

Iowa Economic Update

November 20, 2015

Summary

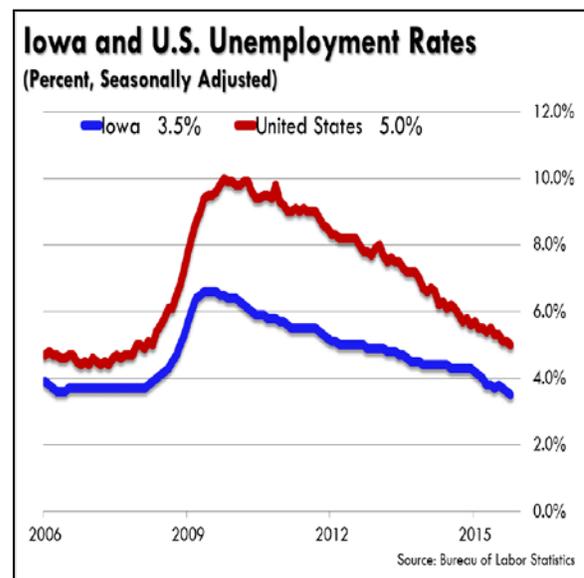
Nonfarm payroll employment in Iowa increased by 900 jobs and the unemployment rate fell to 3.5 percent in October according to data released by the Bureau of Labor Statistics (BLS).

Iowa Unemployment Rate

During October, the unemployment rate in Iowa declined by 0.1 percentage point to 3.5 percent. The number of people counted as unemployed fell by 1,082 in October to 60,334, while the labor force grew by 2,930 to 1,704,854. Among the 50 states and the District of Columbia, only 5 posted lower unemployment rates. A year earlier, the unemployment rate in Iowa stood at 4.3 percent.

The 10 year peak for the unemployment rate in Iowa was 6.6 percent in August 2009. The series high for the unemployment rate in Iowa occurred in January 1983 when the unemployment rate reached 9.1 percent. The 10 year low for the unemployment rate in Iowa was 3.5 percent in October 2015. The series low for the unemployment rate in Iowa occurred in March 2000 when the unemployment rate reached 2.4 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate declined by 0.1 percentage point to 5.0 percent in October. October's unemployment rate was 0.7 percentage point lower than a year earlier. The ten year high for the national unemployment rate was 10.0 percent in October 2009. The ten year low was 4.4 percent in May 2007.



Iowa Payroll Employment

Iowa nonfarm payrolls increased by 900 jobs, or 0.06 percent, on a seasonally adjusted basis during October. In the prior month, nonfarm payrolls increased by 1,300. Over the past 12 months nonfarm payrolls in Iowa increased by 22,300, or 1.43 percent. Iowa nonfarm payroll employment has increased in 10 of the past 12 months.

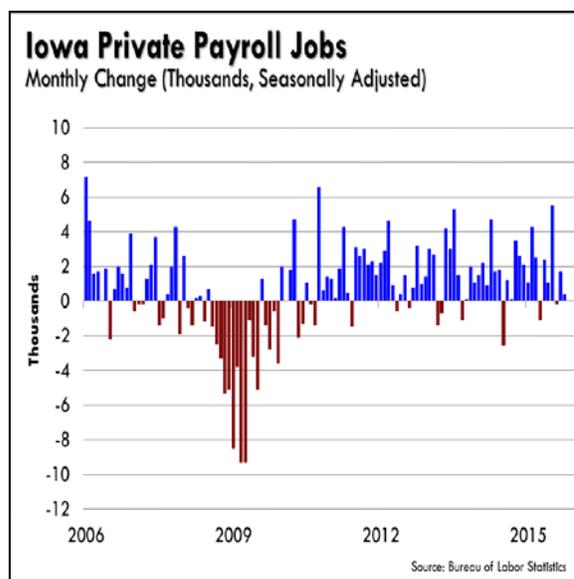
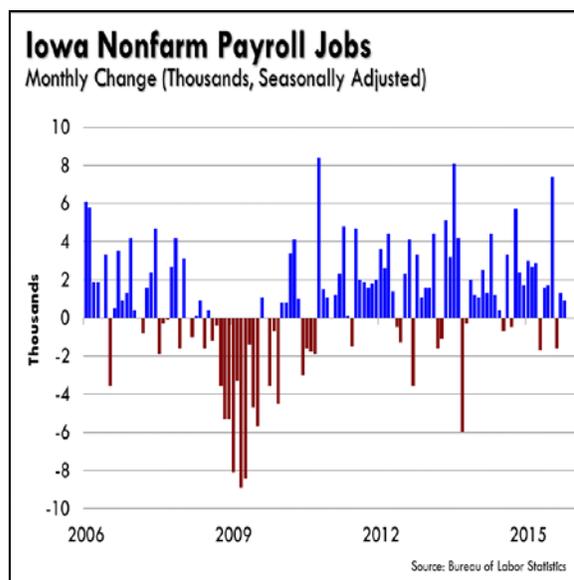
Nationally nonfarm payrolls increased by 271,000 jobs in October, or 0.19 percent. Over the 12 month period ending in October 2015 nonfarm payrolls grew by 2,814,000 jobs, or 2.01 percent. Iowa ranks 27th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During October, Iowa private sector payrolls increased by 400, or 0.03 percent. Private sector payrolls increased by 1,700 jobs in the prior month. Over the past 12 months, private sector payrolls in Iowa increased by 22,400, or 1.73 percent. Iowa private sector payroll employment has increased in 10 of the past 12 months.

