



United States Congress

Joint Economic Committee

EST. 1946

Republicans

Representative David Schweikert, *Chairman*



Alabama Employment Update



August 2025 | Released September 19, 2025

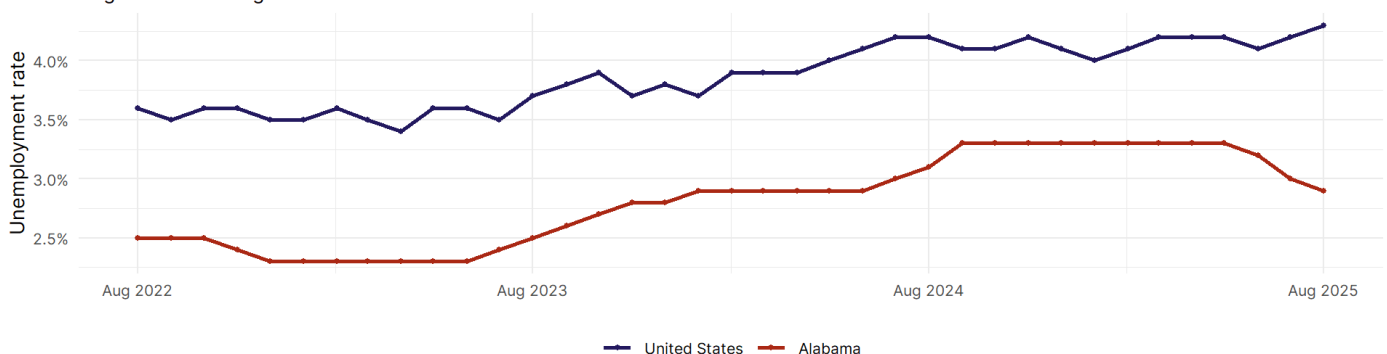
United States Employment Snapshot

- In August, among the 50 states and the District of Columbia **unemployment fell in 13, rose in 12, and remained unchanged in 26.**
- The highest unemployment rate was 6 percent in **District of Columbia**, and the lowest was 1.9 percent in **South Dakota**. Nationally, the unemployment rate rose by 0.1 percentage point to 4.3 percent.
- In August, **payroll jobs rose in 32 states and fell in 18.** The largest payroll job percent increase was 0.5 percent in **Utah**. The largest payroll job percent decline was 0.7 percent in **District of Columbia**.

Alabama Employment Snapshot

- In August, **Alabama added 3,000 net payroll jobs** and the **unemployment rate fell by 0.1 percentage point to 2.9 percent.** In the prior month, Alabama added 800 net payroll jobs.
- Over the past 12 months, **Alabama added 22,000 net payroll jobs** and the **unemployment rate fell by 0.2 percentage points from 3.1 percent.**
- Nationally, nonfarm payrolls **rose by 22,000 in August, or 0 percent.** Alabama **is tied for 18th** in the nation for percentage gain in nonfarm payroll employment over the past 12 months.
- In August, **Alabama's private sector added 2,400 net private payroll jobs**, and over the past 12 months it added 17,300 private payroll jobs. In the prior month, Alabama added 400 net private payroll jobs.
- In August, employment in Alabama **fell by 1,224**, and over the past 12 months it rose by 30,242.
- **Alabama's labor force participation rate fell to 57.7 percent** in August from 57.9 percent and **is tied for 46th** in the nation. In the past 12 months, the labor force participation rate has risen by 0.1 percentage points.

