



August 2025

# Iowa Jobs and Labor Force Update

July 2025

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## Introduction

Iowa's labor market showed modest improvement in July, adding 300 jobs on net across four major sectors. Education and health services (+2,100) and leisure and hospitality (+1,400) drove most of the growth, offsetting major losses in trade transportation, and utilities (-1,200), professional services (-1,000), and government (-900). June's preliminary results were also revised upward by 500 jobs, with particularly strong adjustments in leisure and hospitality (+1,500), construction (400), and government (400).

Despite encouraging preliminary results, July's gains were concentrated in a handful of industries, suggesting overall momentum in Iowa's job market remains limited. Since December 2024, the private sector is down 900 jobs, while total nonfarm employment is down by 1,300 over the same period.

Even so, other indicators continue to display resilience. In July, the unemployment rate held steady at 3.7%. This ranked Iowa at 20<sup>th</sup> lowest in the nation—a gain of one spot from last month. The state's labor force participation rate also remained unchanged at 67.4%, still ranking 8<sup>th</sup> nationally. While July brought welcome progress and halted the streak of job losses, the narrow growth points to an economy still facing headwinds.

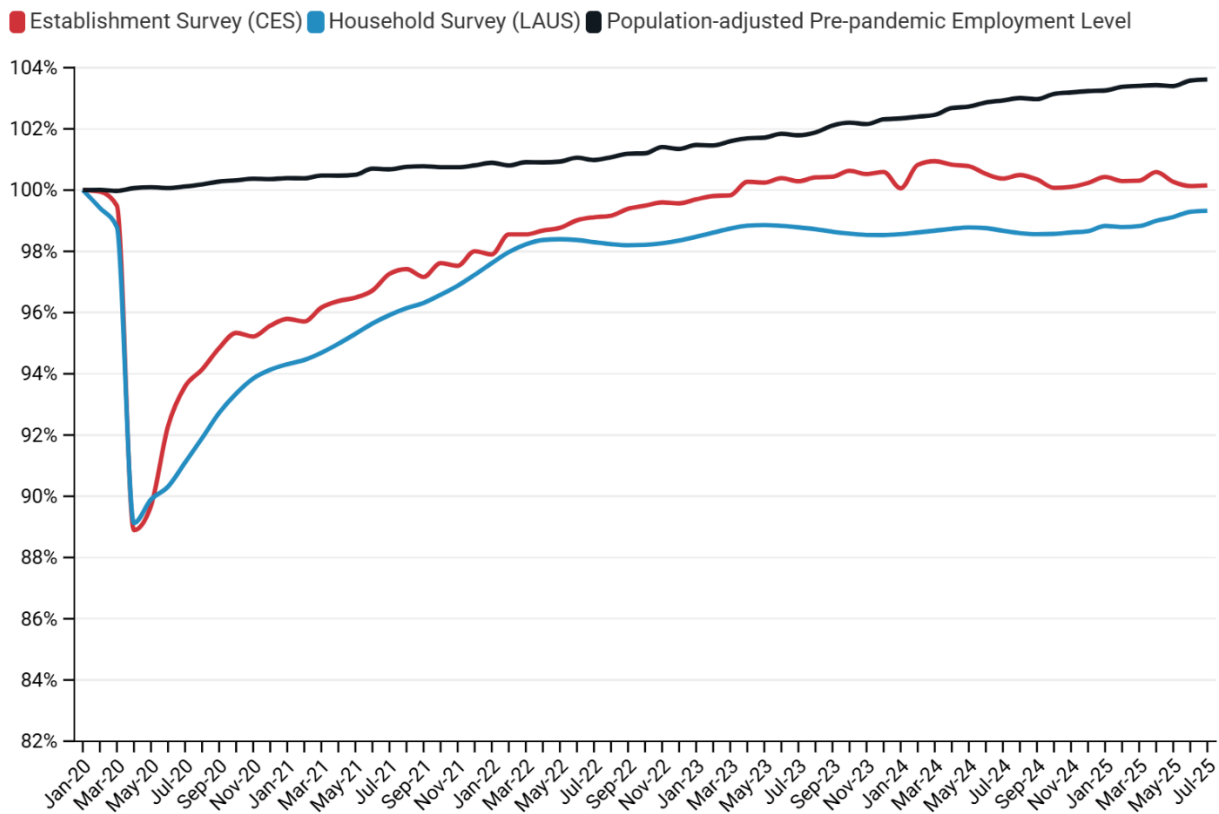
## Key Findings—Iowa July 2025 Employment Data

- **In July, Iowa gained 300 jobs. Four of 11 major sectors contributed to this gain.**
  - Education and health services (+2,100) and Leisure and hospitality (+1,400) contributed most to this gain.
  - Trade, transportation, and utilities saw the largest monthly decline, losing 1,200 jobs.
- Revisions indicate June performed better than initially expected.
  - State Revisions: The state reported 500 more jobs in June 2025 compared to pre-revised June 2025 data.
  - Industry Revisions: Leisure and hospitality contributed most to the upward revision with 1,500 increased jobs.
- Iowa has the 20th lowest unemployment rate in the nation, up one spot from last month.
  - Unemployment: Iowa's unemployment was 3.7% in July, unchanged from last month.
- Iowa labor force participation rank remained unchanged and is 8th in the country.
  - LFPR: Iowa's LFPR was 67.4% in July, unchanged from last month.
- So far, from December '24 to July '25, the private sector has lost 900 jobs.
  - Total nonfarm employment has lost 1,300 jobs in this same period.

