

# Iowa Economic Update

April 21, 2015

## Summary

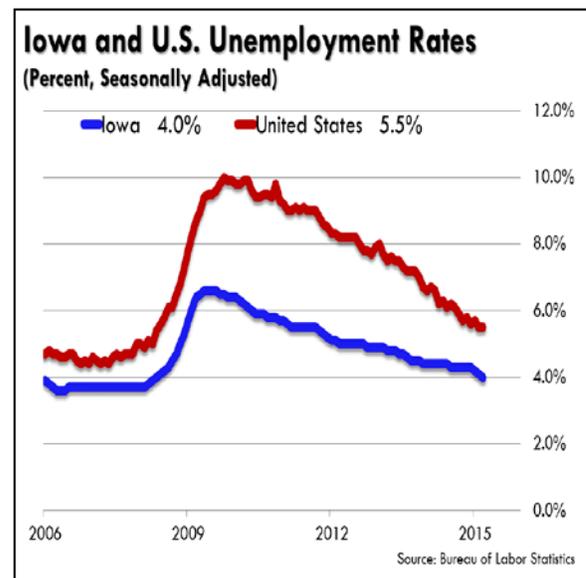
Nonfarm payroll employment in Iowa increased by 3,300 jobs and the unemployment rate fell to 4.0 percent in March according to data released by the Bureau of Labor Statistics (BLS).

## Iowa Unemployment Rate

During March, the unemployment rate in Iowa declined by 0.1 percentage point to 4.0 percent. The number of people counted as unemployed fell by 2,453 in March to 67,841, while the labor force fell by 1,809 to 1,714,956. Among the 50 states and the District of Columbia, 9 posted lower unemployment rates for the month than Iowa. 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 unchanged at 5.5 percent in March. March's unemployment rate was 1.1 percentage points lower than a year earlier when the rate stood at 6.6 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

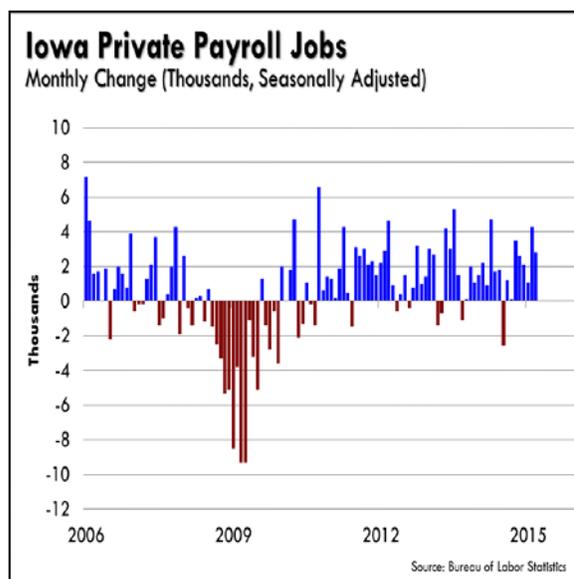
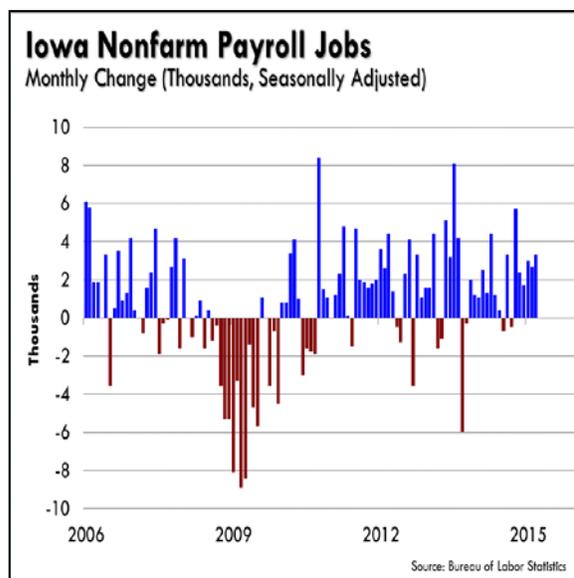
Iowa nonfarm payrolls increased by 3,300 jobs, or 0.21 percent, on a seasonally adjusted basis during March. In the prior month, nonfarm payrolls increased by 2,700. Over the past 12 months nonfarm payrolls in Iowa increased by 26,900, or 1.75 percent. Iowa nonfarm payroll employment has increased in 10 of the past 12 months.

