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Iowa's Unemployment Rate Decreases to 3.2 Percent in December

DES MOINES, IOWA – Iowa's seasonally adjusted unemployment rate decreased slightly to 3.2 percent in December amid hiring gains in both construction and manufacturing. The state's jobless rate was 3.3 percent last month and 3.0 percent one year ago. The U.S. unemployment rate remained at 3.7 percent.

Iowa's labor force participation rate dropped to 67.7 percent in December, down 0.4 percent from last month, as 8,500 Iowans left the workforce. The national labor force participation rate is 62.5 percent.

"December's report shows job growth in construction and manufacturing, adding 1,400 and 1,100 jobs respectively, which is always a very good sign for Iowa's economy," said Beth Townsend, Executive Director of Iowa Workforce Development. "On the other side of the equation, we saw a reduction in the number of Iowans in the labor force, with most indicating that they left the workforce voluntarily. IowaWORKS.gov currently has nearly 58,000 open job postings, so there are plenty of good jobs available for any Iowan who is unemployed or wants to return to the workforce. We can help."

The number of unemployed Iowans declined in December to 55,800 from 57,200 in November. The total number of working Iowans also declined in December to 1,665,000. This figure is 7,100 lower than November and 5,400 lower than one year ago.

Seasonally Adjusted Nonfarm Employment

Iowa's establishments added 2,100 jobs in December, raising total nonfarm employment to 1,593,200 jobs. This gain was the third consecutive and the fourth in the last five months. Hiring gains in December were primarily the result of goods-producing industries, specifically construction and durable goods factories, adding jobs. Private service industries decreased slightly relative to November (-400) and government decreased slightly (-100 jobs). Total nonfarm employment combined is up 10,200 jobs.

Construction added 1,400 jobs in December to lead all industries. Much of the gains last month were related to specialty trade construction contractors. This sector showed some weakness during the summer months but finished the year with increases in three of the last four months, accumulating 4,300 jobs during that span. Manufacturing gained 1,100 jobs. All this increase stemmed from durable goods factories in December, while nondurable goods shops pared jobs for the second consecutive month and continue to trail last year's mark. Leisure and hospitality added 800 jobs. Hiring was heaviest in accommodations and food services which has now added jobs steadily since July. On the other hand, trade, transportation, and utilities shed 800 jobs to lead all super sectors. This loss is largely due to cutbacks in transportation and utilities. Other services posted the only major other loss this month (-600).

Compared to last year, total nonfarm employment has gained 10,200 jobs. The education and health care super sector added 8,100 jobs to lead all other industries. Most of those gains were in health care and social assistance (+7,100). Manufacturing is second in jobs added annually (+4,800) thanks to hiring in durable goods producers and construction has advanced by 3,000 jobs. Conversely, job losses were led by professional and business services (-7,500). Cutbacks were highest in administrative waste and support services (-4,700).

Employment and Unemployment in Iowa, Seasonally Adjusted Data

	December 2023	November 2023	December 2022	Change from	
				November 2023	December 2022
Civilian labor force	1,720,800	1,729,300	1,722,700	-8,500	-1,900
Unemployment	55,800	57,200	52,300	-1,400	3,500
Unemployment rate	3.2%	3.3%	3.0%	-0.1	0.2
Employment	1,665,000	1,672,100	1,670,400	-7,100	-5,400
Labor Force Participation Rate	67.7%	68.1%	68.2%	-0.4	-0.5
U.S. unemployment rate	3.7%	3.7%	3.5%	0.0	0.2

Nonfarm Employment in Iowa, Seasonally Adjusted Data

Total Nonfarm Employment	1,593,200	1,591,100	1,583,000	2,100	10,200
Mining	2,300	2,200	2,400	100	-100
Construction	85,300	83,900	82,300	1,400	3,000
Manufacturing	229,000	227,900	224,200	1,100	4,800
Trade, transportation and utilities	309,700	310,500	311,700	-800	-2,000
Information	19,800	19,600	19,100	200	700
Financial activities	106,300	106,200	108,700	100	-2,400
Professional and business services	137,900	138,000	145,400	-100	-7,500
Education and health services	241,400	241,400	233,300	0	8,100
Leisure and hospitality	142,700	141,900	140,900	800	1,800
Other services	56,600	57,200	56,500	-600	100
Government	262,200	262,300	258,500	-100	3,700

Unemployment Insurance Claims for Iowa

	December 2023	November 2023	December 2022	% Change from	
				November 2023	December 2022
Initial claims	22,709	12,770	20,138	77.8%	12.8%
Continued claims					
Benefit recipients	13,425	9,617	17,037	39.6%	-21.2%
Weeks paid	39,181	29,381	55,721	33.4%	-29.7%
Amount paid	\$19,749,006	\$14,785,708	\$26,174,948	33.6%	-24.5%

Visit [Labor Market Information](#) for more information about current and historical data, labor force data, nonfarm employment, hours and earnings, and jobless benefits by county.

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 Auxiliary aids and services are available upon request for individuals with disabilities.
[Iowa Workforce Development](#) • [IowaWORKS](#)

MEDIA ALERT: Local data for December 2023 will be posted to the IWD website on Tuesday, January 23, 2024. Statewide and local data for January 2024 will be released on Monday, March 11, 2024.