

Iowa Economic Update

June 19, 2015

Summary

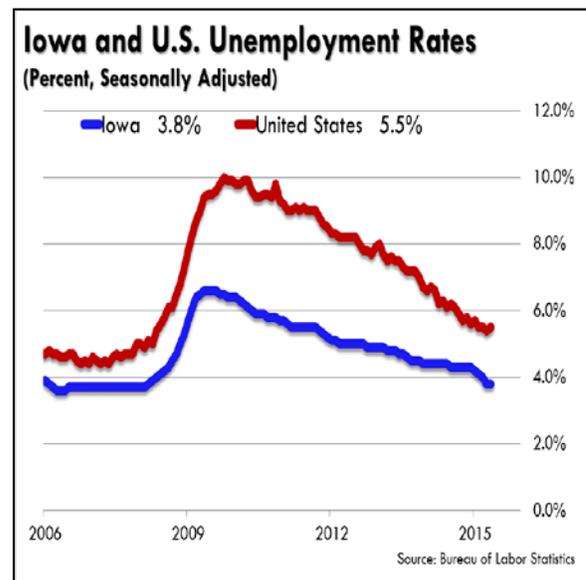
Nonfarm payroll employment in Iowa increased by 2,200 jobs and the unemployment rate was unchanged at 3.8 percent in May according to data released by the Bureau of Labor Statistics (BLS).

Iowa Unemployment Rate

During May, the unemployment rate in Iowa was unchanged at 3.8 percent. The number of people counted as unemployed fell by 888 in May to 64,711, while the labor force fell by 2,894 to 1,710,507. Among the 50 states and the District of Columbia, only 4 posted lower unemployment rates. A year earlier, the unemployment rate in Iowa stood at 4.4 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 3.6 percent in June 2006. 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 was inched up to 5.5 percent in May. May's unemployment rate was 0.8 percentage point lower than a year earlier when the rate stood at 6.3 percent. 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

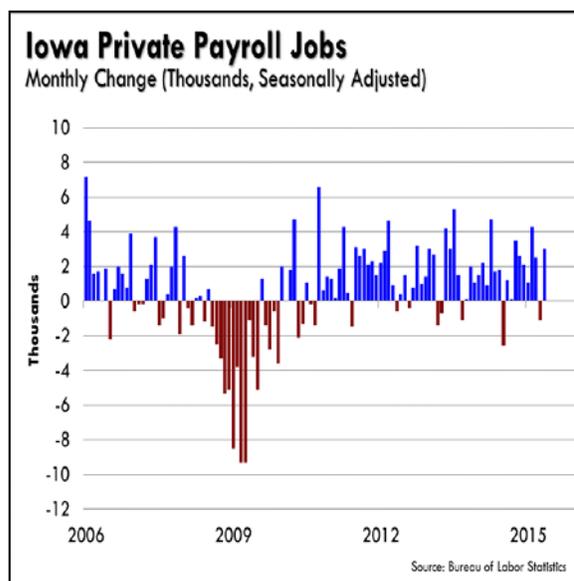
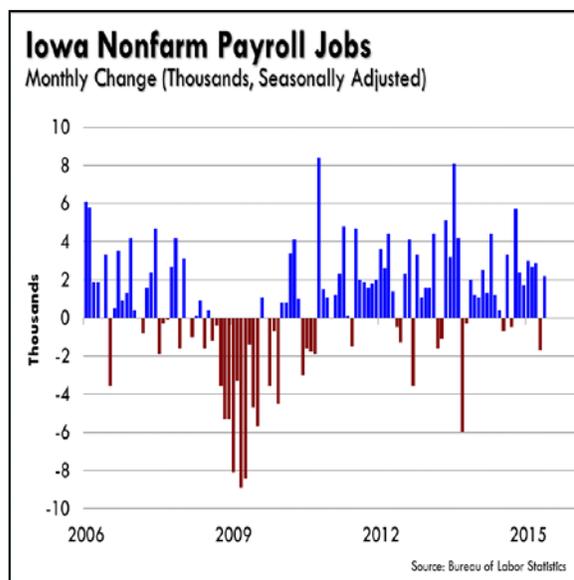
Iowa nonfarm payrolls increased by 2,200 jobs, or 0.14 percent, on a seasonally adjusted basis during May. In the prior month, nonfarm payrolls declined by 1,700. Over the past 12 months nonfarm payrolls in Iowa increased by 21,400, or 1.38 percent. Iowa nonfarm payroll employment has increased in 9 of the past 12 months.

