Idaho Hispanic Buying Power 2011

Idaho minorities, led by Hispanics, modestly expanded their economic impact across the state in 2011 despite the slow economic recovery

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Minority Buying Power Continues Expanding Through Weak Recovery

Idaho minorities expanded their economic influence in 2011 despite a persistently weak state economy more than a year after the Great Recession ended. Blacks, Asians, Indians and native Alaskans and Hispanics all increased their shares of total buying power in the state more than whites and non-Hispanics. But Hispanics again made significant inroads in the state's economic framework.

Estimates developed by the Selig Center for Economic Growth at the University of Georgia showed the buying power of blacks, Asians and Indians and native Alaskans all increasing more than 7 percent in 2011while the buying power of whites rose 6.2 percent.

But the increase in the buying power of Idaho Hispanics, the state's largest minority, dwarfed the others, jumping 11.2 percent to nearly $3.2 billion while non-Hispanic buying power was up just 6 percent to over $46.1 billion.

Hispanics in only 10 other states posted greater gains in 2011 buying power.

Buying power is the after-tax personal income people have to spend on virtually everything from necessities like food, clothing and housing to luxuries like recreation equipment and vacations. It does not include money that has been borrowed or that is saved from previous years.

Per capita buying power in 2011 – the buying power attributable to every man, woman and child in Idaho – rose 4.2 percent to $30,782. Because their populations grew faster than the white population, per capita buying power for blacks rose just 1.3 percent and for Asians 2 percent. The buying power of Indians and native Alaskans matched the overall increase at 4.2 percent. Whites' buying power was up 4.4 percent.

Per Capita Buying Power

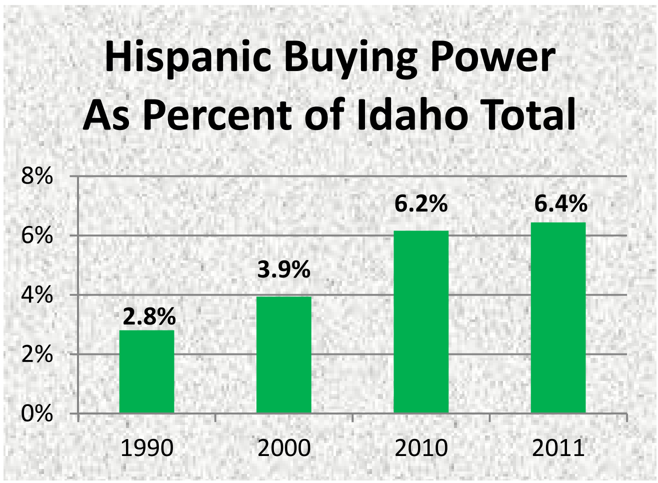
	2010	2011	Change
Total	$29,535	$30,782	4.2%
Whites	$29,535	$30,782	4.4%
Non-Hispanics	$31,240	$32,613	4.4%
Blacks	$16,557	$16,771	1.3%
Asians	$18,117	$18,875	4.2%
Indians, Native Alaskans	$24,559	$25,045	2.0%
Hispanics	$16,128	$16,958	5.1%

But Hispanics, even with the continued surge in their numbers to 11.5 percent of Idaho's total 2011 population, saw per capita income rise 5.1 percent to outpace all groups. The median income gap remains wide, but is closing. Median income for Hispanics in Idaho was 70.6 percent of non-Hispanics in 2009 but closed to 76.3 percent in 2010.

Despite these increases, however, Hispanic per capita buying power was still barely half that of non-Hispanics, and that disparity was borne out by the poverty estimates from the U.S. Census Bureau – 28.8 percent of Hispanics living in poverty in 2010 compared to 13.5 percent of non-Hispanics.

Unemployment among Hispanics jumped from 4.2 percent in 2007 at the end of the expansion to 13.5 percent in 2010 – markedly greater than the six percentage point increase for non-Hispanics from 2.9 percent to 8.9 percent.

