

Rural Idaho since the Recession

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Highlights

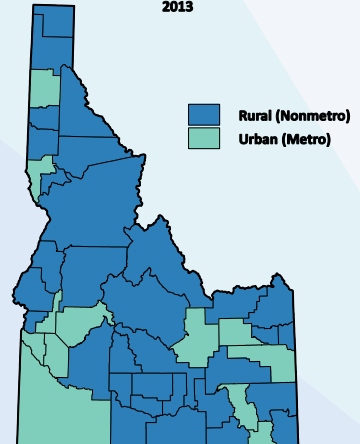
Idaho is in the 6th year of recovery since the 2007-09 recession. This report explores how rural parts of the state—which account for about one-third of Idahoans—are recovering from the economic downturn.

- ◆ Since the recession ended, population growth in rural Idaho has been flat, growing less than 1%. In contrast, urban Idaho has grown by 6%, led by growth in Ada, Canyon, and Kootenai counties (8.6%, 7.5%, and 6.4%, respectively).^a
- ◆ Most of Idaho's rural counties experienced net out-migration between 2010 and 2014, meaning that more people moved out than moved in.^a
- ◆ Since 2010, rural Idaho's Hispanic population has grown while its non-Hispanic population has decreased. By 2013, Hispanics made up 14% of the state's rural population.^a
- ◆ Most of the rural counties that are growing are located in south central Idaho where agriculture is strong and has a growing workforce, and in selected counties adjacent to growing urban areas.^a
- ◆ Both rural and urban Idaho lost jobs during the recession, and neither has returned to pre-recession levels. Since job growth began in 2010, the number of rural jobs has increased 2.6%, compared to an increase of 4.8% for urban jobs.^b
- ◆ At least since 1990, rural parts of the state have had weaker economic performance, as measured by indicators such as unemployment rates, average wages, and per capita income. Since the recession, however, the gaps have narrowed. For example, in 2007, per capita income in rural Idaho was \$4,329 lower than in urban Idaho. By 2013, the gap had decreased to \$515.^{b,c}

Defining rural

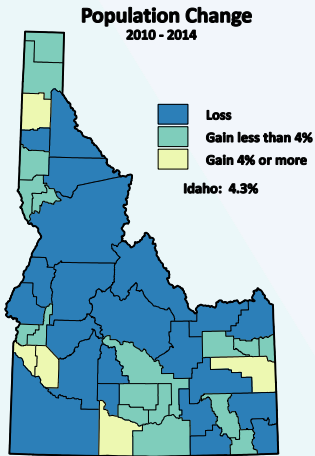
In this report, "rural" refers to the 32 Idaho counties classified as nonmetropolitan by the US Office of Management and Budget.^d Rural counties have no urbanized area with at least 50,000 people, nor are they linked to such an area through commuting patterns. Roughly one-third of Idahoans live in rural counties, compared to only 14% nationwide.^e

"Urban" refers to the 12 metropolitan counties that make up the state's metropolitan areas: Boise-Nampa-Caldwell (5 counties), Idaho Falls (3 counties), Pocatello (2 counties), Coeur d'Alene (1 county), and Lewiston (1 county). Urban counties have an urbanized area with at least 50,000 people, or are linked to such an area in a neighboring county through commuting patterns.

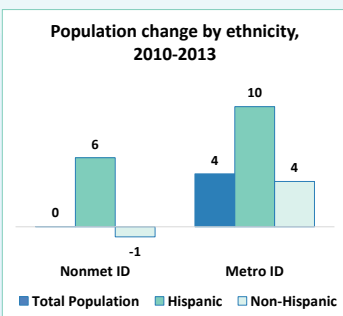
Idaho's Rural and Urban Counties
2013

SOURCE: CENSUS BUREAU

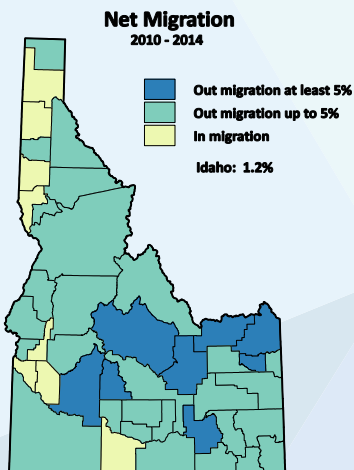
Demographic change



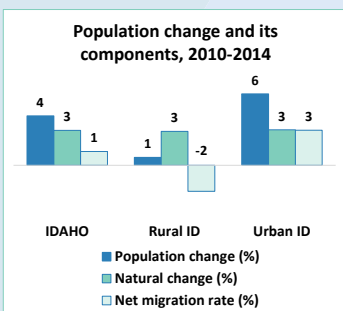
SOURCE: CENSUS BUREAU



SOURCE: CENSUS BUREAU



SOURCE: CENSUS BUREAU



SOURCE: CENSUS BUREAU

Rural Idaho's population has grown very little since the recession—Since 2010, Idaho's total population increased by 4%, but very little of this growth took place in rural parts of the state. Between 2010 and 2014, rural Idaho's population increased less than 1% (adding fewer than 4,000 people), compared to a 6% increase in urban counties (adding more than 63,000 people).^a

