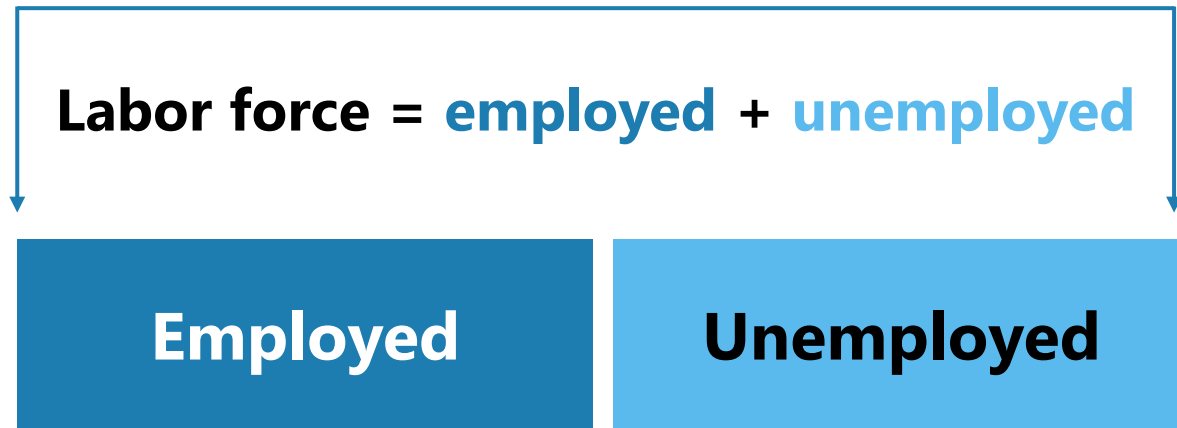


Idaho's marginal labor force: Overlooked and underutilized?

Lisa Grigg, labor economist
August 2025



Three states of labor force



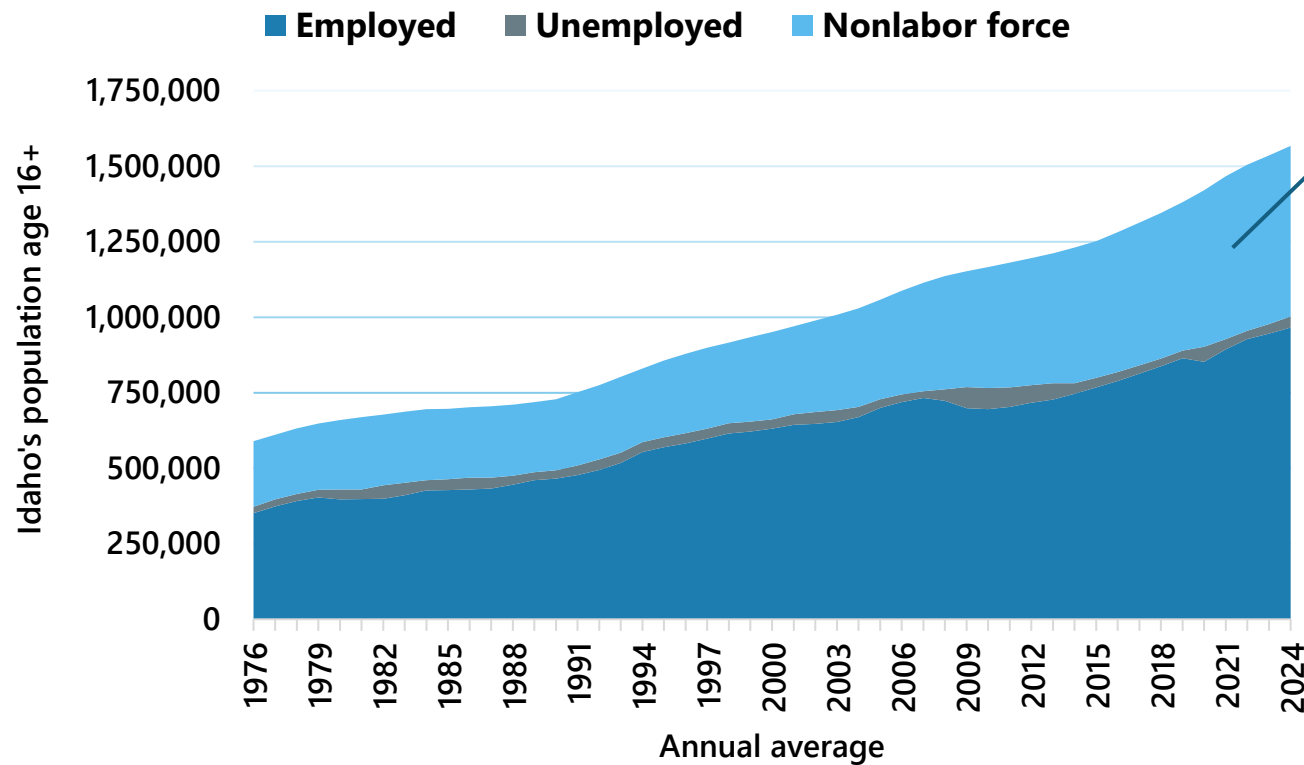
- Actively seeking a job
- Available and willing to work
- Includes work separations and new labor force entrants