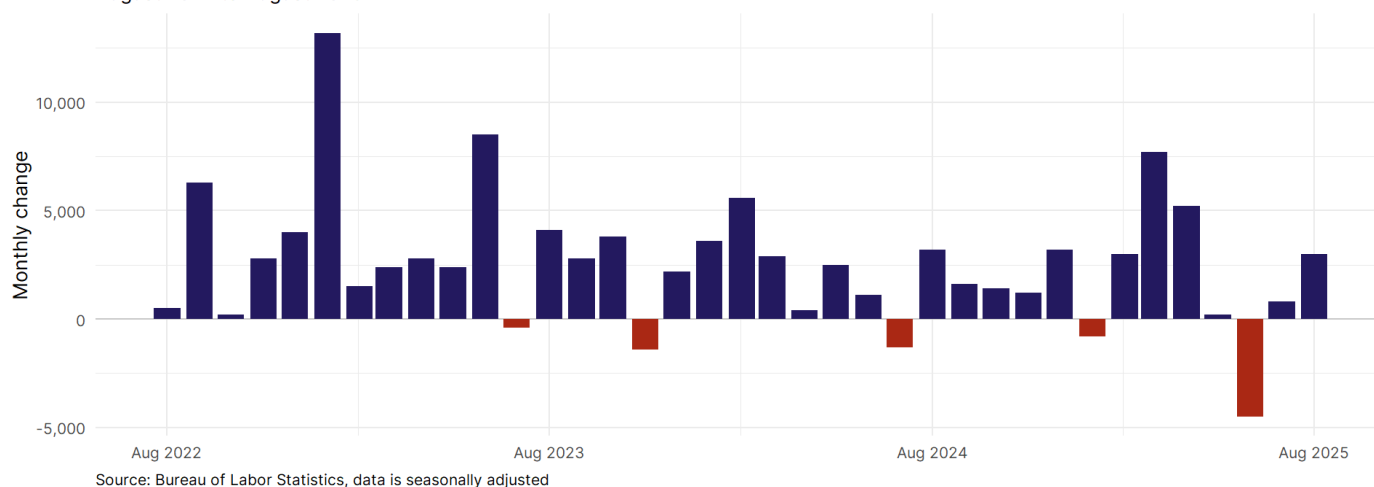
Unemployment Rate in Alabama
August 2022 to August 2025



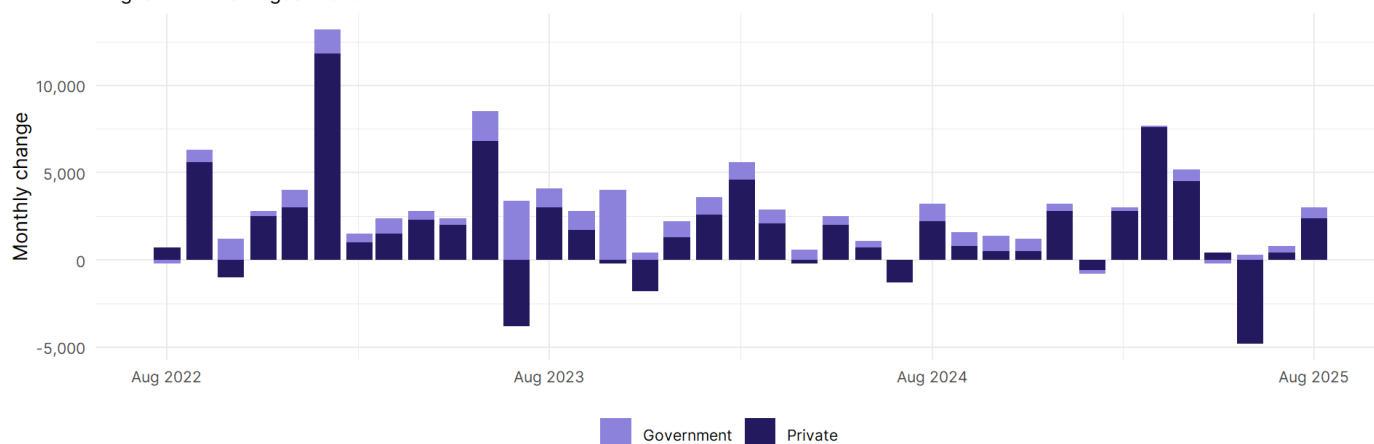
Source: Bureau of Labor Statistics, data is seasonally adjusted

