

# Economic and Labor Force Conditions



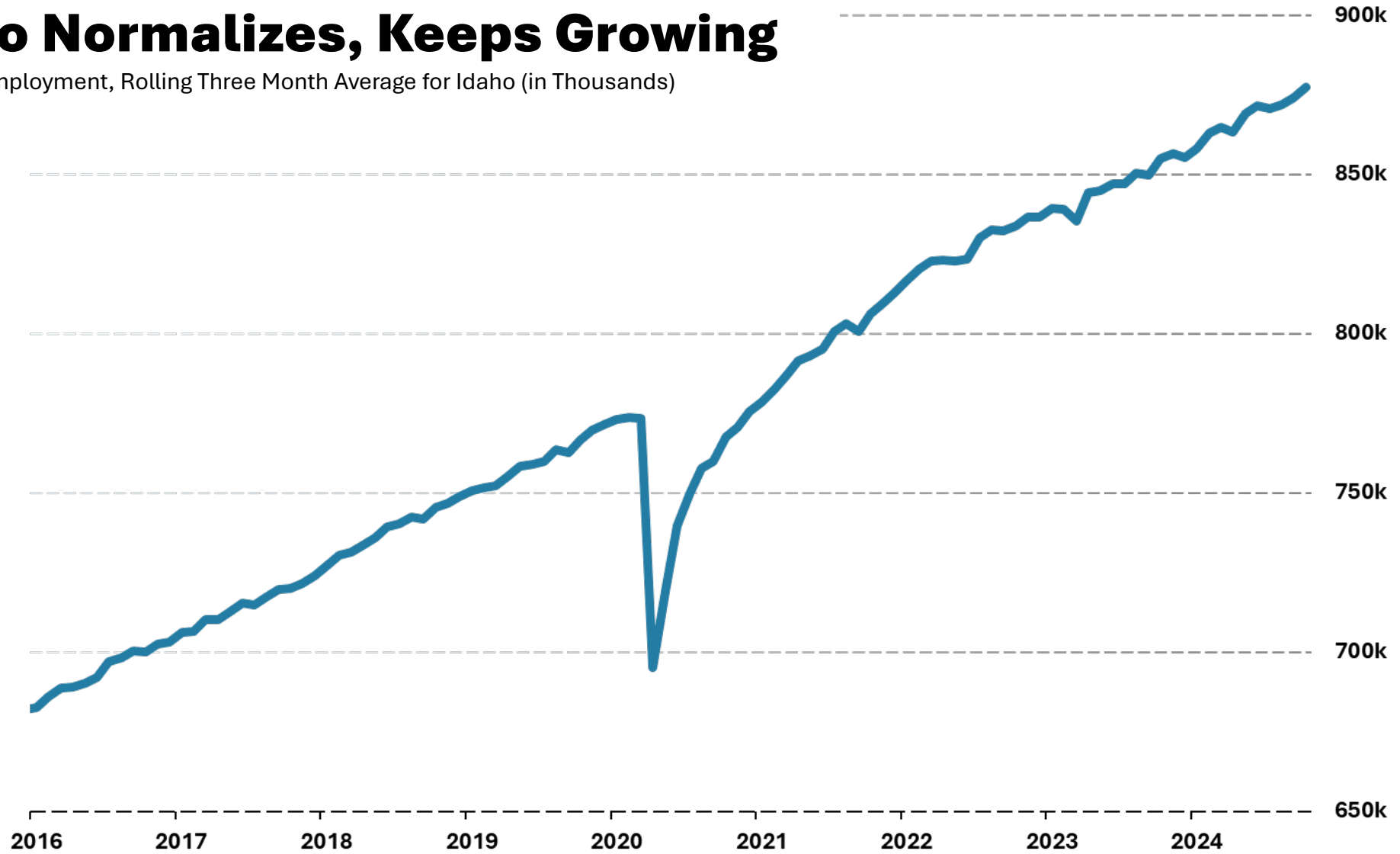
Sam Wolkenhauer, Labor Economist

February 2025



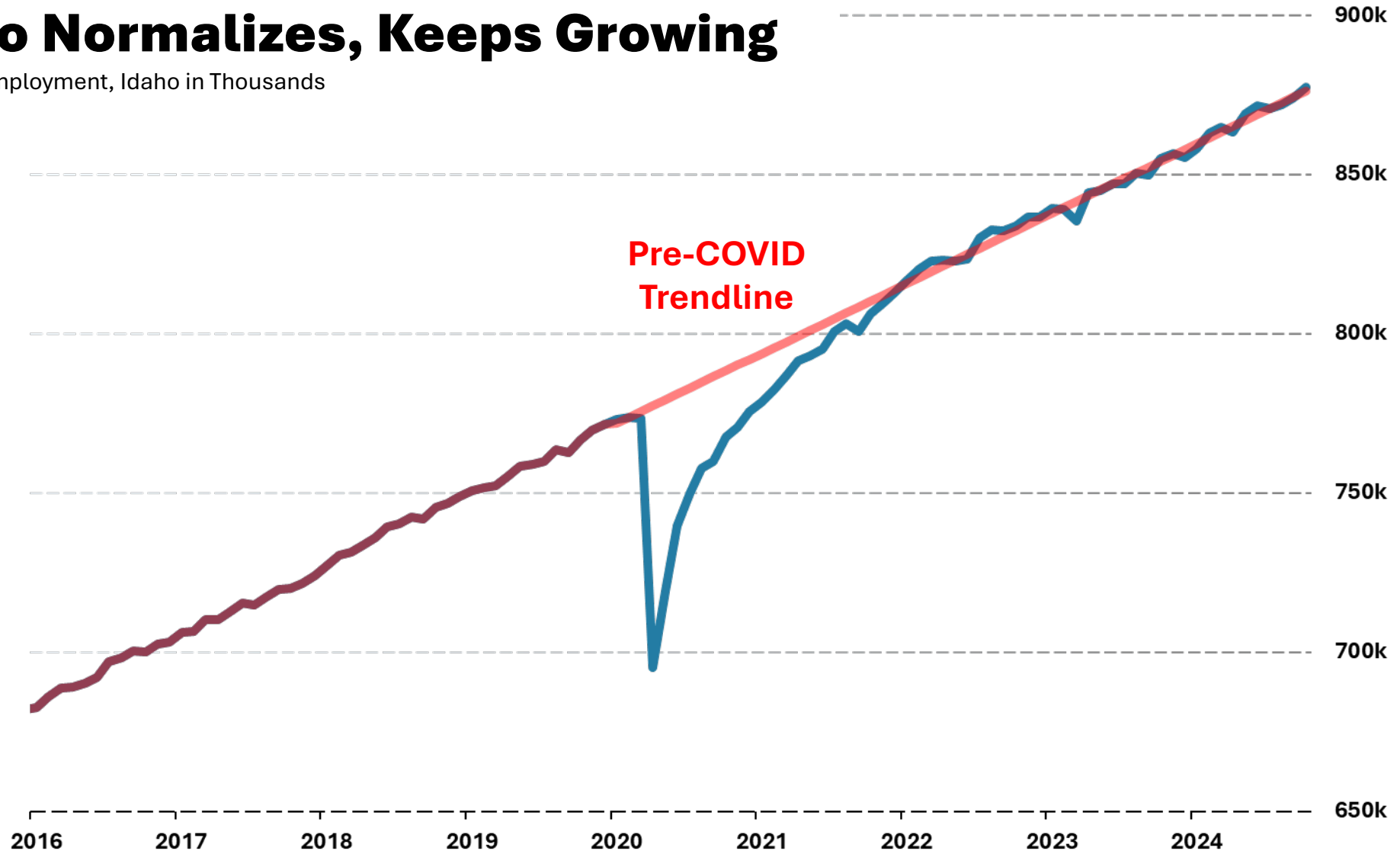
# Idaho Normalizes, Keeps Growing

Nonfarm Employment, Rolling Three Month Average for Idaho (in Thousands)



