



July 2025

# Iowa Jobs and Labor Force Update

June 2025

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## Introduction

In June, Iowa's labor market continued to decline, with a net loss of 2,700 jobs. The largest decline was in the leisure and hospitality sector (-5,200), followed by manufacturing (-800) and financial services (-200). Education and Health Services saw the greatest growth, adding 2,700 jobs.

Although the overall trend shows a decline in available jobs, newly revised figures for May reveal that the state added 100 more jobs than previously reported. From December 2024 through May 2025, the private sector lost 2,200 jobs, and total nonfarm employment declined by 2,100. June's losses effectively erased the net job gains Iowa had made earlier in 2025.

While Iowa's labor market remains relatively competitive, the unemployment rate increased by 0.1% to 3.7%, now ranking 21st lowest in the nation—a drop of two spots since last month and four since the month prior. However, the labor force participation rate rose by 0.1% to 67.4% in June, maintaining Iowa's position as the 8th-highest in the country.

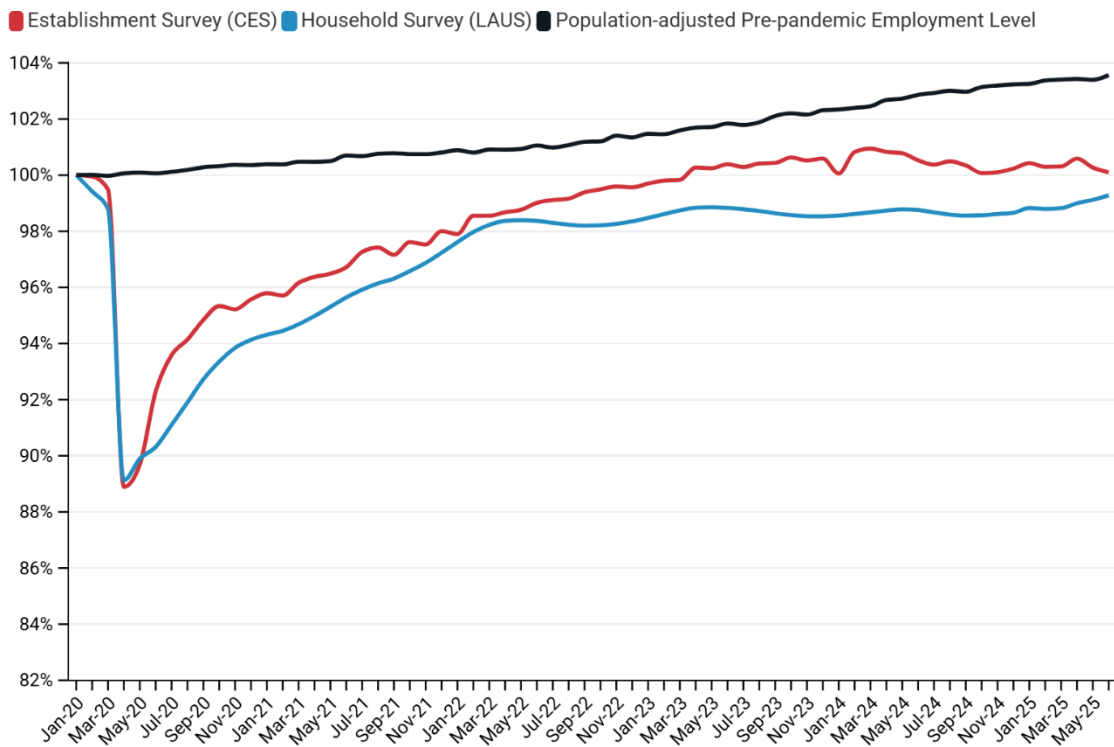
## Key Findings—Iowa June 2025 Employment Data

- **In June, Iowa lost 2,700 jobs. 6 of 11 major sectors contributed to this loss.**
  - Leisure and hospitality contributed most to this loss with 5,200 jobs lost.
  - Education and health services saw the largest monthly increase, gaining 2,700 jobs.
- **Revisions indicate May performed better than initially expected.**
  - State Revisions: The state reported 100 more jobs in May 2025 compared to pre-revised May 2025 data.
  - Industry Revisions: Construction contributed most to the upward revision with 1,100 increased jobs.
- **Iowa has the 21st lowest unemployment rate in the nation, down two from last month.**
  - Unemployment: Iowa's unemployment was 3.7% in June, up 0.1% from last month.
- **Iowa labor force participation rank remained unchanged and is 8<sup>th</sup> in the country.**
  - LFPR: Iowa's LFPR was 67.4% in June, up 0.1% from last month.
- **So far, from December '24 to June '25, the private sector has lost 2,200 jobs.**
  - This month included steep declines that erased previous months' positive job growth. Leisure and hospitality's loss of over 5000 jobs greatly contributed to this.

## 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 2,700 or 0.16%.
- Based on the **household survey**, employment grew by 2,677 jobs or -0.17%.