The **marginal labor force** are those people who want a job but are neither employed nor actively looking for work.

Not in labor force

- May or may not want a job
- Marginal labor force is a subset of this population
- Also includes retirees, students, homemakers and more

Idaho employment status, age 16+



Who are the half million people not in Idaho's labor force?

Retirees

Students

Homemakers

Discouraged workers

Other reasons:

- Health
- Family
- Transportation

What is the marginal labor force?

The marginal labor force is an official term adopted by the U.S. Bureau of Labor Statistics.

- It represents those seeking employment, but they have not done an active job search over the last month and do not meet the definition of being unemployed.
 - Active versus passive job search is a defining factor of whether a person is/is not a labor force participant
 - Passive job search activities include scrolling job listings or attending a job training/workshop
 - Active job search activities include updating a resume, attending a job fair, contacting employers or applying for open positions.
- Since 1994, this population has been designated as having completed an active job search within the last 12 months, but not within the most recent month.
- Those in the marginal labor force will become part of the labor force once they 1) become employed or 2) begin an active search for employment.

Estimating the marginal labor force

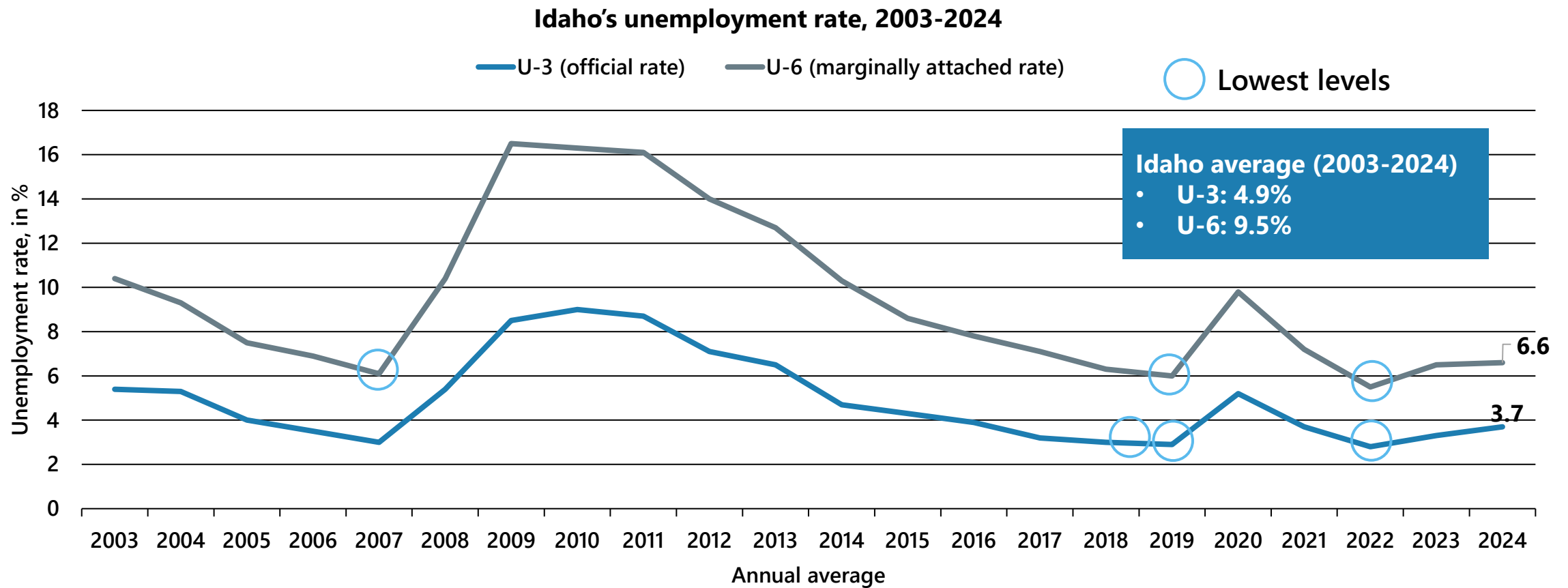
Alternative measures of labor underutilization