# Idaho Normalizes, Keeps Growing

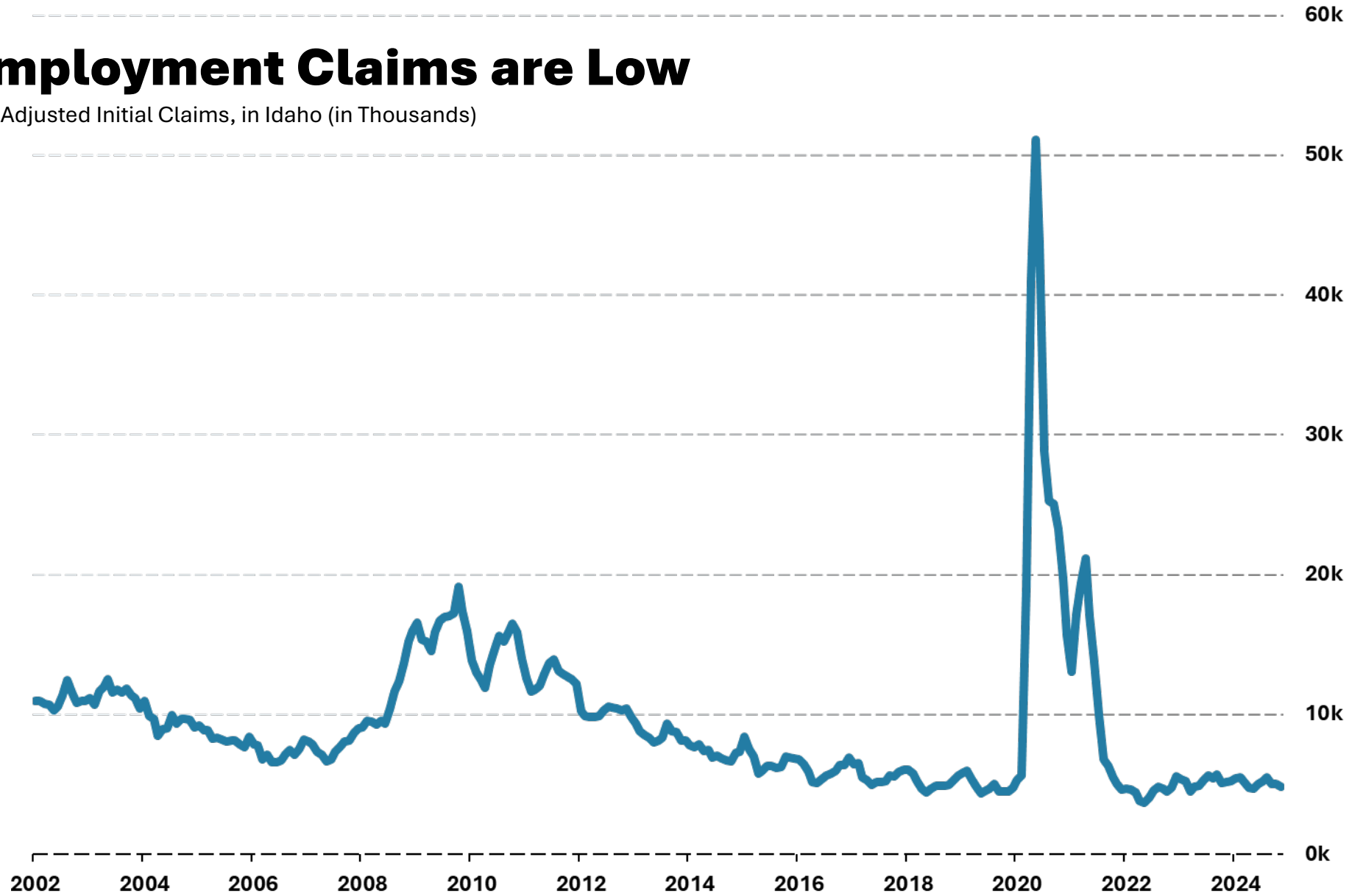
Nonfarm Employment, Idaho in Thousands





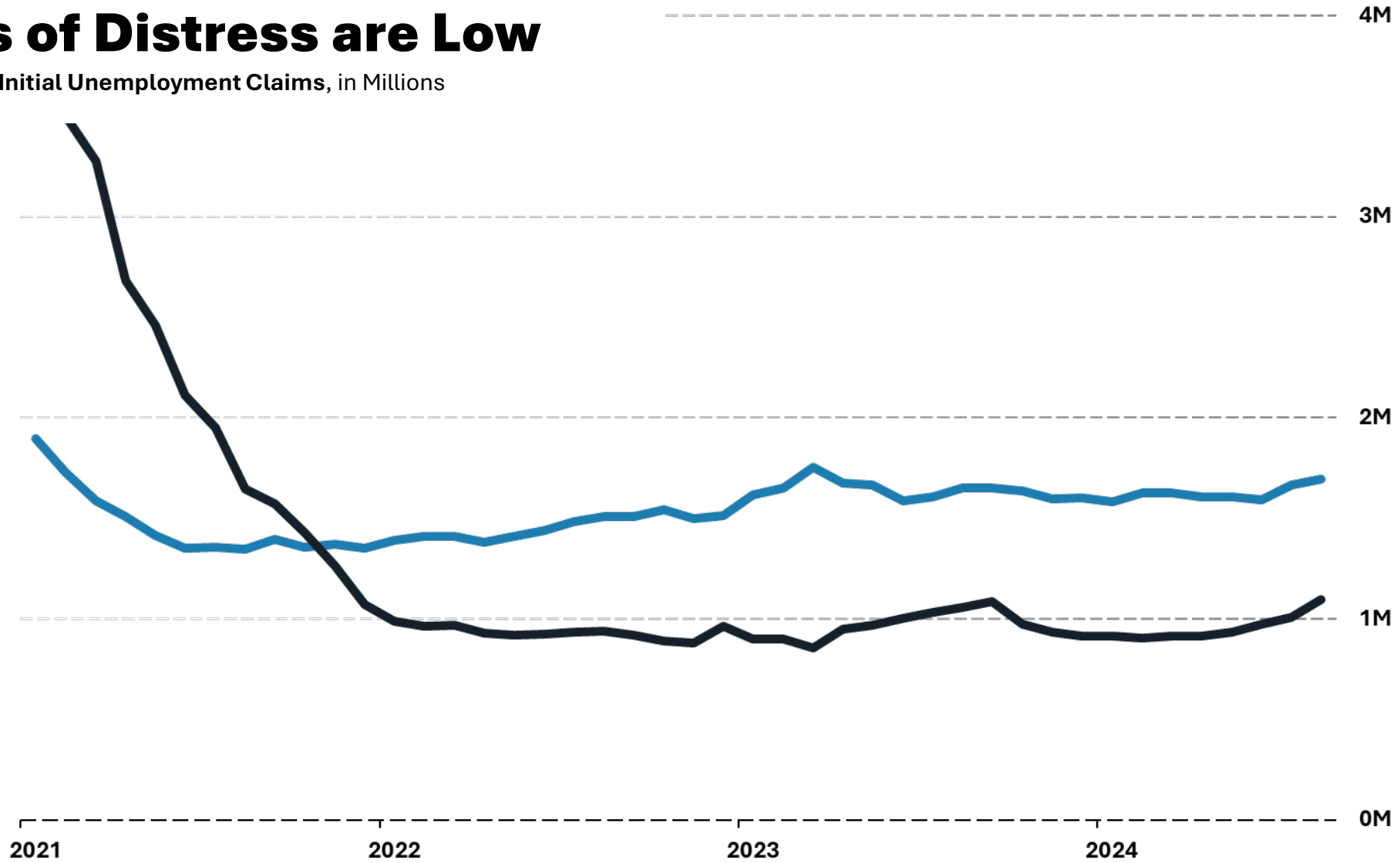
# Unemployment Claims are Low

Seasonally Adjusted Initial Claims, in Idaho (in Thousands)



