

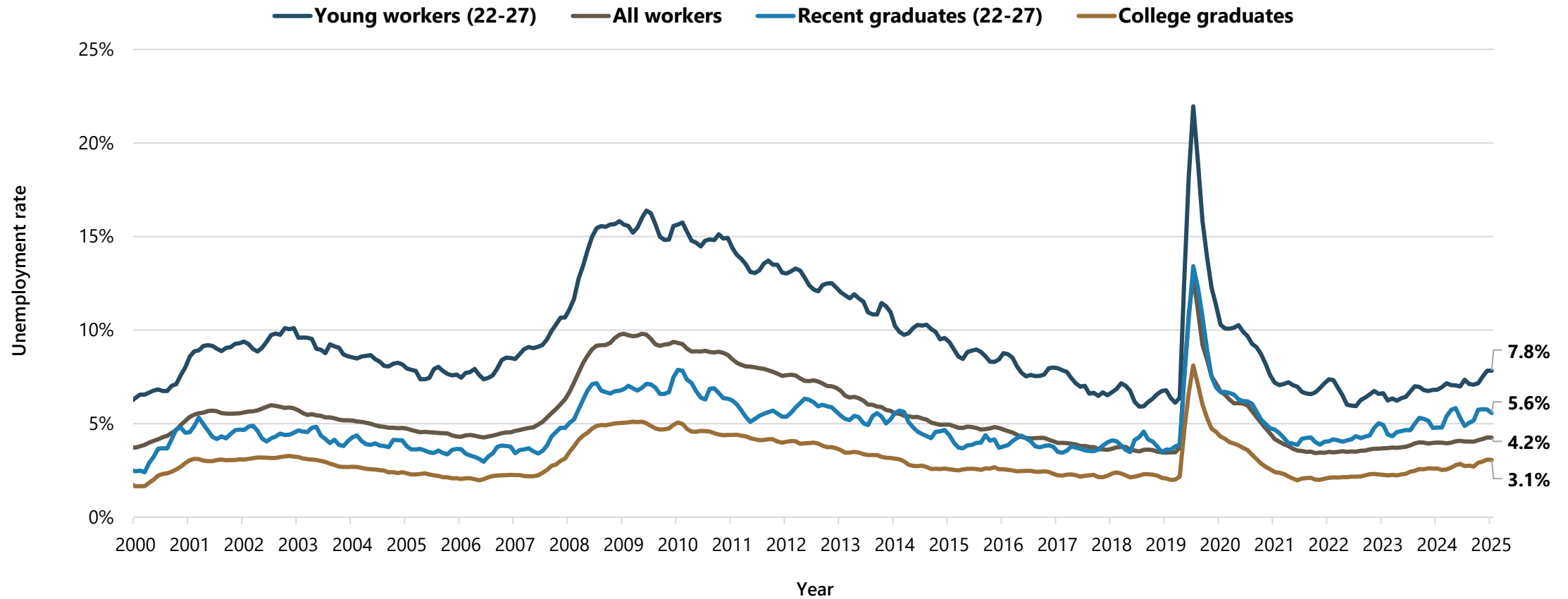
# The job market outlook for recent graduates

Seth Harrington, labor economist

June 9, 2026



# Unemployment rates for recent college graduates and other groups, 2000-2025

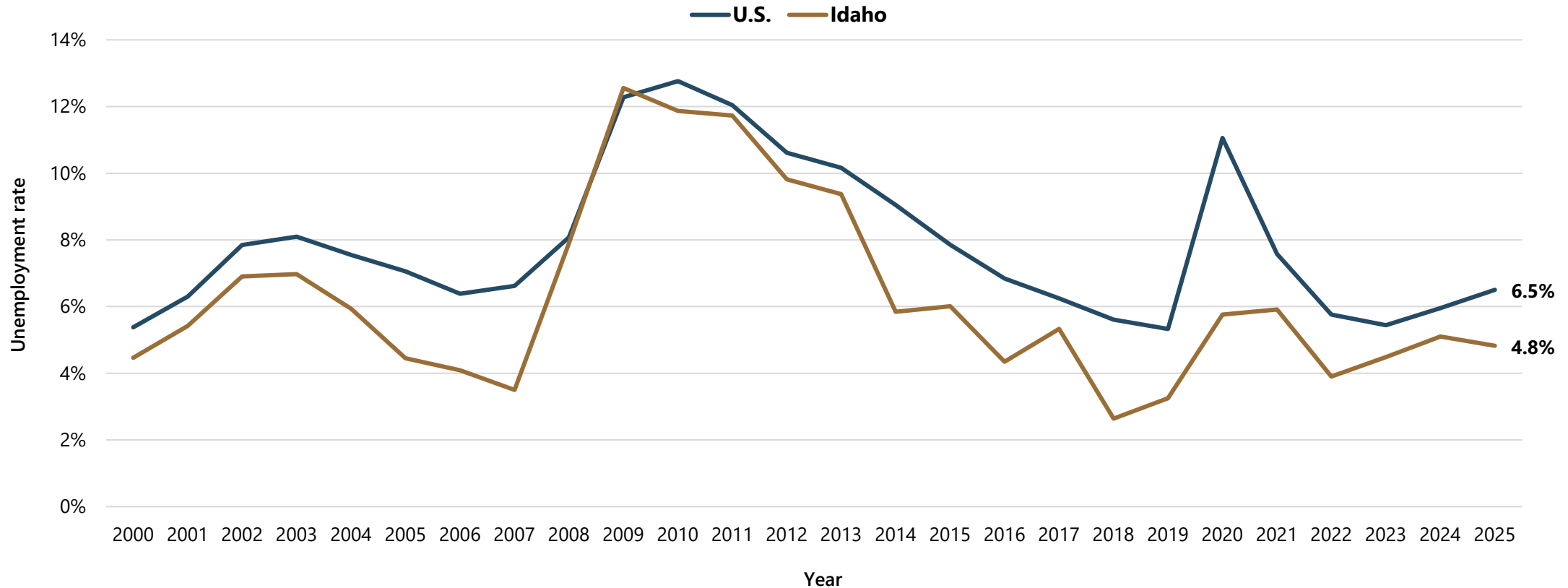


Sources: U.S. Census Bureau and U.S. Bureau of Labor Statistics, Current Population Survey (IPUMS) and New York FED

