

NEWS RELEASE

For Statewide Distribution



Iowa Workforce Development

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Iowa's Unemployment Rate Rises Slightly to 3.6 Percent Labor Force Participation Rate Increases to 67.3 Percent Amid 3,900 New Workers

DES MOINES, IOWA – Iowa's seasonally adjusted unemployment rate rose slightly to 3.6 percent in May, up from 3.5 percent in April, despite 3,900 Iowans joining the labor force. The labor force participation rate rose to 67.3 percent, up from 67.2 percent in April. Meanwhile, the U.S. unemployment rate remained at 4.2 percent.

The total number of unemployed Iowans increased to 62,400 in May from 60,700 in April.

The total number of working Iowans increased to 1,669,100 in May. This figure is 2,100 higher than April and 5,700 higher than one year ago.

"Iowans continued to rejoin the labor force in May, with nearly 4,000 people who were previously on the sidelines coming back to launch their search for a new career," said Beth Townsend, Executive Director of Iowa Workforce Development. "IWD is well positioned to help connect these people seeking employment with career planners who understand how to work one-on-one to help match those individuals who want to work with the employers who need their skillsets. Despite some pullback in May, Iowa employers currently have more than 49,000 open jobs posted on [iowaWORKS.gov](https://iowaworks.gov)."

Seasonally Adjusted Nonfarm Employment

In May, businesses in Iowa lost 5,200 jobs, lowering total nonfarm employment to 1,593,300. Private service industries were responsible for most of the decline, although goods-producing firms decreased slightly as well. Public education offset some of this loss, fueling a gain of 1,000 jobs added, mostly at the local level. This month's loss erases two previous consecutive months of job gains in March and April.

Professional and business service industries decreased by 1,200 jobs since April. This drop was fueled by losses in administrative support and waste management industries; this sector led all others in terms of jobs lost. Financial activities also decreased by 1,200 jobs, lowering this sector to a level not seen since February 2015. This sector produced minor gains over the last two months totaling 800 jobs. Private education services decreased by 1,000 jobs in May, which was the same for the combined trade and transportation super sector.

Iowa's manufacturing sector continues to lead in annual jobs lost (-8,400). Durable goods-producing factories have been responsible for most of this decline (-5,900). The professional and business services sector is down 4,600 jobs over the past 12 months. Administrative support and waste management is responsible for a majority of the drop (-2,800). Conversely, health care and social assistance continues to trend up despite a slight decline this month. This sector has gained 4,600 jobs over the past 12 months. Other services is up 2,100 jobs. Industries in this sector include repair and maintenance, civic and social organizations, and other personal services.

Employment and Unemployment in Iowa, Seasonally Adjusted Data

	May 2025	April 2025	May 2024	Change from April 2025	May 2024
Civilian labor force	1,731,600	1,727,700	1,713,200	3,900	18,400
Unemployment	62,400	60,700	49,800	1,700	12,600
Unemployment rate	3.6%	3.5%	2.9%	0.1	0.7
Employment	1,669,100	1,667,000	1,663,400	2,100	5,700
Labor Force Participation Rate	67.3%	67.2%	67.1%	0.1	0.2
U.S. unemployment rate	4.2%	4.2%	4.0%	0.0	0.2

Nonfarm Employment in Iowa, Seasonally Adjusted Data

Total Nonfarm Employment	1,593,300	1,598,500	1,601,500	-5,200	-8,200
Mining	2,200	2,100	2,200	100	0
Construction	86,600	86,900	85,500	-300	1,100
Manufacturing	216,300	216,900	224,700	-600	-8,400
Trade, transportation and utilities	310,400	311,400	312,600	-1,000	-2,200
Information	18,000	18,200	18,100	-200	-100
Financial activities	104,800	106,000	106,400	-1,200	-1,600
Professional and business services	141,800	143,000	146,400	-1,200	-4,600
Education and health services	243,200	244,500	239,100	-1,300	4,100
Leisure and hospitality	142,300	142,900	143,900	-600	-1,600
Other services	57,600	57,500	55,500	100	2,100
Government	270,100	269,100	267,100	1,000	3,000

Unemployment Insurance Claims for Iowa

	May 2025	April 2025	May 2024	% Change from April 2025	May 2024
Initial claims	7,456	7,963	8,259	-6.4%	-9.7%
Continued claims					
Benefit recipients	16,723	20,248	12,628	-17.4%	32.4%
Weeks paid	40,281	52,563	34,098	-23.4%	18.1%
Amount paid	\$21,363,238	\$27,862,791	\$17,552,442	-23.3%	21.7%

MEDIA ALERT: Local data for May 2025 will be posted to the IWD website on Tuesday, June 24, 2025. Statewide data for June 2025 will be released on Thursday, July 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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