

Source: Smith, Gary W. 2003. Northwest Income Indicators Project (NIIP)
Web Page. <http://niip.wsu.edu>.

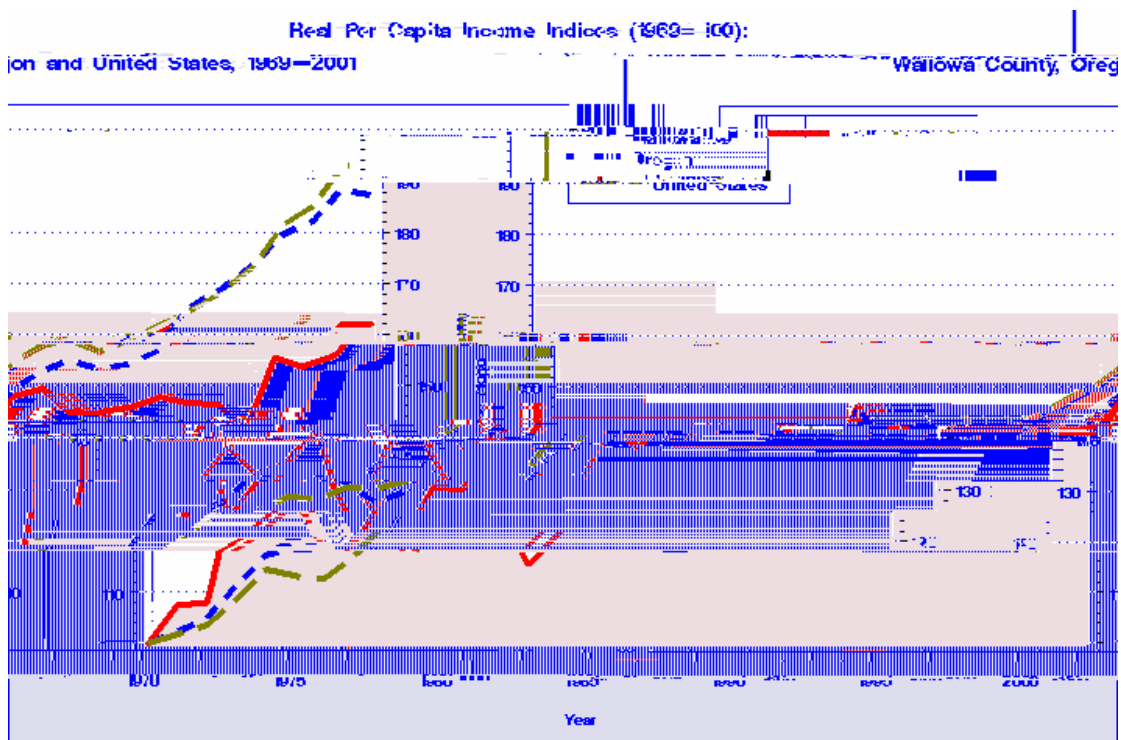
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Over the last decade the median age of people in Oregon has increased from 34.5 to 36.3 years. Wallowa County's median age increased even more than Oregon's. Wallowa County went from a median age of 37.6 to 44.4 years. While this increase in median a

Wallowa County's employment growth was once again smaller than the U.S., which had a 83.9% employment increase, and Nonmetro Oregon, which had a 101.0% increase (Smith, 2001; 3). The County's employment growth was also less than

Table 1. Wallowa County and Oregon Employment changes, 1970--

Figure 6. Real Per Capita Income Indices (1969=100).
Wallowa County, Oregon and United States 1969-2001.



time, Wallowa County's real average earnings per job have fallen by 16.9% while Oregon's real average real earnings per job have increased by 21.7% and the U.S. average real earnings per job also rose 31.1% (Figure 7).

