

NEWS RELEASE

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Rural Idaho Blunts Initial Impact of Recession

Rural Idaho navigated the first year of the national recession without suffering an overall loss of jobs or wages, cushioning what remained a severe blow to paychecks during 2008 in the state's five metropolitan areas, estimates released Thursday by the U.S. Bureau of Economic Analysis show.

Wage and salary payments in the Boise, Coeur d'Alene, Idaho Falls, Lewiston and Pocatello metropolitan areas plunged nearly \$191.5 million, over 1.1 percent, to \$16.6 billion in 2008 while paychecks in the 33 rural counties rose just over \$154 million, more than 2 percent, to nearly \$7.4 billion. That left a net loss in wage and salary payments of \$37.5 million statewide, less than two-tenths of a percent and a fraction of what the loss would have been had the recession, which began in December 2007, hit rural Idaho as hard as it did the urban areas.

In addition, urban business profits were up \$5.7 million in 2008, less than two-tenths of a percent, to almost \$3.8 billion. In rural Idaho, business profits rose 4.4 percent, nearly \$92 million, to \$2.2 billion.

Statewide, the average annual wage rose just under eight-tenths of a percent to \$34,510 in 2008, restrained by a seven-tenths percent decline in the average wage in the Boise metro area. That five-county area accounts for over 45 percent of Idaho's total wage and salary payments each year. Only one state, Connecticut, had a smaller increase.

The brunt of the recession hit Idaho in 2009.

Metropolitan Boise, which had grown the most during the dramatic expansion following the 2001 recession, was responsible for the bulk of the decline in 2008, shedding almost 5,200 jobs and \$269 million in wages and salaries. Construction and manufacturing in the Boise metro area were off a combined 7,000 jobs and \$520 million in wages. Gains in health care, government and real estate partially offset those losses.

The other four metropolitan areas either held their own in employment or had only marginal losses while posting fractional gains in wages and salaries.

Rural Idaho, by contrast, added over 300 jobs in 2008.

Unlike other statistical measures of jobs, the Bureau of Economic Analysis counts all full- and part-time jobs equally along with sole proprietors and business partners. That combination totaled nearly 940,000 in 2008. But under that definition, someone operating a business out of a garage on weekends and working two part-time jobs during the week would be counted three times. The government estimated 694,500 wage and salary jobs and 245,000 proprietor jobs in 2008.

The onset of the recession did spur a significant jump in the number of new proprietors, possibly signaling efforts by idled workers to maintain income by starting their own businesses. The increase was nearly 6 percent statewide, about 14,000. Idaho's metro areas also saw a 6 percent increase in proprietors while the rural areas were up 5 percent.

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2008 Wage and Salary Disbursements by Key Sector (in thousands)