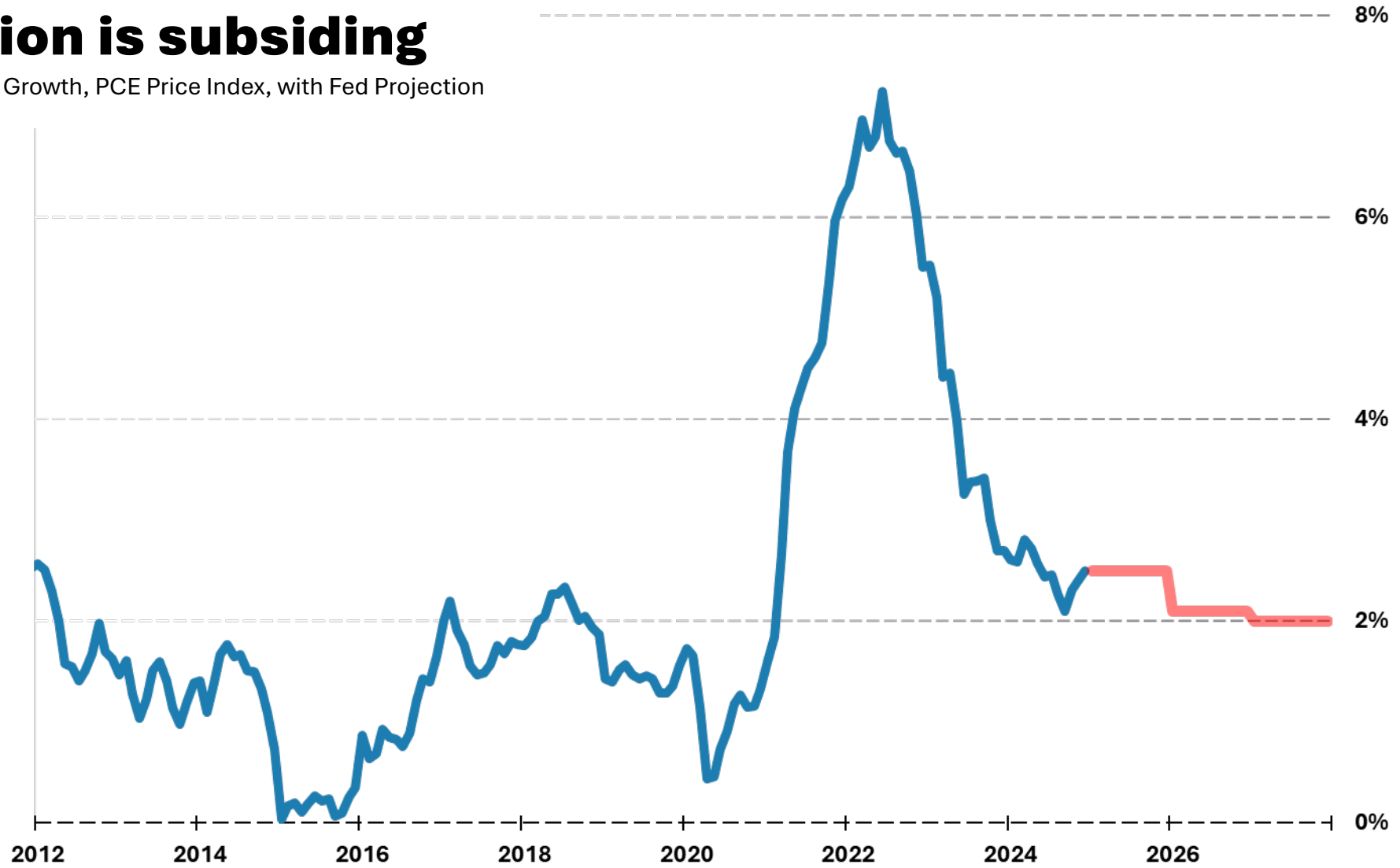
# Signs of Distress are Low

Layoffs and Initial Unemployment Claims, in Millions



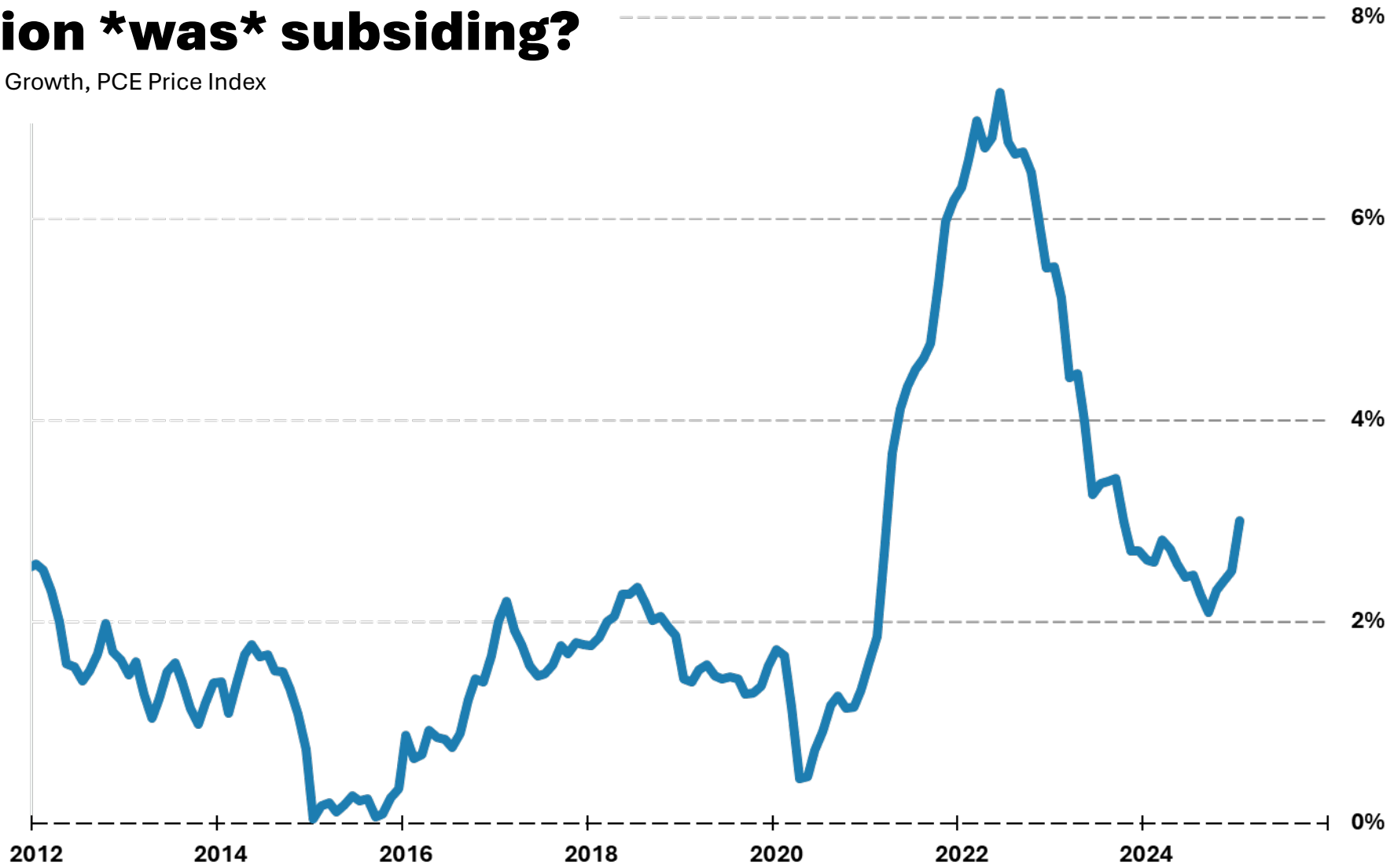
# Inflation is subsiding

Year over Year Growth, PCE Price Index, with Fed Projection



# Inflation **\*was\*** subsiding?

Year over Year Growth, PCE Price Index



# Waller Down Under

Fed Governor Christopher Waller at the University of New South Wales, February 17