Nationally nonfarm payrolls increased by 280,000 jobs in May, or 0.20 percent. Over the 12 month period ending in May 2015, nonfarm payrolls grew by 3,058,000 jobs, or 2.21 percent. Iowa ranks 30th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During May, Iowa private sector payrolls increased by 3,000, or 0.23 percent. Private sector payrolls declined by 1,100 jobs in the prior month. Over the past 12 months, private sector payrolls in Iowa increased by 18,500, or 1.43 percent. Iowa private sector payroll employment has increased in 10 of the past 12 months.

Nationally, private sector payroll jobs increased by 262,000 in May, or 0.22 percent. Over the past 12 months, the nation's economy has added 2,958,000 private sector payroll jobs, an increase of 2.53 percent. Iowa ranks 36th among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

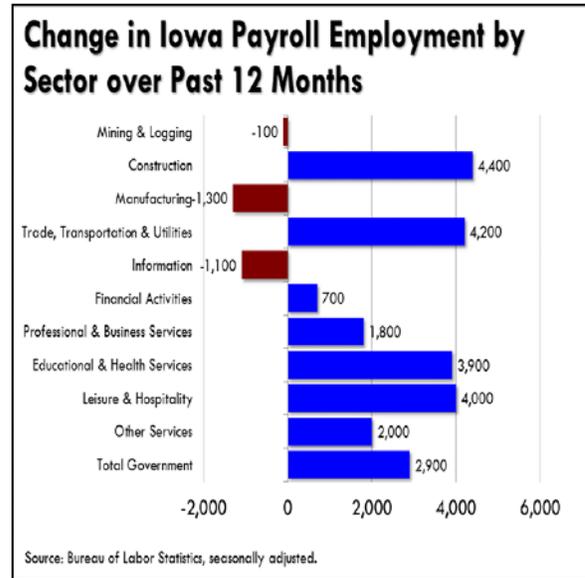
During May, total government payroll employment in Iowa declined by 800, or 0.31 percent. Federal government payroll employment declined by 200, or 1.14 percent. State government payroll employment declined by 500, or 0.73 percent, while local government payroll employment declined by 100, or 0.06 percent.



Over the past year, total government payroll employment increased by 2,900, or 1.14 percent. State government payroll employment increased by 2,100, or 3.18 percent. Local government payroll employment increased by 900, or 0.53 percent.

The best performing sectors on a seasonally adjusted basis during May were Manufacturing (+1,700) and Educational & Health Services (+1,300). The poorest performing sectors during the month were Construction (-1,400) and Total Government (-800).

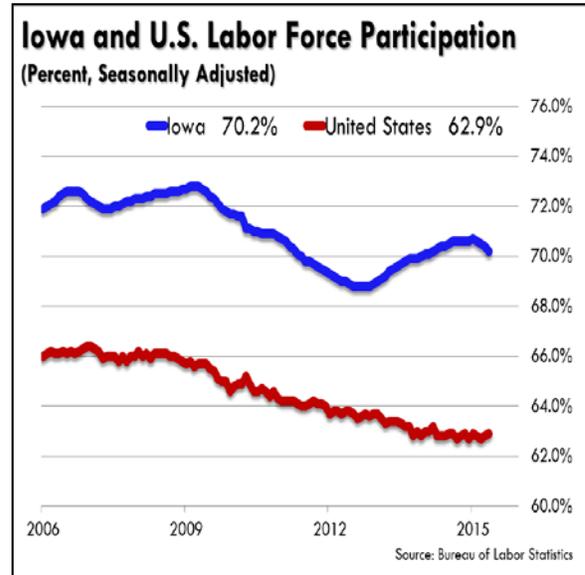
The best performing sectors during the last twelve months were Construction (+4,400) and Trade, Transportation & Utilities (+4,200). The poorest performing sectors for the year were Manufacturing (-1,300) and Information (-1,100).



Other Iowa Labor Force Statistics

The labor force participation rate in Iowa declined to 70.2 percent in May from 70.4 percent the prior month. At 70.2 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 rose by 0.1 percentage point to 62.9 percent in May. That rate is 0.1 percentage point higher than a year earlier.

The employment-to-population ratio, or the percentage of the Iowa civilian noninstitutionalized population 16 years and older counted as employed, declined to 67.6 percent in May from 67.7 percent the prior month. At 67.6 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 higher 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 ticked up to 59.4 percent in May. At 59.4 percent, the national employment-to-population ratio has finally risen back to the level it was at when the recession ended in June 2009. The all-time high for the employment-to-population ratio was 64.7 percent in May 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 May is scheduled for release on Tuesday, July 21. The national employment situation report for June is scheduled for release on Thursday, July 2. The national employment report is being released on Thursday instead of Friday due to the Independence Day holiday.

