



March 2025

# Iowa Jobs and Labor Force Update

February 2025

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## Introduction

In February, Iowa reported a net loss of 1,100 jobs. Most of the job loss was driven by 3,400 lost jobs in government employment. This drop in public-sector jobs overshadowed gains in other sectors, resulting in the overall net decrease. Alongside the revised January numbers, the February employment update brings Iowa's cumulative nonfarm job growth for 2025 to 2,000. This marks the lowest cumulative job growth in February nonfarm employment among the five post-pandemic years.

Despite these concerns, Iowa's labor market continues to demonstrate resilience in key areas. The unemployment rate remained steady at 3.3%. Labor force participation rate (LFPR) also held firm at 67%. Nationally, Iowa's labor market metrics stand out. The state continues to rank 13th for the lowest unemployment rate among all 50 states and holds the 9th-highest LFPR. These rankings underscore Iowa's ability to maintain a competitive and robust labor market, even as month-to-month employment figures fluctuate. Though the state has experienced a small net job loss in February, the labor market remains strong.

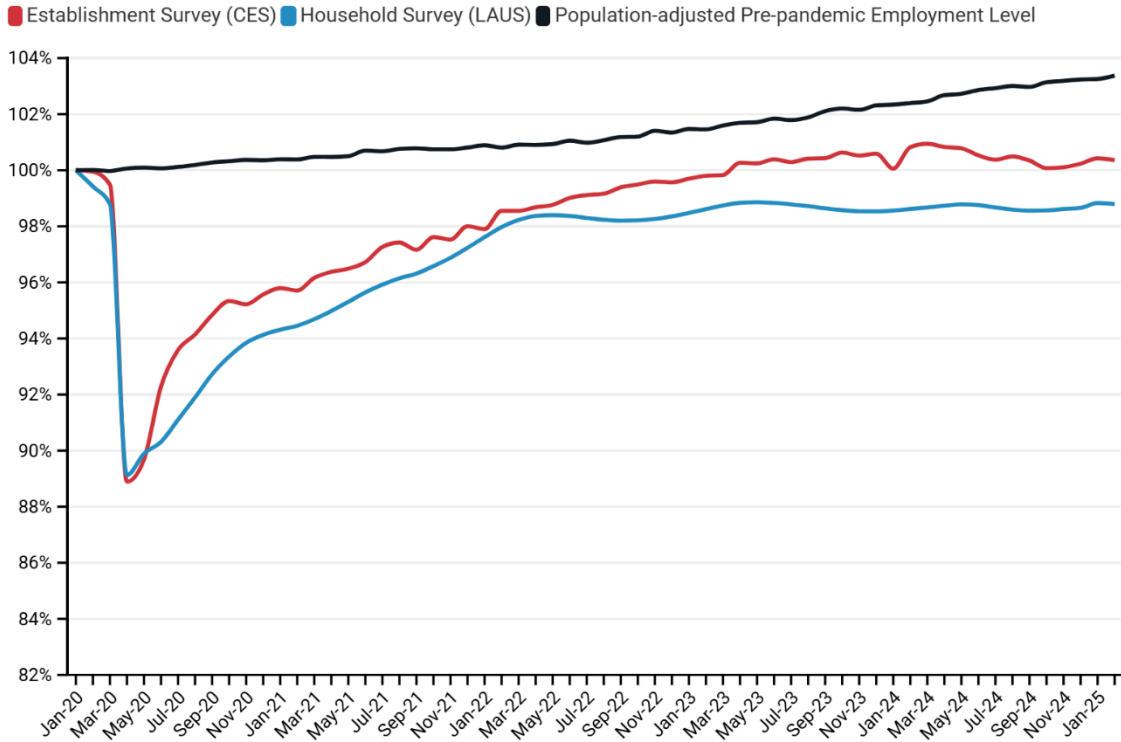
## Key Findings—Iowa February 2025 Employment Data