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# U.S. and Idaho young workers (22-27) unemployment rate, 2000-2025

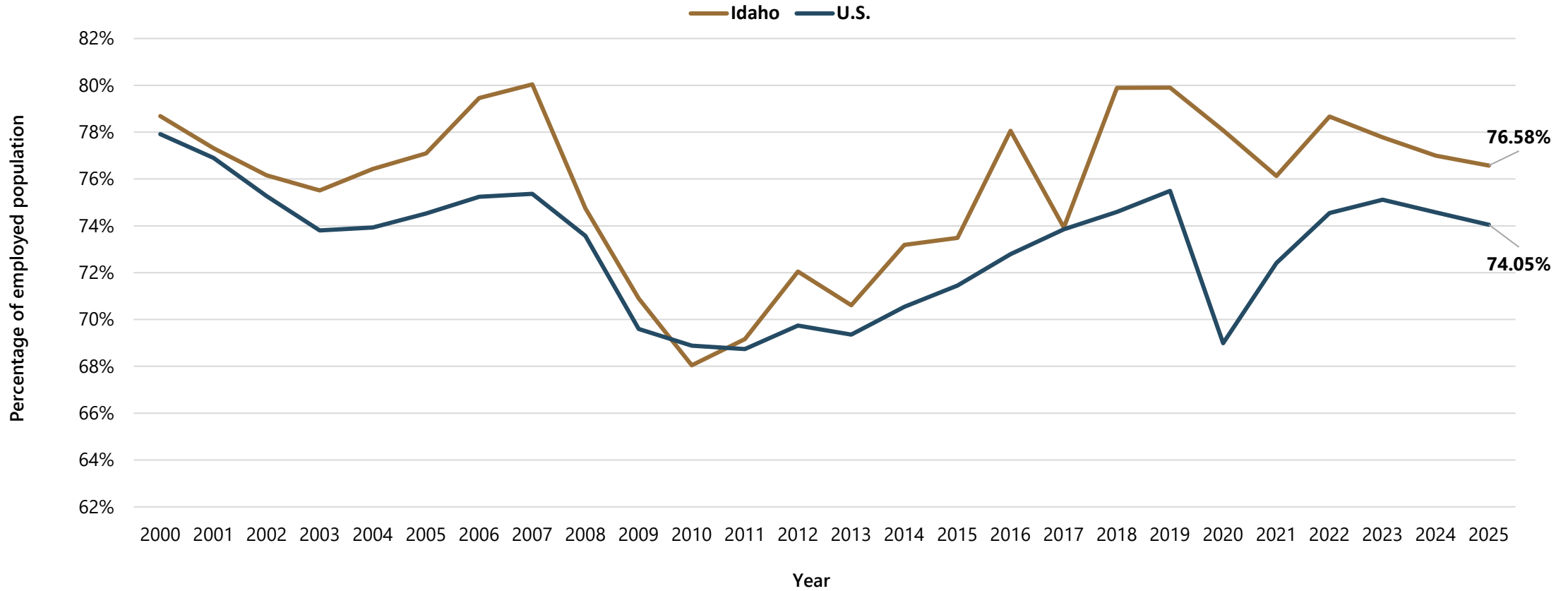


Sources: U.S. Census Bureau and U.S. Bureau of Labor Statistics, Current Population Survey (IPUMS)

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# Employment-population ratio (22-27), 2000-2025



Source: U.S. Bureau of Labor Statistics, Current Population Survey (IPUMS)

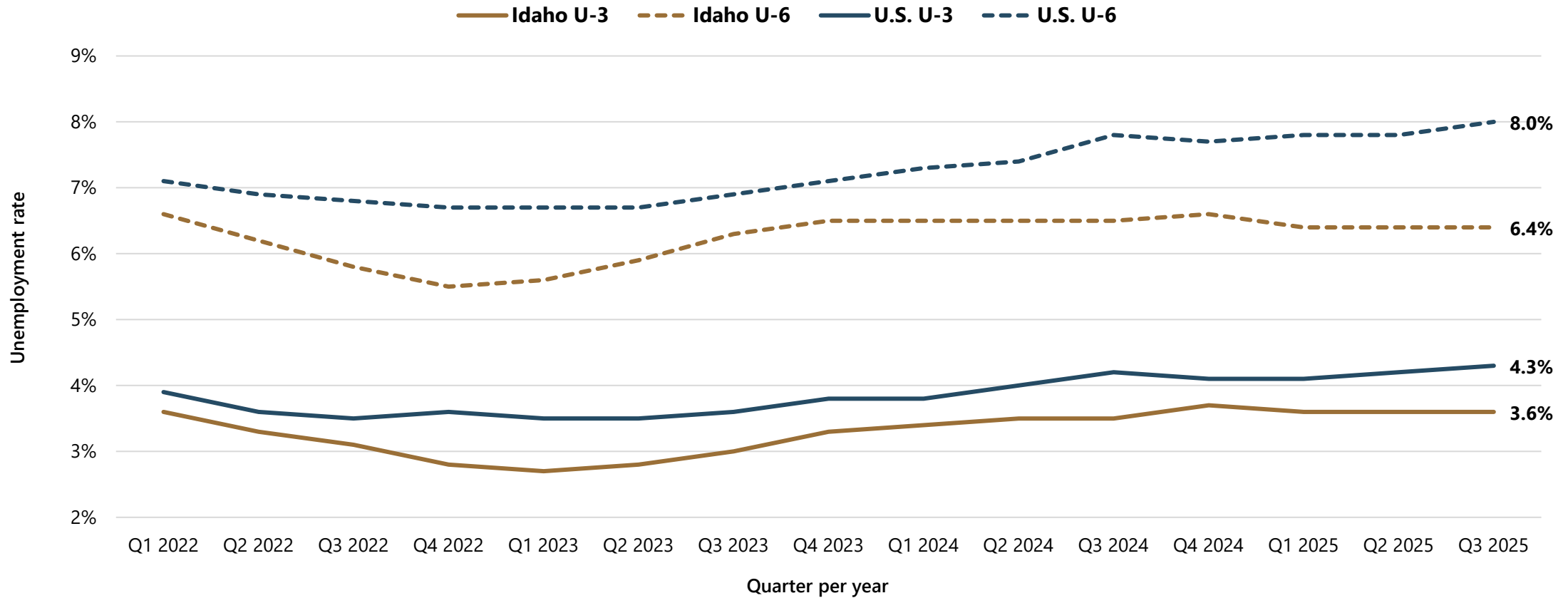
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# Alternative measures of labor underutilization