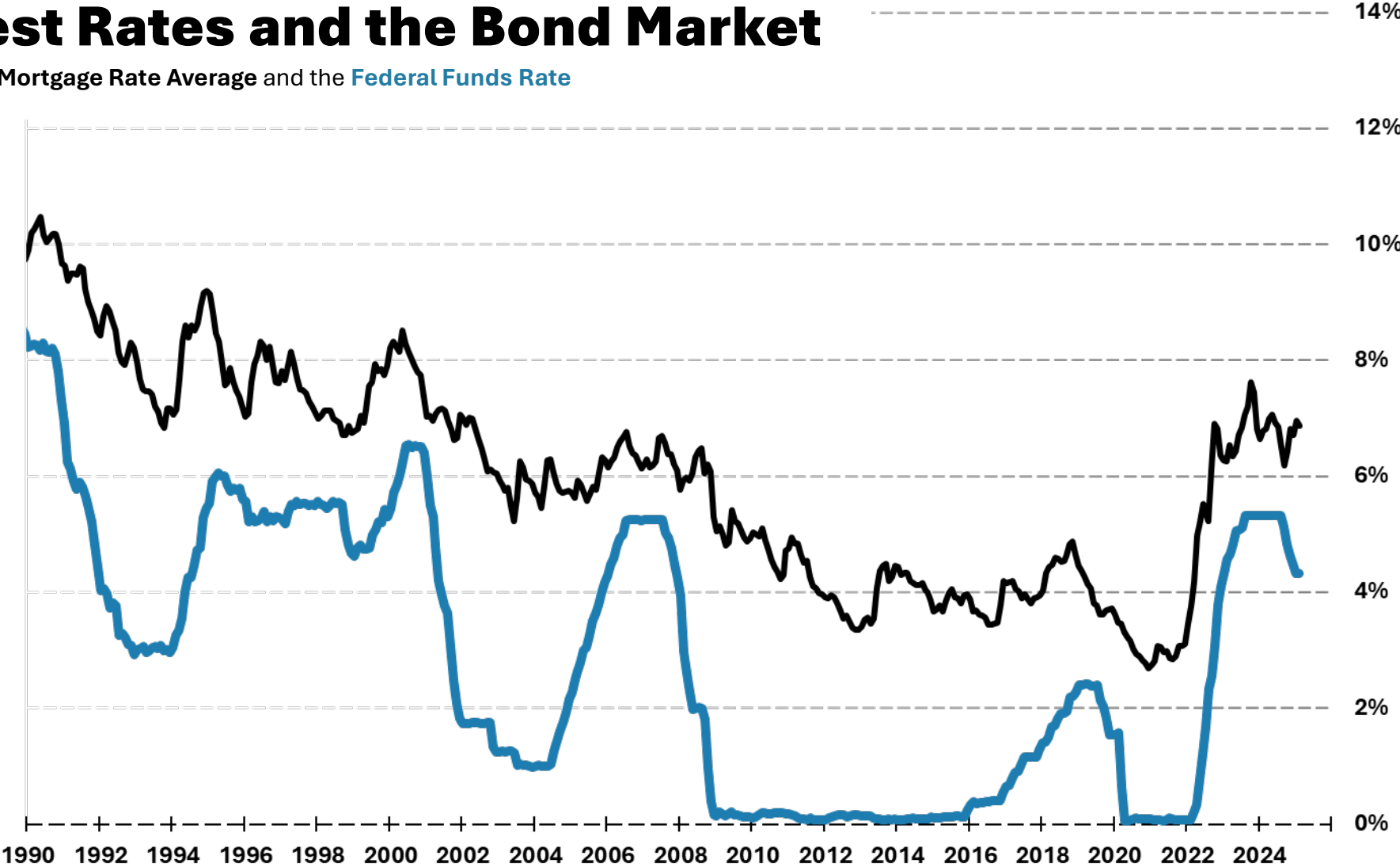
“I believe a pause in rate cuts is appropriate. Assuming the labor market continues to be in rough balance, I can wait and see if the higher inflation readings in January moderate...

The data are not supporting a reduction in the policy rate at this time. But if 2025 plays out like 2024, rate cuts would be appropriate at some point this year.”