Nationally nonfarm payrolls increased by 126,000 jobs in March, or 0.09 percent. Over the 12 month period ending in March 2015, nonfarm payrolls grew by 3,128,000 jobs, or 2.27 percent. Iowa ranks 23rd among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During March, Iowa private sector payrolls increased by 2,800, or 0.21 percent. Private sector payrolls increased by 4,300 jobs in the prior month. Over the past 12 months, private sector payrolls in Iowa increased by 23,300, or 1.81 percent. Iowa private sector payroll employment has increased in 11 of the past 12 months.

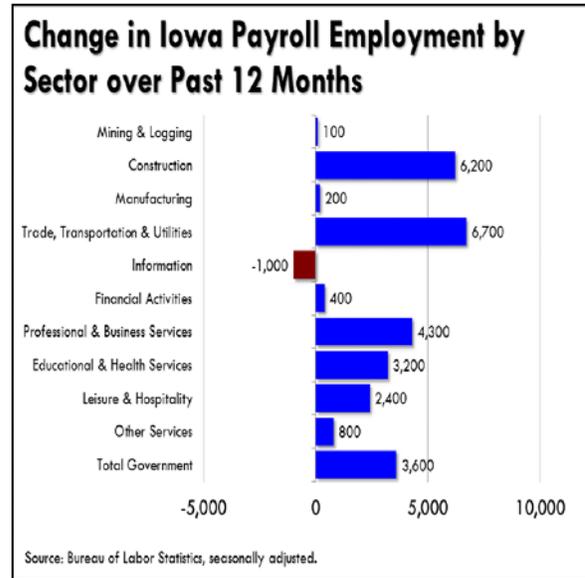
Nationally, private sector payroll jobs increased by 129,000 in March, or 0.11 percent. Over past 12 months, the nation's economy has added 3,056,000 private sector payroll jobs, an increase of 2.63 percent. Iowa ranks 28th among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During March, total government payroll employment in Iowa increased by 500, or 0.19 percent. Federal government payroll employment increased by 100, or 0.57 percent. State government payroll employment declined by 100, or 0.15 percent, while local government payroll employment increased by 500, or 0.29 percent.



Over the past year, total government payroll employment increased by 3,600, or 1.41 percent. State government payroll employment increased by 1,700, or 2.54 percent. Local government payroll employment increased by 1,900, or 1.11 percent.

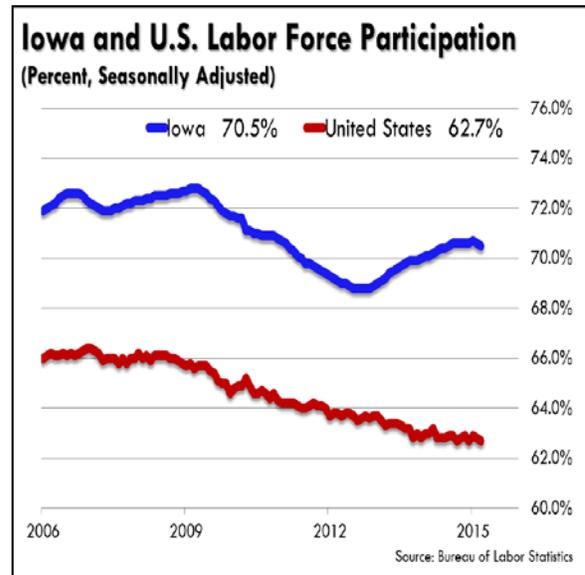
The best performing sectors on a seasonally adjusted basis during March were Educational & Health Services (+2,300) and Trade, Transportation & Utilities (+2,100). The poorest performing sectors during the month were Leisure & Hospitality (-1,100) and Manufacturing (-500).



The best performing sectors during the last twelve months were Trade, Transportation & Utilities (+6,700) and Construction (+6,200). The poorest performing sectors for the year were Information (-1,000) and Mining & Logging (+100).

### Other Iowa Labor Force Statistics

The labor force participation rate in Iowa declined to 70.5 percent in March from 70.6 percent the prior month. At 70.5 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 declined by 0.1 percentage point to 62.7 percent in March, equaling the ten year low last reached in December 2014. That rate is 0.5 percentage point below the March 2014 level of 63.2 percent.

The employment-to-population ratio, or the percentage of the Iowa civilian noninstitutionalized population 16 years and older counted as employed, was unchanged at 67.7 percent in March. At 67.7 percent, Iowa has one of the five highest employment-to-population ratios in the nation. The employment-to-population ratio in Iowa is 0.6 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 was unchanged at 59.3 percent in March. At 59.3 percent, the national employment-to-population ratio is still below the level of 59.4 percent 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 April is scheduled for release on Wednesday, May 27. The national employment situation report for April is scheduled for release on Friday, May 8.