Measure	Description
<b>U-1</b>	People unemployed 15 weeks or longer, as a percent of the civilian labor force.
<b>U-2</b>	Job losers and people who completed temporary jobs, as a percent of the civilian force.
<b>U-3</b>	Total unemployed, as a percent of the civilian labor force (the same definition of unemployment used to calculate the official unemployment rate).
<b>U-4</b>	Total unemployed plus discouraged workers, as a percent of the civilian labor force plus discouraged workers
<b>U-5*</b>	Total unemployed, plus discouraged workers, plus all other marginally attached workers, as a percent of the civilian labor force plus all marginally attached workers
<b>U-6*</b>	Total unemployed, plus all marginally attached workers, plus total employed part-time for economic reasons, as a percent of the civilian labor force plus all marginally attached workers.

# U-3 versus U-6 Idaho and U.S. unemployment, Q1 2022 – Q3 2025

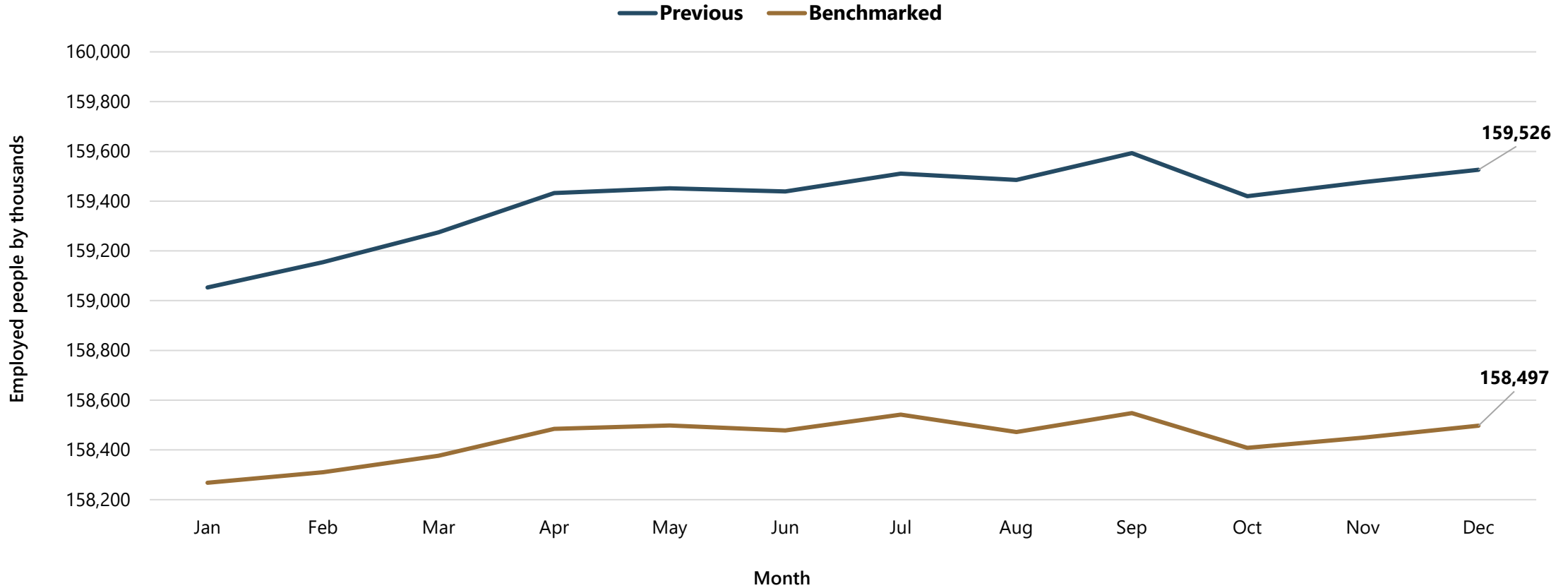


Source: U.S. Bureau of Labor Statistics

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# U.S. Current Employment Statistics revisions, 2025