## 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 grew by 300 or 0.02%.
- Based on the **household survey**, employment grew by 550 jobs or 0.03%.

## Employment Levels in Iowa since January 2020



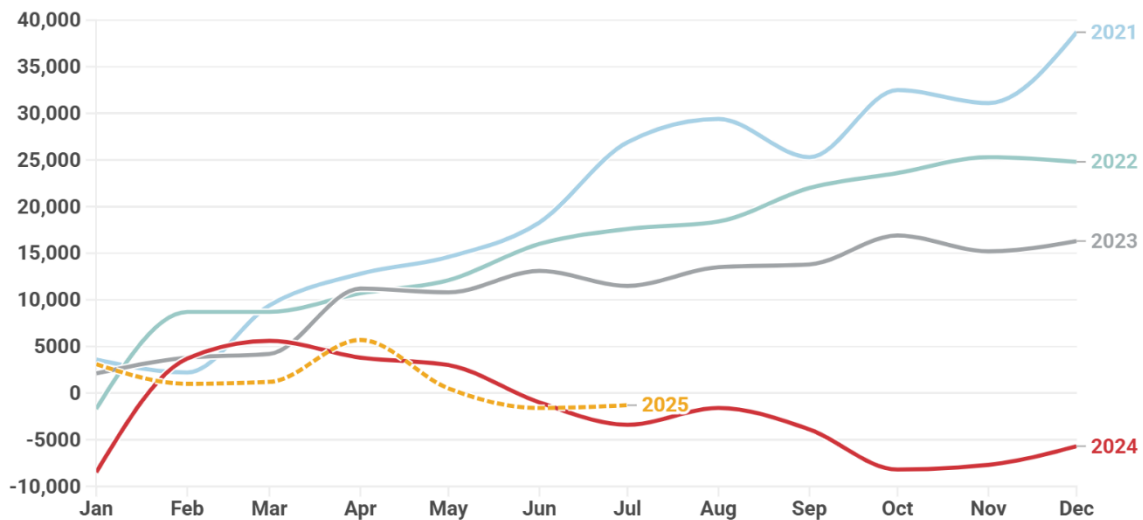
## Revisions

- **United States** – In August, the BLS revised June 2025 seasonally adjusted total nonfarm employment nationally downward by 5,900 (-0.004%).
- **Iowa** – In August, the BLS revised June 2025 seasonally adjusted total nonfarm employment in Iowa upward by 500 (0.03%).
- **Iowa by Sector** – In August, the BLS revised June 2025 seasonally adjusted total nonfarm employment for the following major sectors:
  - Leisure and hospitality upward by 1,500 jobs (1.10%).
  - Government upward by 400 jobs (0.15%). This was split between 800 job gains for state government (1.11%) and 400 job losses for local government (-0.22%).
  - Construction upward by 400 jobs (0.45%).
  - Manufacturing (0.05%) and Professional and business services (0.07%) both upward by 100 jobs.
  - Financial activities downward by 200 jobs (-0.19%).
  - Trade, transportation, and utilities downward by 300 jobs (-0.10%).
  - Education and health services downward by 1,500 jobs (-0.61%).