Many rural Idahoans live in areas that have lost population since the recession—Almost 40% of rural Idahoans live in counties that lost population between 2010 and 2014, compared to only 2% of urban Idahoans. Rural counties with the biggest losses include Clark (-12%), Camas (-7%), and Custer (-5%). Rural counties with the biggest gains include Twin Falls (5%), and Cassia and Latah (both 3%).^a

Rural Idaho would have lost population if not for growth among Hispanics—Between 2010 and 2013, rural Idaho's Hispanic population grew by 6%, compared to a 1% decline in the rural, non-Hispanic population. Agricultural plays a significant role in rural counties in which Hispanics make up a large share of the population. These counties include Clark (42% Hispanic), Jerome (34%), Minidoka (33%), Power (31%), and Gooding (29%).^a

Many rural Idahoans are moving away—Like most rural counties across the nation, rural Idaho's counties experienced net out-migration between 2010 and 2014, meaning more people moved out of these counties than moved in. Urban Idaho, on the other hand, experienced net in-migration that contributed to overall population growth.^a

Natural change is positive in most rural counties—Idaho's growth after the recession was due, in part, to positive natural change, meaning there were more births than deaths. In fact, both rural and urban Idaho experienced positive natural change rates of 3% between 2010 and 2014. In rural Idaho, this increase was enough to make up for losses due to out-migration. Five rural counties, however, had more deaths than births, which reflects decades of young people moving away and older people aging in place. These counties are Clearwater, Shoshone, Lemhi, Washington, and Idaho.^{a,f}

Go to www.indicatorsidaho.org
for additional county-level data

Economic change

Jobs have been slow to recover in rural Idaho—

Despite recent gains in both rural and urban Idaho, the number of jobs has yet to return to pre-recession levels. By 2013, the number of jobs in rural counties remained 4% lower than pre-recession levels, compared to 3% lower in urban counties. Rural counties with significant job losses since the recession include Lemhi (7% loss), and Bonner, Elmore and Clearwater (each with a loss of 4%).^b

Unemployment rates are inching down in rural Idaho, but remain high—

In 2010, a year after the average annual unemployment rate peaked in urban Idaho, rural Idaho's unemployment rate peaked at 9.1%. Despite declining rates since then, average annual unemployment rates in both rural and urban Idaho remain higher than pre-recession rates. Rural unemployment rates in 2014 ranged from 3.3% in Madison County to 10.0% in both Adams and Shoshone counties.^c

Wages in rural Idaho are lower than those in urban parts of the state, but are starting to catch up—

Wages are higher in Idaho's urban counties, but the gap between rural and urban wages has narrowed somewhat since the beginning of the recession. At the start of the recession, the average wage per job in rural Idaho was \$6,939 less than in urban Idaho. By 2013, the gap narrowed to \$5,431. Unlike urban wages, wages in rural Idaho increased during the recession and have surpassed pre-recession levels.^b

The gap between rural and urban income is

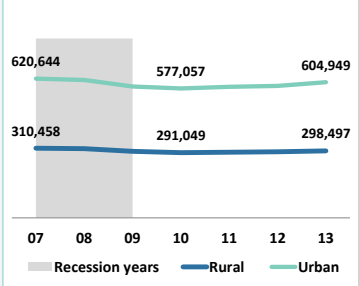
*decreasing—*Before the recession, per capita income in urban Idaho was more than \$4,000 higher than in rural Idaho. This gap narrowed during and after the recession and nearly disappeared by 2013. Urban income has stalled since the recession while rural income has surpassed pre-recession levels.^b

Poverty rates remain high, especially in rural Idaho—

After the recession, poverty rates across rural America were the highest they'd been since the mid-1980s. Poverty rates in both rural and urban Idaho peaked in 2011. Rates continue to be higher in rural Idaho than in urban Idaho, and both continue to be higher than pre-recession rates. In 2013, Madison County had the highest poverty rate of all rural counties (29%), followed by Shoshone (19%). Eight other rural counties each had a poverty rate of 18%: Boundary, Clark, Clearwater, Latah, Lemhi, Payette, Power and Washington.^g