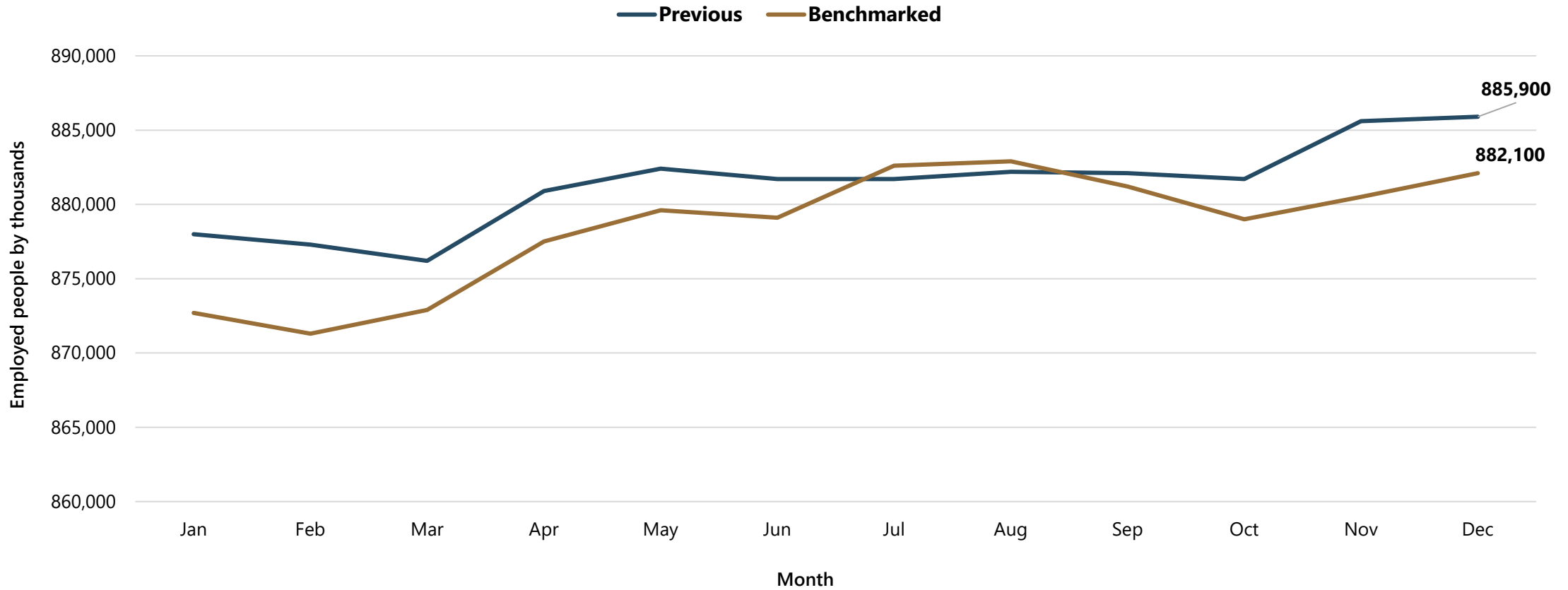


Source: U.S. Bureau of Labor Statistics and Idaho Department of Labor

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# Idaho Current Employment Statistics revisions, 2025

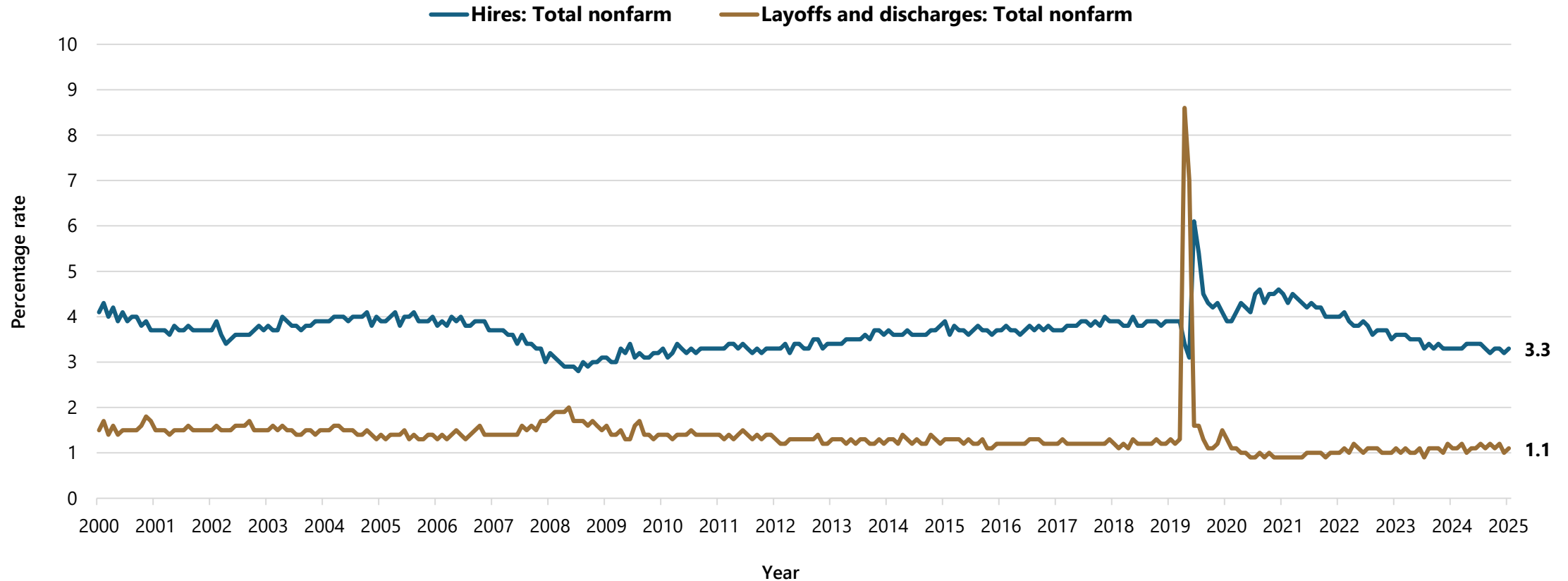


Source: U.S. Bureau of Labor Statistics and Idaho Department of Labor

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# Low-hire low-fire environment: Hires, layoffs and discharges, U.S., 2000-2025

