



October 2024

# Iowa Jobs and Labor Force Update

## September 2024

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## Introduction

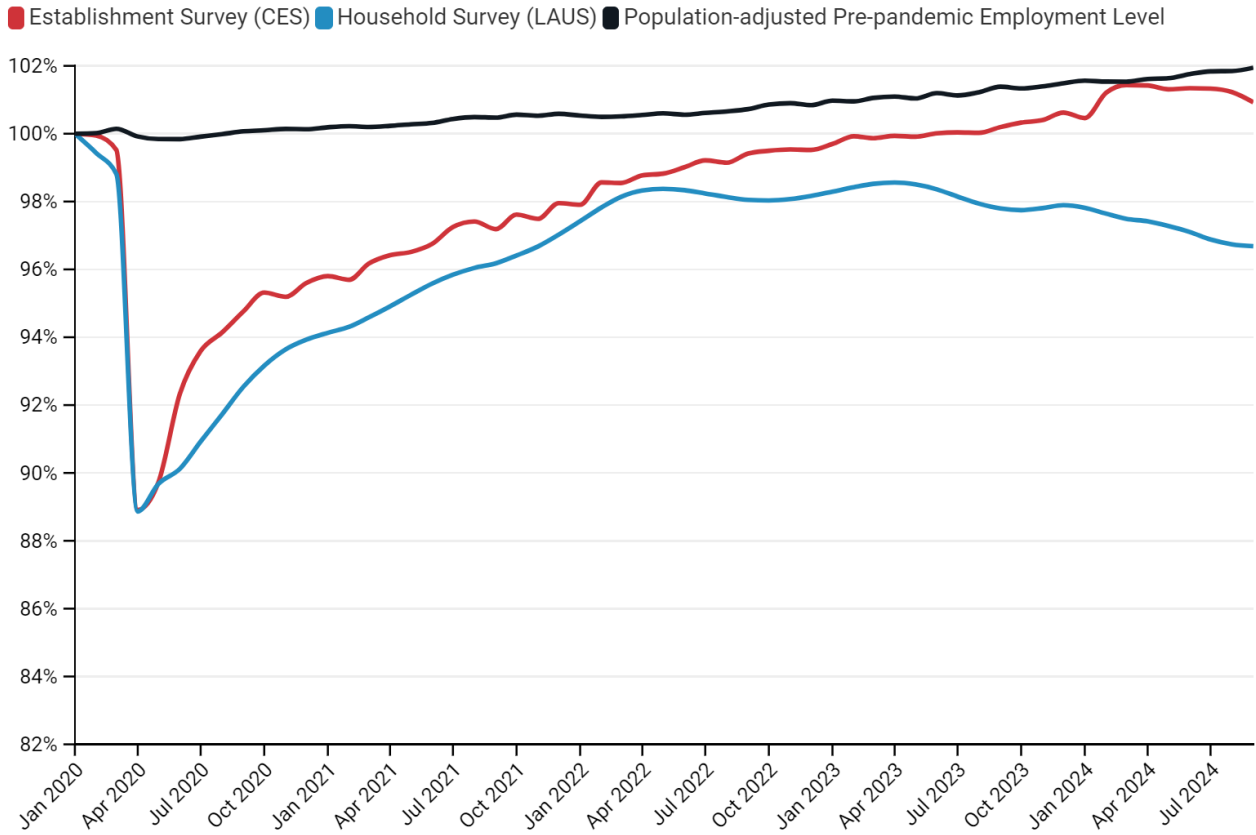
The September Bureau of Labor Statistics employment and unemployment release shows that Iowa’s job market continues to tighten. In September 2024, Iowa employment declined by 4,800 jobs to 1.603 million—the state’s second lowest employment level this year. Alongside this decline, the BLS revised total employment in the state downward by 1,000 jobs. Over half of this month’s job losses occurred in education and health services with a decrease of 2,600 jobs, one of Iowa’s largest employment gainers since January 2020.

Despite this decline in employment, Iowa’s unemployment rate remains unchanged at 2.9%, the eighth lowest in the United States. Its labor force participation rate also remained unchanged in September at 66.3%, halting its nine-month consecutive decline. Data in the coming months, in addition to interest rate cuts by the Federal Reserve, will better determine where Iowa’s labor market stands and if there is any need for concern.