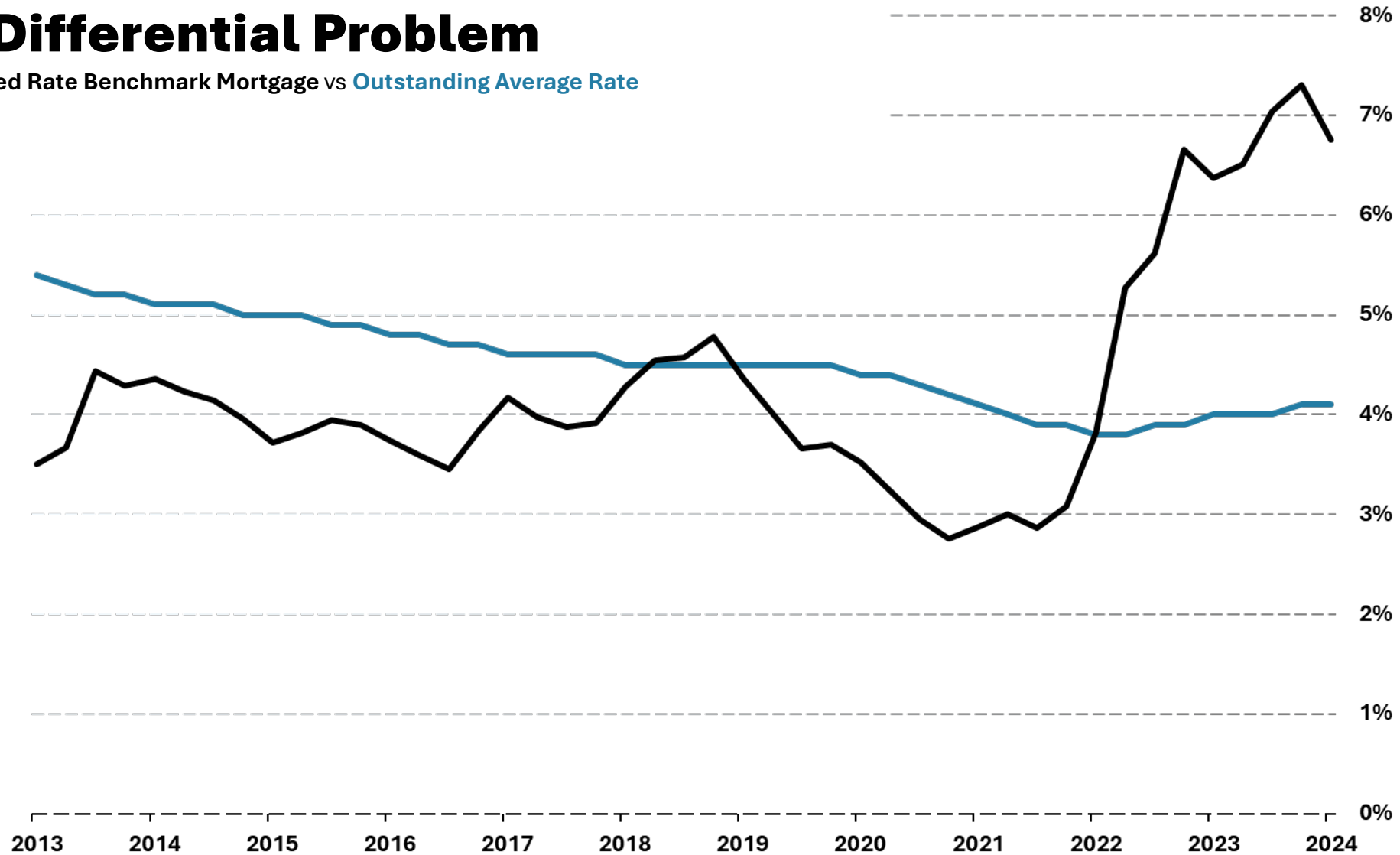
# Interest Rates and the Bond Market

30 Year Fixed Mortgage Rate Average and the [Federal Funds Rate](#)



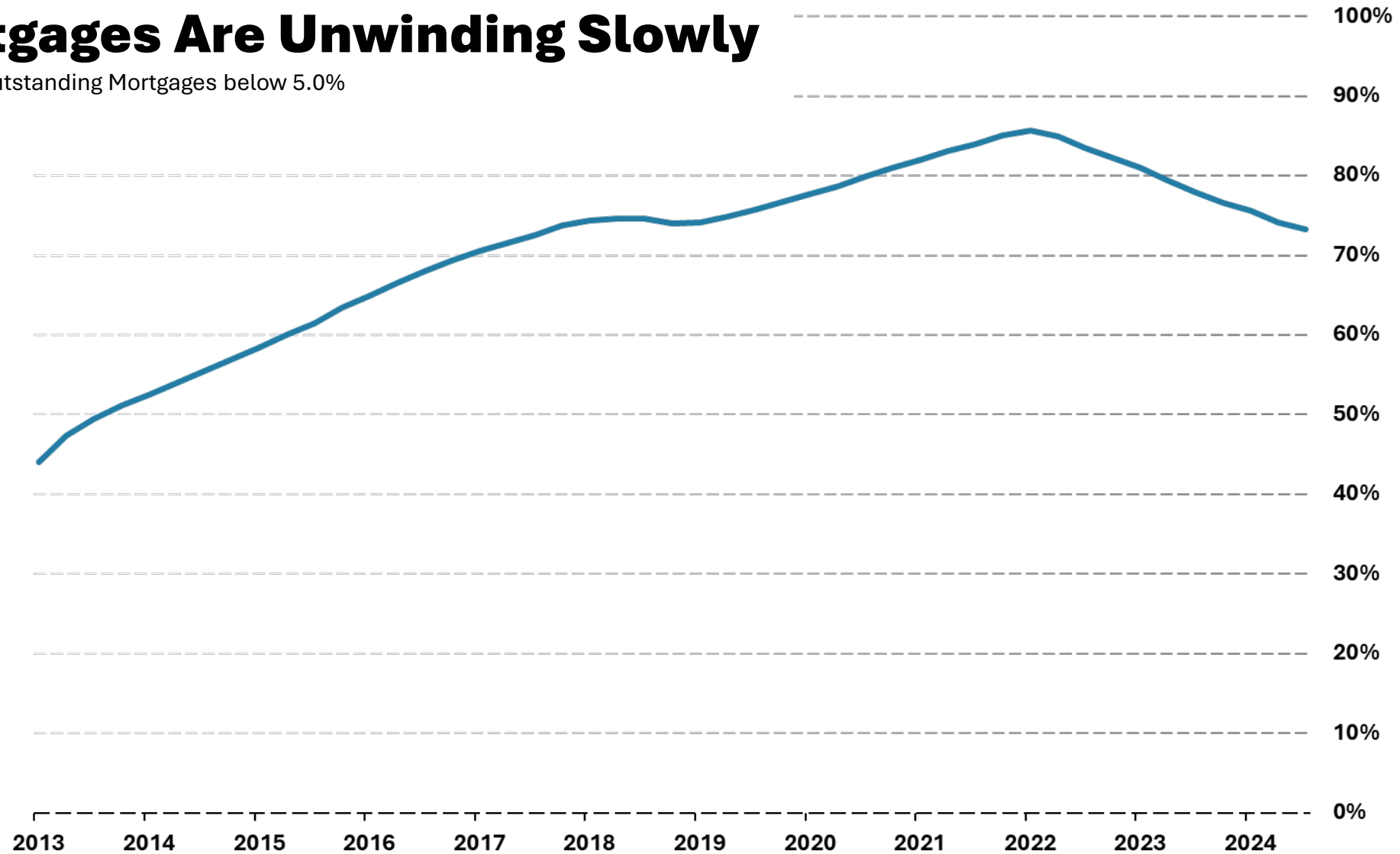
# The Differential Problem

30 Year Fixed Rate Benchmark Mortgage vs Outstanding Average Rate



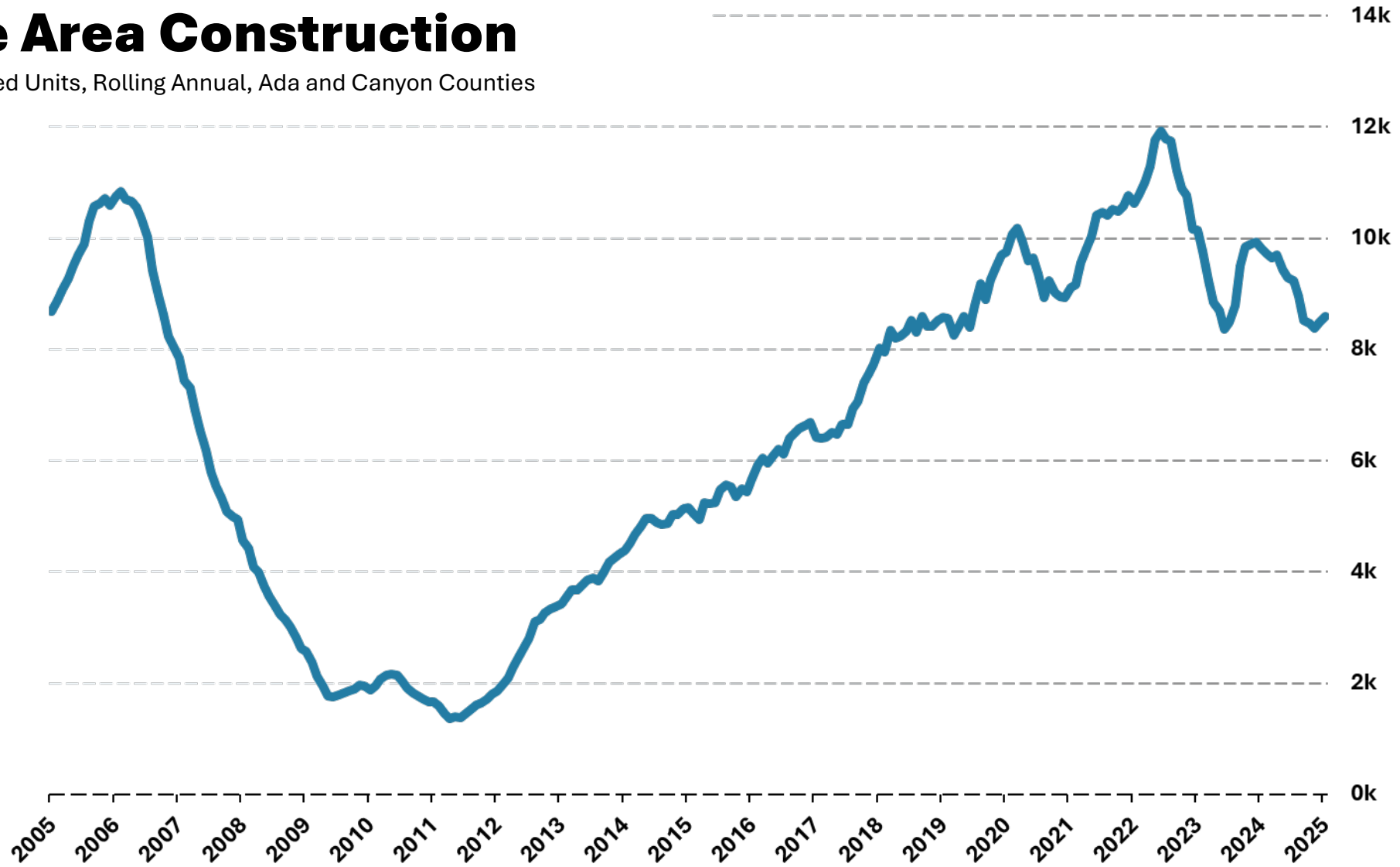
# Mortgages Are Unwinding Slowly

Share of Outstanding Mortgages below 5.0%



# Boise Area Construction

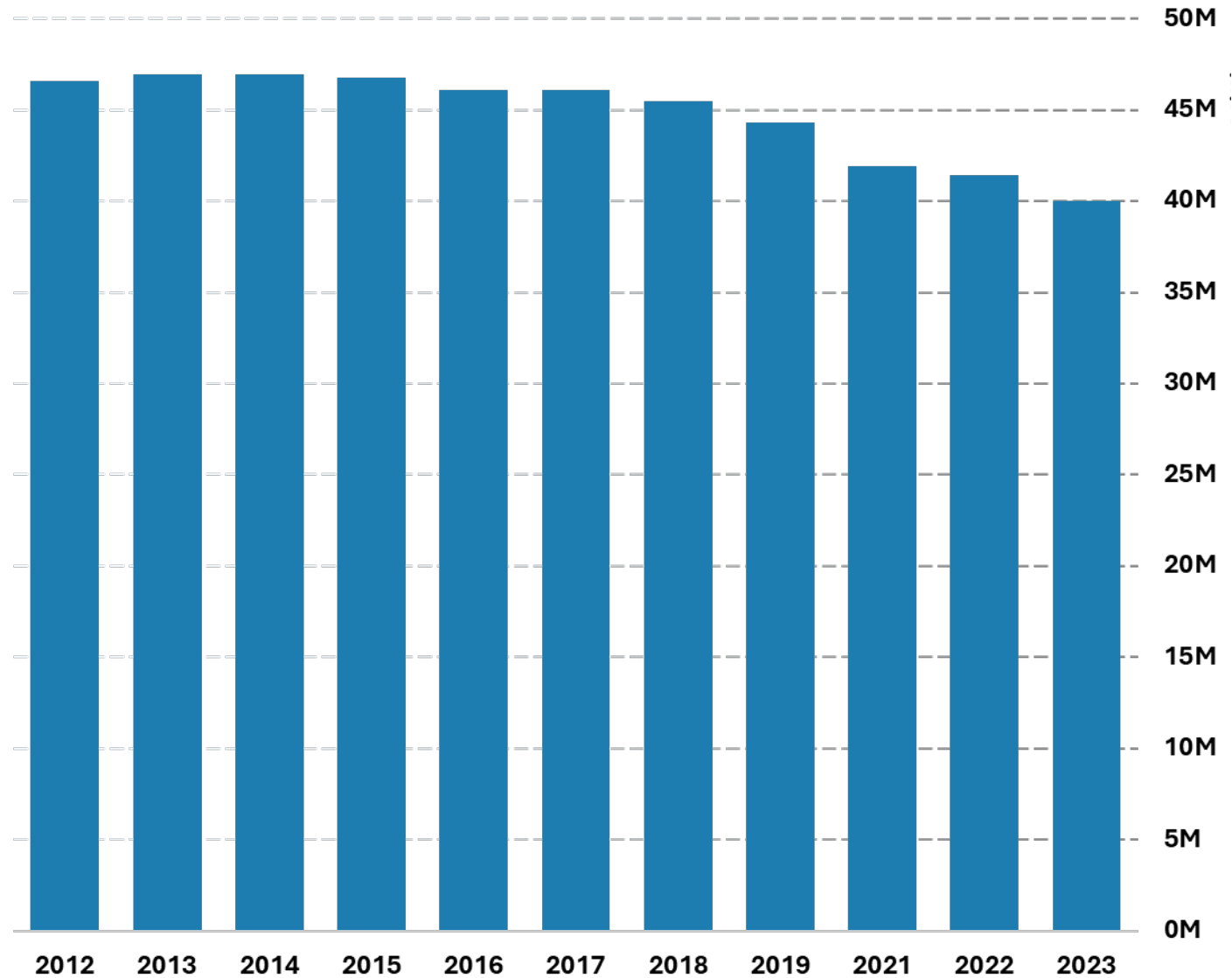
Total Permitted Units, Rolling Annual, Ada and Canyon Counties