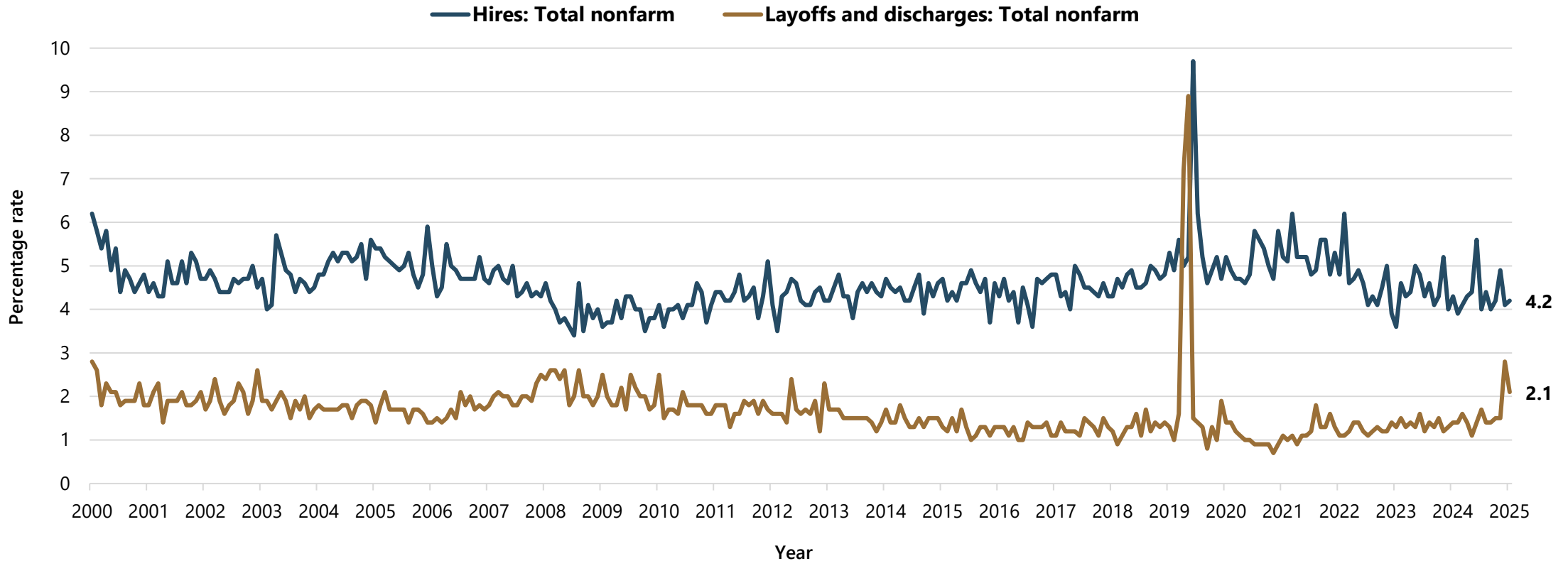


Source: U.S. Bureau of Labor Statistics Job Openings and Labor Turnover Survey

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# Hires and layoffs and discharges: Idaho, 2000-2025



Source: U.S. Bureau of Labor Statistics Job Openings and Labor Turnover Survey

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# U.S. versus Idaho's labor market, 2022-2025

Labor market indicator	2022	2025	Percentage change
U.S. unemployment rate	3.70%	4.30%	0.6%
Idaho unemployment rate	2.90%	3.60%	0.7%
U.S. average hourly earnings of private workers	\$32.36	\$36.44	13%
Idaho average hourly earnings of private workers	\$27.88	\$34.31	23%
U.S. nonfarm employment	152,549,000	158,439,000	3.9%
Idaho nonfarm employment	827,700	878,500	6.1%

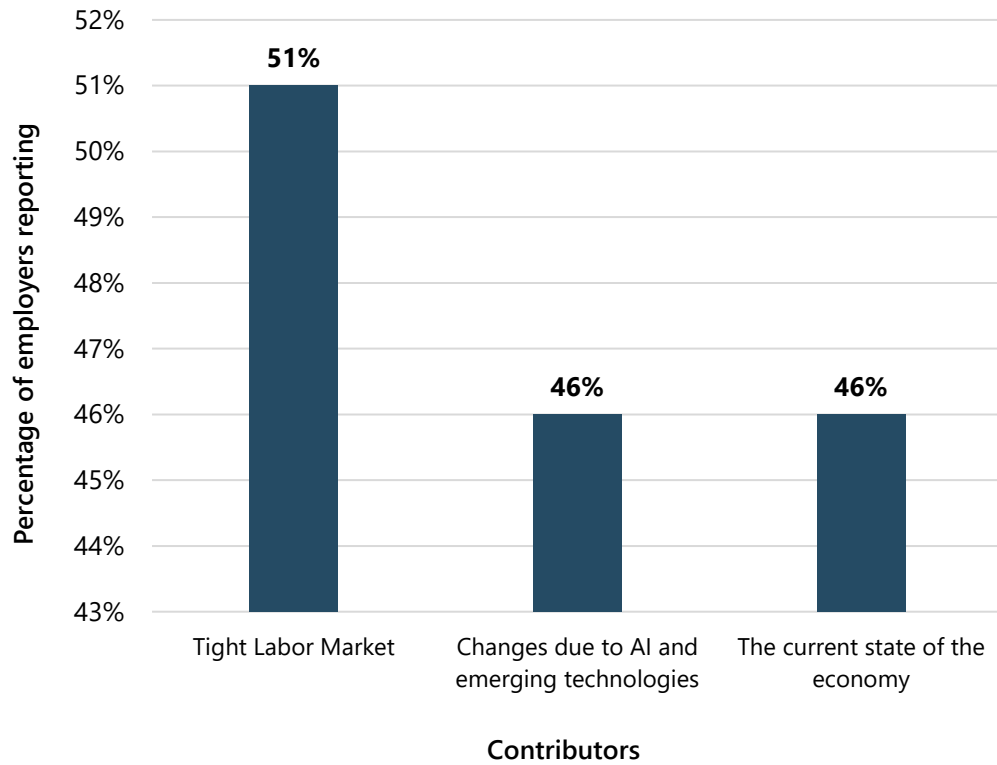
Sources: U.S. Bureau of Labor Statistics and Federal Bank of St. Louis

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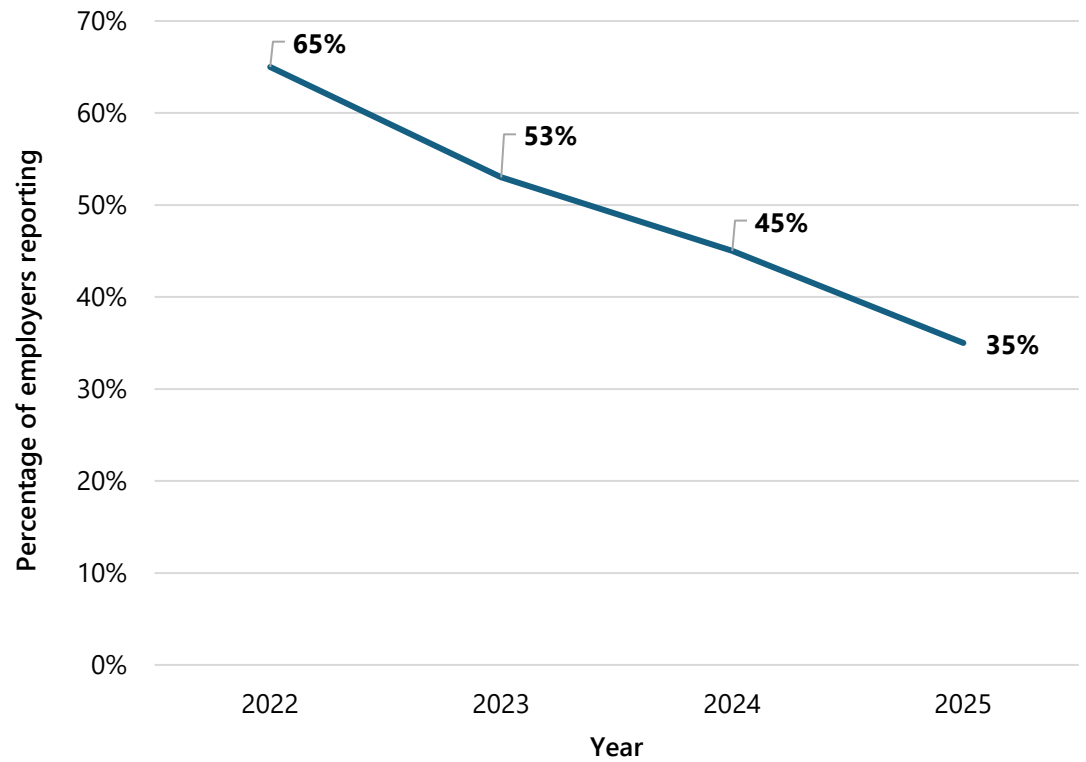