Alabama Payroll employment

Change in Nonfarm Payrolls in Alabama
August 2022 to August 2025



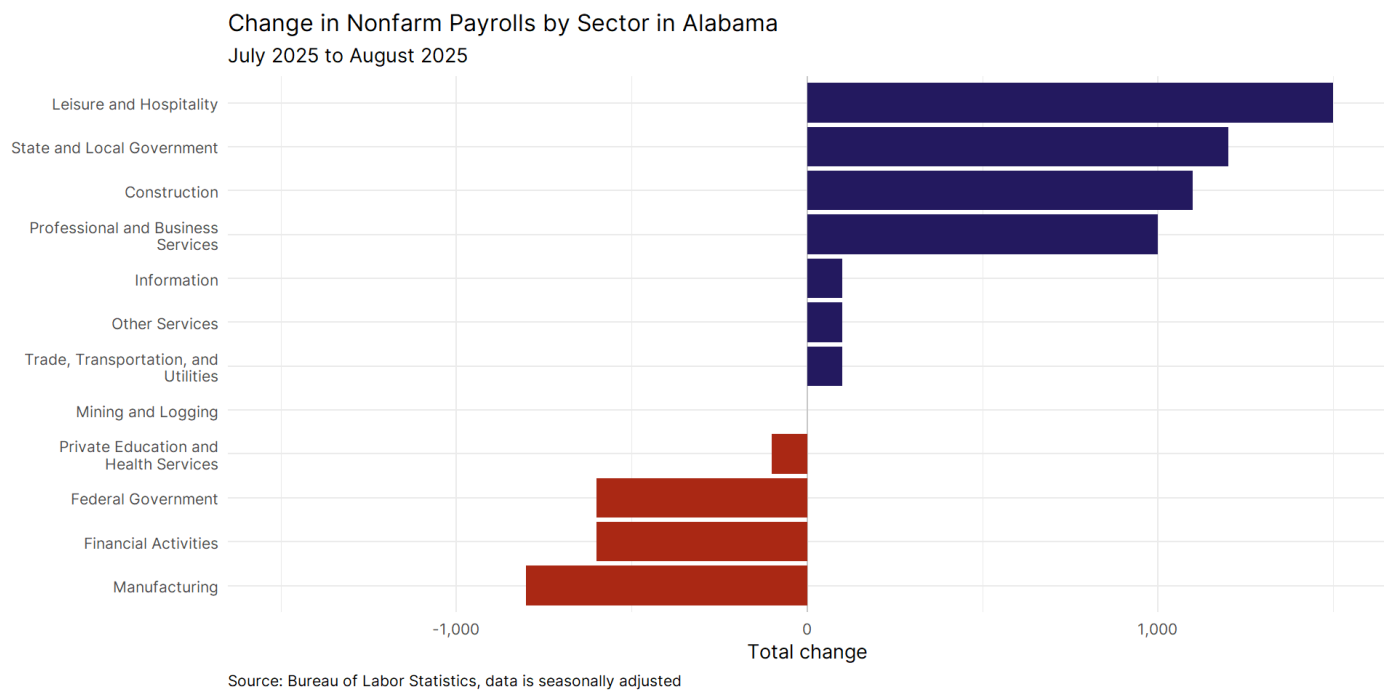
Change in Nonfarm Payrolls by Sector in Alabama
August 2022 to August 2025



- **Alabama added 3,000 net payroll jobs, or 0.1 percent,** on a seasonally adjusted basis during August. In the prior month, Alabama added 800 jobs. Alabama nonfarm payroll employment has increased in **10 of the past 12 months**.
- Nationally, nonfarm payrolls **rose by 22,000 in August, or 0 percent**. Alabama is tied for 18th in the nation for percentage gain in nonfarm payroll employment over the past 12 months.
- **Alabama added 2,400 private sector jobs, or 0.1 percent,** on a seasonally adjusted basis during August. In the prior month, Alabama added 400 jobs. Alabama private sector payroll employment has increased in **10 of the past 12 months**.
- Nationally, private sector payroll jobs **rose by 38,000 jobs in August, or 0 percent**. Alabama is tied for 18th in the nation for percentage gain in private sector payroll employment over the past 12 months.

