NEWS RELEASE

For Statewide Distribution

Iowa Workforce Development

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Labor Force Participation Rate Climbs to 67.5 Percent in August With 1,900 New Workers

Unemployment rate increases slightly to 3.8 percent while employers add 3,600 jobs.

DES MOINES, IOWA – Iowa added 1,900 people to the labor force in August, led primarily by adults ages 20 to 24, increasing the state's labor force participation rate to 67.5 percent (up from 67.4 percent in July). At the same time, Iowa's seasonally adjusted unemployment rate rose slightly to 3.8 percent (up from 3.7 percent in July), and the U.S. unemployment rate increased to 4.3 percent (up from 4.2 percent in July).

The total number of unemployed Iowans increased to 65,800 in August from 64,900 in July.

The total number of working Iowans increased to 1,673,500 in August. This figure is 1,100 higher than in July and 13,200 higher than one year ago.

"August saw growth in both the number of Iowans in the labor force and the total number of working Iowans," said Beth Townsend, Executive Director of Iowa Workforce Development. "Likewise, we've also seen a more than 10 percent reduction in the number of unemployment claims from the same time last year. Our investments in helping people find new jobs or the next job are paying off, and if you find yourself in that category, we can help. Visit IowaWORKS.gov or come and see us at one of our 15 American Job Centers located around the state."

Seasonally Adjusted Nonfarm Employment

Iowa establishments gained 3,600 jobs in August, lifting total nonfarm employment to 1,594,600. This gain is the first since April and was mostly the result of private service industry hiring; goods-producing industries decreased slightly. Hiring within the state and local schools and colleges led to a gain of 700 jobs within government. Despite the monthly increase, total nonfarm employment continues to trail last year's level by 2,300 jobs.

Professional and business services gained 1,800 jobs in August, leading all super sectors. This monthly gain was largely due to hiring within professional services, which include legal, accounting, and computer programming industries. Leisure and hospitality added a combined 1,200 jobs. Accommodations and food services gained 700 jobs and arts, entertainment, and recreational industries added 500 jobs. This is the second consecutive gain for this super sector which has added 2,700 jobs over the last two months. Trade industries added 1,000 jobs. Retail trade added slightly more jobs than wholesale in August (+600). Conversely, job losses in August were sparse and led by health care and social assistance (-800). Firms involved in social assistance have fueled job losses over the past two months. Establishments involved in ambulatory care and doctor offices and hospitals helped offset this loss. Construction shed 700 jobs in August following a loss of 400 in July.

The health care and social assistance sector (which includes child care businesses) has added the most jobs (+4,600) over the past 12 months. This sector has continued to trend upward despite recent weakness in social assistance services. Construction is also markedly up versus last August (+3,800). This sector gained 6,500 jobs from January to June ahead of job losses over the prior two months. Alternatively, manufacturing continues to lead all sectors in annual job losses (-5,300). Durable goods factories are responsible for this loss as non-durable goods shops have gained 200 jobs. Administrative support and waste management industries are down 4,400 jobs. This industry continues to trend down despite the August jobs gain.

Employment and Unemployment in Iowa, Seasonally Adjusted Data

	August 2025	July 2025	August 2024	Change from July 2025	Change from August 2024
Civilian labor force	1,739,300	1,737,400	1,715,800	1,900	23,500
Unemployment	65,800	64,900	55,500	900	10,300
Unemployment rate	3.8%	3.7%	3.2%	0.1	0.6
Employment	1,673,500	1,672,400	1,660,300	1,100	13,200
Labor Force Participation Rate	67.5%	67.4%	67.0%	0.1	0.5
U.S. unemployment rate	4.3%	4.2%	4.2%	0.1	0.1

Nonfarm Employment in Iowa, Seasonally Adjusted Data

Total Nonfarm Employment	1,594,600	1,591,000	1,596,900	3,600	-2,300
Mining	2,100	2,100	2,300	0	-200
Construction	88,000	88,700	84,200	-700	3,800
Manufacturing	216,000	216,100	221,300	-100	-5,300
Trade, transportation and utilities	310,900	310,000	312,900	900	-2,000
Information	17,800	17,900	18,000	-100	-200
Financial activities	103,900	103,800	105,700	100	-1,800
Professional and business services	142,400	140,600	145,500	1,800	-3,100
Education and health services (private)	245,400	245,600	241,000	-200	4,400
Leisure and hospitality	140,800	139,600	143,800	1,200	-3,000
Other services	57,300	57,300	55,600	0	1,700
Government*	270,000	269,300	266,600	700	3,400

** includes publicly owned education and health services*

Unemployment Insurance Claims for Iowa

	August 2025	July 2025	August 2024	% Change from July 2025	% Change from August 2024
Initial claims	7,440	9,494	8,442	-21.6%	-11.9%
Continued claims					
Benefit recipients	13,783	13,830	14,638	-0.3%	-5.8%
Weeks paid	36,471	39,670	37,871	-8.1%	-3.7%
Amount paid	$18,791,952	$20,011,763	$19,382,627	-6.1%	-3.0%

MEDIA ALERT: Local data for August 2025 will be posted to the IWD website on Tuesday, September 23, 2025. Statewide data for September 2025 will be released on Thursday, October 16, 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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