# Cengage Employability Report, 2025

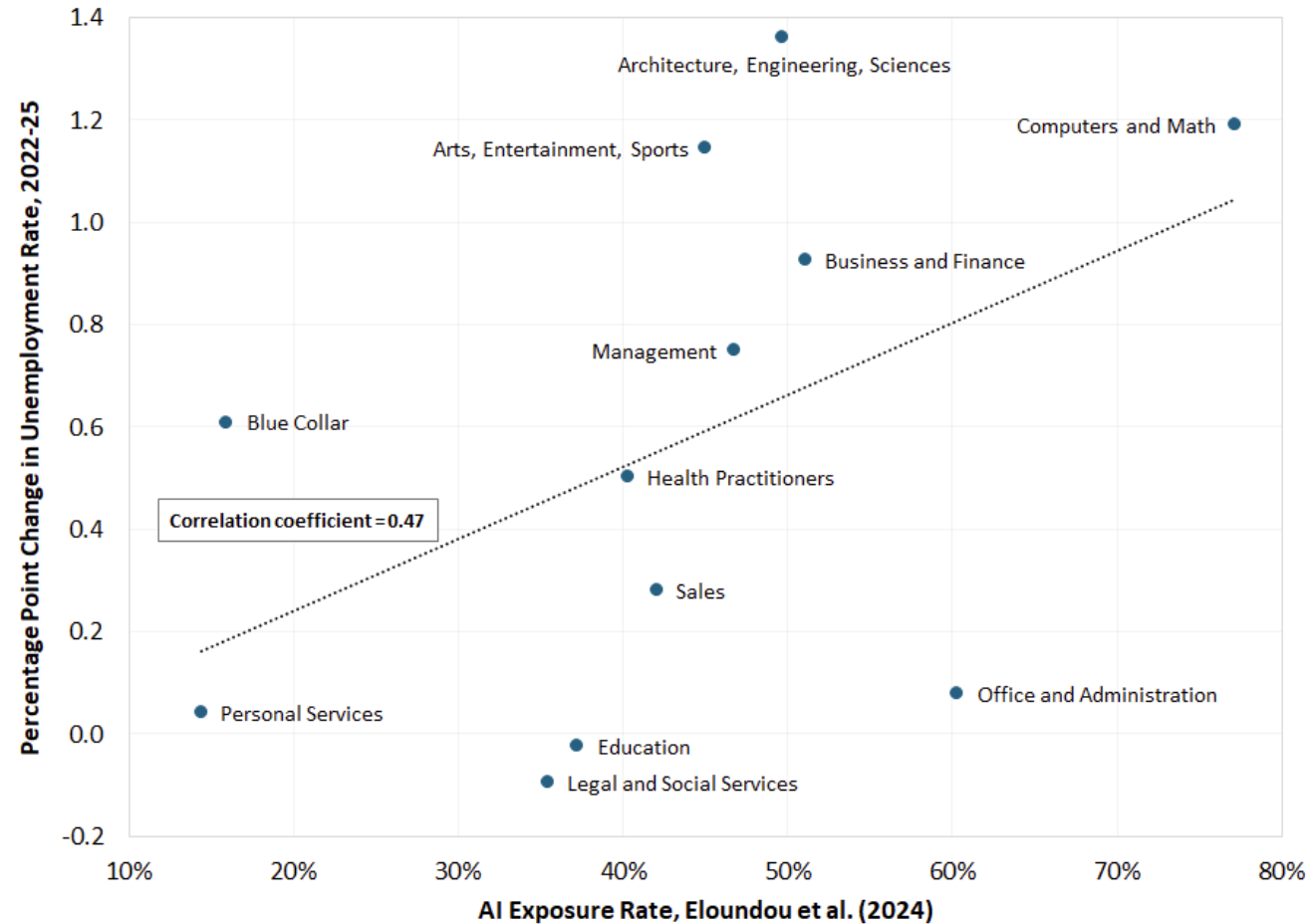
### Contributors to the decline in entry-level hiring



### Employers reporting difficulties in hiring entry-level talent



# Artificial Intelligence exposure and change in unemployment across occupations, 2022-2025



Sources: Eloundou et al. (2024), Current Population Survey, Bureau of Labor Statistics and author's calculations