## Key Findings—Iowa September 2024 Employment Data

- **After a downward revision of 1,000 jobs, September’s jobs numbers signal that employment continues to tighten in Iowa by all measures.**
  - **JOBS: The state lost 4,800 jobs in September.**
  - **Unemployment: Iowa’s unemployment remained unchanged at 2.9% in September.**
  - **LFPR: Remaining unchanged 66.3%, Iowa’s labor force participation rate stopped its decline after 9 consecutive months.**
- **Though weakening, Iowa’s employment situation remains one of the strongest in the nation, boasting the 8th lowest unemployment rate and 9th highest LFPR.**
- **Since the start of the year, from December ‘23 to September ‘24, the private sector gained 4,800 jobs.**

## 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.**
- Based on the **establishment survey** and revised August numbers, employment has significantly fallen in September, declining by 4,800 or 0.3%.
- Based on the **household survey**, employment continues to decline, falling in September by 0.06% or 962 jobs.

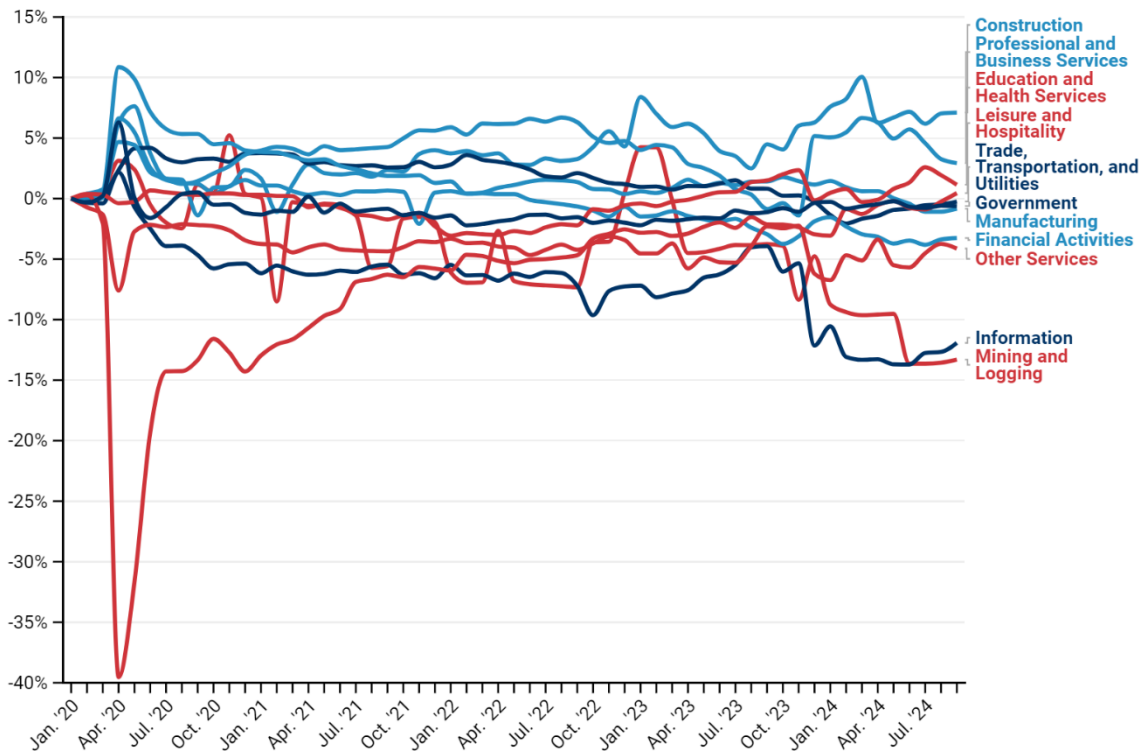
### Revisions

- In October, the BLS revised August 2024 seasonally-adjusted total nonfarm employment upward by 35,200 jobs nationally—a 0.02% increase.
- In October, the BLS revised August 2024 seasonally-adjusted total nonfarm employment in Iowa downward by 1,000 jobs—a 0.06% decline.
- In October, the BLS revised August 2024 seasonally adjusted total nonfarm employment for education and health services downward by 1,400 jobs. The agency also revised leisure and hospitality upward by 1,300 jobs.

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

- **Based on the establishment survey, the net loss of 4,800 jobs in September was driven by net job losses in eight of 11 major sectors.**
  - Education and health services lost 2,600 jobs for a 0.62% decline.
  - Government alongside professional and business services both lost 900 jobs for a 0.34% 0.62% decline, respectively.
  - Other services lost 400 jobs for a 0.7% decline.
  - Construction lost 200 jobs for a 0.23% decline.
  - Trade, transportation, and utilities lost 200 jobs for a 0.06% decline.
  - Financial activities lost 200 jobs for a 0.19% decline.
  - Manufacturing lost 100 jobs for a 0.04% decline.
- Two sectors saw a net gain in jobs from August to September.
  - Leisure and hospitality gained 600 jobs for a 0.41% increase.
  - Information gained 100 jobs for a 0.55% increase.
  - Mining and logging remained unchanged.
- **Since the start of the year, from December '23 to September '24, the private sector gained 4,800 jobs.** Last month, CSI reported a YTD gain of 10,600 jobs.
  - Leisure and hospitality contributed the most to this gain, adding 5,400 jobs.
  - Education and health services was the next largest contributor, adding 3,800 jobs.
- **Since January 2020, the private sector has gained 14,700 jobs.**
  - In last month's [Iowa Jobs and Labor Force Update](#), CSI reported that the private sector gained 20,500 jobs since January 2020.<sup>1</sup> This month's drastic drop in employment has resulted in much lower levels of employment since the pandemic.