Thirty-two percent of Hispanic households received food stamps in 2010, up from under 18 percent in 2009 and less than 13 percent in 2008. In non-Hispanic households, just over 10 percent received food stamps in 2010, up from 7.7 percent in 2009 and 6.8 percent in 2008.



Still, the growth in 2011 was a dramatic turn from 2009 when the recession chipped away at buying power across the board, dropping overall per capita buying power 1.8 percent. It was the first decline in per capita buying power in the Selig Center estimates that go back to 1990. All groups experienced similar declines to the overall except Hispanics, who held their slide to just six-tenths of a percent.

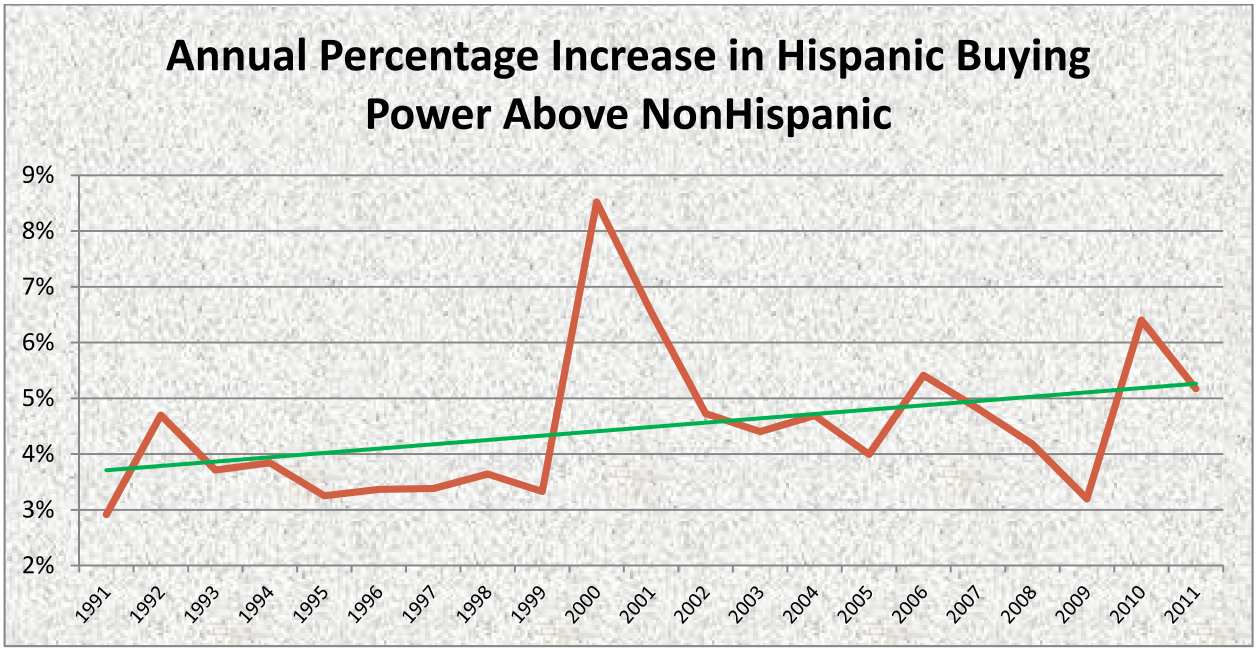
As a percentage of total Idaho buying power, Hispanics still claim less than their percentage of the population. But their economic impact hit 6.4 percent in crossing the $3 billion threshold for the first time in 2011. Hispanic buying power has more than doubled since 1990, reflecting the shift in the kinds of jobs Hispanics have held over the last two decades. In 1990, 7 percent of Hispanic workers were in management jobs, 6 percent in production and 2 percent in construction – all comparatively good-paying jobs. In 2010, 15 percent of Hispanics were in management, 22 percent in production and 7 percent in construction. During Idaho's expansion between 2002 and 2007, the number of Hispanic-owned businesses jumped 40 percent to nearly 3,900.

