       | 0.2%       | 120,874              | 1.0%       | 0.2%       |
| <b>Accommodation and food services</b>             | 1,142        | 2.0%       | 2,577         | 2.0%       | 0.0%       | 1,415        | 3.0%       | 0.8%       | 334,503              | 3.0%       | 0.3%       |
| <b>Other services, except government</b>           | 1,021        | 2.0%       | 2,566         | 2.0%       | 0.2%       | 991          | 2.0%       | 0.1%       | 287,793              | 2.0%       | 0.2%       |
| <b>Government</b>                                  | 6,694        | 13.0%      | 16,470        | 14.0%      |            | 6,244        | 14.0%      |            | 1,570,313            | 12.0%      |            |
| <b>Total Absolute Difference</b>                   |              |            |               |            | 17.1%      |              |            | 16.3%      |                      |            | 32.5%      |

RGDP = Real Gross Domestic Product; (D) = non-disclosable information for confidentiality.

## State of Idaho Data – State Economic Indicators

Note: The U.S. Bureau of Labor Statistics does not release state, county and sub-county area unemployment rates until the third Friday of the month with a few exceptions. The most recent rate and civilian labor force information is always posted on [lmi.idaho.gov](http://lmi.idaho.gov). Other current economic data is also posted regularly on the website.

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

### U. S. UNEMPLOYMENT RATE<sup>(2)</sup>

| Jun<br>2011 | May<br>2011 | Jun<br>2010 |
|-------------|-------------|-------------|
| 9.2         | 9.1         | 9.5         |

### UNEMPLOYMENT INSURANCE

#### Claims Activities

|                               | Jun<br>2011 | May<br>2011 | Jun<br>2010 | %<br>Change<br>Month | %<br>Change<br>Year |
|-------------------------------|-------------|-------------|-------------|----------------------|---------------------|
| Initial Claims <sup>(3)</sup> | 10,591      | 10,748      | 12,000      | -1.5                 | -11.7               |
| Weeks Claimed <sup>(4)</sup>  | 75,106      | 97,001      | 99,167      | -22.6                | -24.3               |

#### Benefit Payment Activities<sup>(5)</sup>

|  | Jun<br>2011     | May<br>2011     | Jun<br>2010     | %<br>Change<br>Month | %<br>Change<br>Year |
|--|-----------------|-----------------|-----------------|----------------------|---------------------|
| Weeks Compensated  | 76,234          | 69,265          | 110,718         | 10.1                 | -31.1               |
| Total Benefit \$ Paid  | \$17,437,688.60 | \$16,218,588.37 | \$21,659,075.40 | 7.5                  | -19.5               |
| Average Weekly<br>Benefit Amount                                 | \$228.74        | \$234.15        | \$195.62        | -2.3                 | 16.9                |
| Covered Employers  | 47,550          | 47,887          | 48,569          | -0.7                 | -2.1                |
| Total Benefit \$ Paid<br>During Last 12<br>Months <sup>(4)</sup> | \$243,932,654   | \$248,154,040   | \$332,103,114   | -1.7                 | -26.5               |

### U.S. CONSUMER PRICE INDEX<sup>(2)</sup>

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

\*\*Forecast data

\* Preliminary estimate

(2) Source: U.S. Bureau of Labor Statistics – CPI Index is released the 14th of each month.

(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 12<sup>th</sup> 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 12<sup>th</sup> 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 12<sup>th</sup> 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 12<sup>th</sup> 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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