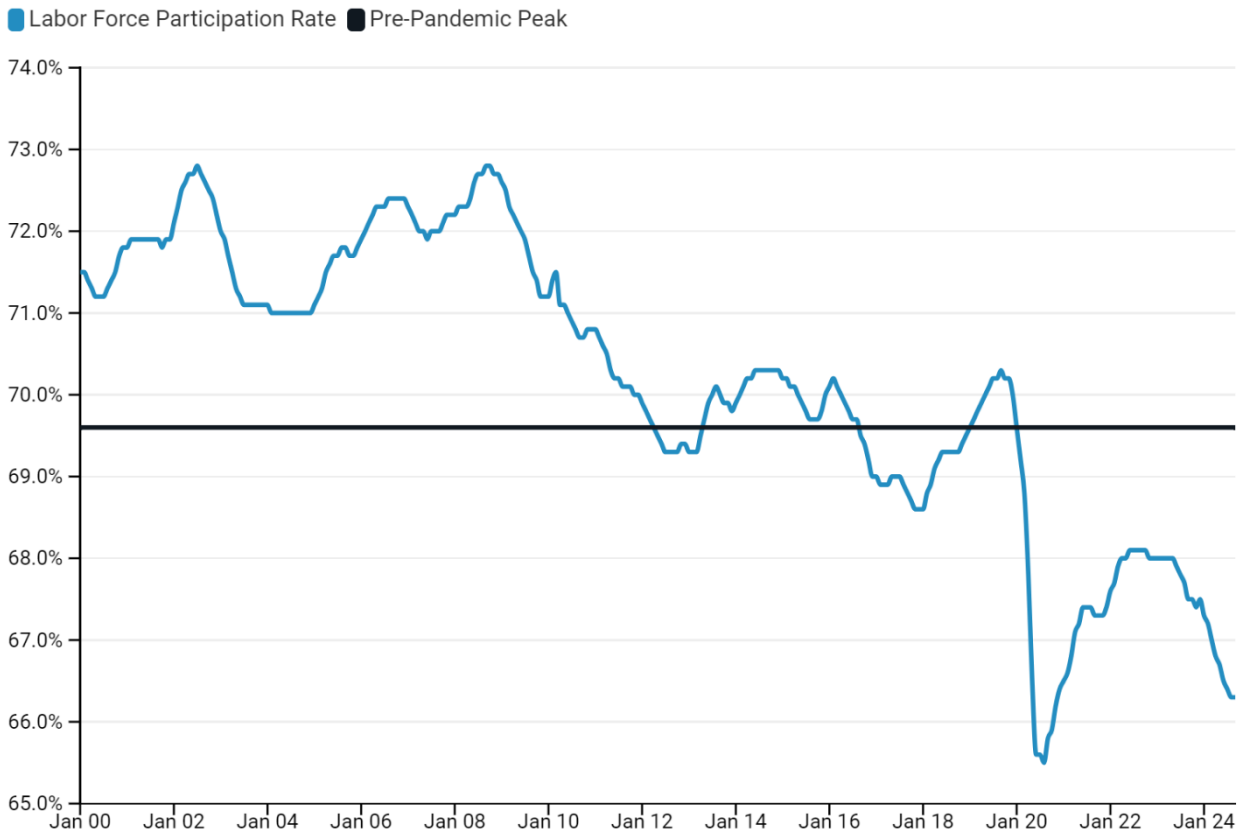
## Changing Industry Shares of Total Iowa Employment since January 2020



### Iowa Labor Force Update

- In September, Iowa’s LFPR remained unchanged at 66.3%, which is 3.3% below the pre-pandemic LFPR of 69.6% in January 2020.
- The unemployment rate also remained unchanged at 2.9%. Iowa ranked 8th lowest unemployment rate among all 50 states, improving two spots since 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.

<sup>i</sup> Andrzej Wieciorkowski, "Iowa Jobs and Labor Force Update – August 2024," Common Sense Institute, Sept. 20, 2024, <https://www.commonsenseinstituteus.org/iowa/research/jobs-and-our-economy/iowa-jobs-and-labor-force-update-august-2024>