

NEWS RELEASE

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Idaho's Jobless Rate Drops for Fifth Straight Month to 8.4%

Job growth during the last half of 2011 was stronger than estimated, culminating in a 1 percent year-over-year increase in jobs in December. That drove the month's seasonally adjusted unemployment rate down another tenth of a percentage point to 8.4 percent.

Over 698,000 Idahoans were working in December - 13,000 more than last December - the largest total since March 2009 and the largest year-over-year growth in total employment since mid-2007 before the recession officially began.

For more than a year current-month jobs hovered just below or just above the same month the previous year until the last six months when jobs averaged 2,400 a month more than the year-earlier totals, clearly driving the boost in employment and signaling the state economy may be growing again, if slowly.

The final three months of 2011 posted the strongest year-over-year job growth since the final year of the expansion in 2007, leaving 2011 with an average annual job total 1,300 higher than 2010. It is the first year since 2007 that the average number of jobs did not decline.

Private sector jobs at an average of 488,100 ran 3,700 above the average for 2010.

December was the fifth straight month Idaho's unemployment rate has fallen, hitting its lowest level since September 2009. The decline marked the fourth straight month Idaho's rate has been below the national rate, which also fell a tenth of a point to 8.5 percent.

After hitting a record 9.7 percent in December 2010, the unemployment rate statewide stayed there through March before finally beginning to fall. Preliminary estimates place the average unemployment rate for 2011 at just under 9.2 percent, more than a tenth of a point below 2010's record 9.3 percent.

The jobless rate estimates for the past two years will be re-assessed over the next two months with more recent statistical data, and revised rates along with the estimated jobless rates for January and February 2012 will be released on March 23.

Calculation of the county, city and labor market area unemployment rates has been delayed due to this week's severe winter storm throughout the region. The local rates will be expedited as soon as the data become available.

The statewide labor force rose another 1,600, marking the third month that the number of people with jobs or looking for them has increased - a sign of rising optimism among workers about the potential for finally finding a job.

The Conference Board, the Washington, D.C.-based business think tank, estimates there were still more than three unemployed workers for every job posted in Idaho in December. Job openings were estimated by the board at 16,800, rivaling the 16,600 in December 2006 during the heart of the state's robust economic expansion.

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Unemployment benefit payments - both state and federal - totaled \$31.5 million to 32,000 jobless workers during December, 25 percent less than the \$41.8 million paid to over 39,000 unemployed workers in December 2010.

Employers generally maintained their payrolls at stronger levels for December than typical although there were greater than usual layoffs in mining following another accident at the Lucky Friday Mine in Mullan. Seasonal construction layoffs also occurred later than normal because of the better-than-usual fall weather.

Retailers added more jobs for the holiday season than in recent years, and private educational services, which have been a landing place for unemployed workers during the recession, did not experience their usual December job decline.

Overall, employers hired just over 11,000 new employees, the majority to replace workers who retired or left the job for some other reason. But that was more than the December new hire total for any of the past three years, marking the first month since 2008 that employers reported hiring more new employees than they did in 2008.

Seasonally Adjusted Data

	12/11	11/11	12/10
Civilian Labor Force	762,500	760,800	758,900
Unemployment	64,100	65,000	73,400
% Labor Force Unemployed	8.4	8.5	9.7
Total Employment	698,400	695,800	685,500

Unadjusted Forecast Data

Civilian Labor Force	759,900	760,800	755,000
Unemployment	64,700	63,800	73,200
% Labor Force Unemployed	8.5	8.4	9.7
Total Employment	695,200	697,000	681,800

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