October 2008

#### Job losses mount in Western states as labor markets weaken

#### by Lee McPheters



More Western states are ranked in the bottom 10 than are in the top 10 fastest growing states, based on employment figures released by the U.S. Bureau of Labor Statistics for July.

Wyoming and Texas rank first and second in the nation on the rate of over-the-year nonfarm employment gains. Wyoming has been in first place in the monthly job creation rankings for all of 2008, ranked second overall annually in 2007, and was first for annual job growth in 2006.

With year-to-year percentage growth in July of 2.4 percent, Texas was second to Wyoming. However, the 250,900 new jobs created in Texas during the past 12 months were the greatest of any state. Colorado was in fourth place, with growth of 1.3 percent. Nationally, nonfarm employment was up by 0.2 percent in July 2008 over July 2007.

Western states ranking among the bottom 10 included California, Idaho, Nevada and Arizona. Oregon is also among the 19 states losing jobs, and ranks 35th overall

Idaho has fallen by the greatest magnitude in the rankings, compared to one year ago when the state was ranked eighth.

#### **Unemployment Up**

California has the highest unemployment rate in the West, at 7.3 percent in July. The highest all-time unemployment rate in the Golden State was 11 percent in February of 1983. Nevada unemployment is at 6.6 percent and Oregon's rate is 6.0 percent. The national unemployment rate was 5.7 percent in July.

Utah has the lowest unemployment rate in the West, at 3.5 percent. Wyoming's unemployment rate is 3.6 percent.

#### Outlook

Wyoming will continue to post the strongest job gains in the West for 2008 and 2009, according to the Western Blue Chip consensus forecast panel. Nevada labor markets will recover somewhat in 2009, with employment growth projected at 2.5 percent. The consensus is that California will remain weak, with job growth of less than 1 percent in 2009.

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# **Consensus Summary**

# Forecast Released October 1, 2008

2008 Forecast							
	Current \$ Personal Income	Wage & Salary Empl.	Population Growth	Single-family Housing Permits			
Arizona	4.1	-0.4	2.2	-28.1			
California	4.0	-0.1	1.1	-30.8			
Colorado	5.7	1.5	1.9	-17.4			
Idaho	5.7	1.4	2.0	-17.2			
Montana	6.0	1.8	0.9	-35.0			
Nevada	5.8	1.4	3.1	-11.8			
New Mexico	4.4	1.2	1.5	-11.7			
Oregon	4.9	0.7	1.4	-22.2			
Texas	6.3	1.9	1.7	-12.6			
Utah	6.4	2.1	2.3	-23.4			
Washington	5.5	1.4	1.5	-22.5			
Wyoming	6.6	2.8	1.1	-10.8			

2009 Forecast							
	Current \$ Personal Income	Wage & Salary Empl.	Population Growth	Single-family Housing Permits			
Arizona	4.7	1.3	2.4	2.8			
California	4.4	0.8	1.1	18.7			
Colorado	5.8	1.8	1.7	3.5			
Idaho	5.5	2.1	2.1	5.0			
Montana	5.0	2.0	1.0	10.0			
Nevada	5.6	1.8	3.7	1.2			
New Mexico	3.2	0.9	1.5	-1.7			
Oregon	5.1	1.0	1.4	2.3			
Texas	6.3	1.9	1.6	3.6			
Utah	6.5	2.0	2.2	14.2			
Washington	5.4	1.3	1.5	11.7			
Wyoming	6.6	2.7	1.0	4.5			





