

NEWS RELEASE

For Statewide Distribution



Iowa Workforce Development

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Unemployment, Labor Force Participation Rates Unchanged in February Benefits Remain at Historic Lows as a Percentage of Iowa Wages

DES MOINES, IOWA – Iowa’s seasonally adjusted unemployment and labor force participation rates held steady in February amid modest job growth across many private industries. Meanwhile, the total amount of unemployment benefits Iowa paid remained near historic lows as a percentage of the wages covered by unemployment insurance.

Iowa’s seasonally adjusted unemployment rate was 3.3 percent in February, equal to January and up from 2.7 percent one year ago. The labor force participation rate was unchanged at 67.0 percent. Meanwhile, the U.S. unemployment rate increased to 4.1 percent in February.

The total number of unemployed Iowans increased to 57,300 in February from 56,600 in January. The total number of working Iowans fell by 600 to 1,663,600.

“February’s numbers remained steady, which indicated that we have sustained the large number of Iowans that returned to work between December and January,” said Beth Townsend, Executive Director of Iowa Workforce Development. “Overall, unemployment benefits still sit near a historic record low after adjusting for inflation. That means fewer Iowans need fewer weeks of benefits because of the steps we have taken to make our agency a reemployment agency. Having a robust reemployment program lessens the impact of layoffs on the individual, as well as our economy as a whole.”

Seasonally Adjusted Nonfarm Employment

Firms in Iowa shed 1,100 jobs in February, lowering total nonfarm employment to 1,594,800 jobs. This loss ends a streak of job gains starting in November. February’s loss was fueled in part by weak seasonal hiring (less hiring than expected based on previous seasonal fluctuations) at state government universities. Collectively, government (a sector that includes federal, state, and local political subdivisions, as well as schools, universities, and public hospitals) shed 3,400 jobs in February after a gain of 2,900 the previous month. Private industry added 2,300 jobs with most of these gains occurring within service industries. Following this month’s loss, total nonfarm employment trails last February’s mark by 7,400 jobs.

Health care and social assistance added 800 jobs in February to lead all sectors. This sector has also added jobs in five consecutive months with 3,700 jobs gained over that period. Private education increased by 700 jobs since January. This sector has added 1,100 jobs so far in 2025. Manufacturing added 500 jobs. These gains were primarily related to food production and animal processing. Private sector losses were much smaller in nature and were led by professional, scientific, and technical services (-800). This industry has shed jobs in three of the last four months, paring 2,200 jobs since October. Other losses were small and include information services (-300), financial activities (-200), and retail trade (-200).

Health care and social assistance has added the most jobs over the past 12 months (+5,800). Firms in this sector have shown a growing willingness to hire as the annual gain continues to expand. Wholesale trade has gained 1,100 jobs annually, and other services are up 500 jobs. Conversely, manufacturing has shed the most jobs over the last 12 months (-7,600). Most of these losses were in durable goods firms (-5,600). Construction is second in terms of annual loss (-3,400). This sector has shown little movement in staffing to begin the new year.

Employment and Unemployment in Iowa, Seasonally Adjusted Data

	February 2025	January 2025	February 2024	Change from January 2025	February 2024
Civilian labor force	1,720,800	1,720,800	1,707,200	0	13,600
Unemployment	57,300	56,600	46,500	700	10,800
Unemployment rate	3.3%	3.3%	2.7%	0.0	0.6
Employment	1,663,600	1,664,200	1,660,600	-600	3,000
Labor Force Participation Rate	67.0%	67.0%	67.0%	0.0	0.0
U.S. unemployment rate	4.1%	4.0%	3.9%	0.1	0.2

Nonfarm Employment in Iowa, Seasonally Adjusted Data

Total Nonfarm Employment	1,594,800	1,595,900	1,602,200	-1,100	-7,400
Mining	2,200	2,200	2,300	0	-100
Construction	82,600	82,600	86,000	0	-3,400
Manufacturing	217,600	217,100	225,200	500	-7,600
Trade, transportation and utilities	312,500	312,000	312,300	500	200
Information	17,700	18,000	18,100	-300	-400
Financial activities	105,200	105,400	106,700	-200	-1,500
Professional and business services	143,800	144,100	146,400	-300	-2,600
Education and health services	244,500	243,000	239,600	1,500	4,900
Leisure and hospitality	143,300	142,800	143,500	500	-200
Other services	56,200	56,100	55,700	100	500
Government	269,200	272,600	266,400	-3,400	2,800

Unemployment Insurance Claims for Iowa

	February 2025	January 2025	February 2024	% Change from January 2025	February 2024
Initial claims	9,255	15,581	7,948	-40.6%	16.4%
Continued claims					
Benefit recipients	28,012	35,588	25,110	-21.3%	11.6%
Weeks paid	91,781	114,389	87,760	-19.8%	4.6%
Amount paid	\$50,245,746	\$61,284,671	\$46,568,363	-18.0%	7.9%

MEDIA ALERT: Local data for February 2025 will be posted to the IWD website on Tuesday, April 1, 2025. Statewide data for March 2025 will be released on Thursday, April 17, 2025.

Visit 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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