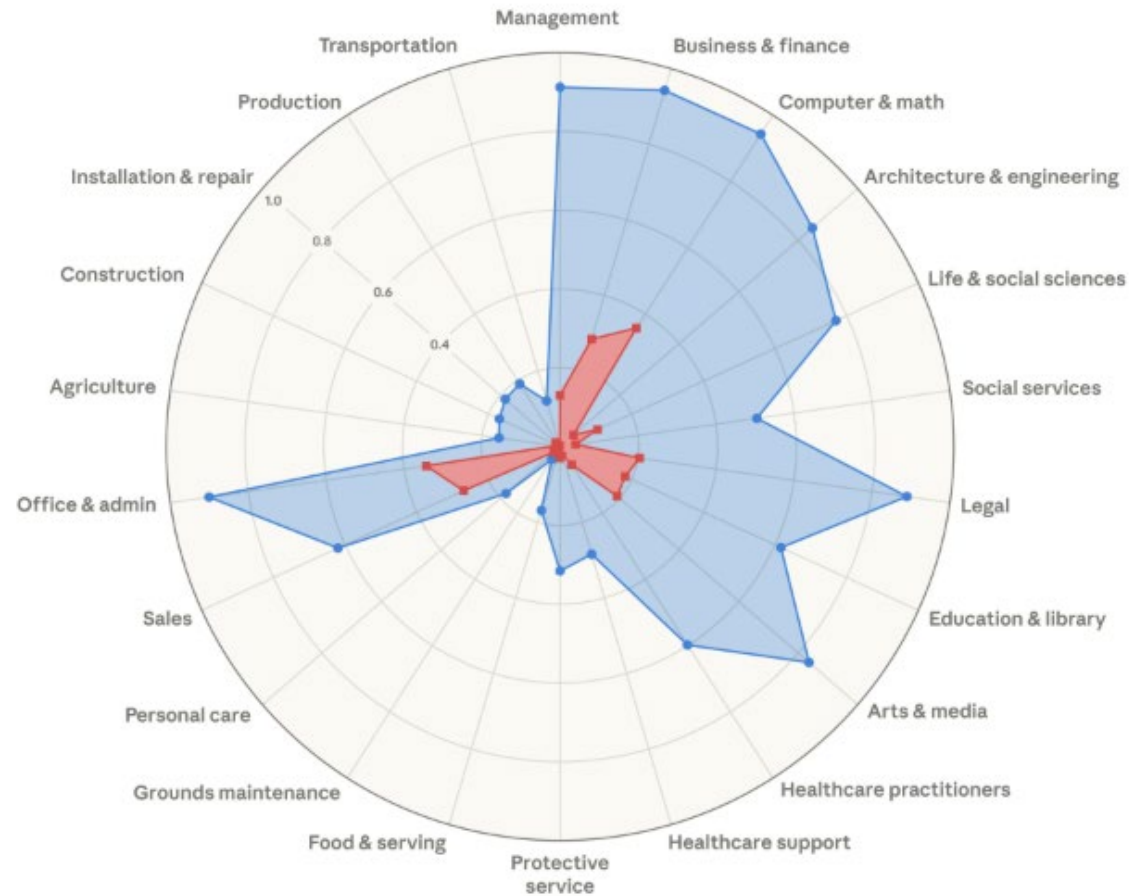
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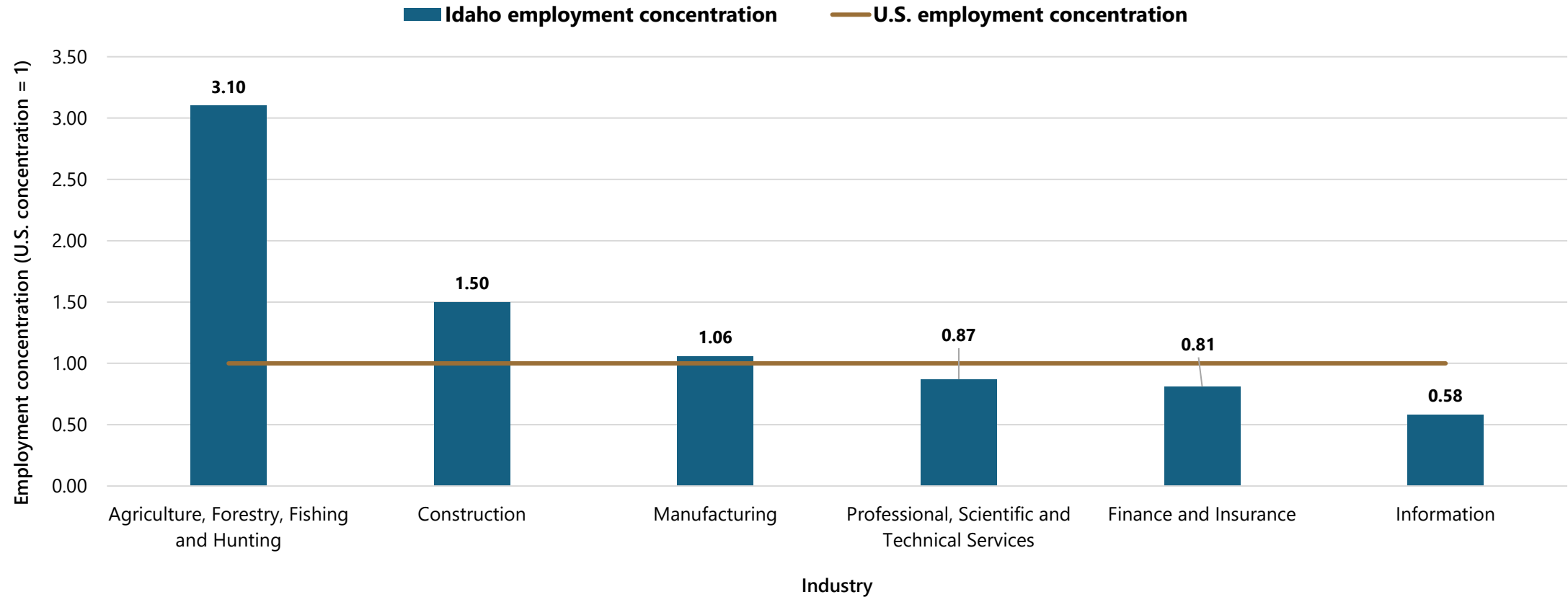
# Additional Artificial Intelligence (AI) research