- U-1. Unemployed 15+ weeks, as percentage of civilian labor force
- U-2. Job losers and people who completed temporary jobs, as percentage of civilian labor force
- U-3. Total unemployed, as percentage of civilian labor force (official rate reported)

The marginal labor force includes:

- ➡ • **U-4. U-3 + discouraged workers**, as percentage of civilian labor force + discouraged workers
- ➡ • **U-5. U-4 + all other people marginally attached to the labor force**, as percentage of civilian labor force + all marginally attached people
- ➡ • **U-6. U-5 + total employed part time for economic reasons**, as percentage of civilian labor force + all marginally attached people

Labor underutilization in Idaho



Job market paradox

Both parties of the labor market feel **stress, frustration and burnout** during the job search process.

Higher visibility = better chance of success for both sides

Employers

- Unable to fill positions
- Low number of applicants
- Market wage rates rising rapidly

Marginal labor force

- Cannot find a job, but want one
- Do not apply to job listings due to mismatch of job location, schedule, skills or more
- Has searched for a job within the last year, but not within the most recent month

Causes of marginal attachment

Voluntary reasons

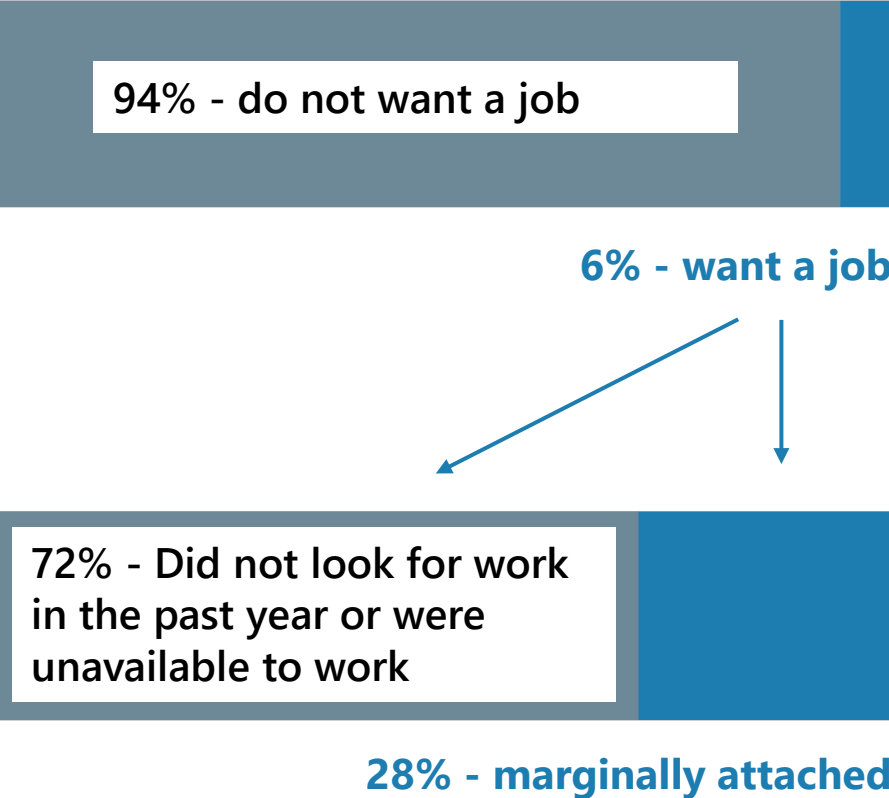
- Student, training
- Family obligations
- Temporary leave of absence

Involuntary reasons

- Discouraged due to lack of job prospects
- Lack of child care, transportation or other resources
- Outdated skill set
- Health, disability

