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Iowa's Labor Force Participation Rate Increases to 66.4 Percent in December

DES MOINES, IOWA – Iowa's labor force participation rate rose to 66.4 percent in December amid an influx of recent graduates entering the workforce, while the state's seasonally adjusted unemployment rate increased to 3.2 percent. Meanwhile, the U.S. unemployment rate decreased to 4.1 percent in December.

"December's report shows modest growth as a result of hiring across most parts of the Iowa economy, and employers added 4,000 jobs," said Beth Townsend, Executive Director of Iowa Workforce Development. "The increase in labor force participation was driven largely by college graduates who quickly decided to enter our workforce. With over 50,000 open jobs in Iowa, there is still an abundance of opportunities for graduates and other Iowans looking for their next job."

The number of unemployed Iowans increased to 53,900 in December from 53,000 in November.

The total number of working Iowans rose to 1,635,500 in December. This figure is 2,700 higher than November and 19,500 lower than one year ago.

Seasonally Adjusted Nonfarm Employment

Businesses in Iowa added 4,000 jobs in December, raising total nonfarm employment to 1,606,200 jobs. This is the second-consecutive increase following a gain of 3,300 jobs in November. Service industries fueled the hiring and were led by gains in trade and transportation along with healthcare and social assistance. Goods-producing industries were little changed versus November as increases in construction were matched by losses in manufacturing. Private industries overall advanced by 2,300 jobs compared to November. Government (a sector that includes federal, state, and local political subdivisions, as well as schools, universities, and public hospitals) increased by 1,700 jobs in December. Most of this movement happened at the local level, with gains coming from local school districts and public administration (city government). Overall, December's job increases have brought Iowa's total nonfarm employment up 7,400 annually.

Construction added 800 jobs in December to lead all industries. This is the second consecutive increase for this sector, which now rests up slightly for the year. Accommodations and food services increased by 600 jobs and has added 2,300 jobs since July. Hotels and motels provided much of the increase this month. Health care and social assistance added 500 jobs to end the year. This sector has added the most jobs annually and has increased by 2,400 jobs since September. Trade and transportation combined for an increase of 600 jobs in December. Wholesale and retail trade were responsible for most of the jobs gained and fueled the first monthly increase for trade and transportation since July. Losses in December were led by manufacturing which shed 800 jobs to end the year. Durable goods factories pared most of the jobs this month (-700 jobs).

Compared to last year, health care and social assistance has gained 4,400 jobs to lead all private sectors. This increase fueled an overall gain of 6,100 jobs in education and health care services. Leisure and hospitality also increased by 6,100 jobs annually. Most of these gains were in accommodations and food services (+3,900 jobs). Conversely, manufacturing has shed 7,700 jobs over the past 12 months to lead all sectors. Nondurable goods factories are down 4,100 jobs while durable goods shops combined have pared 3,600 jobs.

Employment and Unemployment in Iowa, Seasonally Adjusted Data

	December 2024	November 2024	December 2023	Change from	
				November 2024	December 2023
Civilian labor force	1,689,500	1,685,900	1,707,000	3,600	-17,500
Unemployment	53,900	53,000	52,000	900	1,900
Unemployment rate	3.2%	3.1%	3.0%	0.1	0.2
Employment	1,635,500	1,632,800	1,655,000	2,700	-19,500
Labor Force Participation Rate	66.4%	66.3%	67.5%	0.1	-1.1
U.S. unemployment rate	4.1%	4.2%	3.8%	-0.1	0.3

Nonfarm Employment in Iowa, Seasonally Adjusted Data

Total Nonfarm Employment	1,606,200	1,602,200	1,598,800	4,000	7,400
Mining	2,200	2,100	2,300	100	-100
Construction	84,900	84,100	84,600	800	300
Manufacturing	220,500	221,300	228,200	-800	-7,700
Trade, transportation and utilities	310,600	310,000	310,400	600	200
Information	18,300	18,200	18,300	100	0
Financial activities	107,100	106,800	108,600	300	-1,500
Professional and business services	143,500	143,100	147,200	400	-3,700
Education and health services	242,700	242,100	236,600	600	6,100
Leisure and hospitality	147,700	147,500	141,600	200	6,100
Other services	56,400	56,400	55,300	0	1,100
Government	272,300	270,600	265,700	1,700	6,600

Unemployment Insurance Claims for Iowa

	December 2024	November 2024	December 2023	% Change from	
				November 2024	December 2023
Initial claims	25,306	11,841	22,709	113.7%	11.4%
Continued claims					
Benefit recipients	22,330	14,109	13,425	58.3%	66.3%
Weeks paid	58,404	35,763	39,181	63.3%	49.1%
Amount paid	\$30,816,566	\$19,211,660	\$19,749,006	60.4%	56.0%

Visit 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 December 2024 will be posted to the IWD website on Tuesday, January 28, 2025. Statewide and local data for January 2025 will be released on Monday, March 17, 2025.