# Declining American Mobility

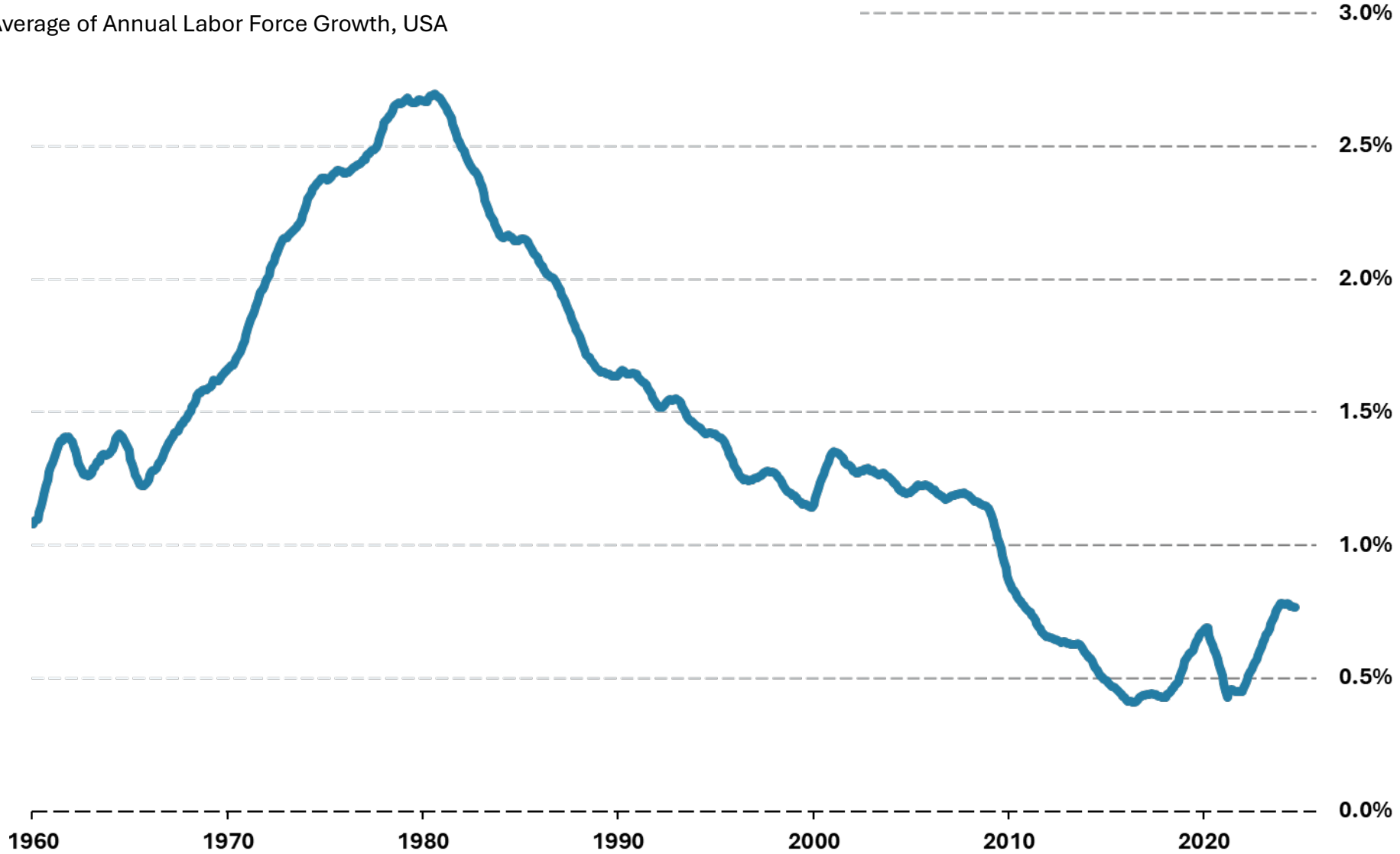
Total American Residents moving  
between residences annually

\*2020 Unavailable due to Census  
Disruptions



# Labor Force Growth has Cratered

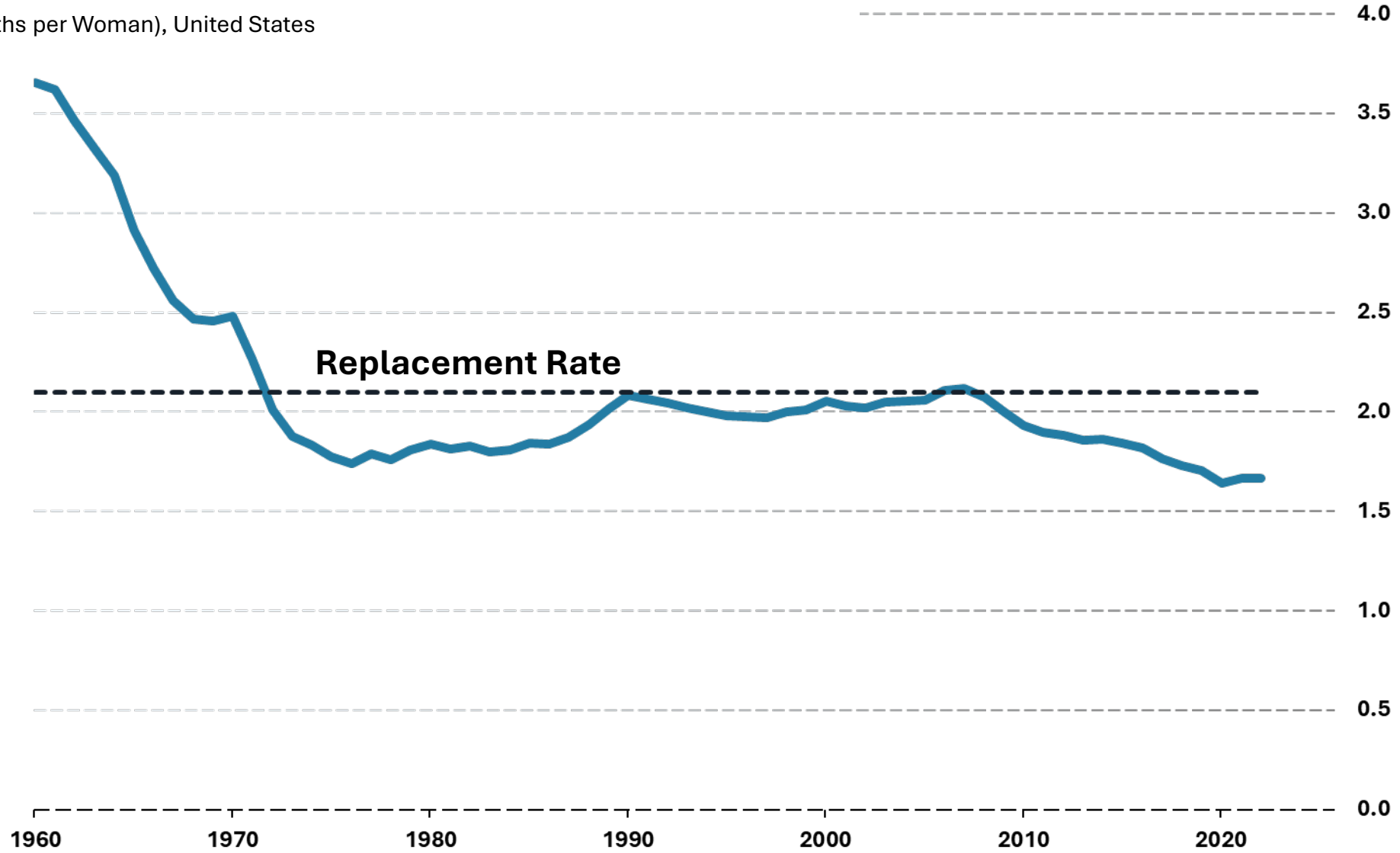
Ten Year Rolling Average of Annual Labor Force Growth, USA