Estimates of Idaho's marginal labor force

U.S. nonlabor force, 2024

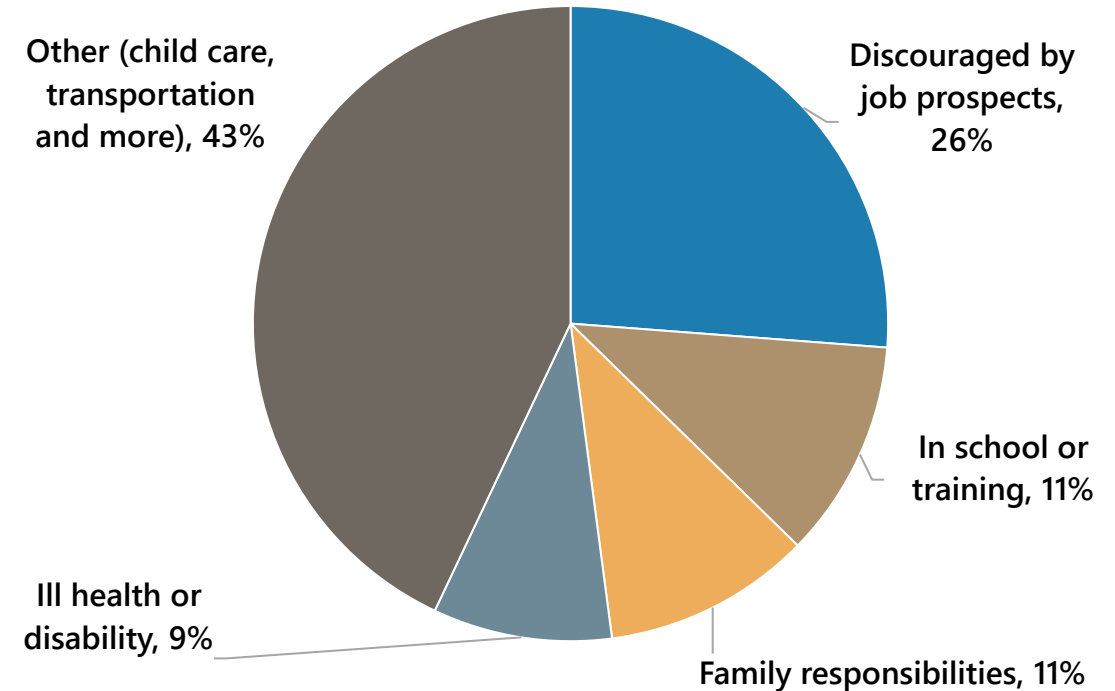


| Idaho, 2024 | Idaho population estimate, age 16+ | % willing and available for work | # willing and available to work |
|--------------------------|------------------------------------|----------------------------------|---------------------------------|
| Nonlabor force | 555,000 | 6% | 33,000 |
| Want a job | 33,000 | 28% | 9,000 |
| Total unemployed persons | 37,000 | 100% | 37,000 |

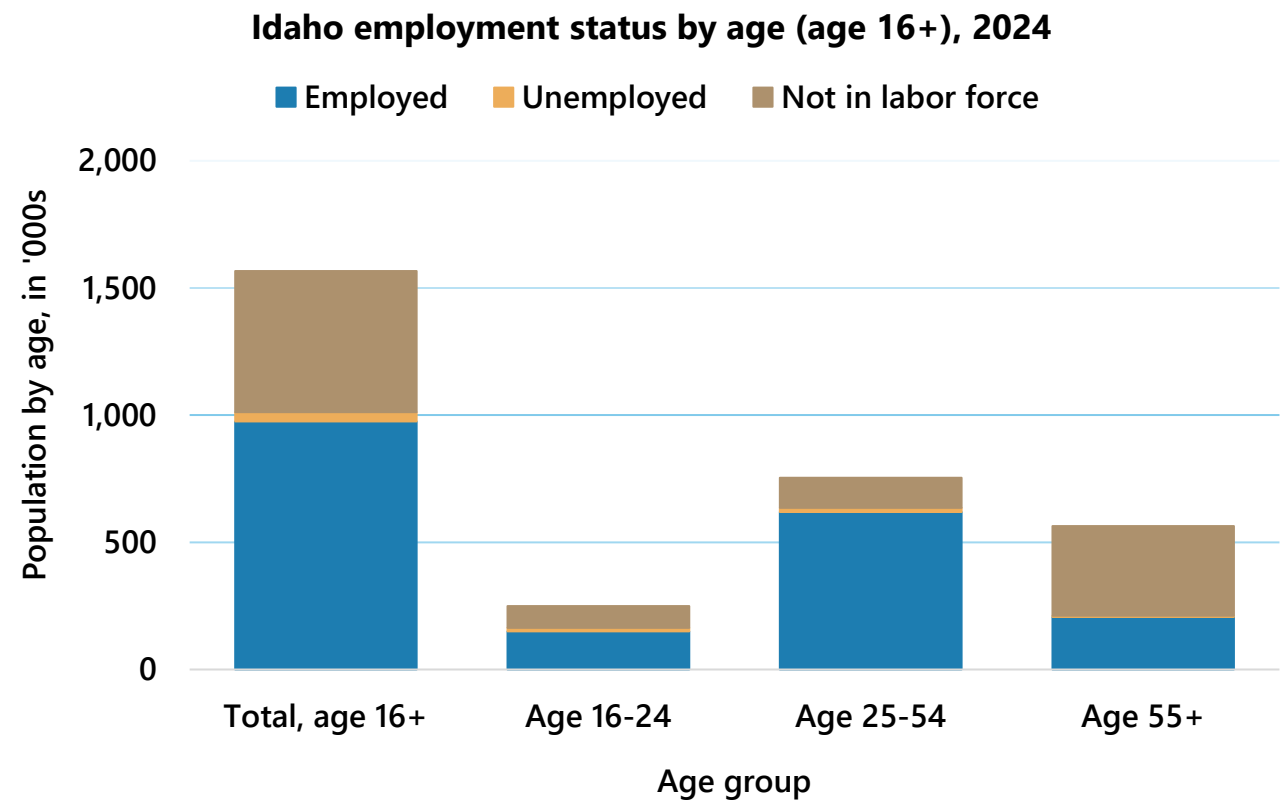
Does the marginal labor force share common characteristics?

