

NEWS RELEASE

For Statewide Distribution



Iowa Workforce Development

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Contact: Jesse Dougherty (515) 725-5487
communications@iwd.iowa.gov

Iowa's Unemployment Rate Decreases to 3.7 Percent in September Last Release of Shutdown-delayed Data in 2025; More Information Expected Next Month

DES MOINES, IOWA – Iowa's seasonally adjusted unemployment rate decreased to 3.7 percent in September. The state's jobless rate was 3.3 percent one year ago. The U.S. unemployment rate rose to 4.4 percent in September.

This is the most recent Iowa data available following the federal government shutdown. Compared to last year, Iowa in September 2025 had more employed citizens, a higher labor force participation rate, 3,700 more jobs, and 25 percent fewer new unemployment claims than in September 2024.

IWD continues to work with federal partners on timelines for the remainder of the delayed data releases. Non-farm jobs, labor force and unemployment data for November and October (jobs only) will be published on January 7, 2026, with local areas to follow on January 16.

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

The total number of working Iowans increased to 1,676,000 in September. This figure was 2,600 higher than August and 16,300 higher than one year ago. The labor force participation rate remained at 67.5 percent.

Seasonally Adjusted Nonfarm Employment

Iowa establishments added 3,700 jobs in September, raising total nonfarm employment up to 1,598,300. This increase follows a similar gain in August of 3,600 jobs. While last month's gains were fueled by trade, this month's gain was largely the result of both public and private schools hiring more staff than expected as classes resumed. Additionally, goods-producing industries also fared well in September, gaining 1,900 jobs combined. This increase puts total nonfarm employment back up slightly relative to last year (+3,700).

Within private industries, construction added the most jobs in September (+1,300). This gain followed small losses in July and August. Specialty trade contractors were responsible for much of the gain. Retail trade continued to add jobs in September (+1,200). This sector has increased by 2,700 jobs since May. Manufacturing gained 600 jobs, with durable goods producers responsible for most of the increase. Job losses were limited to just a few sectors. Health care and social assistance continued to lower staffing levels in September (-1,500). This sector pared 3,900 jobs over the previous three months. These losses have been evident in virtually all industries related to health care and social assistance.

Compared to the prior 12 months, total nonfarm employment is up 3,700 jobs. Private industry is down slightly since last September (-600). Local government increased by 3,900 jobs. This hiring was primarily at K-12 schools (+3,900). Among private industry, construction has added the most jobs annually (+5,500). Despite recent losses, health care and social assistance is up 3,000 jobs followed by other services, up 1,600 jobs versus last year. Conversely, manufacturing still leads all sectors in terms of jobs lost (-4,100). This loss is due to cutbacks at durable goods factories. Non-durable goods production, including food production, are up slightly versus last year. Administrative support and waste management industries are down 3,700 jobs. Leisure and hospitality combined trails last year's mark by 2,500 jobs.

Employment and Unemployment in Iowa, Seasonally Adjusted Data

	September 2025	August 2025	September 2024	Change from	
				August 2025	September 2024
Civilian labor force	1,740,800	1,739,200	1,716,200	1,600	24,600
Unemployment	64,900	65,800	56,500	-900	8,400
Unemployment rate	3.7%	3.8%	3.3%	-0.1	0.4
Employment	1,676,000	1,673,400	1,659,700	2,600	16,300
Labor Force Participation Rate	67.5%	67.5%	67.0%	0.0	0.5
U.S. unemployment rate	4.4%	4.3%	4.1%	0.1	0.3

Nonfarm Employment in Iowa, Seasonally Adjusted Data

Total Nonfarm Employment	1,598,300	1,594,600	1,594,600	3,700	3,700
Mining	2,100	2,100	2,200	0	-100
Construction	89,700	88,400	84,200	1,300	5,500
Manufacturing	216,800	216,200	220,900	600	-4,100
Trade, transportation and utilities	312,400	311,600	312,700	800	-300
Information	17,800	17,900	18,000	-100	-200
Financial activities	104,200	103,900	105,700	300	-1,500
Professional and business services	142,300	142,200	145,500	100	-3,200
Education and health services (private)	244,300	245,100	240,100	-800	4,200
Leisure and hospitality	140,400	140,600	142,900	-200	-2,500
Other services	57,200	57,200	55,600	0	1,600
Government*	271,100	269,400	266,800	1,700	4,300

* includes publicly owned education and health services

Unemployment Insurance Claims for Iowa

	September 2025	August 2025	September 2024	% Change from	
				August 2025	September 2024
Initial claims	6,015	7,440	8,032	-19.2%	-25.1%
Continued claims					
Benefit recipients	10,298	13,783	12,811	-25.3%	-19.6%
Weeks paid	32,205	36,471	32,835	-11.7%	-1.9%
Amount paid	\$17,138,471	\$18,791,952	\$17,503,331	-8.8%	-2.1%

MEDIA ALERT: Local data for September 2025 will be posted to the IWD website on Tuesday, December 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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