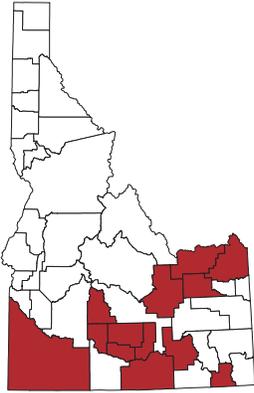
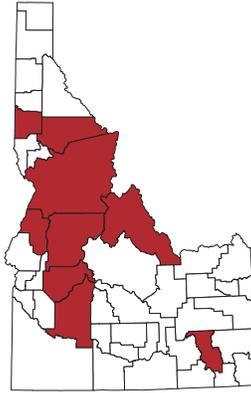


ECONOMY

The economic base in Idaho counties varies widely. The maps below show six mutually exclusive economic types developed by U.S. Department of Agriculture's Economic Research Service. ERS classified all counties in the U.S. based on average annual earnings for the period 1998 – 2000 except for the farming dependent group, which is based on earnings or employment.



Farming dependent – Thirteen counties, all rural. Southern counties in the Snake River plain depend most heavily on earnings from farming or employment in farming occupations.



Federal/state government dependent – Nine counties, seven rural. The rural counties all depend on earnings from agencies responsible for public lands management, except Elmore County, which has a large Air Force base.



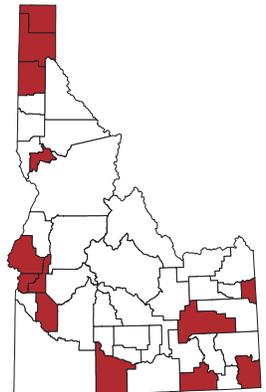
Manufacturing dependent – Four counties, two rural. Benewah County relies on earnings from lumber and wood products. Caribou's manufacturing industry involves production of chemical products used in fertilizer, pesticides and other industrial applications.



Mining dependent – Two counties, both rural. Shoshone County in the north continues to rely on earnings from mining, as does Custer County in the south, despite declines and fluctuations in recent years.



Services dependent – Three counties, one rural. Blaine County relies on earnings from diversified service industries, including but not only those related to tourism and recreation.

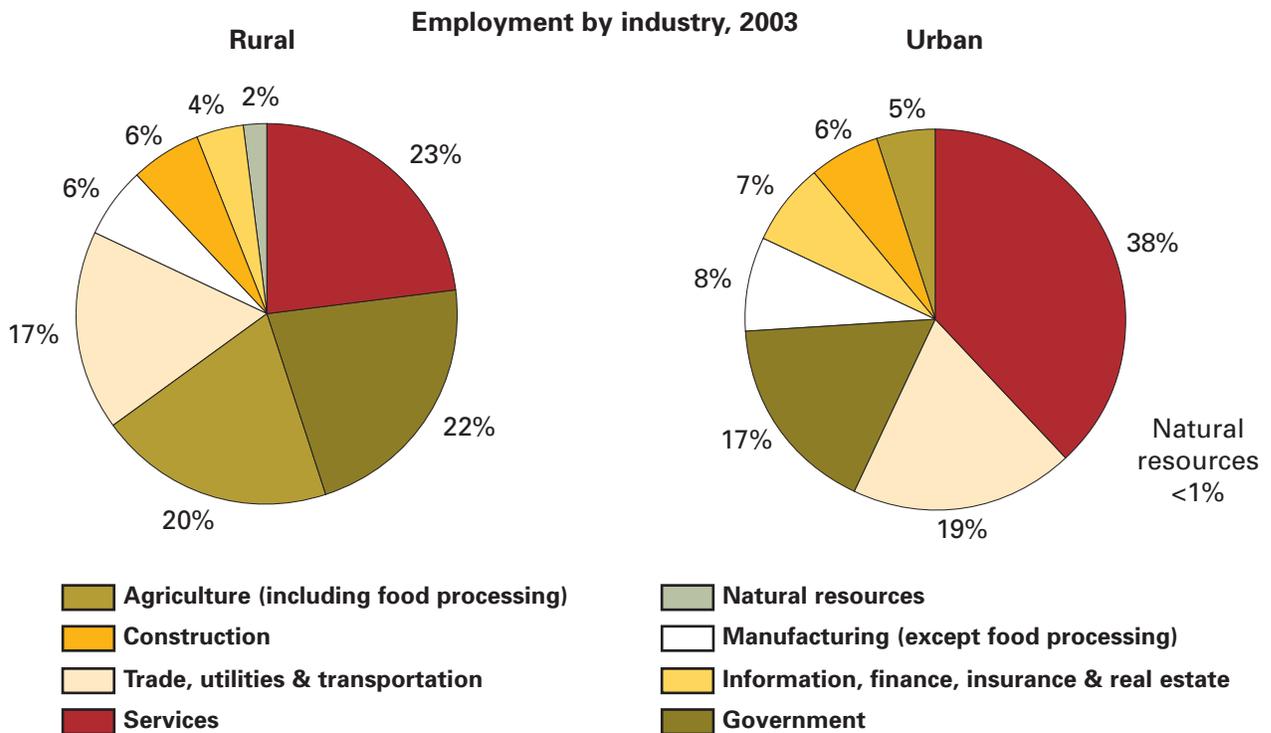
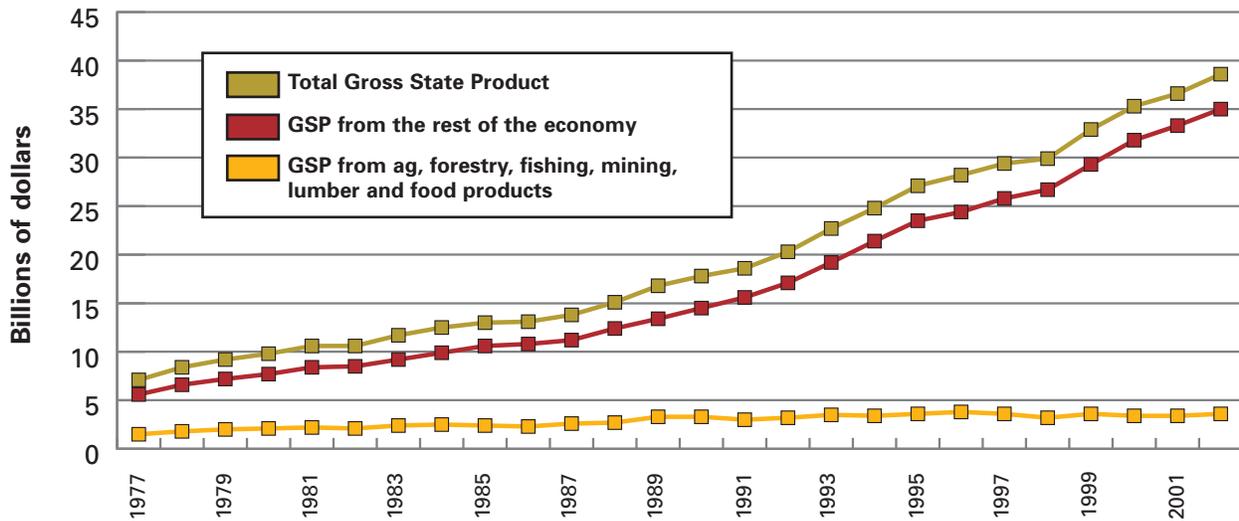