- **In February, Iowa lost 1,100 jobs. Only 4 of 11 major sectors contributed to this loss.**
  - The government sector lost 3,400 jobs. Without this loss, the state would have gained 2,300 jobs on net from the increase in private sector jobs.
  - Education and health services saw the largest monthly increase, gaining 1,500 jobs.
- **Revisions indicate January performed better than initially expected.**
  - State Revisions: The state reported 1,700 more jobs in January 2025 compared to pre-revised January 2025.
  - Industry Revisions: Trade, transportation, and utilities (+1,300), and construction (+600) contributed the most to the upward revision.
- **Iowa has the 13th lowest unemployment rate in the nation, unchanged from last month.**
  - Unemployment: Iowa's unemployment was 3.3% in February, unchanged from last month.
- **Iowa ranks 9th highest in labor force participation, unchanged from last month.**
  - LFPR: Iowa's LFPR was 67.0% in February, unchanged from last month.
- **So far, from December '24 to February '25, the private sector gained 2,500 jobs.**
  - Total nonfarm employment, which includes government, only gained 2,000 jobs in this period. **This marked the lowest cumulative job growth in February nonfarm employment among the five post-pandemic years.**

## Establishment vs. Household Survey

- According to both the employment figures from the BLS survey of establishments (CES) and the number of people employed from the BLS survey of households (LAUS), **Iowa has yet to recover to a pre-pandemic employment-to-population ratio.**
- Based on the **establishment survey**, employment fell by 1,100 or 0.07%.
- Based on the **household survey**, employment grew in February by 667 jobs or 0.04%.

### Employment Levels in Iowa since January 2020



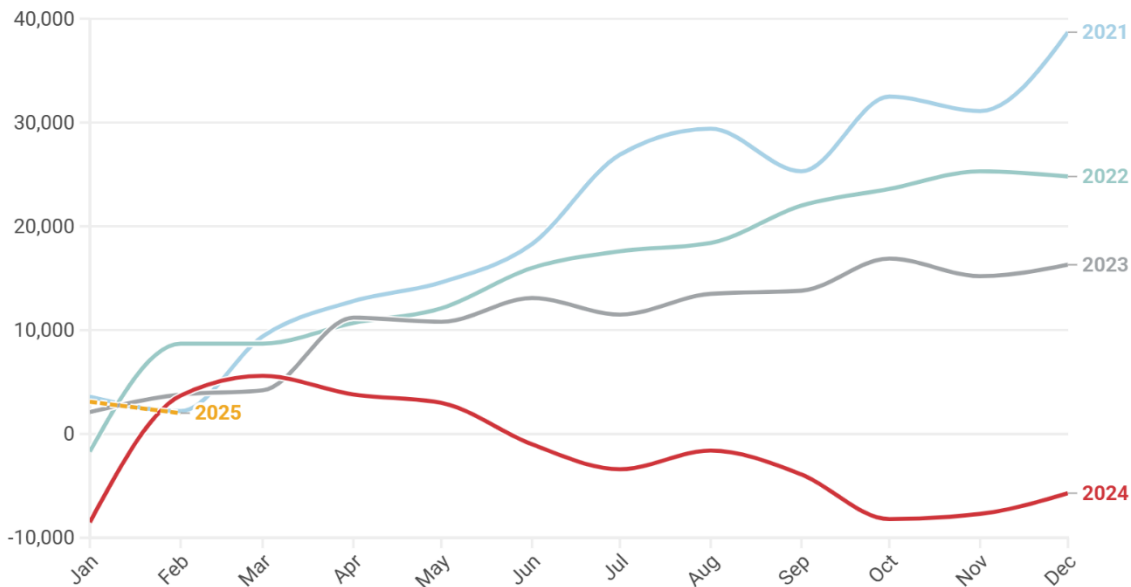
## Revisions

- **United States** – In February, the BLS revised January 2025 seasonally adjusted total nonfarm employment nationally downward 841,100 (-0.53%).
- **Iowa** – In February, the BLS revised January 2025 seasonally adjusted total nonfarm employment in Iowa upward by 1,700 (0.11%).
- **Iowa by Sector** – In February, revised January 2025 seasonally adjusted total nonfarm employment for the following major sectors:
  - Trade, transportation, and utilities upward by 1,300 jobs.
  - Construction upward by 600 jobs.
  - Education and health services upward by 300 jobs.
  - Information upward by 200 jobs.
  - Mining and logging upward by 100 jobs.
  - Manufacturing downward by 400 jobs.
  - Professional and business services downward by 300 jobs.
  - Leisure and hospitality downward by 100 jobs.