Idaho's Hispanic population has also made gains in education. But while Hispanic adults without a high school diploma dropped markedly in the 2000s, it remained at 46 percent in 2010 compared to less than 13 percent for non-Hispanics.

Education Attainment 25 and Older - 1990, 2000, 2010

	Hispanic			Non-Hispanic		
	1990	2000	2010	1990	2000	2010
Population 25 and Older	20,520	44,496	81,400	444,772	713,381	866,909
Less than High School Diploma	55.1%	55.6%	46.3%	13.5%	12.6%	12.6%
High school diploma or equivalent	19.2%	20.5%	23.9%	31.7%	29.1%	29.1%
Some college, no degree	14.8%	14.0%	18.2%	26.0%	28.2%	28.2%
Associate's degree	3.1%	3.4%	4.6%	8.8%	7.5%	7.5%
Bachelor's degree	5.8%	4.6%	5.3%	14.4%	15.5%	15.5%
Graduate degree	2.0%	2.1%	1.7%	5.7%	7.1%	7.1%

The improving educational attainment and steady shift toward higher-paying employment and business ownership have in part driven Hispanic buying power at a faster annual rate than either Hispanic population growth or non-Hispanic buying power for every year since 1990 except the recession-plagued year of 2009.



The annual increase in Hispanic buying power has been volatile in relation to the change in non-Hispanic buying power. The gap was greatest in 2000 just before the 2001 recession that hit the technology sector hard – a sector that Hispanics were not as heavily involved with as non-Hispanics. But over the past 20 years that gap has gradually widened as the green trend line indicates.

The Selig Center forecasts that the economic influence of Hispanics will continue growing faster than non-Hispanics as the post-recession recovery gains traction. Hispanic buying power should pick up three more tenths to hit 6.7 percent of total Idaho buying power in 2012 and exceed 8 percent by 2017 when it is more than $5.3 billion of a total over $66 billion.

In 2010, the most recent year for which data are available, Hispanic households nationally spent two-thirds of their income on essentials – food, clothing, shelter and transportation – while non-Hispanic households spent an average of 61 percent. That was a decrease of eight percentage point for Hispanics from the recession peak in 2008 and five points for non-Hispanics. Lower costs in all four areas, but especially housing and transportation, were responsible for the decline in necessity spending.

Still, Hispanic households spent 22 percent more on food, both at home and away; 44 percent more on clothing; 8 percent more on housing and 9 percent more on transportation than non-Hispanics.

2010 Household Spending as a Percentage of Income

Item	Hispanic	% of Total	Non-Hispanic	% of Total
Total Median Household Income	**$35,141**	**--**	**$48,049**	**--**
Food at Home	$3,401	9.7%	$3,500	7.3%
Food Away From Home	$2,097	6.0%	$2,459	5.1%
Housing	$13,081	37.2%	$16,378	34.1%
Apparel and Services	$1,694	4.8%	$1,626	3.4%
Transportation	$5,619	16.0%	$7,665	16.0%
Health Care	$1,561	4.4%	$3,272	6.8%
Entertainment	$1,394	4.0%	$2,570	5.3%
Personal Care	$479	1.4%	$573	1.2%
Reading	$31	0.1%	$106	0.2%
Education	$681	1.9%	$1,090	2.3%
Alcoholic Beverages	$220	0.6%	$424	0.9%
Tobacco Products	$140	0.4%	$381	0.8%
Miscellaneous	$430	1.2%	$878	1.8%
Cash Contributions	$910	2.6%	$1,677	3.5%
Personal Insurance and Pensions	$3,403	9.7%	$5,450	11.3%

Source: Shares were calculated by the Selig Center for Economic Growth using U.S. Bureau of Labor Statistics' 2010 U.S. Consumer Expenditure Survey and applied to Idaho household incomes.