### **Arizona**

2008 Forecast								
		Annual Percent Change 2008 from 2007						
	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Population Growth	Single-family Housing Permits			
Arizona Department of Commerce	3.2	-3.5	-1.3	2.3	-3.0			
Arizona Public Service	0.5	-4.8	-1.3	1.0	-40.0			
ASU - Economic Outlook Center	4.5	-1.0	-1.5	2.3	-50.0			
Davidson Fixed Income Management	4.1	1.0	1.5					
ECON-LINC	4.1	-1.5	-1.2	1.8	-32.0			
EconLit LLC	4.8	1.0	0.7	2.5	-20.0			
Elliott D. Pollack & Co.	4.0	-1.5	-1.0	2.0	-35.0			
H. C. Reardon Economics	4.0	-1.5	-1.0	2.5	-20.0			
Joint Legislative Budget Committee	4.5	0.0	0.5	2.3	-25.0			
The Maguire Company	4.3	-1.0	-1.0	2.4	-30.0			
NAU - BBER	4.0	-2.0	-1.5	1.7	-30.0			
Salt River Project	3.6	-1.8	-1.2	1.2	-35.0			
Southwest Growth Partners	3.8	-1.0	-1.0	2.2	-40.0			
Stellar Capital Management	5.2	0.7	0.7	2.1	-25.0			
UA - Eller College	3.8	-0.5	-0.3	2.3	-46.9			
VisionEcon/Governing Star Group	5.6	4.0	1.2	3.0	0.0			
Wells Fargo & Co.	5.7	2.6	0.2	2.8	-17.0			
Consensus - This Month	4.1	-0.6	-0.4	2.2	-28.1			
Consensus - Last Month	4.1	-0.5	-0.4	2.2	-29.4			

2009 Forecast							
		Annual Percent Change 2009 from 2008					
	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Population Growth	Single-family Housing Permits		
Arizona Department of Commerce	4.4	2.1	-0.5	2.2	3.0		
Arizona Public Service	1.5	2.5	0.5	1.5	-5.0		
ASU - Economic Outlook Center	4.5	2.5	2.0	2.5	10.0		
Davidson Fixed Income Management	7.4	4.8	3.5				
ECON-LINC	5.1	2.8	2.0	2.2	-5.0		
EconLit LLC	5.1	3.0	1.5	2.5	5.0		
Elliott D. Pollack & Co.	5.0	2.5	1.0	2.5	0.0		
H. C. Reardon Economics	4.6	2.6	1.0	2.8	0.0		
Joint Legislative Budget Committee	4.8	2.5	1.5	2.4	2.0		
The Maguire Company	5.2	3.1	1.3	2.6	0.0		
NAU - BBER	7.5	1.8	3.5	1.9	10.0		
Salt River Project	4.2	2.4	1.1	2.0	5.0		
Southwest Growth Partners	4.4	1.5	1.8	2.6	5.0		
Stellar Capital Management	5.5	4.5	2.8	2.5	5.0		
UA - Eller College	1.5	1.2	-1.5	2.0	14.6		
VisionEcon/Governing Star Group	3.9	1.3	0.7	2.8	5.0		
Wells Fargo & Co.	5.5	2.7	0.6	2.8	-10.0		
Consensus - This Month	4.7	2.6	1.3	2.4	2.8		
Consensus - Last Month	4.7	2.6	1.4	2.4	2.8		





## **California**

2008 Forecast						
		A	Annual Percent Change 20	008 from 2007		
	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Population Growth	Single-family Housing Permits	
Anonymous	4.5	1.1	-0.2	1.2	-46.3	
California State University, Long Beach *	3.8	3.0	-0.3	1.5	-2.9	
Chapman University	3.3	-1.0	-0.2	1.1	-30.3	
Economic Development Corp. of L.A.	4.5	-1.2	-0.2	1.2	-47.4	
Legislative Analyst's Office	4.4	0.9	-0.3	1.1	-28.6	
UCLA - Business Forecasting Project	4.1	0.1	0.1	1.1	-40.0	
University of the Pacific	4.0	1.9	0.1	0.8	-26.4	
Wells Fargo & Company - MN	3.6	2.6	0.1	1.0	-24.5	
Consensus - This Month	4.0 0.9 -0.1 1.1 -30.8					
Consensus - Last Month	4.0	0.9	-0.1	1.1	-30.8	

