

NEWS RELEASE

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December Jobless Rate Drops to Lowest Level in 7 Years --Preliminary Annual Average Below 2008--

Idaho's seasonally adjusted unemployment rate fell another two-tenths of a percentage point in December to a seven-year low of 3.7 percent.

Idaho employers maintained payrolls at or just above their five-year average. Total employment edged upward by 300 to cross 743,000 for the first time while unemployment fell by 1,600.

The state's total labor force dropped by 1,300 to under 772,000 - the lowest level since January 2012 - reflecting a potential exodus of workers from the labor force as baby boomers continue to retire.

Since August, the state's unemployment rate has dropped a full percentage point, setting a preliminary annual jobless rate for 2014 at 4.6 percent, down 1.6 percentage points from 2013 and the lowest annual rate since 2007's 3 percent.

Idaho's annual unemployment rate for 2014 and other employment estimates will be revised in March based on additional data gathered over the past year. This revision process - referred to as benchmarking - will delay the release of January employment estimates and the revised data until March 13.

The drop in the Idaho rate mirrored a national decrease of two-tenths to 5.6 percent, keeping Idaho's rate below the national rate for over 13 years.

The number of jobs typically declines from November to December, but job losses were higher than normal in natural resources, private educational services, hotels and motels, other services and government at all levels. Overall private sector services maintained December jobs at the November level with government responsible for the net decline on the service side of the economy.

New hires - brought on almost exclusively to fill jobs openings due to retirements or other reasons - dropped from November to December as they usually do to 13,300, but remained the highest December total reported to the department since 2006.

Even with total employment at a record 743,200, employment growth has been slowing since spring. In May, total employment was 15,200 higher than in May 2013. By December the gap closed to 10,700. Idaho's labor force participation rate - the percentage of people aged 16 and over who are working or looking for work - dropped another two-tenths of a percentage point to 62.7 percent, the lowest rate since February 1976.

Job growth was also slowing from the more than 2 percent year-over-year increases posted during the first three quarters of the year. Total jobs in December were 1.7 percent ahead of December 2013, up from 1.6 percent for both October and November.

Nationally, year-over-year job growth had been running under 2 percent during the first eight months of 2014 and has been at or above that level since.

Idaho’s preliminary estimate for average number of jobs in 2014 was just over 654,000, less than 1,000 below the prerecession peak in 2007. Nationally, total jobs were nearly 1 million higher in 2014 than in 2007.

Goods production held its own in December, with a fractionally higher percentage of total jobs than a year earlier.

Unemployment insurance benefit payments continued to run below year-earlier levels, totaling \$10.6 million to a weekly average of 9,400 jobless workers in December. That compared to \$11.5 million in regular benefits paid to a weekly average of 10,600 workers in December 2013 plus another \$2.6 million in federally financed benefits to a weekly average of 2,600. Federally funded benefits ended at the close of 2013.

The number of weekly claims paid in December remained below the 2006 level, the lowest in two decades.

For the seventh straight month, there were no Idaho counties with double-digit unemployment rates. Only six counties posted higher rates in December than in November - Benewah, Franklin, Butte, Gem, Payette and Clearwater.

Twenty-three of Idaho’s 44 counties had rates at or below the statewide rate. The highest was in Clearwater County at 8.6 percent while the lowest was in Gooding County at 2.8 percent.

All five metropolitan areas saw rates decline from November and none posted a rate over 4.5 percent.

Seasonally Adjusted Data	12/14	11/14	12/13
Civilian Labor Force	771,700	772,900	775,700
Unemployment	28,500	30,100	43,300
% Labor Force Unemployed	3.7	3.9	5.6
Total Employment	743,200	742,800	732,400
Unadjusted Forecast Data			
Civilian Labor Force	768,000	770,500	772,900
Unemployment	28,400	29,100	42,300
% Labor Force Unemployed	3.7	3.8	5.5
Total Employment	739,600	741,400	730,600

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