## 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.

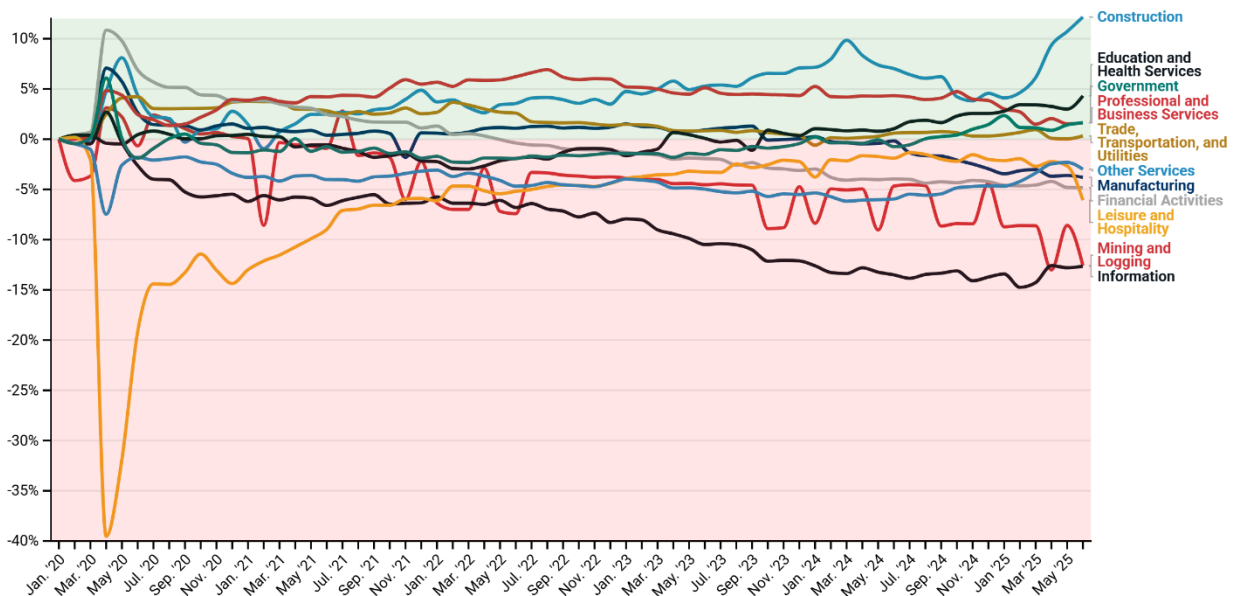
Cumulative Job Gains



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

- Based on the establishment survey, the net increase of 300 jobs in July was driven by net job gains in 4 of 11 major sectors.
  - Education and health services gained 2,100 jobs (0.86%).
  - Leisure and hospitality gained 1,400 jobs (1.01%).
  - Manufacturing gained 600 jobs (0.28%).
  - Other services gained 200 jobs (0.35%).
- Five sectors saw a net loss in jobs from June to July.
  - Trade, transportation, and utilities lost 1,200 jobs (-0.39%).
  - Professional and business services lost 1,000 jobs (-0.71%).
  - Government lost 900 jobs (-0.33%). This was split between 200 jobs gained by state government (0.27%) and 1,100 jobs lost for local governments (-0.61%).
  - Financial activities lost 800 jobs (-0.76%).
  - Information lost 100 jobs (-0.55%).
- So far, from December '24 to July '25, the private sector has lost 900 jobs.
  - Total nonfarm employment, which includes government employment, has lost 1,300 jobs in this same period.

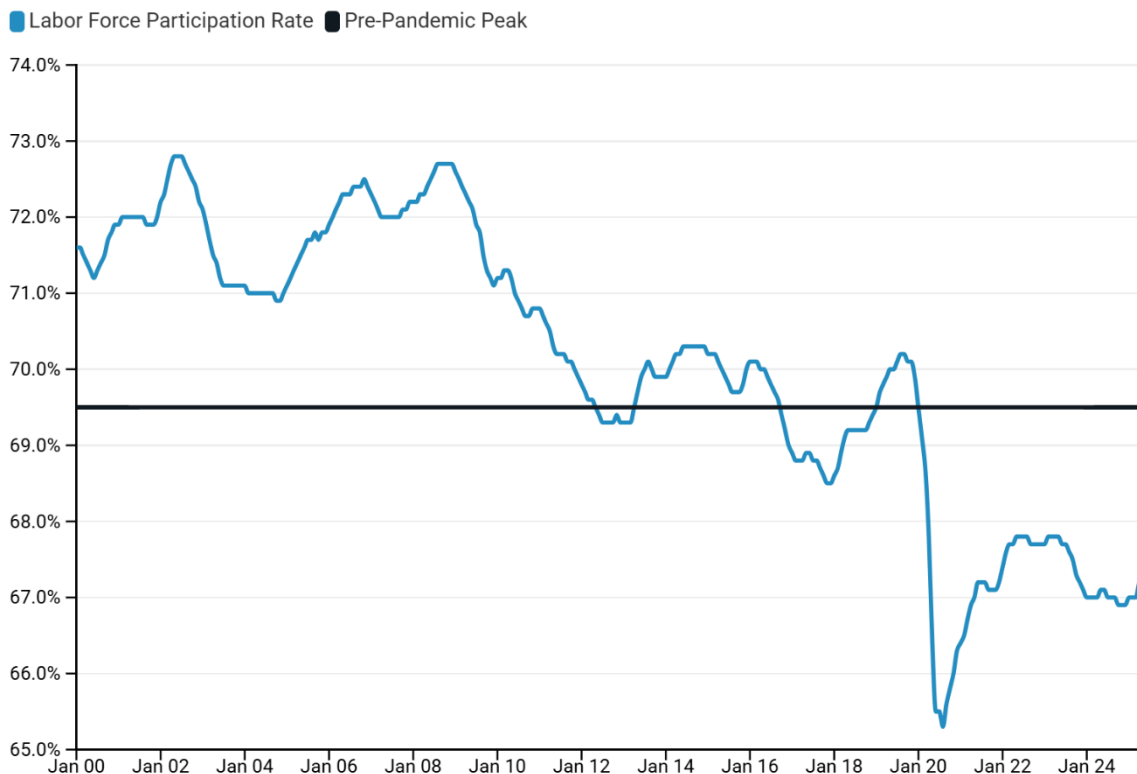
Changing Industry Shares of Total Iowa Employment since January 2020



## Iowa Labor Force Update

- In July, Iowa's LFPR remained unchanged at 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 July remained unchanged at 3.7%.
  - Iowa ranked 20st lowest in unemployment rate among all 50 states, up one two spot 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.