

# NEWS RELEASE

# For Statewide Distribution



## Iowa Workforce Development

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### Iowa's Unemployment Rate Remains at 3.0 Percent in January

DES MOINES, IOWA – Iowa's seasonally adjusted unemployment rate was 3.0 percent in January, down from the 3.2 percent announced in December but unchanged from a revised December rate. The state's jobless rate was 2.9 percent one year ago. The U.S. unemployment rate remained at 3.7 percent in January.

The total number of unemployed Iowans decreased to 50,900 in January, down 1,100 from revised December data. The total number of working Iowans decreased by 1,200 to 1,653,800. The labor force participation rate decreased to 67.3 percent from a revised December rate of 67.5 percent.

"January's report was mixed. On the positive side it shows the total number of nonfarm jobs remains 12,700 above last year's total, even after retail businesses pared 2,000 jobs following the holidays," said Beth Townsend, Executive Director of Iowa Workforce Development. "We also saw 2,300 people leave the workforce voluntarily in January. Given we have over 58,000 job openings currently in Iowa, it is important we retain the Iowans in the workforce and recruit those who have dropped out. We help Iowans find great career opportunities every day, and we encourage those who have been out of the workforce for a period of time to get in touch. We can help you find your next great career."

The last five years of monthly labor force data (2019-2023) recently were revised as required by the U.S. Department of Labor, Bureau of Labor Statistics. This "benchmarking" is the periodic process of re-estimating statistics as more complete data becomes available, such as updated data from the U.S. Census Bureau. Prior-year estimates for the Current Employment Statistics (CES) and Local Area Unemployment Statistics (LAUS) programs – key statistical measures of employment – are benchmarked annually. Revised data are incorporated in January employment statistics when they are released each March.

### Seasonally Adjusted Nonfarm Employment

Iowa's establishments shed 2,000 jobs to begin 2024, lowering total nonfarm employment to 1,596,800 jobs. This monthly decline was due to private service industries removing jobs in wholesale and retail trade along with professional and business services. These losses overshadowed small gains in goods production. Whereas private industries lost positions in January, government (a sector that includes workers at hospitals and schools as well as federal, state, and local government agencies) increased adding 300 jobs, mostly at state universities.

Construction added 600 jobs in January and has now reached an all-time high despite unusually snowy weather to start the new year. A combined 3,200 jobs have been gained in this industry since October. Leisure and hospitality advanced slightly (+500) and was partially lifted by small gains in both accommodations and food services. Other gains in January were light and included health care and social assistance (+800) and information (+300). Alternatively, trade and transportation shed a combined 3,200 jobs to lead all other sectors. Retail trade was responsible for most of the layoffs in January (-2,000) although both wholesale trade and transportation and warehousing also trended down. The only other major losses occurred in other services (-600) and professional, scientific, and technical services (-600).

Over the past twelve months, the state has gained 12,700 jobs. Among private services, education and health care has added the most jobs (+6,400). Over half of the hires were related to health care and social assistance. Construction is now up 2,700 jobs annually, while manufacturing continues to trend up and has gained 2,100 jobs since last January. On the other hand, trade, transportation, and utilities shed the most jobs annually (-5,400) as transportation and warehousing fueled most of the decline (-3,600).

### Employment and Unemployment in Iowa, Seasonally Adjusted Data

	January 2024	December 2023	January 2023	Change from	
				December 2023	January 2023
Civilian labor force	1,704,700	1,707,000	1,711,900	-2,300	-7,200
Unemployment	50,900	52,000	50,200	-1,100	700
Unemployment rate	3.0%	3.0%	2.9%	0.0	0.1
Employment	1,653,800	1,655,000	1,661,700	-1,200	-7,900
Labor Force Participation Rate	67.3%	67.5%	68.0%	-0.2	-0.7
U.S. unemployment rate	3.7%	3.7%	3.4%	0.0	0.3

### Nonfarm Employment in Iowa, Seasonally Adjusted Data

Total Nonfarm Employment	1,596,800	1,598,800	1,584,100	-2,000	12,700
Mining	2,300	2,300	2,200	0	100
Construction	85,200	84,600	82,500	600	2,700
Manufacturing	228,300	228,200	226,200	100	2,100
Trade, transportation and utilities	307,200	310,400	312,600	-3,200	-5,400
Information	18,600	18,300	19,000	300	-400
Financial activities	108,700	108,600	108,100	100	600
Professional and business services	146,700	147,200	146,300	-500	400
Education and health services	237,000	236,600	230,600	400	6,400
Leisure and hospitality	142,100	141,600	139,600	500	2,500
Other services	54,700	55,300	56,000	-600	-1,300
Government	266,000	265,700	261,000	300	5,000

### Unemployment Insurance Claims for Iowa

	January 2024	December 2023	January 2023	% Change from	
				December 2023	January 2023
<b>Initial claims</b>	18,754	22,709	10,105	-17.4%	85.6%
<b>Continued claims</b>					
Benefit recipients	26,737	13,425	26,481	99.2%	1.0%
Weeks paid	97,851	39,181	86,339	149.7%	13.3%
Amount paid	\$51,160,489	\$19,749,006	\$42,093,040	159.1%	21.5%

Visit [www.iowalmi.gov](http://www.iowalmi.gov) 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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MEDIA ALERT: Local data for January 2024 is available on the IWD website. Statewide data for February 2024 will be released on Thursday, March 21, 2024.