2009 Forecast							
		Annual Percent Change 2009 from 2008					
	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Population Growth	Single-family Housing Permits		
Anonymous	4.1	5.0	0.6	1.2	70.6		
California State University, Long Beach *	3.3	2.1	0.9	1.3	20.7		
Chapman University	4.1	1.9	0.9	1.1	-0.1		
Economic Development Corp. of L.A.	5.2	1.8	0.6	1.2	-10.4		
Legislative Analyst's Office	4.0	4.1	0.5	1.1	18.8		
UCLA - Business Forecasting Project	4.2	4.4	0.8	1.1	18.5		
University of the Pacific	5.4	4.2	1.4	0.9	37.1		
Wells Fargo & Company - MN	4.9	2.8	0.9	1.0	-5.4		
Consensus - This Month	4.4 3.3 0.8 1.1 18.7						
Consensus - Last Month	4.4	3.3	0.8	1.1	18.7		





## **Colorado**

2008 Forecast						
		Α	Annual Percent Change 20	008 from 2007		
	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Population Growth	Single-family Housing Permits	
The Adams Group, Inc.	5.0	3.9	0.5	2.1	-5.0	
Center for Business & Economic Forecasting	5.5	3.8	1.4	1.9	-25.0	
Colorado Legislative Council	6.0	3.8	1.6	2.0	-32.1	
Eastern New Mexico University	6.1	4.7	2.2	1.7	-10.3	
Office of State Planning & Budgeting	6.1	4.3	1.4	2.0	-14.9	
University of Colorado - Leeds	6.0	4.3	1.6	1.9	-15.0	
Wells Fargo & Co.	4.6	2.5	1.5	1.4	-18.6	
Xcel Energy	6.1	6.8	1.4	1.8	-18.0	
Consensus - This Month	5.7 4.3 1.5 1.9 -17.4					
Consensus - Last Month	5.7	4.3	1.5	1.9	-17.4	

2009 Forecast							
		Annual Percent Change 2009 from 2008					
	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Population Growth	Single-family Housing Permits		
The Adams Group, Inc.							
Center for Business & Economic Forecasting	5.5	5.0	1.8	1.8	0.0		
Colorado Legislative Council	6.2	4.5	1.9	1.8	18.8		
Eastern New Mexico University	6.1	4.7	2.1	1.7	-1.4		
Office of State Planning & Budgeting	6.2	5.3	1.6	2.0	-1.0		
University of Colorado - Leedss	6.1	5.0	1.9	1.9	5.0		
Wells Fargo & Co.	4.2	2.4	1.7	1.3	-6.7		
Xcel Energy	6.6	5.8	1.9	1.7	10.0		
Consensus - This Month	5.8 4.7 1.8 1.7 3.5						
Consensus - Last Month	5.8	4.7	1.8	1.7	3.5		





## Idaho

2008 Forecast							
		Annual Percent Change 2008 from 2007					
	Current \$ Personal Income	Current \$ Personal Income Retail Sales Wage & Salary Empl. Population Growth Single-family Housing Permits					
Idaho Division of Financial Management	6.0		2.2	2.1	-1.5		
Idaho Economics	7.0		2.1	2.1	-10.0		
Wells Fargo & Company - UT	4.0	3.5	0.0	1.8	-40.0		
Consensus - This Month	5.7	3.5	1.4	2.0	-17.2		
Consensus - Last Month	5.7	3.5	1.4	2.0	-17.2		

2009 Forecast						
	Annual Percent Change 2009 from 2008					
	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Population Growth	Single-family Housing Permits	
Idaho Division of Financial Management						
Idaho Economics	6.4		2.3	2.1	0.0	
Wells Fargo & Company - UT	4.5	4.0	1.8	2.0	10.0	
Consensus - This Month	5.5	4.0	2.1	2.1	5.0	
Consensus - Last Month	5.5	4.0	2.1	2.1	5.0	