Nationally private-sector payroll jobs increased by 268,000 jobs in 2.01, or 0.22 percent. Over the past 12 months, the nation's economy has added 2,709,000 jobs in the private sector, an increase of 2.30 percent.

Iowa ranks 25th among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During October, total government payroll employment in Iowa increased by 500, or 0.19 percent. Federal government payroll employment declined by 100, or 0.57 percent. State government payroll employment declined by 1,500, or 2.12 percent, while local government payroll employment increased by 2,100, or 1.24 percent.



Over the past year, total government payroll employment declined by 100, or 0.04 percent. State government payroll employment increased by 700, or 1.02 percent. Local government payroll employment declined by 600, or 0.35 percent.

The best performing sectors on a seasonally adjusted basis during October were Professional & Business Services (+3,300) and Other Services (+2,100). The poorest performing sectors during the month were Leisure & Hospitality (-1,900) and Manufacturing (-1,000).

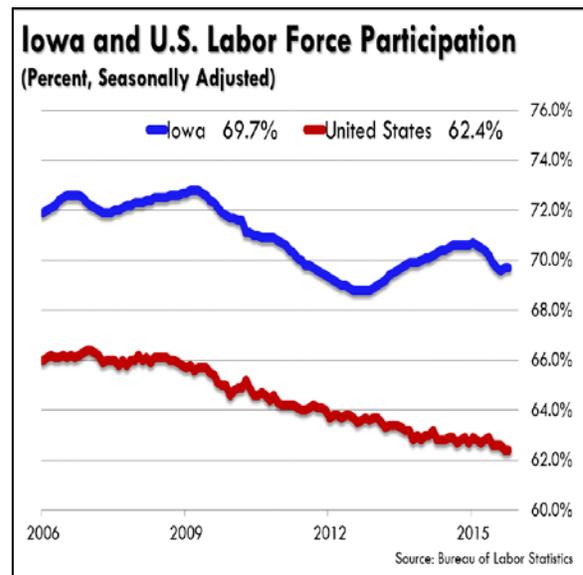
The best performing sectors during the last twelve months were Professional & Business Services (+6,500) and Educational & Health Services (+5,800). The poorest performing sectors for the year were Manufacturing (-1,300) and Information (-900).

Other Iowa Labor Force Statistics

The labor force participation rate in Iowa was unchanged at 69.7 percent in October. At 69.7 percent, Iowa has one of the five highest labor force participation rates in the nation. The labor force participation rate in Iowa is unchanged from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10 year high for the labor force participation rate in Iowa was 72.8 percent in April 2009. The series high for the labor force participation rate in Iowa occurred in August 1996 when the labor force participation rate hit 73.6 percent. The 10 year low for the labor force participation rate was 68.8 percent in November 2012. The series low for the labor force participation rate occurred in January 1976 when the labor force participation rate hit 63.8 percent.

The national labor force participation rate was unchanged at 62.4 percent in October. That rate was 0.4 percentage point lower than a year earlier. At 62.4 percent, the labor force participation rate is at its lowest level since September 1977.



The employment-to-population ratio, or the percentage of the Iowa civilian noninstitutionalized population 16 years and older counted as employed, rose to 67.3 percent in October from 67.2 percent the prior month. At 67.3 percent, Iowa has one of the five highest employment-to-population ratios in the nation. The employment-to-population ratio in Iowa is 0.3 percentage point lower than a year earlier.

The 10 year high for the employment-to-population ratio in Iowa was 69.9 percent in October 2006. The series high for the employment-to-population ratio in Iowa occurred in August 1996 when the

employment-to-population ratio hit 71.0 percent. The 10 year low for the employment-to-population ratio was 65.4 percent in November 2012. The series low for the employment-to-population ratio occurred in April 1983 when the employment-to-population ratio hit 59.9 percent.

The national employment-to-population ratio rose by 0.1 percentage point to 59.3 percent in October. That rate was 0.1 percentage point higher than a year earlier, but still 0.1 percentage point lower than it was when the recession ended in June 2009. The all-time high for the employment-to-population ratio was 64.7 percent in April 2000. The 10 year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for November is scheduled for release on Friday, December 18. The national employment situation report for November will be released on Friday, December 4.