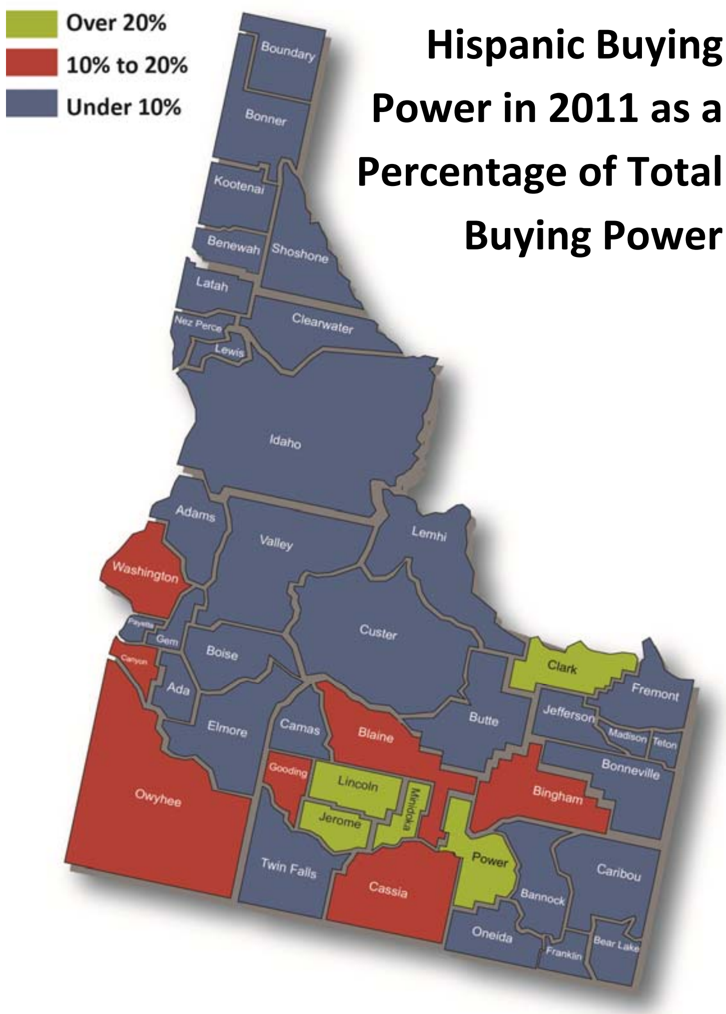
Only four counties felt a decline in Hispanic buying power from 2010 to 2011 – Camas, Clark, Elmore and Payette – and Camas and Clark counties both recorded losses in Hispanic population. Economic activity in Elmore County is significantly affected by operations at the Mountain Home Air Force Base while Payette County experienced a 4.5 percent drop in the number of employers, losing among others four small manufacturers and two medical offices.

Declining economic influence in four counties in 2011 stood in stark contrast to the 18 counties that saw Hispanic buying power decline in 2010.

Buying power declined in 11 counties for non-Hispanics in both 2010 and 2011. That was dramatically below the 31 counties where non-Hispanics saw buying power declined in 2009.

Hispanics in another nine counties – Blaine, Bonneville, Butte, Canyon, Cassia, Jefferson, Lincoln, Minidoka and Owyhee – also saw their share of total county buying power fall in 2011.

In the cases of Minidoka, Lincoln and Canyon counties, where Hispanics make up a quarter or more of the population, the decline in their economic influence was fractional. But others were more substantial, most likely a reflection of local employment and other economic factors.



Hispanic Buying Power in 2011 as a Percentage of Total Buying Power

Despite the dramatic increase in Hispanic economic status over the past two decades, the share of buying power Hispanics hold is still lower than the share of population Hispanics hold in all but Adams, Oneida and Shoshone counties – all rural with comparatively small populations overall.