### **Montana**

2008 Forecast								
	Annual Percent Change 2008 from 2007							
	Current \$ Personal Income	Current \$ Personal Income Wage & Salary Empl. Population Growth Single-family H						
University of Montana	6.5	2.1	0.8					
Wells Fargo & Company - UT	5.5	1.5	1.0	-35.0				
Consensus - This Month	6.0	1.8	0.9	-35.0				
Consensus - Last Month	6.0	1.8	0.9	-35.0				

2009 Forecast									
	Annual Percent Change 2009 from 2008								
	Current \$ Personal Income	Current \$ Personal Income Wage & Salary Empl. Population Growth Single-family House							
University of Montana									
Wells Fargo & Company - UT	5.0	2.0	1.0	10.0					
Consensus - This Month	5.0	2.0	1.0	10.0					
Consensus - Last Month	5.0	2.0	1.0	10.0					





### Nevada

2008 Forecast									
		Annual I	Percent Change 2008 fro	om 2007					
	Current \$ Personal Income	Gross Gaming Revenues	Wage & Salary Empl.	Population Growth	Single-family Housing Permits				
Dept. of Employment, Training & Rehab.		-5.0	-1.1	2.0					
Restrepo Consulting Group, LLC	5.0	-4.2	2.0	4.5	-17.0				
Southwest Gas Corporation	8.0	5.3	4.8	3.9	2.0				
University of Nevada at Las Vegas - CBER	5.5	1.6	2.1	2.1	-21.9				
Wells Fargo & Company - MN	4.7	4.9	-0.7	3.0	-10.1				
Consensus - This Month	5.8	0.5	1.4	3.1	-11.8				
Consensus - Last Month	5.3	1.9	2.0	3.4	-11.8				

2009 Forecast								
		Annual I	Percent Change 2009 fro	om 2008				
	Current \$ Personal Income	Gross Gaming Revenues	Wage & Salary Empl.	Population Growth	Single-family Housing Permits			
Dept. of Employment, Training & Rehab.		2.0	0.3	2.0				
Restrepo Consulting Group, LLC	5.0	2.0	3.0	4.8	-8.0			
Southwest Gas Corporation								
University of Nevada at Las Vegas - CBER	7.1	4.0	3.7	5.0	23.7			
Wells Fargo & Company - MN	4.8	4.6	0.2	2.9	-12.2			
Consensus - This Month	5.6	3.2	1.8	3.7	1.2			
Consensus - Last Month	5.6	3.5	2.5	4.2	1.2			





# **New Mexico**

2008 Forecast							
		Annual Percent Change 2008 from 2007					
	Current \$ Personal Income	Mfg. Employ.	Wage & Salary Empl.	Population Growth	Single-family Housing Permits		
Eastern New Mexico University	5.6	0.6	1.7	1.6	-4.4		
New Mexico State University - CEMAF	6.0	1.0	1.9	1.5			
PNM Resources	2.1	0.1	1.0	1.2	-15.0		
University of New Mexico - BBER	4.0	-1.9	1.0		-21.6		
Wells Fargo & Company - MN	4.5	0.2	0.4	1.8	-5.7		
Consensus - This Month	4.4	0.0	1.2	1.5	-11.7		
Consensus - Last Month	4.3	0.6	1.6	1.9	-8.7		

2009 Forecast							
		A	nnual Percent Change 20	09 from 2008			
	Current \$ Personal Income	Mfg. Employ.	Wage & Salary Empl.	Population Growth	Single-family Housing Permits		
Eastern New Mexico University	5.3	0.6	1.5	1.6	-3.5		
New Mexico State University - CEMAF							
PNM Resources	-1.5	2.6	0.1	1.2	-2.0		
University of New Mexico - BBER	4.7	0.0	1.5		5.7		
Wells Fargo & Company - MN	4.3	0.3	0.5	1.7	-6.9		
Consensus - This Month	3.2	0.9	0.9	1.5	-1.7		
Consensus - Last Month	3.2	0.9	0.9	1.5	-1.7		





