

NEWS RELEASE

For Immediate Release: Jan. 18, 2013

Information Contact: Bob Fick (208) 332-3570 ext 3628 or Craig Shaul (208) 332-3570 ext 3201

Idaho's December Jobless Rate Falls to 6.6 Percent, Lowest in Nearly 4 Years

Idaho's seasonally adjusted unemployment rate dropped another two-tenths of a percentage point in December to 6.6 percent - the lowest rate in nearly four years.

The state's jobless rate, which has dropped 2.3 percentage points in 17 months, fell in December on the strength of rising employment. The labor force expanded, albeit just fractionally, for the first time since last May, and job opportunities were sufficient to accommodate not only 300 new entrants to the workforce but 1,500 workers who were previously without jobs. Rate declines in recent months have been due in large part to labor force contraction.

Employers maintained hiring at or above December levels of the past five years, and the improvement was felt throughout the state. Only job levels in natural resources, administrative support services and private educational services slipped from the five-year average.

Idaho employers added more than 12,000 new hires to their payrolls during December, up 12 percent over December 2011 and the highest December hiring total since the recession began. But the hiring was almost entirely to fill vacancies that occurred through firings, retirements, deaths or other reasons rather than new jobs.

After bumping along the recession bottom for most of 2011, nonfarm jobs in Idaho began increasing again in spring 2012, and by year's end averaged nearly 613,000, 1.1 percent higher than in 2011. Idaho has recovered only 18 percent of the 50,000 jobs lost to the recession on an annual average basis, and it is likely the rest will not be regained until 2015.

The U.S. Bureau of Labor Statistics will reassess the employment figures for the past year over the next six weeks, using more current information on unemployment claims, payrolls and other factors before issuing revised jobless data in late March. Employment data from January and February 2013 will be released at the same time.

Preliminary figures put the average unemployment rate for 2012 at 7.4 percent, 1.3 percentage points below 2011 and the lowest annual average since 2008. Over 13,000 more workers had jobs in December than a year earlier while the ranks of the unemployed were down nearly 14,000.

December marked 11 years and three months that the Idaho unemployment rate has been below the national rate, which held steady in December at 7.8 percent.

The Conference Board, a Washington, D.C., business think tank, estimates there are still slightly more than two workers for every job posted in Idaho, but that is down dramatically from nearly five for every posting during the worst of the recession in late 2009.

And while December posted a labor force increase, it was the smallest November-December increase in the last 36 years. There were three Decembers where the labor force actually declined from November - during the current recession in 2008 and in the mid-1980s recession.

Idaho's December labor force also had 500 fewer workers than the previous December. The recent recession is the only other time that a year-over-year decline occurred in December in the last three decades.

--more--

Idaho Department of Labor-Page 2

Regular unemployment insurance benefit payments of \$14.7 million in December were paid to an average of 14,000 idled workers a week. That was down over 20 percent from December 2011. In addition \$6.7 million in federal extended benefits were paid to an average of 6,700 workers a week, about half the federal payments and claimants a year earlier.

For the year, the state paid \$180.5 million in regular benefits and another \$118 million in federally financed extended benefits to over 80,000 idled Idaho workers in 2012, more than 10 percent of the workforce. But the payout was 29 percent less than 2011 and the lowest since 2007 before the recession.

Only five rural counties - all in northern and north central Idaho - posted double-digit jobless rates in December, down from six in November and 13 in December 2011. Resource-reliant Adams County remained the county with the highest rate at 15.4 percent, but it was down another seven-tenths from November.

Twenty-one of Idaho's 44 counties reported jobless rates below 6 percent, up from 14 in November and just five a year ago. Oneida County recorded the lowest rate at 4 percent and was joined by six others with rates under 5 percent.

Every county had lower December rates than a year earlier except for Custer, which was hit by molybdenum mine layoffs.

Idaho's five metropolitan areas also had rates below both November and December 2011.

Seasonally Adjusted Data

	12/12	11/12	12/11
Civilian Labor Force	774,800	774,600	775,300
Unemployment	50,800	52,400	64,600
% Labor Force Unemployed	6.6	6.8	8.3
Total Employment	724,000	722,200	710,700

Unadjusted Forecast Data

Civilian Labor Force	771,200	774,100	772,300
Unemployment	49,600	50,700	64,500
% Labor Force Unemployed	6.4	6.6	8.4
Total Employment	721,600	723,400	707,800

Preliminary Annual Average Data

	2012	2011	2010
Civilian Labor Force	777,200	770,600	750,700
Unemployment	57,400	67,100	57,700
% Labor Force Unemployed	7.4	8.7	7.7
Total Employment	719,800	703,500	693,000

--end--