The economic strength of Hispanics remains in the southern part of the state, concentrated the most in heavily agricultural south central Idaho around Twin Falls. In the rest of the state, Hispanic influence tracks the density of the population. Bonner County, just miles from the Canadian border, has the smallest concentration of Hispanics in its population at 2.4 percent. Hispanic buying power there is just 1.4 percent of total buying power.

In Clark County, Idaho's smallest with fewer than 1,000 residents, Hispanics make up 41 percent of the population and accounted for 22 percent of the buying power in 2011, down over eight percentage points from 2010, reflecting in part the 6 percent decline in the Hispanic population.

With the decline in their share of buying power in Clark County, Hispanics in Minidoka County exerted the most economic influence in 2011 with over 22 percent of the buying power there.

Jerome, Lincoln and Power counties were the others where Hispanics controlled over 20 percent of the buying power. In another seven southern Idaho counties, they held between 10 percent and 20 percent of the buying power.

Hispanic Buying Power By County, 2010-2011

County	2011 Buying Power	% of Total Buying Power	% of 2011 Population	2010 Buying Power	% of Total Buying Power	10-11 Change
State	$3,178,987,099	6.4%	11.5%	$2,859,805,150	3.9%	11.2%
Ada	$672,761,932	4.4%	7.3%	$563,520,736	1.1%	19.4%
Adams	$3,603,173	3.2%	2.8%	$1,234,014	4.1%	192.0%
Bannock	$101,179,292	4.0%	7.0%	$95,184,297	1.5%	6.3%
Bear Lake	$5,481,230	3.1%	4.1%	$2,642,506	1.3%	107.4%
Benewah	$4,123,555	1.6%	3.0%	$3,194,424	11.3%	29.1%
Bingham	$137,256,912	11.4%	17.6%	$130,421,552	12.2%	5.2%
Blaine	$111,858,084	11.7%	20.7%	$105,447,680	1.4%	6.1%
Boise	$4,163,337	1.6%	3.6%	$3,455,113	1.3%	20.5%
Bonner	$17,717,715	1.4%	2.4%	$16,649,117	6.3%	6.4%
Bonneville	$213,306,264	6.2%	11.8%	$200,958,025	1.7%	6.1%
Boundary	$8,032,627	2.7%	3.8%	$4,525,718	2.6%	77.5%
Butte	$1,911,715	2.4%	4.2%	$1,735,575	2.5%	10.1%
Camas	$620,185	1.8%	7.8%	$1,062,979	14.1%	-41.7%
Canyon	$706,766,530	13.9%	24.1%	$665,202,968	1.9%	6.2%
Caribou	$4,308,112	2.1%	4.9%	$3,755,956	15.5%	14.7%
Cassia	$81,633,314	14.4%	25.2%	$80,660,604	30.5%	1.2%
Clark	$6,016,041	21.8%	41.2%	$6,999,532	1.9%	-14.1%
Clearwater	$6,322,467	2.4%	3.3%	$5,010,337	1.2%	26.2%
Custer	$3,132,887	2.2%	4.3%	$1,669,123	10.3%	87.7%
Elmore	$75,187,338	9.9%	15.7%	$79,479,855	5.6%	-5.4%
Franklin	$20,091,685	5.9%	6.9%	$17,596,639	7.2%	14.2%
Fremont	$24,538,763	7.3%	12.6%	$23,982,014	4.7%	2.3%
Gem	$26,886,325	5.5%	8.2%	$21,969,767	16.2%	22.4%
Gooding	$64,999,545	17.5%	28.1%	$58,585,322	1.1%	10.9%
Idaho	$5,148,809	1.2%	2.7%	$4,294,469	5.3%	19.9%
Jefferson	$38,783,805	4.9%	10.4%	$37,269,239	18.7%	4.1%
Jerome	$118,370,250	21.3%	32.0%	$98,849,677	3.0%	19.7%
Kootenai	$150,736,785	3.2%	4.0%	$128,217,178	2.0%	17.6%
Latah	$24,621,321	2.5%	3.8%	$18,869,635	0.2%	30.5%
Lemhi	$1,654,481	0.7%	2.5%	$416,078	2.6%	297.6%
Lewis	$3,067,373	2.9%	3.5%	$2,691,349	21.4%	14.0%
Lincoln	$30,073,011	21.1%	28.7%	$29,052,677	3.3%	3.5%
Madison	$26,454,204	3.8%	6.1%	$21,887,500	22.4%	20.9%
Minidoka	$117,350,957	22.2%	32.5%	$112,283,316	1.3%	4.5%
Nez Perce	$17,595,807	1.4%	3.1%	$15,611,150	1.4%	12.7%
Oneida	$4,083,760	3.4%	3.3%	$1,655,927	20.1%	146.6%
Owyhee	$45,461,934	18.8%	25.9%	$44,930,533	8.0%	1.2%
Payette	$44,105,228	6.9%	15.2%	$51,072,759	17.7%	-13.6%
Power	$38,777,446	20.0%	30.6%	$30,295,064	3.2%	28.0%