- Likely to be found in populations with lower labor force participation rates
- May have barriers to employment and need additional resources to initially overcome them

Reasons given for being marginally attached, 2024



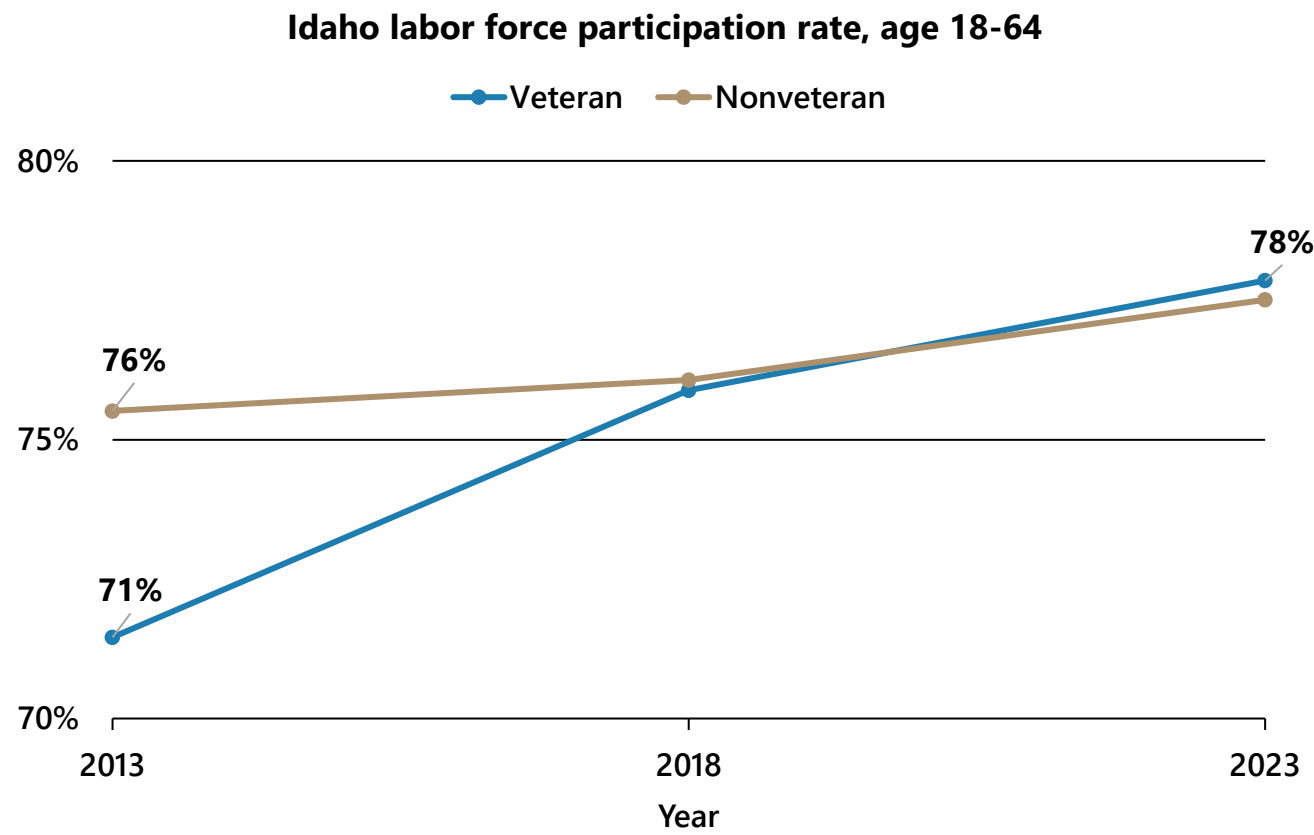
Idaho's labor force participation by age