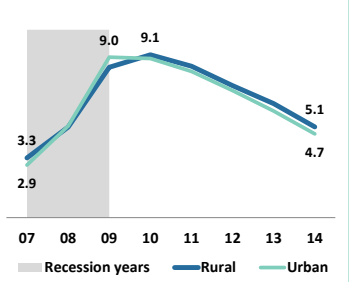
RURAL AND URBAN IDAHO

Number of jobs, 2007-2013



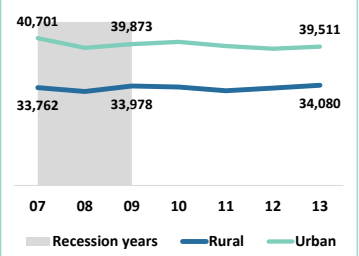
SOURCE: BUREAU OF ECONOMIC ANALYSIS

Unemployment rate, 2007-2014



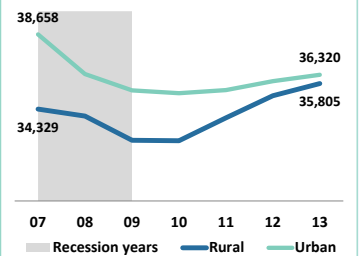
SOURCE: BUREAU OF LABOR STATISTICS

Average wage per job (\$), 2007-2013



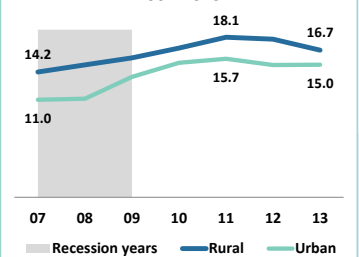
SOURCE: BUREAU OF ECONOMIC ANALYSIS
NOTE: Adjusted for inflation to 2013 Real Dollars

Per capita personal income, 2007-2013



SOURCE: BUREAU OF ECONOMIC ANALYSIS
NOTE: Adjusted for inflation to 2013 Real Dollars

Overall poverty rate (%), 2007-2013



SOURCE: CENSUS BUREAU

| Selected indicators | Rural Idaho | Urban Idaho | United States |
|--|--------------------|--------------------|----------------------|
| POPULATION^a | | | |
| Total (thousands): 2010 | 544 | 1,023 | 308,746 |
| Total (thousands): 2014 | 548 | 1,086 | 318,857 |
| Population change, 2010-2014 (%) | 1 | 6 | 3 |
| Net migration rate, 2010-2014 (%) | -2 | 3 | 1 |
| Natural change rate, 2010-2014 (%) | 3 | 3 | 2 |
| JOBS & WAGES^b | | | |
| Total jobs (thousands): Pre-recession, 2007 | 310 | 621 | 179,872 |
| End of recession, 2009 | 297 | 586 | 173,809 |
| Current, 2013 | 298 | 605 | 182,278 |
| Job change (%): During the recession, 2007-2009 | -4 | -6 | -3 |
| Since the recession, 2009-2013 | 1 | 3 | 5 |
| Average wage per job (\$, adj. for inflation): Pre-recession, 2007 | 33,762 | 40,701 | 39,919 |
| End of recession, 2009 | 33,978 | 39,873 | 38,915 |
| Current, 2013 | 34,080 | 39,511 | 39,009 |
| Unemployment rate (%): Pre-recession, 2007 | 3.3 | 2.9 | 4.6 |
| End of recession, 2009 | 8.4 | 9.0 | 9.3 |
| Current, 2014 | 5.1 | 4.7 | 6.2 |
| INCOME & POVERTY^{c,g} | | | |
| Per capita income (\$, adj. for inflation): Pre-recession, 2007 | 34,329 | 38,658 | 44,721 |
| End of recession, 2009 | 32,522 | 35,414 | 42,760 |
| Current, 2013 | 35,805 | 36,320 | 44,765 |
| Overall poverty rate (%): Pre-recession, 2007 | 14.2 | 11.0 | 13.0 |
| End of recession, 2009 | 15.8 | 13.6 | 14.3 |
| Current, 2013 | 16.7 | 15.0 | 15.8 |

RECESSION: According to the National Bureau of Economic Research, a recession occurs when the national gross domestic product (adjusted for inflation) decreases for two consecutive quarters. The latest economic recession, which lasted 18 months from December 2007 to June 2009, was the longest recession since the 1930s.^h

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SOURCES:

- a—US Census Bureau, Population Estimates Program.
- b—US Bureau of Economic Analysis, Local Area Personal Income.
- c—US Bureau of Labor Statistics, Local Area Unemployment Statistics.
- d—US Census Bureau, Metropolitan and Micropolitan Statistical Areas, as defined by the US Office of Management and Budget.
- e—USDA, Economic Research Service, State Fact Sheets.
- f—Johnson, Kenneth, “Deaths Exceed Births in Record Number of US Counties,” Carsey Institute, Winter 2013.
- g—US Census Bureau, Small Area Income and Poverty Estimates.
- h—National Bureau of Economic Research, US Business Cycle Expansions and Contractions.

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