Shoshone	$14,557,160	4.1%	3.4%	$10,916,768	6.9%	33.3%
Teton	$27,432,458	7.4%	17.2%	$22,445,716	7.9%	22.2%
Twin Falls	$216,807,053	9.7%	14.1%	$164,462,978	2.5%	31.8%
Valley	$13,403,380	3.5%	4.4%	$10,001,544	10.1%	34.0%
Washington	$29,894,352	11.3%	16.9%	$25,264,915	6.2%	18.3%

Source: Selig Center for Economic, University of Georgia and U.S. Census Bureau, Idaho Department of Labor

Non-Hispanic Buying Power by County 2010-2011

County	2011	2010	Percent Change	Population Change
State	$46,161,641,162	$43,552,790,850	6.0%	2.7%
Ada	$14,692,535,611	$13,699,071,411	7.3%	4.6%
Adams	$106,348,620	$106,317,150	0.0%	-1.0%
Bannock	$2,426,283,675	$2,223,917,539	9.1%	3.1%
Bear Lake	$164,273,270	$166,371,122	-1.3%	-1.6%
Benewah	$248,791,486	$249,900,796	-0.4%	-1.7%
Bingham	$1,116,423,839	$1,073,736,787	4.0%	1.8%
Blaine	$851,753,837	$829,527,188	2.7%	-3.3%
Boise	$245,906,379	$250,843,621	-2.0%	-2.1%
Bonner	$1,249,084,864	$1,242,091,816	0.6%	0.2%
Bonneville	$3,255,841,837	$2,980,815,844	9.2%	4.0%
Boundary	$279,078,654	$273,909,132	1.9%	-0.1%
Butte	$73,516,681	$62,594,738	17.4%	-1.0%
Camas	$38,269,460	$42,635,801	-10.2%	-1.1%
Canyon	$4,424,782,104	$4,083,959,041	8.3%	3.3%
Caribou	$199,842,275	$191,335,404	4.4%	-1.6%
Cassia	$494,785,374	$460,750,169	7.4%	2.6%
Clark	$24,311,368	$16,424,081	48.0%	26.5%
Clearwater	$256,364,606	$248,985,194	3.0%	-1.4%
Custer	$140,778,511	$138,858,798	1.4%	-0.9%
Elmore	$703,784,202	$711,876,206	-1.1%	-2.2%
Franklin	$313,520,610	$295,940,138	5.9%	1.9%
Fremont	$313,917,429	$315,856,728	-0.6%	-0.3%
Gem	$456,876,291	$445,534,330	2.5%	-1.2%
Gooding	$303,408,755	$305,840,265	-0.8%	-1.2%
Idaho	$421,343,083	$396,248,032	6.3%	2.7%
Jefferson	$745,983,940	$664,561,291	12.3%	6.7%
Jerome	$435,115,758	$442,346,175	-1.6%	1.1%
Kootenai	$4,454,885,490	$4,084,959,397	9.1%	4.2%
Latah	$957,561,564	$903,882,349	5.9%	2.5%
Lemhi	$230,075,042	$245,068,105	-6.1%	0.8%