Nonspecialized – Thirteen counties, 10 rural. These counties do not meet the earnings dependence threshold for any one of the industries above. In the case of the 10 rural counties, the local economies tend to be transitioning away from dependence on natural resource industries towards more activity in services.

ECONOMY

As in the rest of the nation, industries once historically important to rural Idaho no longer drive the economy as they did in the past. Over the last 25 years, the gross value of products from farming, forestry and mining, including manufactured goods from raw products, has increased by about 140 percent, but the rest of the economy has increased more than five fold.

Gross State Product from agriculture, natural resources, and the rest of the economy

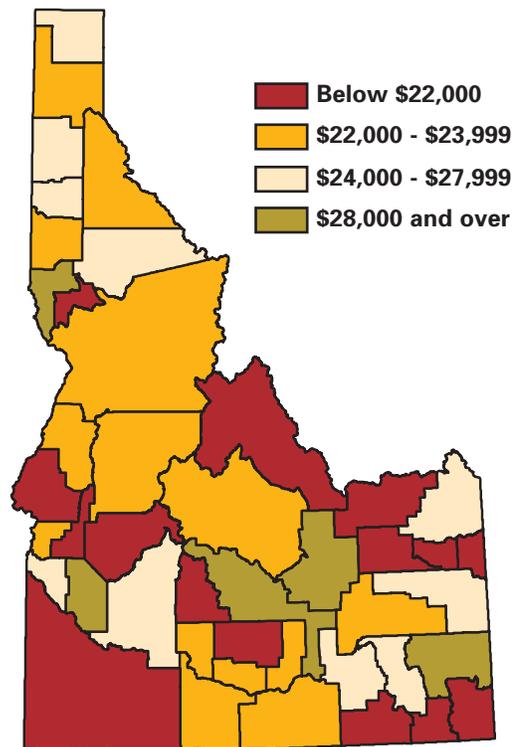


ECONOMY

These trends are reflected in rural and urban employment. Jobs in agriculture, including food processing, and natural resources make up 22 percent of the total in rural Idaho compared to 5 percent in urban areas. The other major difference is in service industries, professional and business, education, health and others. They account for 38 percent of jobs in urban Idaho and just 23 percent in rural Idaho.

One indicator of economic well-being is the average annual wage per job. In 2002, the average wage in rural Idaho was about 88 percent of that in urban Idaho. It was 93 percent in 1970. Average wage levels reflect the industry mix, or the relative share of various goods and services industries, as well as the way that goods and services are produced, reflecting the occupational mix within industries. Lower wages in rural Idaho are likely due to both factors. In 2002, wages were lowest in Camas, Oneida and Bear Lake counties and highest in Butte, because of the Idaho National Laboratory, Caribou and Ada counties.

Average annual wage, 2002



Federal funding has a large impact on local economies. Using data compiled from the Consolidated Federal Funds Report, USDA has calculated that in 2001, the federal government spent an average of about \$6,000 per person directly and through credit programs – slightly more in urban than in rural counties. In Idaho, the average was about \$5,500. Rural counties benefited disproportionately from agriculture and natural resources program payments, defense programs because of Mountain Home Air Force Base in Elmore County, human resource spending on such things as training programs and income security payments, including Social Security and programs for low-income individuals.

Per capita federal funding by major function, fiscal year 2001, Idaho

