



December 2023

# Iowa Jobs and Labor Force Update

November 2023

In November, Iowa's total employment levels grew back above pre-pandemic levels for the second time. In January 2023, Iowa employment rose to 1.59 million, surpassing the February 2020 level of 1.589 million jobs for the first time since the loss of 175,000 jobs between March and April 2020. After three months of decline, state employment fell back below pre-pandemic levels in July, before adding 5,900 jobs since August to climb back above pre-pandemic levels for the second time.

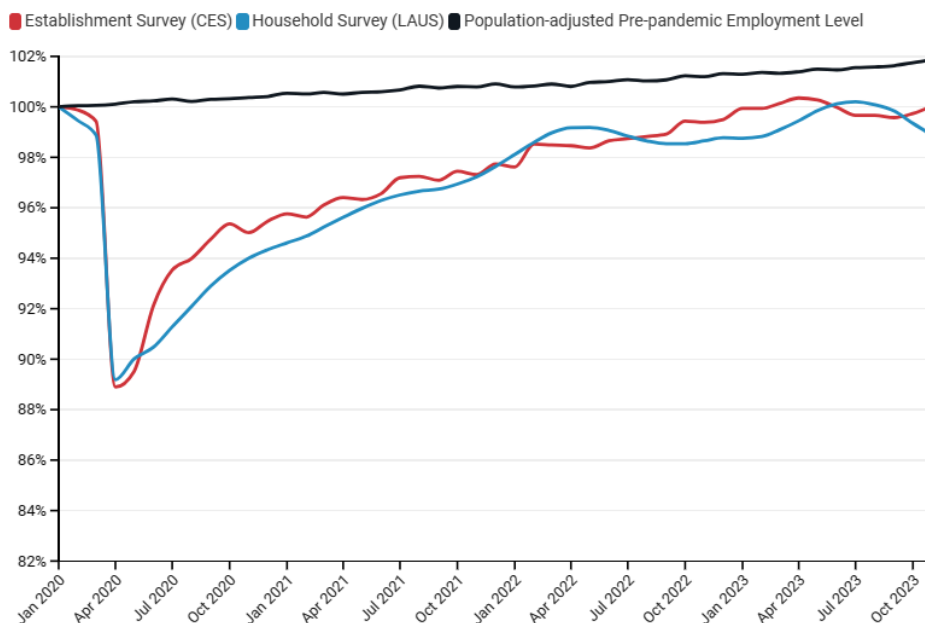
Over the past twelve months there was a gain of 25,200 jobs across 11 sectors and a loss of 14,900 jobs across 7 sectors. The total net job growth of 10,300 jobs over the past 12 months reflects a general slowing of monthly job growth, following national trends, since the summer of 2020. The total job growth 12 months prior to November 2022 was 33,000 and was 36,500 the twelve months prior to November 2021.

Iowa's unemployment increased slightly to 3.3% in November, still below the US rate of 3.7%. This partially due to Iowa's overall labor force participation rate falling .3%, to 68.1%, remaining 1.5 percentage points below pre-pandemic levels.

### Key Findings—Iowa November 2023 Employment Data

- Iowa's private sector employment accounted for 100% of November's net growth of 4,700 jobs. Over the past 12 months, private employment grew by 6,700 jobs (.5%) while government employment grew by 3,600 jobs (1.4%) with local government accounting for 2,700 of those jobs.
- The monthly average job growth for 2023 through November is now 773 jobs. This is below the 2022 monthly average of 2,333 jobs, and the 2021 average of 2,855 jobs.
- Iowa's unemployment rate increased for the fourth consecutive month, growing 0.1% in November to 3.3%.
- Iowa's LFPR (labor force participation rate) fell 0.3% in November to 68.1%, the fourth straight month of decline.
- Iowa's construction sector gained 1,800 jobs in November making it the fastest growing major sector in November.