## Cumulative Jobs Added by Year - Iowa

Despite revisions adding to January's growth, Iowa cumulative employment growth in February was the lowest of all five post-pandemic years. From December 2024 to February 2025, employment grew by 2,000 versus the next closest in 2021 at 2,200.

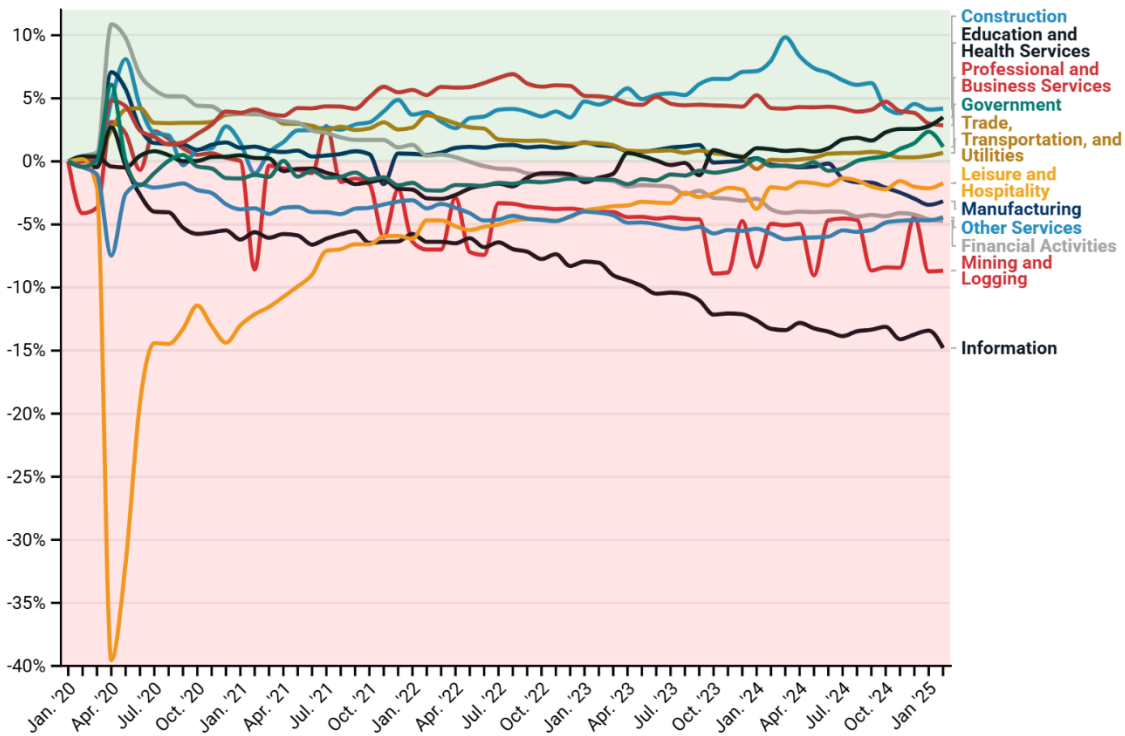
Cumulative Job Gains



## A Deeper Dive into Iowa Industries (BLS CES Survey)

- **Based on the establishment survey, the net decline of 1,100 jobs in February was driven by net job losses in only 4 of 11 major sectors.**
  - Government lost 3,400 jobs (-1.25%).
  - Information (-1.67%) and professional and business services (-0.21%) both lost 300 jobs.
  - Financial activities lost 200 jobs (-0.19%).
- Six sectors saw a net gain in jobs from January to February.
  - Education and health services gained 1,500 jobs (0.62%).
  - Leisure and hospitality (0.35%), manufacturing (0.23%), and trade, transportation and utilities (0.16%) all gained 500 jobs.
  - Other services gained 100 jobs (0.18%).
  - Mining and logging and construction remained unchanged.
- **So far, from December '24 to February '25, the private sector gained 2,500 jobs.**
  - Total nonfarm employment, which includes government employment, only gained 2,000 jobs in this same period. **This is the lowest cumulative growth in February nonfarm employment among the five post-pandemic years.**