| Idaho's labor force status | Labor force participation rate | Population not in labor force |
|----------------------------|--------------------------------|-------------------------------|
| Total | 64% | 555,000 |
| Age 16-24 | 66% | 85,000 |
| Age 25-54 | 84% | 120,000 |
| Age 55+ | 38% | 350,000 |

Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics, "Employment Status by Age, 2024".

Idaho's labor force participation by veteran status



Idaho veteran labor force participation rate by age group, 2013 and 2023

| | 2013 | 2023 |
|-----------|------|------|
| Age 18-64 | 71% | 78% |
| Age 18-34 | 81% | 79% |
| Age 35-54 | 84% | 86% |
| Age 55-64 | 53% | 66% |

Source U.S. Census Bureau, American Community Survey in 2013, 2018 and 2023

Labor force participation rates

Labor force participation rate of select populations in Idaho, 2023

Disability (age 18-64)



Educational attainment (age 25-64)



Poverty (age 20-64)



Females and children (age 20-64)



Is the marginal labor force employable?

“...the likelihood of becoming employed decreases the longer one is unemployed.”

U.S. Bureau of Labor Statistics,
“*Issues in Labor Statistics*”, May 2011

Upcoming Events

This Week

Wednesday, August 20, 2025

2:00pm to 3:30pm

● Workshop

Thursday, August 21, 2025

2:00pm to 3:30pm

● Workshop

Tuesday, August 26, 2025

10:00am to 11:00am

● Workshop

Tuesday, August 26, 2025

2:00pm to 3:30pm

● Workshop

Tuesday, August 26, 2025

3:00pm to 4:00pm

● Workshop

Tuesday, August 26, 2025

3:00pm to 4:30pm

● Workshop

Maximize Your Job Search Workshop

Boise, Idaho

[Event Details >](#)

Interviewing Workshop

Boise, Idaho

[Event Details >](#)

Resume/Practice Interviewing Workshop

Post Falls, Idaho

[Event Details >](#)

Resume Workshop

Boise, Idaho

[Event Details >](#)

Computer Basics for Job Seekers-Idaho Falls

Idaho Falls, Idaho

[Event Details >](#)