### Employment Levels in Iowa since January 2020

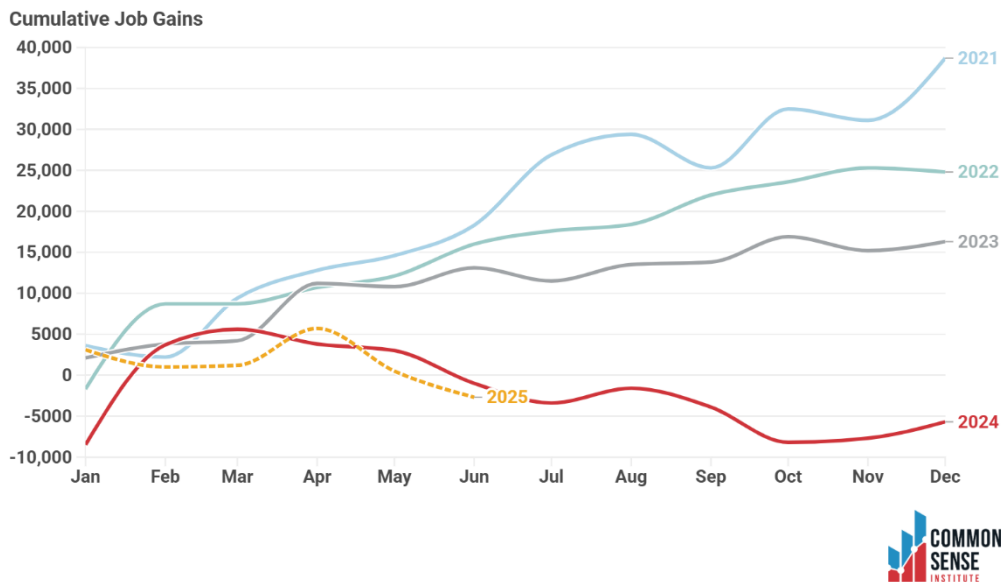


## Revisions

- **United States** – In July, the BLS revised May 2025 seasonally adjusted total nonfarm employment nationally downward by 33,900 (-0.021%).
- **Iowa** – In July, the BLS revised May 2025 seasonally adjusted total nonfarm employment in Iowa upward by 100 (0.01%).
- **Iowa by Sector** – In July, the BLS revised May 2025 seasonally adjusted total nonfarm employment for the following major sectors:
  - Construction upward by 1,100 jobs.
  - Financial activities upward by 200 jobs.
  - Information upward 100 jobs.
  - Leisure and Hospitality downward by 500 jobs.
  - Government downward by 400 jobs.
  - Trade, transportation, and utilities downward by 200 jobs.
  - Education and health services, and manufacturing both downward by 100 jobs.

## Cumulative Jobs Added by Year - Iowa

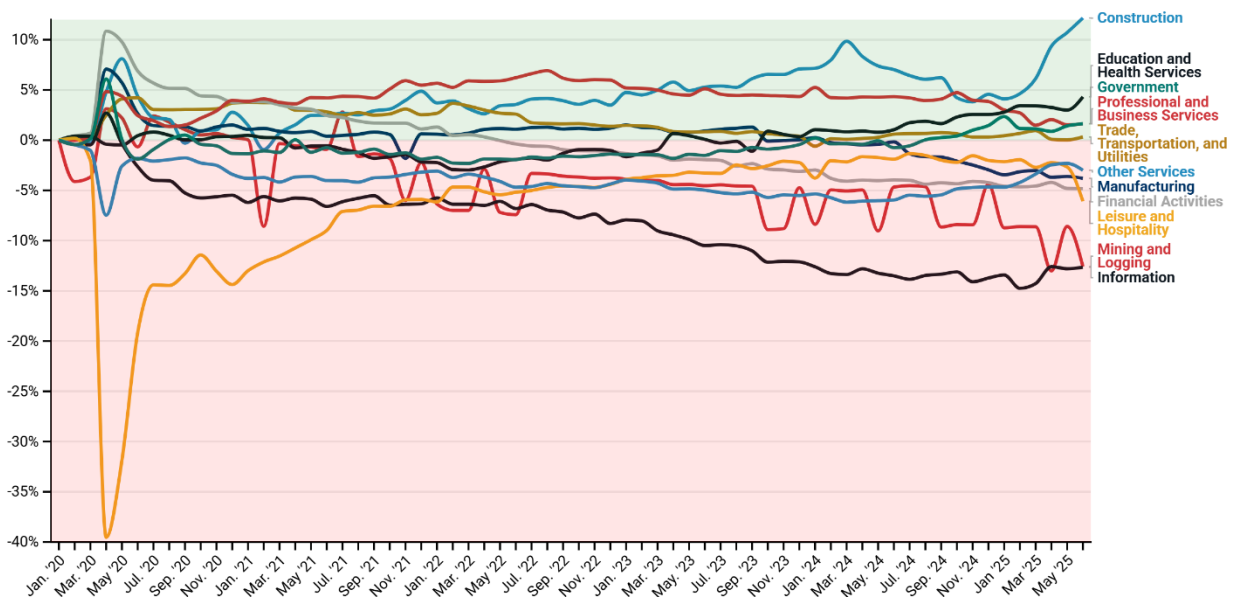
Iowa cumulative employment growth in 2025 continues to be the lowest of all post-pandemic years. From December 2024 to May 2025, employment has grown by only 500 jobs.