## Theoretical capability and observed usage by occupational category

- Theoretical AI coverage
- Observed AI coverage



# Industry makeup: Idaho versus U.S., 2025

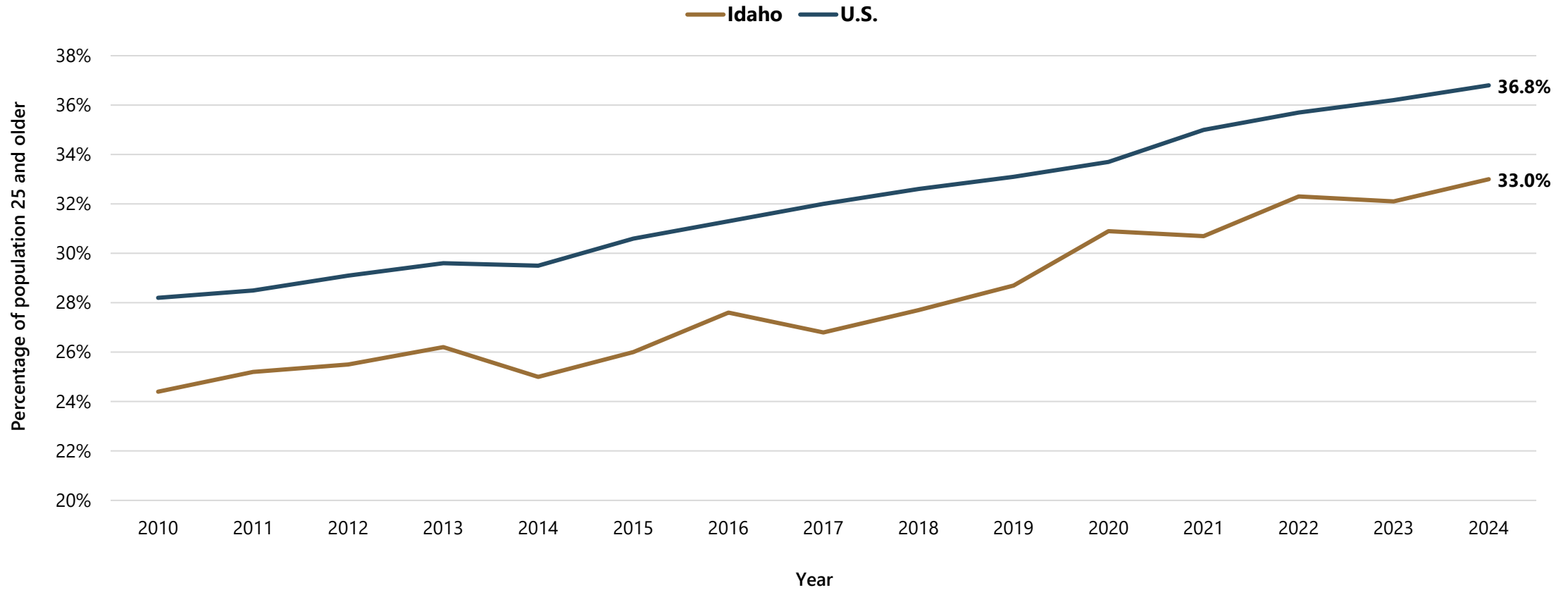


Source: Lightcast Economic Modeling

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# Percentage of population over 25 with a bachelor's degree or higher: Idaho and U.S., 2010-2024

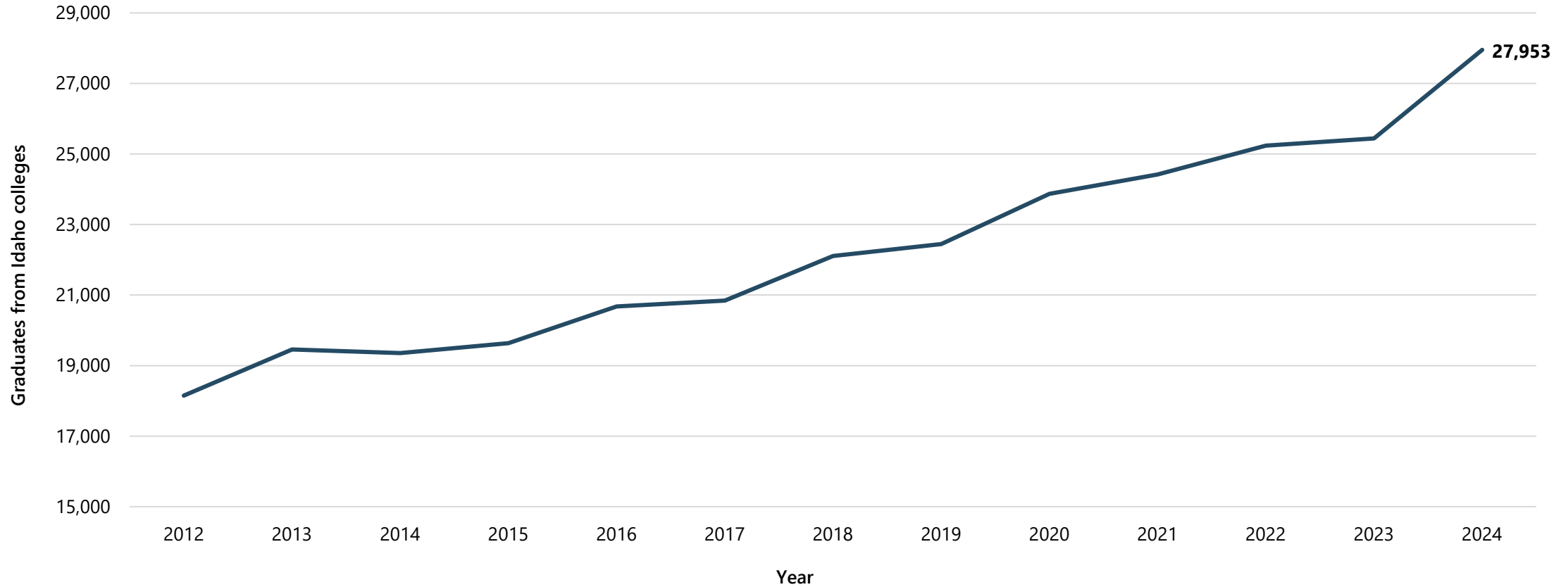


Source: U.S. Census Bureau

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# People who completed a degree from a college in Idaho, 2012-2024



Source: National Center for Education Statistics, Integrated Postsecondary Education Data System

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## Concluding thoughts

- While the national economy becomes increasingly hostile to young workers and recent graduates, Idaho's economy has many advantages in comparison:
  - Lower labor underutilization rates (6.4% versus 8.0%)
  - Higher employment-population ratio for young workers (76.6% versus 74%)
  - Lower unemployment rate for young workers (4.8% versus 6.5%)
- Generative Artificial Intelligence (AI) is an economic headwind that currently disproportionately impacts entry-level workers, but Idaho's industrial makeup could minimize employment challenges.
  - Idaho's production-focused economy is less likely to be impacted by AI than economies more focused on industries more susceptible to AI exposure, such as finance, engineering and computer science.
  - Idaho's population share that has a bachelor's degree or higher is increasing, but is still below the national level.

# Thank you. Any questions?

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Need more information?

Contact: **[Seth.Harrington@labor.idaho.gov](mailto:Seth.Harrington@labor.idaho.gov)**