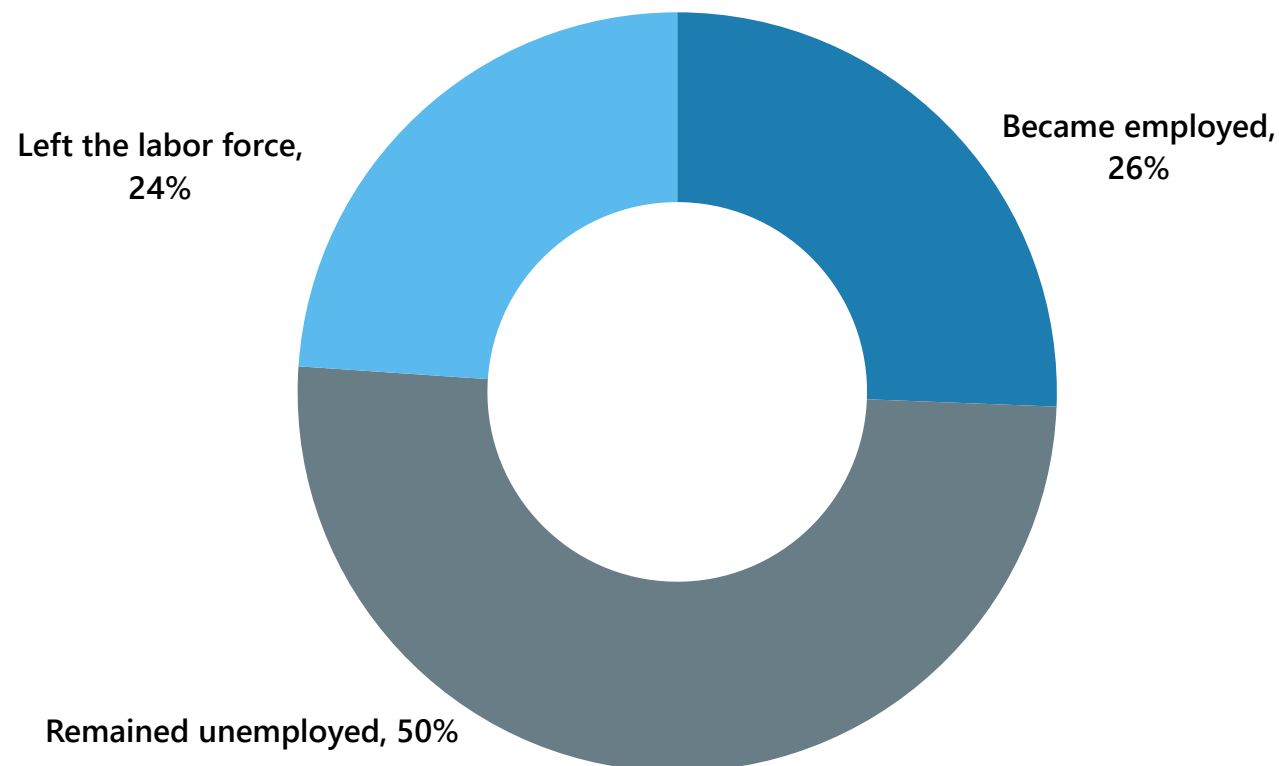
Computer Basics for Job Seekers - Lewiston

Lewiston, Idaho

[Event Details >](#)

Labor market friction

**Current labor status of
U.S. unemployed
persons in June 2025
vs. July 2025**



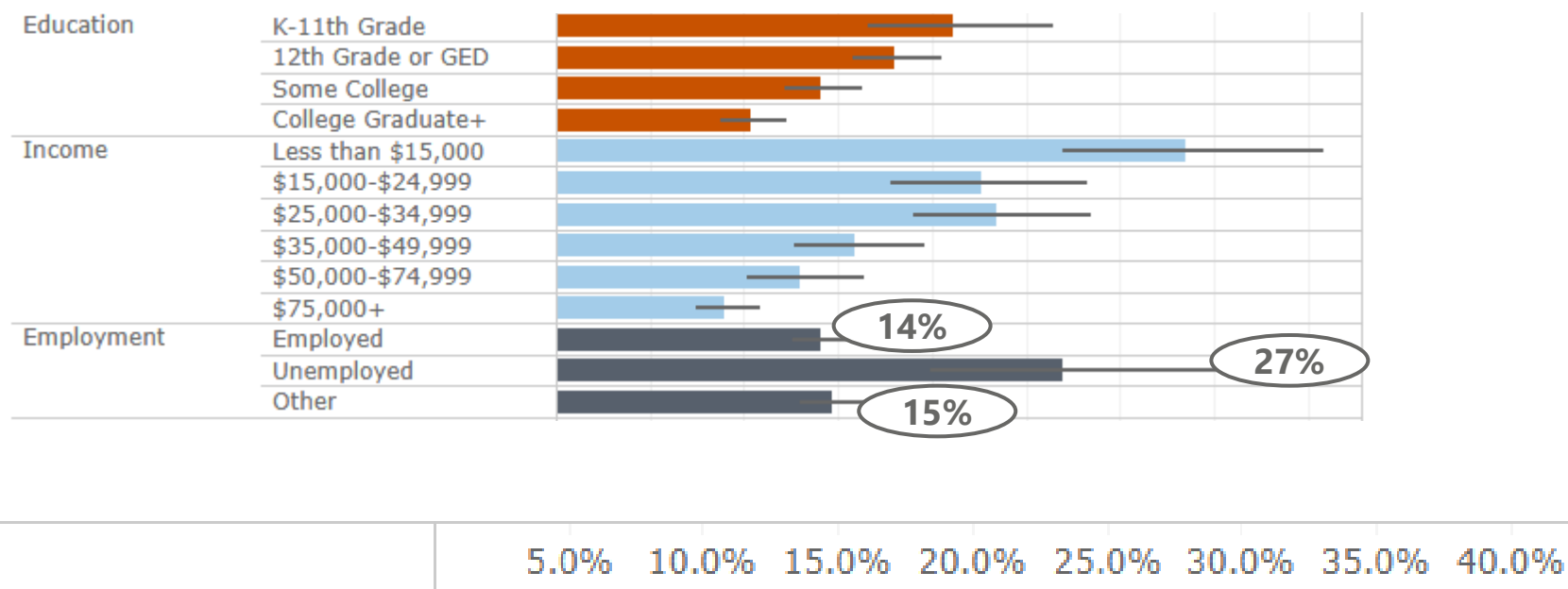
Source: U.S. Bureau of Labor Statistics, Labor force status flows from the Current Population Survey, July 2025