**Figure 7. Real Average Earnings Per Job Indices (1969=100).
Wallowa County, Oregon and United States, 1969-2000.**

Input/Output Modeling and Ground Truthing

At the local level, thousands of decisions are made regularly by public officials and by businessmen [people]. In the aggregate, these decisions have a great impact on economic growth and the quality of living standards of the American people. Yet, such decisions are usu

When considering the estimates of impacts provided in this report, the reader needs to remember that an I-

A rural community's economic resilience is often measured first in terms of jobs. Throughout the rest of the report, jobs are used as the primary impact variable in the analyses. As would be expected, there can be significant differences among sectors as to the value-added dollars per job (e.g. Agriculture, etc. - $\$12.821\text{M}/751 = \$17,072$, Manufacturing - Wood Products, etc. -

An example is the Agriculture, Fishing & Related has 786 export dependent jobs. Included in the 786 jobs are 602 direct jobs in Agriculture, Fishing & Related, 91 indirect jobs in Wholesale Trade (as part of the 137 indirect jobs) and 7 in Health Care & Social Assistance (as part of the 47 induced jobs) and so on.

Table 4. Wallowa County Sectoral and Export-Base Dependent Employment, 2000.

Sector	Sectoral		Export-Dependent
	Jobs	%	

Reviewing this export dependency information, one can distinguish the major basic or exporting industries by watching for higher positive percentages in the last column. Sectors like Agriculture, Fishing & Related, Construction, Public Administration, and Households, which have export dependency indexes close to or above 10%, represent 58.3% of the County's export based employment. A feature of the I-O model is that it uses local production to satisfy local demand first. So, while the Forestry & Logging and the O(Reviewinffac) the.75 0156-0.1901 Tw78 Tw (-) Tj 3xpo6.75 0 TD -0.19

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These amenity uses of natural resources range from short-term tourism activities to long-term construction activities that are driven by retirees locating in Wallowa County to enjoy its environment, as well as the social aspects of the community.

In addition to the initial impacts (e.g. construction) of retirees locating in Wallowa County, the retirees receive transfer payments from government and private

how the timber industry may be at least partially revitalized , the contracts that the Forest Service awarded for work in Wallowa County for 1999, 2000 and 2001 have been applied through the model.

Economic Impact Scenario

Scenario: Forest Service Contract Spending

This section considers the impacts of contracts awarded by the U.S. Forest Service for services within Wallowa County. It separates the contracts and impacts between Wallowa County resident contractors and non-resident contractors. Information was available to categorize most of the contractors between resident and non-resident contractors.

When place of business information could not be found for a contractor, the contractor was classified as non-resident. This approach may not be correct for some of the contractors, yet, a number of information sources including phone books were checked so incorrect assignments should be small and this seemed like the most conservative approach.

One component of the Wallowa County I-O Model (Model) is an industry balance sheet for each industry or sector. An industry balance sheet shows what is produced in each sector and the inputs, including supplies, services, employee compensation and proprietor income, that it takes to produce the goods or services for the particular industry. These balance sheets were used to estimate the local impact of the resident contractors. For the contracts that were awarded to non-resident contractors the expenditures from the industry balance sheets that are operational and necessary during the performance of the contract (e.g. fuel and accommodations)

Using the I-O model, the value-added direct, indirect and induced effects of the two types of contracts are summarized in Table 6. It is not surprising to see that while more than three-quarters of the contract expenditures went to non-resident contractor, more than half of the value

Figure 8. Personal Income by Source for Wallowa County, Oregon and U.S. in 2001.



Source: Northwest Area Foundation 2004.

A large portion of this income is received by retirees. Retirees, at least for the next twenty years, represent an opportunity for growth in Wallowa County, if they can be recruited, retained, and convinced to spend more of their income within the County. While more than half of the County's income is derived from transfer payments, the County's economy is approximately 15.2% dependent on transfer payments to households, see Table 4. Many expenditures by all the Wallowa residents leak out of the economy, however, retirees, who consume legal, financial planning, health care, and other high value services may spend lower percentages of their incomes within the County than other residents. There are a number of ways to "capture" a higher percentage of these expenditures, although the public and private policies need to be strategic (e.g. providing or increasing health care services that can truly be competitive). Access to Wallowa County may become an increasing issue for retirees

whose primary residence is in the County and they wish to travel outside the County or

and that optimize both environmental and economic objectives. State agencies are reluctant to take significant roles that move beyond facilitating processes to

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Industry

Type I Multiplier*

Type SAM

Industry	Type I Multiplier*	Type SAM Multiplier**
Poultry and Eggs	2.11	2.61
Ranch Fed Cattle	1.34	1.48
Range Fed Cattle	1.51	

Industry	Type I Multiplier*	Type SAM Multiplier**
Real Estate	1.23	1.37
Hotels and Lodging Places		