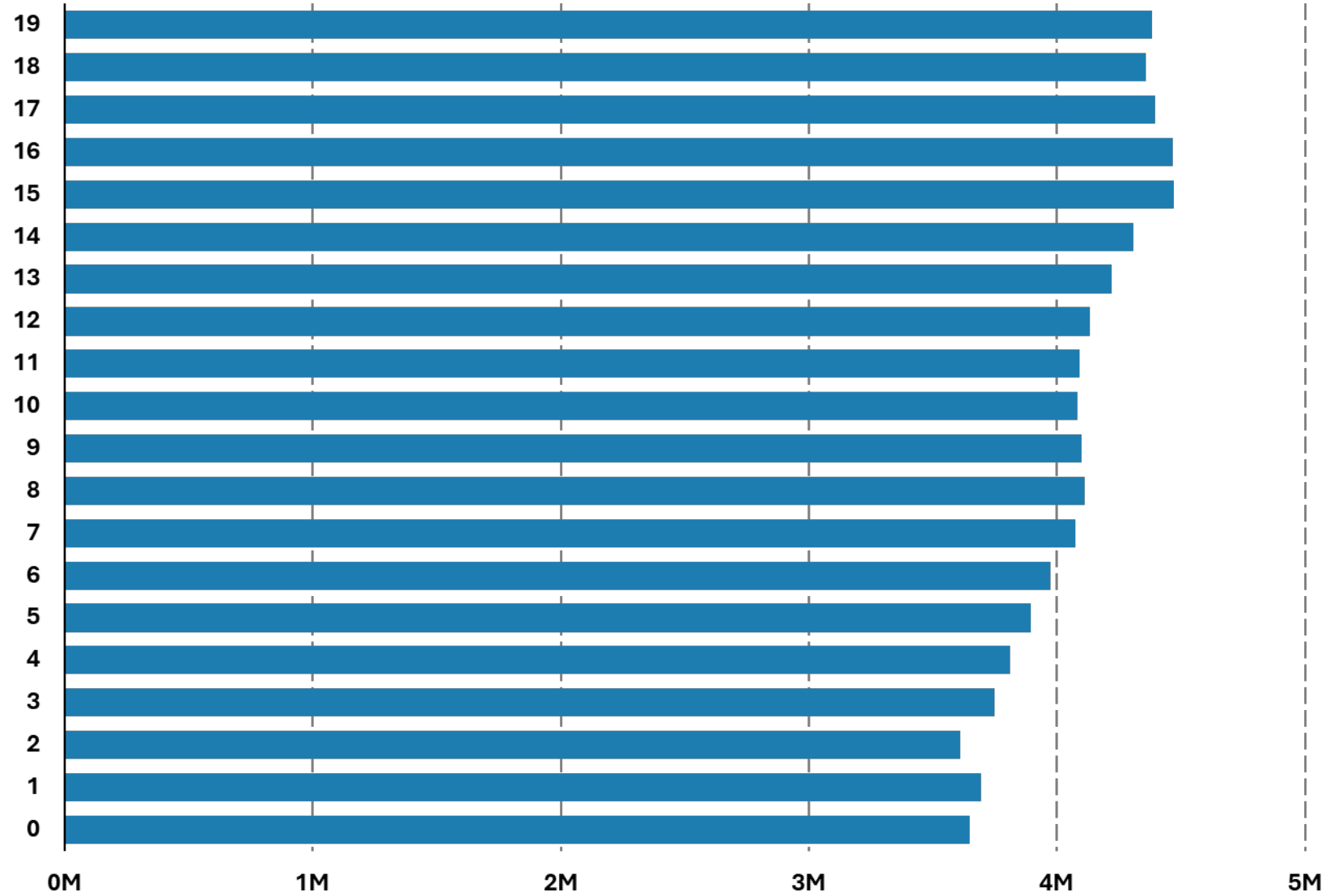
# Birth Rates Continue To Decline

Fertility Rate (Births per Woman), United States



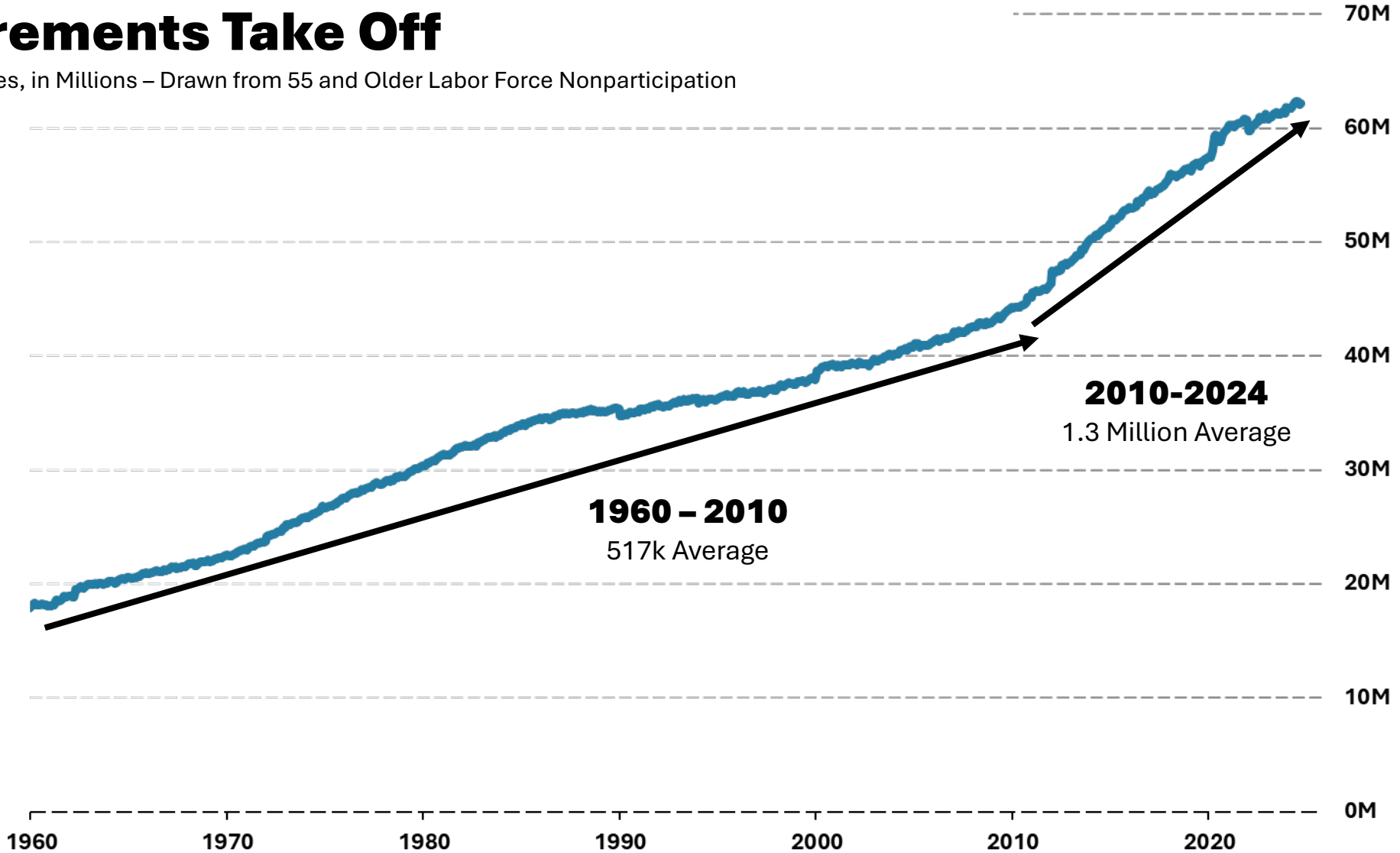
# America's Tapering Youth Population

Single Age Population, United States



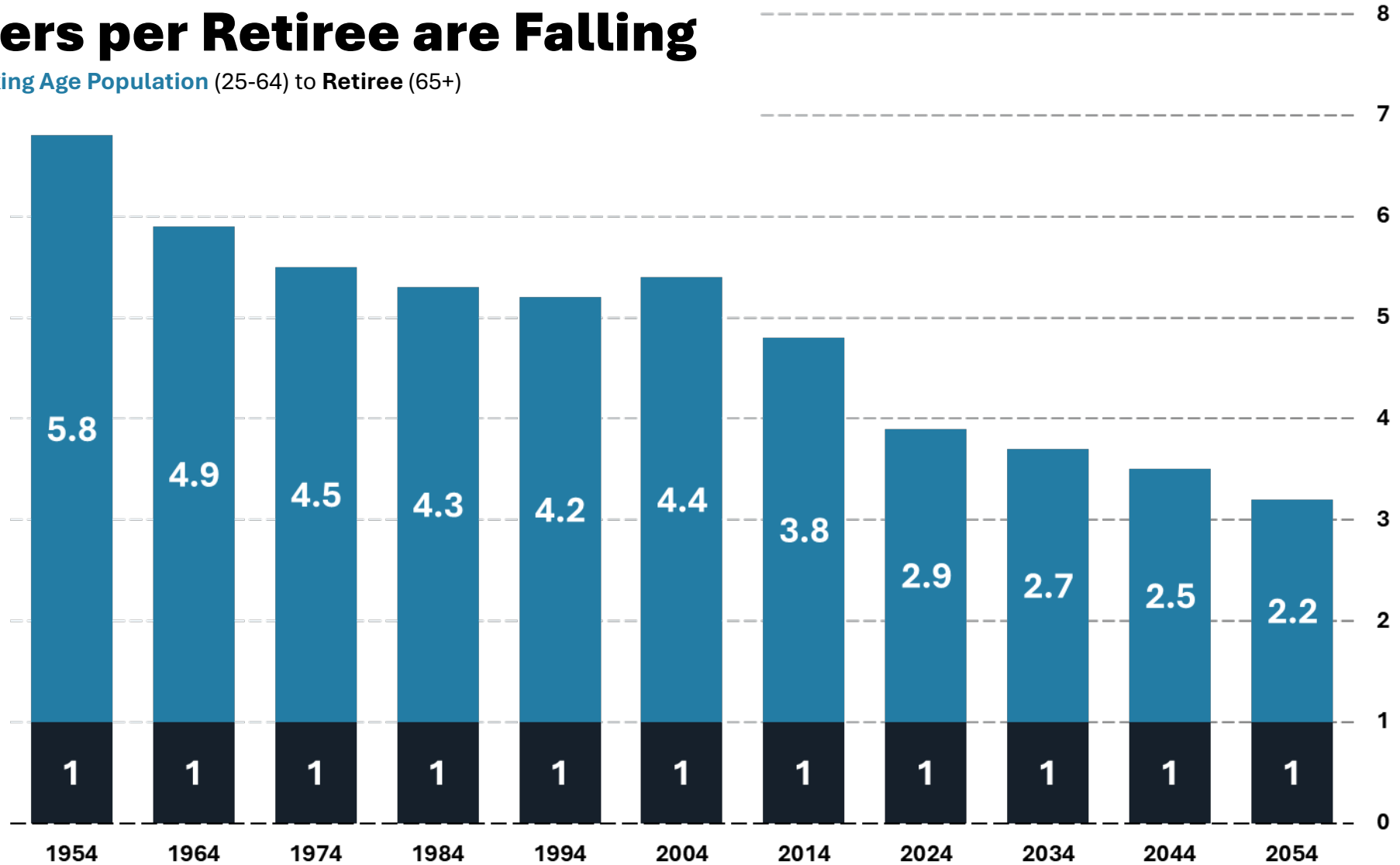
# Retirements Take Off

Total Retirees, in Millions – Drawn from 55 and Older Labor Force Nonparticipation



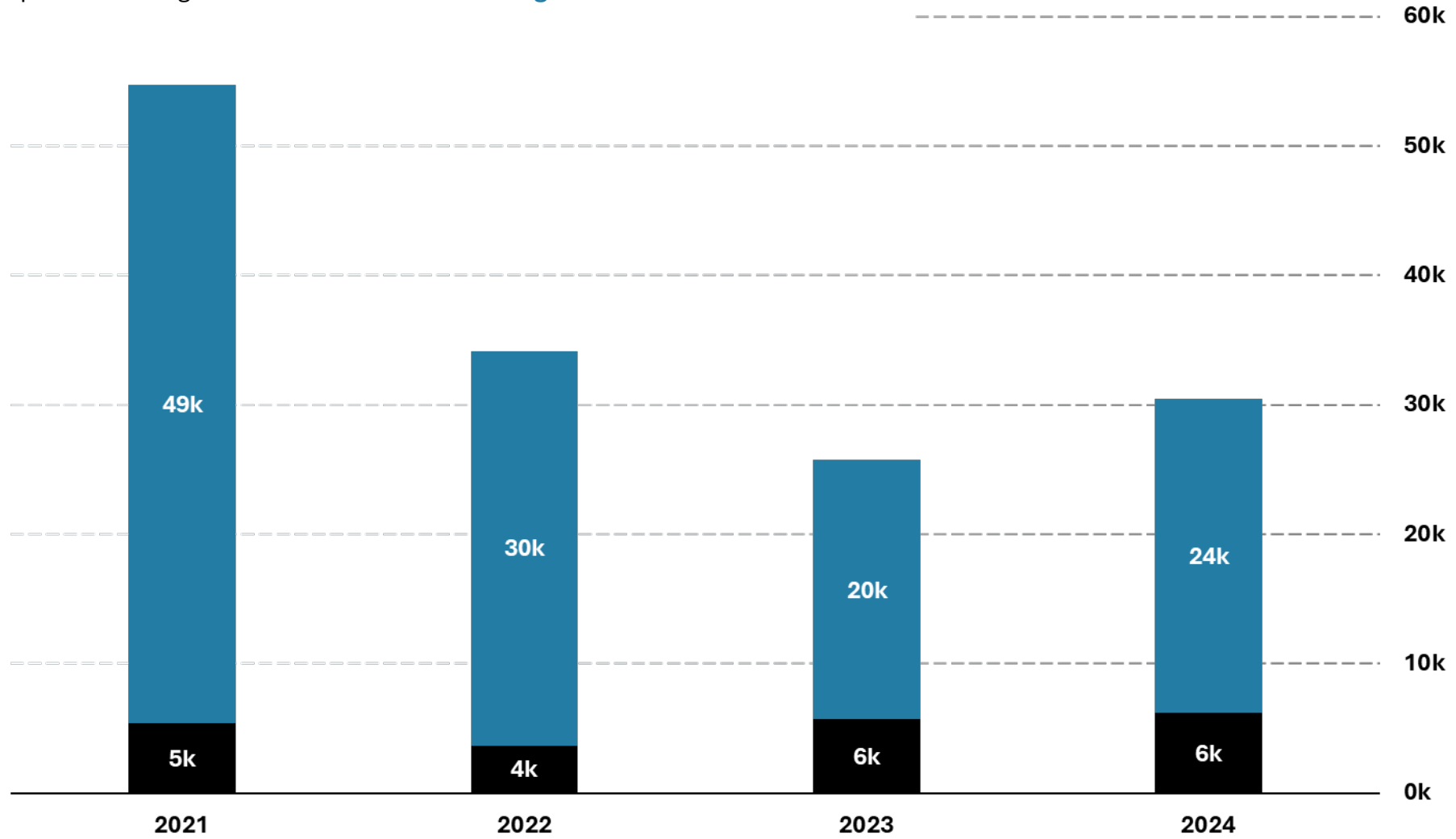
# Workers per Retiree are Falling

Ratio of **Working Age Population** (25-64) to **Retiree** (65+)



# Population Growth in Idaho

Components of Population Change – Natural Growth and Net Migration



## **Big Picture: Normalizing in Idaho?**

- Idaho's economy thrived through five years of volatility.
- Inflation isn't softening as fast as we might like. Close, but not quite there. This means slower rate cuts and caution.
- Mortgage rates have outsized influence for Idaho. The demographics are not good – we rely on household mobility for growth.



For more information on Idaho's workforce,  
please visit [LMI.IDAHO.GOV](https://lmi.idaho.gov)

# Questions?

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