## Oregon

2008 Forecast								
	Annual Percent Change 2008 from 2007							
	Current \$ Personal Income	Mfg. Employ.	Wage & Salary Empl.	Population Growth	Single-family Housing Permits			
Conerly Consulting	5.0	-3.7	0.3	1.3	-36.5			
Forefront Economics	5.7	1.5	2.1	1.3	-3.0			
John Mitchell	5.5	-0.5	0.8	1.4	-15.0			
Oregon Executive Department	4.7	-3.0	0.2	1.4	-42.8			
Portland General Electric	3.9	-2.2	0.2	1.4	-30.0			
Wells Fargo & Company - MN	4.6	0.5	0.4	1.5	-5.8			
Consensus - This Month	4.9 -1.2 0.7 1.4 -22.2							
Consensus - Last Month	4.9	-1.2	0.7	1.4	-22.2			

2009 Forecast								
		Annual Percent Change 2009 from 2008						
	Current \$ Personal Income	Mfg. Employ.	Wage & Salary Empl.	Population Growth	Single-family Housing Permits			
Conerly Consulting	5.3	-1.2	1.2	1.4	1.0			
Forefront Economics	5.3	1.2	1.8	1.3	3.0			
John Mitchell	6.1	1.5	1.4	1.5	8.0			
Oregon Executive Department	4.3	-0.9	0.3	1.4	5.7			
Portland General Electric	4.9	0.5	0.9	1.5	5.0			
Wells Fargo & Company - MN	4.6	0.5	0.5	1.4	-9.2			
Consensus - This Month	5.1 0.3 1.0 1.4 2.3							
Consensus - Last Month	5.1	0.3	1.0	1.4	2.3			





#### **Texas**

2008 Forecast							
		1	Annual Percent Change 20	008 from 2007			
	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Population Growth	Single-family Housing Permits		
Eastern New Mexico University	6.7	5.5	2.1	1.8	-6.5		
Econoclast	5.9	5.2	1.8	1.7	-10.5		
Federal Reserve Bank of Dallas	7.5	6.4	2.5	1.9	-10.0		
Perryman Group	6.5	5.9	2.0	1.8	-10.1		
TX State Comptroller of Public Accounts	5.8	5.7	2.0	1.6	-16.7		
University of Houston - CPP	5.5	4.4	1.6	1.6	-19.4		
University of North Texas	6.7	5.5	1.4	1.5	-25.0		
University of Texas at El Paso	7.1	6.5	2.1	1.9	-9.6		
Wells Fargo & Company - MN	5.2	4.2	1.8	1.4	-5.2		
Consensus - This Month	6.3	5.5	1.9	1.7	-12.6		
Consensus - Last Month	6.3	5.5	1.9	1.7	-12.6		

2009 Forecast							
		Annual Percent Change 2009 from 2008					
	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Population Growth	Single-family Housing Permits		
Eastern New Mexico University	6.2	5.1	1.9	1.6	-1.7		
Econoclast	6.2	5.8	1.9	1.7	2.9		
Federal Reserve Bank of Dallas	7.3	6.5	2.8	1.9	4.5		
Perryman Group	6.7	6.0	1.9	1.0	-4.9		
TX State Comptroller of Public Accounts	5.7	4.9	1.9	1.5	19.7		
University of Houston - CPP	5.9	5.1	1.8	1.7	3.3		
University of North Texas	6.6	5.0	1.6	1.5	8.0		
University of Texas at El Paso	6.2	5.7	1.9	1.8	3.3		
Wells Fargo & Company - MN	5.8	4.4	1.8	1.3	-2.8		
Consensus - This Month	6.3	5.4	1.9	1.6	3.6		
Consensus - Last Month	6.3	5.4	1.9	1.6	3.6		