[Imi.idaho.gov](https://imi.idaho.gov)

IDAHO
DEPARTMENT OF LABOR

Unemployed and mental health

Adults who report 14 or more days of poor mental health in the previous month, 2023
Idaho



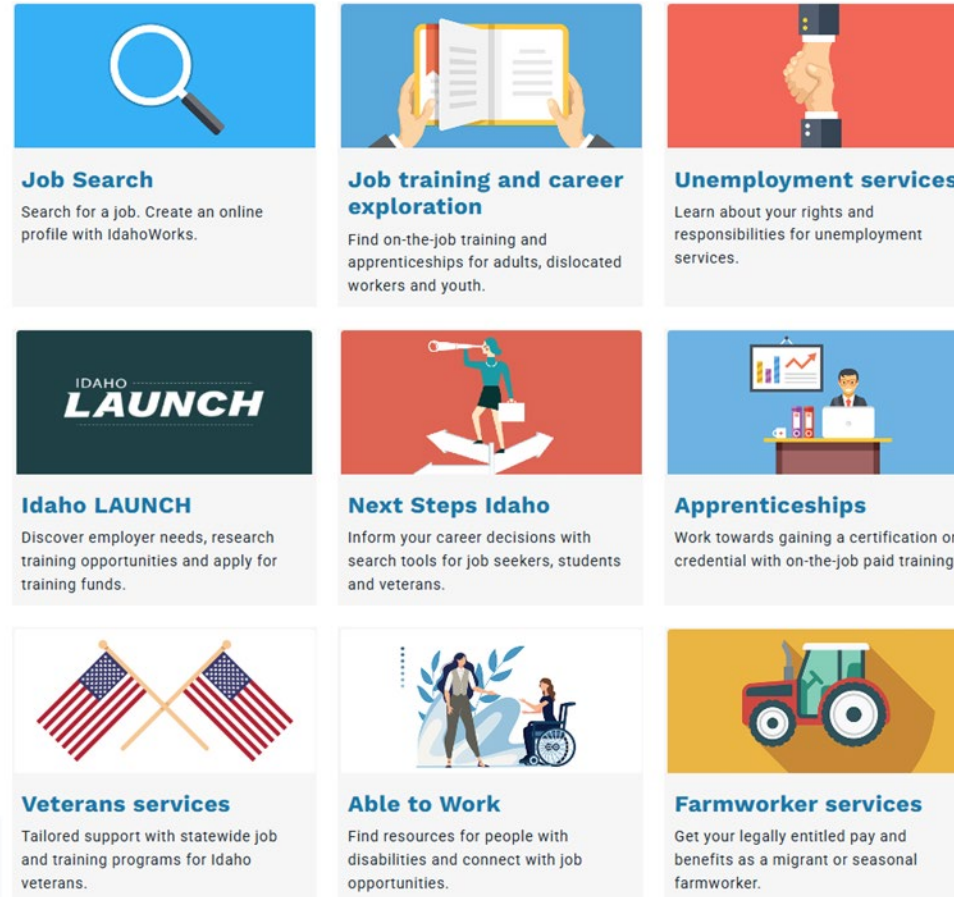
Program and training resources

Idaho Department of Labor

- labor.idaho.gov or lmi.idaho.gov

Idaho Division of Vocational Rehabilitation

- vr.idaho.gov
- Vocational counseling, skills development, medical services needed for long-term employment



Thank you. Any questions?

Need more information?

- Contact: **lisa.grigg@labor.idaho.gov**