	Idaho		Boise MSA		Metropolitan Idaho		Rural Idaho	
	Total	Chg from 2007	Total	Chg from 2007	Total	Chg from 2007	Total	Chg from 2007
Wage and Salary Disbursement							\$7,370,904	\$154,003
Construction	\$23,966,409	-\$37,509	\$10,917,532	-\$268,993	\$16,595,505	-\$191,512	\$820,570	-\$88,665
Manufacturing	\$2,860,211	-\$560,440	\$1,306,518	-\$384,400	\$2,039,641	-\$471,775	\$1,024,274	\$17,509
Retail Trade	\$4,049,498	-\$96,660	\$2,241,389	-\$136,348	\$3,025,224	-\$114,169	\$924,897	-\$5,893
Transportation, Warehousing	\$3,002,819	-\$51,126	\$1,281,766	-\$29,001	\$2,077,922	-\$45,233	\$437,990	
Information	\$1,161,265	\$29,906	\$406,428	\$6,851	\$723,275		\$145,625	\$21,645
Finance	\$600,171	\$38,341	\$288,403	\$10,865	\$454,546	\$16,696	\$284,241	-\$3,971
Real Estate	\$1,540,661	\$8,057	\$869,019	-\$3,356	\$1,256,420	\$12,028	\$115,959	-\$9,997
Professional, Business Services	\$434,777	-\$45,729	\$205,210	-\$33,288	\$318,818	-\$35,732	\$1,187,380	\$41,055
Administrative Services	\$2,962,896	\$97,523	\$1,274,572	\$41,856	\$1,775,516	\$56,468	\$219,911	\$2,373
Health Care	\$1,350,161	\$1,825	\$857,779	\$23,213	\$1,130,250	-\$548	\$788,349	\$63,420
Arts	\$3,570,227	\$239,357	\$1,794,470	\$114,893	\$2,781,878	\$175,937	\$97,592	-\$2,489
Accommodations and Food Service	\$349,352	\$5,181	\$163,426	\$4,735	\$251,760	\$7,670	\$318,221	\$18,112
Other Services	\$1,011,366	\$21,707	\$412,524	-\$3,887	\$693,145	\$3,595	\$438,727	\$21,656
Government	\$1,260,512	\$51,281	\$493,809	\$18,169	\$821,785	\$29,625	\$2,433,265	\$79,357
	\$6,419,763	\$301,359	\$2,421,219	\$153,153	\$3,986,498	\$222,002		

Source: U.S. Bureau of Economic Analysis

Idaho 2008 Average Annual Wage

	Wage	Change from 2007	Percent Change
Idaho state total	\$34,510	\$257	0.75%
Idaho Metropolitan Portion	\$35,683	\$98	0.28%
Idaho Nonmetropolitan Portion	\$32,092	\$628	2.00%
Ada	\$40,265	-\$461	-1.13%
Adams	\$27,190	\$103	0.38%
Bannock	\$31,518	\$1,465	4.87%
Bear Lake	\$24,708	\$144	0.59%
Benewah	\$32,833	\$271	0.83%
Bingham	\$30,220	\$596	2.01%
Blaine	\$37,379	\$787	2.15%
Boise	\$25,207	\$490	1.98%
Bonner	\$31,735	\$476	1.52%
Bonneville	\$32,128	\$450	1.42%
Boundary	\$29,928	\$808	2.77%

Butte	\$72,758	\$1,751	2.47%
Camas	\$29,722	\$1,634	5.82%
Canyon	\$31,161	\$332	1.08%
Caribou	\$42,020	\$1,762	4.38%
Cassia	\$28,802	\$317	1.11%
Clark	\$34,126	\$1,981	6.16%
Clearwater	\$30,385	\$341	1.14%
Custer	\$35,371	\$990	2.88%
Elmore	\$36,351	\$574	1.60%
Franklin	\$25,664	\$386	1.53%
Fremont	\$28,867	\$1,105	3.98%
Gem	\$26,737	\$166	0.62%
Gooding	\$29,744	\$177	0.60%
aho	\$29,536	\$403	1.38%
Jefferson	\$25,662	\$480	1.91%
Jerome	\$30,689	\$803	2.69%
Kootenai	\$32,146	\$344	1.08%
Latah	\$28,500	\$828	2.99%
Lemhi	\$26,909	\$1,073	4.15%
Lewis	\$24,644	\$549	2.28%
Lincoln	\$29,897	\$250	0.84%
Madison	\$25,764	\$936	3.77%
Minoka	\$28,656	\$13	0.05%
Nez Perce	\$34,489	\$915	2.73%
Onea	\$24,069	\$199	0.83%
Owyhee	\$27,487	-\$551	-1.97%
Payette	\$30,349	\$1,236	4.25%
Power	\$31,756	\$221	0.70%
Shoshone	\$32,744	\$308	0.95%
Teton	\$31,709	\$756	2.44%
Twin Falls	\$29,003	\$485	1.70%
Valley	\$30,474	-\$879	-2.80%
Washington	\$26,755	\$514	1.96%

Source: U.S. Bureau of Economic Analysis

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