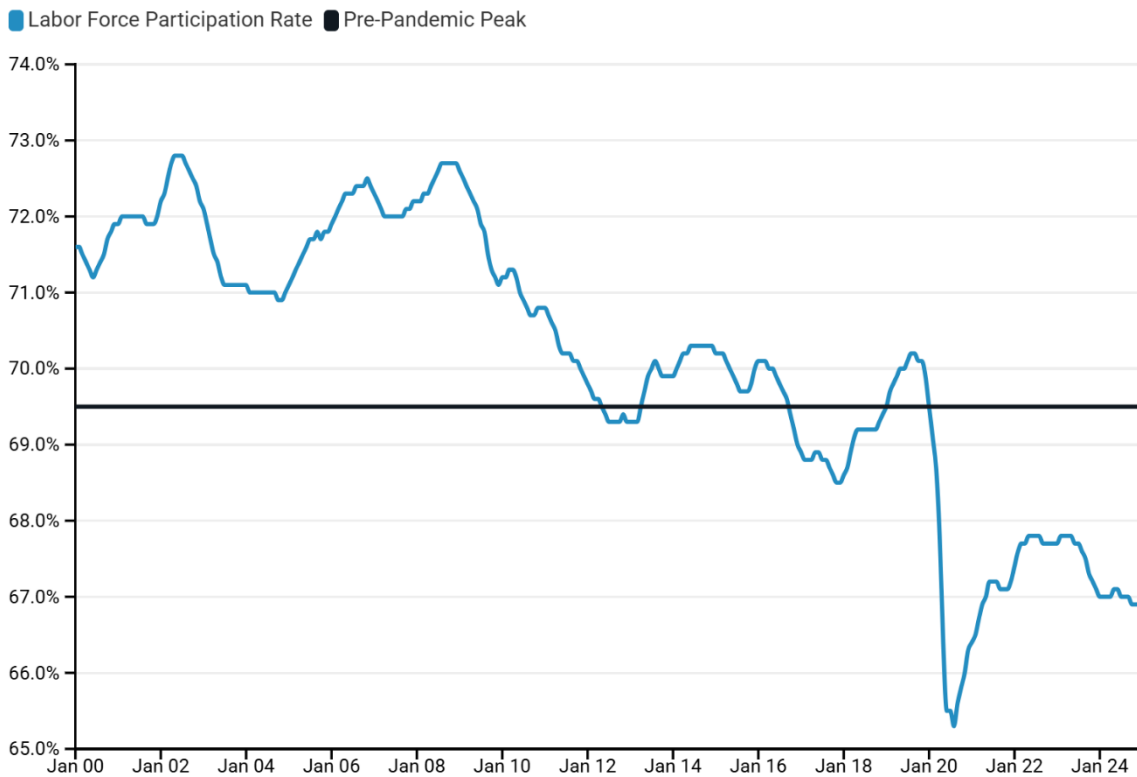
**Changing Industry Shares of Total Iowa Employment since January 2020**



## Iowa Labor Force Update

- In February, Iowa’s LFPR remained unchanged at 67.0%, 2.5% below the pre-pandemic LFPR of 69.5% in January 2020.
- Iowa’s unemployment rate in February also remained unchanged at 3.3%.
- Iowa ranked 13th lowest in unemployment rate among all 50 states, unchanged from last month.

### Labor Force Participation Rate in Iowa Since 2000



### Data Sources

The data in this report are compiled from monthly and annual data released by the U.S. Bureau of Labor Statistics (BLS), including data from the Current Employment Statistics (CES) survey and the Local Area Unemployment Statistics (LAUS) Survey. Some data are sourced directly from BLS and others are retrieved from FRED.