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

- Based on the establishment survey, the net decline of 2,700 jobs in June was driven by net job losses in 6 of 11 major sectors.
  - Leisure and Hospitality lost 5,200 jobs (-3.67%).
  - Manufacturing lost 800 jobs (-0.370%).
  - Other services lost 500 jobs (-0.87% change)
  - Financial Activities lost 200 jobs (-0.19%).
  - Mining and Logging lost 100 jobs (-4.55%).
  - Professional and Business Services lost 100 jobs (-0.19%).
- Five sectors saw a net gain in jobs from May to June.
  - Construction gained 1,000 jobs (1.14%).
  - Education and Health Services gained 2,700 jobs (1.11%)
  - Trade, transportation, and utilities gained 400 jobs (0.13%).
  - Government gained 100 jobs (0.037%).
- So far, from December '24 to June '25, the private sector has lost 2,200 jobs.
  - Total nonfarm employment, which includes government employment, has lost 2,100 jobs in this same period.

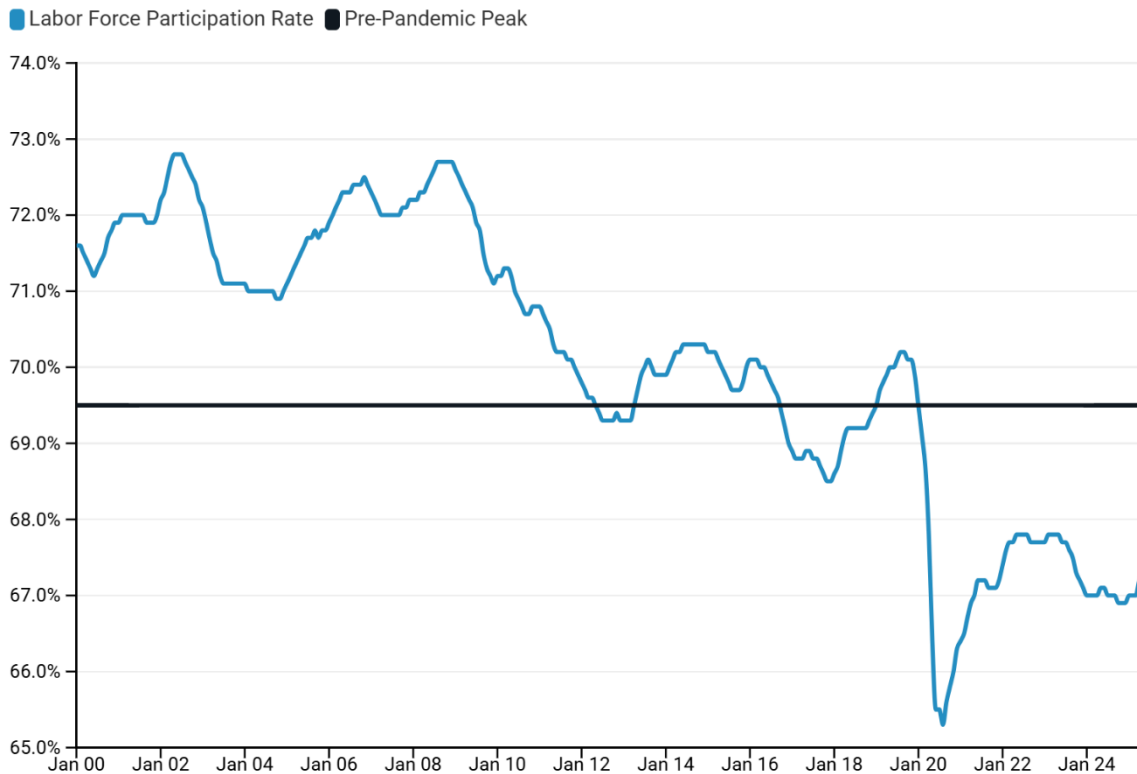
Changing Industry Shares of Total Iowa Employment since January 2020



## Iowa Labor Force Update

- In June, Iowa's LFPR grew 0.1% to 67.4%, 2.1% below the pre-pandemic LFPR of 69.5% in January 2020.
  - Iowa ranked 8th highest in labor force participation among 50 states, unchanged from last month.
- Iowa's unemployment rate in June grew by 0.1% to 3.7%.
  - Iowa ranked 21st lowest in unemployment rate among all 50 states, down two spots 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.