## Employment Levels in Iowa since January 2020



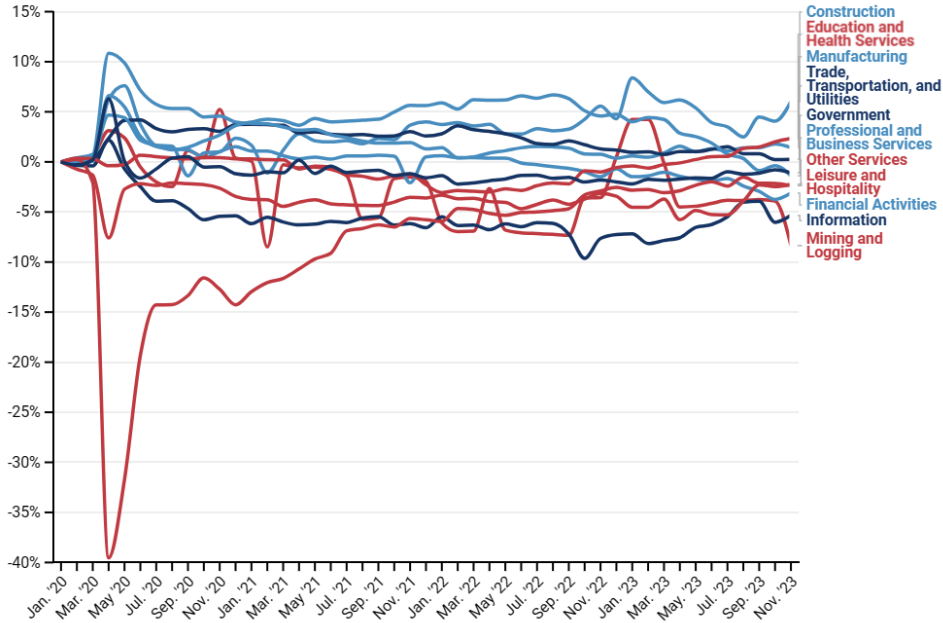
- According to both the employment figures from the BLS survey of establishments (CES) and the number of people employed from the BLS survey of households (LAUS), **Iowa has yet to recover to a pre-pandemic employment-to-population ratio**. This means that while total employment has recovered to pre-pandemic levels, it remains down relative to the size of the population.

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

- The strong November private sector job growth was fueled by construction (1,800), accommodation and food services (1,500) and health care and social assistance (1,500).
  - The healthcare and social assistance sector has been the fastest growing sector over the past twelve months, **adding 8,500 jobs, accounting for 83% of total net job growth** over the past year.
  - The second fastest growing sector over the past 12 months was wholesale trade, growing 3.4% by adding 2,300 jobs.
- 8 sectors saw jobs losses in November including, mining and logging (-100), manufacturing (-100), transportation, warehousing and utilities (-500), management of companies and enterprises (-100), administration and support, waste management and remediation services (-1,200), arts entertainment and recreation (-1,400), federal government (-100) and state government (-100).
  - The sector with the largest loss of jobs in November was arts, entertainment and recreation (-1,400 jobs). The sector is down 2,000 jobs over 12 months (9.8%).
  - The sector with the second largest loss in November was administration and support, waste management and remediation service (-1,200 jobs), bringing its total 12-month loss to -6,100 jobs (-9.2%).

- Since the pandemic the composition of Iowa’s job market has changed slightly. Since January 2020, construction has increased its share of statewide jobs by 5%, while information and mining have both seen their share decline by over 5%.

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



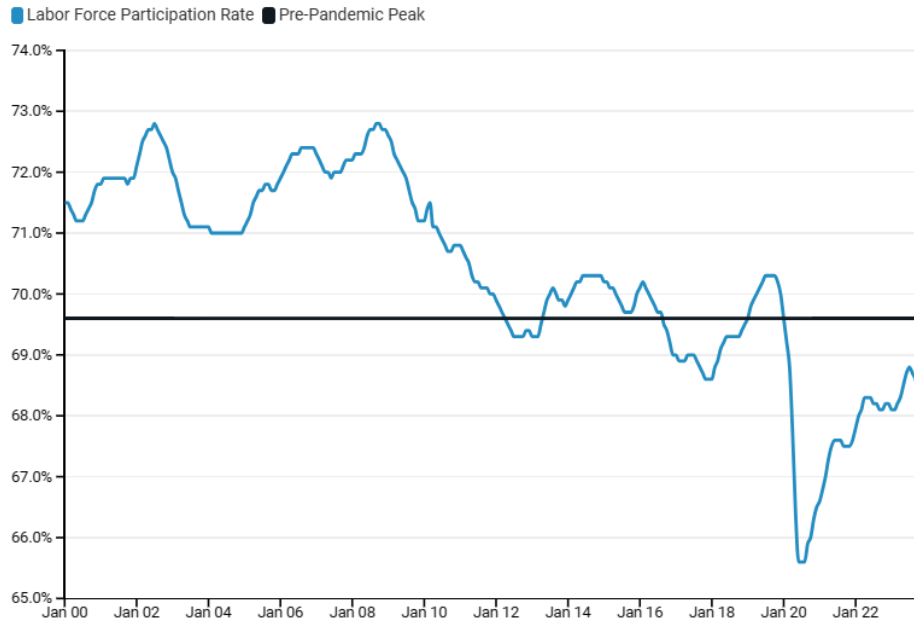
## Iowa Labor Force Update

Iowa’s LFPR (labor force participation rate) fell 0.3% in November to 68.1%, marking the fourth straight month of decline.

### Key Findings—Iowa November ‘23 Labor Force Data

- The LFPR fell 0.3% to 68.1%, which is 1.5% below January ‘20’s LFPR of 69.6%.
- The unemployment rate increased to 3.3%, compared to 3.1% unemployment in November of 2022.
- The national LFPR of women decreased by 0.1% to 57.5%, which is .3 of a percentage point below its pre-pandemic level.

### 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.