



**For Release:** 9:00 a.m.  
**Date:** January 20, 2023

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## **Iowa's Unemployment Rate Remains at 3.1 Percent in December, Capping Strong Year of Recovery**

DES MOINES, IOWA – Iowa's unemployment rate remained at 3.1 percent in December, down from 3.9 percent a year ago, while the U.S. unemployment rate was 3.5 percent in December.

Iowa employers reported adding 2,400 jobs in December, ending the year with 34,200 more positions on payrolls than December 2021. Multiple sectors saw growth over the year, including 7,600 jobs created in manufacturing. Across 2022, Iowa reported job growth in all but two months. Compared to December 2021, Iowa last month had 11,700 fewer unemployed, 34,100 more people in the labor force, and 45,600 more residents with jobs.

"Iowa ended 2022 in a much stronger position than where we were a year ago," said Beth Townsend, Director of Iowa Workforce Development. "Individual industries certainly continue to feel shocks from high inflation and the ripples of a difficult business cycle. But overall, Iowa is now much stronger heading into 2023. Moving forward, IWD's focus will be on continuing our momentum by connecting Iowans to the new jobs created in health care, business services, and other growing sectors."

## **Seasonally Adjusted Nonfarm Employment**

Iowa establishments in December added 2,400 jobs to their payrolls, lifting total nonfarm employment to 1,587,500 jobs. Service sectors were responsible for all of the growth this month as goods producing sectors shed 800 jobs due to construction industries shutting down for the winter break. Private industries advanced by 3,000 with hiring most evident in education and health services along with professional and business services. On the other hand, government trended down to end the year and lost 600 jobs at the state level.

Health care and social assistance added the most jobs in December (+1,500). This increase helped offset a loss in November and equates to 4,900 jobs gained in 2022. Jobs added in December were spread throughout all segments of healthcare. Professional and business services also showed improvement in December (+1,100). Most of these hires were related to professional, scientific, and technical services, which has gained just 500 jobs compared to last year. Other sectors showing improvement in December included retail trade, up 900 jobs over November and 2,900 jobs for the year. Alternatively, job losses were limited to just a few sectors in December and led by construction (-700). This sector has shown little trend this year and ends with this same total as December of last year. Leisure and hospitality posted the only other major loss in December (-400).

Compared to last December, Iowa businesses have added 34,200 jobs. Many of these job gains have occurred in leisure and hospitality (+13,000) which leads all sectors. This sector now rests near pre-pandemic levels, so the pace of these job gains may start to wane next year. Manufacturing's 7,600 jobs ranked second in terms of annual growth, with nondurable goods factories adding slightly more jobs than the durable goods counterparts (+4,600). This sector has shown some signs of apprehension in hiring to end their year and even posted small job losses over the past two months. Annual job losses are less evident and include transportation and warehousing (-2,400) and administrative and support services (-900).

### Employment and Unemployment in Iowa, Seasonally Adjusted Data

	December 2022	November 2022	December 2021	Change from November 2022	December 2021
Civilian labor force	1,709,700	1,711,400	1,675,600	-1,700	34,100
Unemployment	53,200	52,400	64,900	800	-11,700
Unemployment rate	3.1%	3.1%	3.9%	0.0	-0.8
Employment	1,656,400	1,659,000	1,610,800	-2,600	45,600
Labor Force Participation Rate	67.6%	67.7%	66.7%	-0.1	0.9
U.S. unemployment rate	3.5%	3.6%	3.9%	-0.1	-0.4

### Nonfarm Employment in Iowa, Seasonally Adjusted Data

Total Nonfarm Employment	1,587,500	1,585,100	1,553,300	2,400	34,200
Mining	2,400	2,400	2,400	0	0
Construction	79,500	80,200	79,500	-700	0
Manufacturing	227,400	227,500	219,800	-100	7,600
Trade, transportation and utilities	313,900	313,300	312,400	600	1,500
Information	18,700	18,600	19,200	100	-500
Financial activities	109,800	109,200	108,200	600	1,600
Professional and business services	140,900	139,800	140,400	1,100	500
Education and health services	229,900	228,300	223,700	1,600	6,200
Leisure and hospitality	148,000	148,400	135,000	-400	13,000
Other services	56,700	56,500	56,400	200	300
Government	260,300	260,900	256,300	-600	4,000

### Unemployment Insurance Claims for Iowa

	December 2022	November 2022	December 2021	% Change from November 2022	December 2021
<b>Initial claims</b>	20,138	10,608	17,762	89.8%	13.4%
<b>Continued claims</b>					
Benefit recipients	17,037	7,525	17,573	126.4%	-3.1%
Weeks paid	55,721	21,249	61,696	162.2%	-9.7%
Amount paid	\$26,174,948	\$9,918,012	\$26,730,595	163.9%	-2.1%

Visit [www.iowalmi.gov](http://www.iowalmi.gov) for more information about current and historical data, labor force data, nonfarm employment, hours and earnings, and jobless benefits by county.

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MEDIA ALERT: Local data for December 2022 will be posted to the IWD website on Tuesday, January 24, 2023. Statewide and local data for January 2023 will be released on Monday, March 13, 2023.