### Utah

2008 Forecast							
		1	Annual Percent Change 20	008 from 2007			
	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Population Growth	Single-family Housing Permits		
Pacificorp	6.6	4.6	3.1	2.2	7.3		
Utah Department of Workforce Services	6.0	4.1	0.3	2.8	-50.0		
Utah State Tax Commission	7.1	3.4	3.5	1.5	-10.7		
Wells Fargo & Company - UT	6.0	4.5	1.5	2.8	-40.0		
Consensus - This Month	6.4	4.2	2.1	2.3	-23.4		
Consensus - Last Month	6.4	4.2	2.1	2.3	-23.4		

2009 Forecast							
	Annual Percent Change 2009 from 2008						
	Current \$ Personal Income	Current \$ Personal Income   Retail Sales   Wage & Salary Empl.   Population Growth   Single-family Housing Permits					
Pacificorp							
Utah Department of Workforce Services	6.9	3.7	1.0	2.4	30.0		
Utah State Tax Commission	7.0	6.1	2.9	1.4	2.5		
Wells Fargo & Company - UT	5.5	4.5	2.0	2.8	10.0		
Consensus - This Month	6.5 4.8 2.0 2.2 14.2						
Consensus - Last Month	6.5	4.8	2.0	2.2	14.2		





# Washington

2008 Forecast									
	Annual Percent Change 2008 from 2007								
	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Population Growth	Single-family Housing Permits				
Conerly Consulting	5.9	3.4	1.2	1.5	-29.7				
Dick Conway & Associates	5.8	5.0	1.5	1.4	-2.1				
Doug Pedersen & Associates	5.3	1.1	1.2	1.5	-35.0				
Office of the Forecast Council	5.4	1.6	1.3	1.7	-30.1				
Wells Fargo & Company - MN	5.1	4.0	1.7	1.5	-15.7				
Consensus - This Month	5.5 3.0 1.4 1.5 -22.5								
Consensus - Last Month	5.5	3.0	1.4	1.5	-22.5				

2009 Forecast								
	Annual Percent Change 2009 from 2008							
	Current \$ Personal Income	Retail Sales	Wage & Salary Empl.	Population Growth	Single-family Housing Permits			
Conerly Consulting	6.6	5.0	1.7	1.7	0.3			
Dick Conway & Associates	5.7	5.5	1.4	1.2	10.1			
Doug Pedersen & Associates	5.0	3.5	0.5	1.3	10.0			
Office of the Forecast Council	4.7	3.7	1.0	1.6	44.0			
Wells Fargo & Company - MN	5.0	3.9	1.8	1.5	-6.0			
Consensus - This Month	5.4	4.3	1.3	1.5	11.7			
Consensus - Last Month	5.4	4.3	1.3	1.5	11.7			





# **Wyoming**

2008 Forecast								
	Annual Percent Change 2008 from 2007							
	Current \$ Personal Income	Wage & Salary Empl.	Population Growth	Single-family Housing Permits				
WY Ctr. for Business & Economic Analysis	6.1	2.9	1.0	-2.5				
WY Dept. of Administration & Information	7.0	2.6	1.2	-10.0				
Wells Fargo & Company - UT	6.7	2.8	1.0	-20.0				
Consensus - This Month	6.6	2.8	1.1	-10.8				
Consensus - Last Month	6.6	2.8	1.1	-10.8				

2009 Forecast								
	Annual Percent Change 2009 from 2008							
	Current \$ Personal Income	Wage & Salary Empl.	Population Growth	Single-family Housing Permits				
WY Ctr. for Business & Economic Analysis	6.8	2.9	1.0	1.5				
WY Dept. of Administration & Information	6.5	2.4	1.1	2.0				
Wells Fargo & Company - UT	6.5	2.7	1.0	10.0				
Consensus - This Month	6.6	2.7	1.0	4.5				
Consensus - Last Month	6.6	2.8	1.0	4.5				