Lewis	$104,193,779	$100,285,403	3.9%	1.2%
Lincoln	$107,612,796	$108,534,135	-0.8%	-3.6%
Madison	$662,038,747	$626,224,757	5.7%	3.3%
Minidoka	$410,735,976	$399,383,361	2.8%	0.7%
Nez Perce	$1,311,218,446	$1,216,959,724	7.7%	1.5%
Oneida	$115,211,473	$113,703,182	1.3%	-1.9%
Owyhee	$196,194,007	$181,625,593	8.0%	-1.5%
Payette	$592,110,113	$578,948,059	2.3%	-0.4%
Power	$153,930,056	$146,327,977	5.2%	-3.0%
Shoshone	$344,090,895	$334,821,009	2.8%	-2.7%
Teton	$333,703,953	$297,567,745	12.1%	5.0%
Twin Falls	$2,010,353,770	$1,916,018,918	4.9%	2.4%
Valley	$369,972,658	$379,012,925	-2.4%	-3.4%
Washington	$251,938,649	$233,531,003	7.9%	-0.3%

Source: Selig Center for Economic, University of Georgia and U.S. Census Bureau and the Idaho Department of Labor

Methodology

The Selig Center for Economic Growth at the University of Georgia calculated buying power for various races and ethnicities including Hispanics and non-Hispanics for the nation and each of the 50 states. These estimates were calculated using national and regional economic models, univariate forecasting techniques and data from various federal government sources. The model developed by the Selig Center integrates statistical methods used in regional economics with those of market research. In general, the process has two parts: estimating disposable personal income and allocating that estimate by race or ethnicity based on both population estimates and variances in per capita income. The estimates of disposable personal income, or the total buying power of all groups regardless of race or ethnicity, for 2010 and 2010 equal disposable personal income as reported in the National Income and Product Accounts tables by the U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System in September 2011. Based on that data, the Selig Center prepared projections of total buying power for 2011 and 2012.

Because the Selig Center defines buying power as disposable personal income, the state-by-state estimates of the total buying power of all consumers for 1990-2010 are identical to the estimates of disposable personal income issued by the U.S. Bureau of Economic Analysis in 2011. Based on trends in the historical data, the Selig Center prepared independent estimates of total buying power for 2011 and 2012.

Buying power is not the equivalent of aggregate money income as defined by the Census Bureau. Because the Selig Center's estimates are based on disposable personal income data obtained from the Commerce Department rather than money income values issued by the Census Bureau, the result is significantly higher estimates of buying power. The difference primarily results from the fact that the Census Bureau data are gathered through a nationwide survey sample of households and respondents tend to underreport their incomes. It should also be emphasized that the Selig Center's estimates are not equivalent to aggregate consumer expenditures as reported in the Consumer Expenditure Survey that is conducted each year by the U.S. Bureau of Labor Statistics.

The Selig Center's estimates of total buying power were allocated to each racial group and Hispanics based on Census Bureau population estimates and variances in per capita personal income by race or ethnicity.

The absence of current detailed data at the state and sub-state level clearly makes the buying power estimates and projections for all of the racial or ethnic groups less precise, increasing their statistical error.

The center's buying power estimates for Idaho where allocated among the counties based on their 2011 population share for each category and then adjusted by the ratio that the median household income for each group in each county had to the median household incomes of those groups statewide. The county median household income data came from the 2010 American Community Survey that averages data over the previous five years so estimates can be made for small geographic areas like Clark County, which has fewer than 1,000 residents. In cases with excessive margins of error, adjustments were made based on data from the 2000 census adjusted for wage inflation for disposable income.