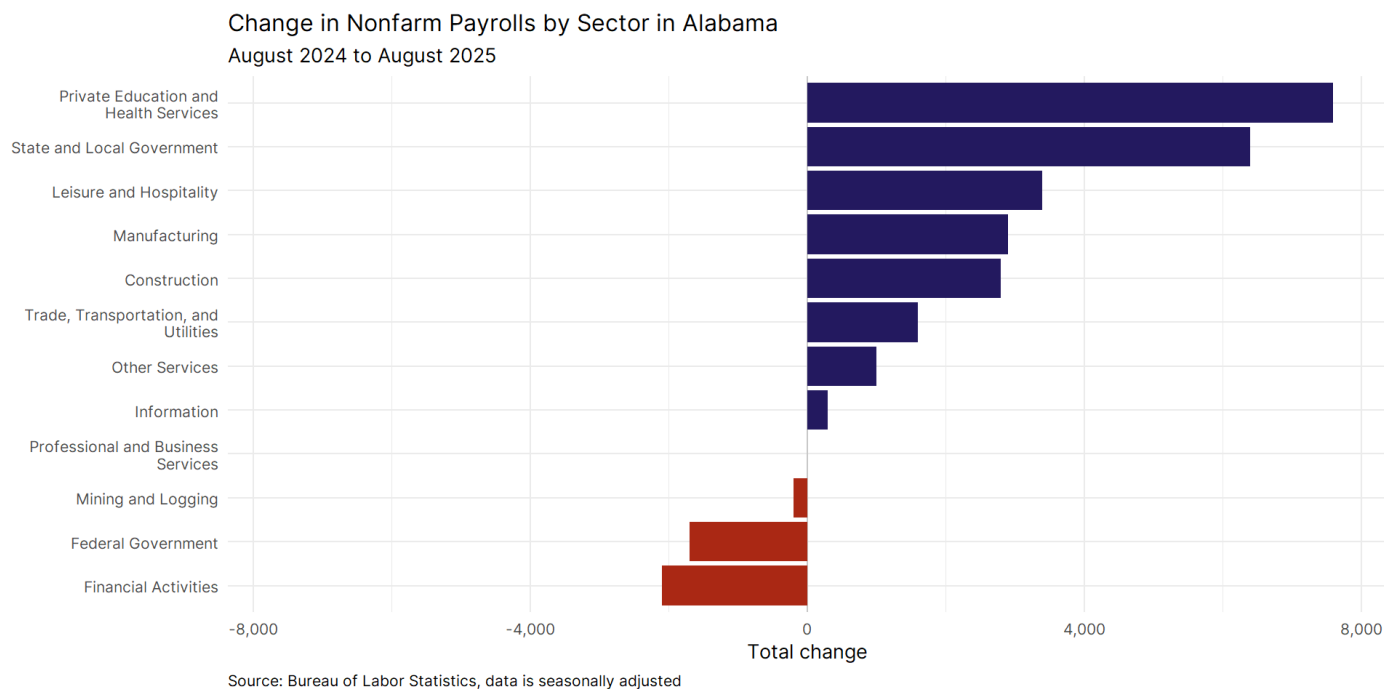
From July 2025 to August 2025:

- The best performing sectors were **Leisure and Hospitality** (+1,500) and **State and Local Government** (+1,200).
- The worst performing sectors were **Manufacturing** (-800) and **Financial Activities** (-600).



From August 2024 to August 2025:

- The best performing sectors were **Private Education and Health Services** (+7,600) and **State and Local Government** (+6,400).
- The worst performing sectors were **Financial Activities** (-2,100) and **Federal Government** (-1,700).

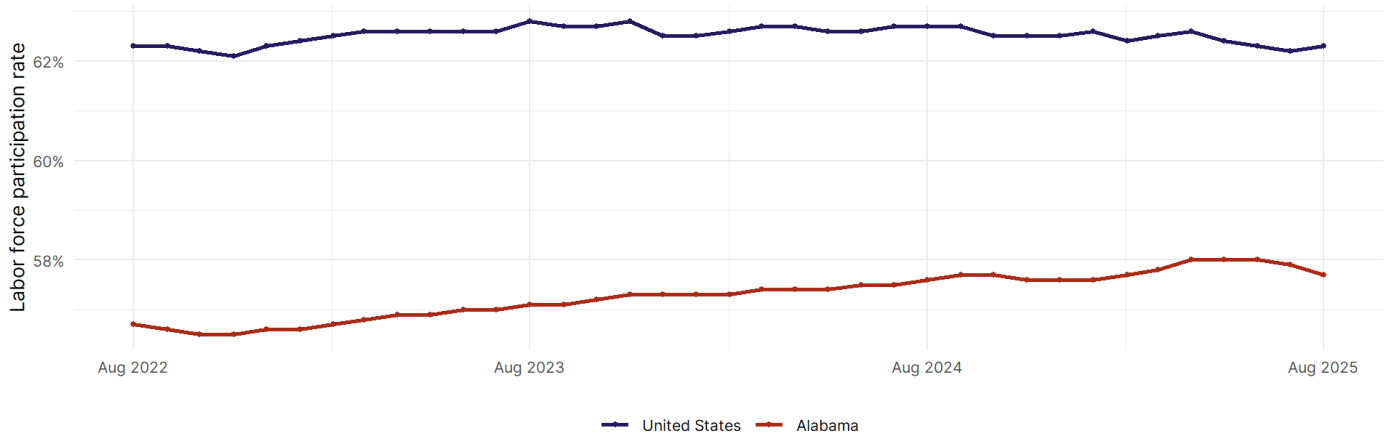


Alabama Labor force

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.

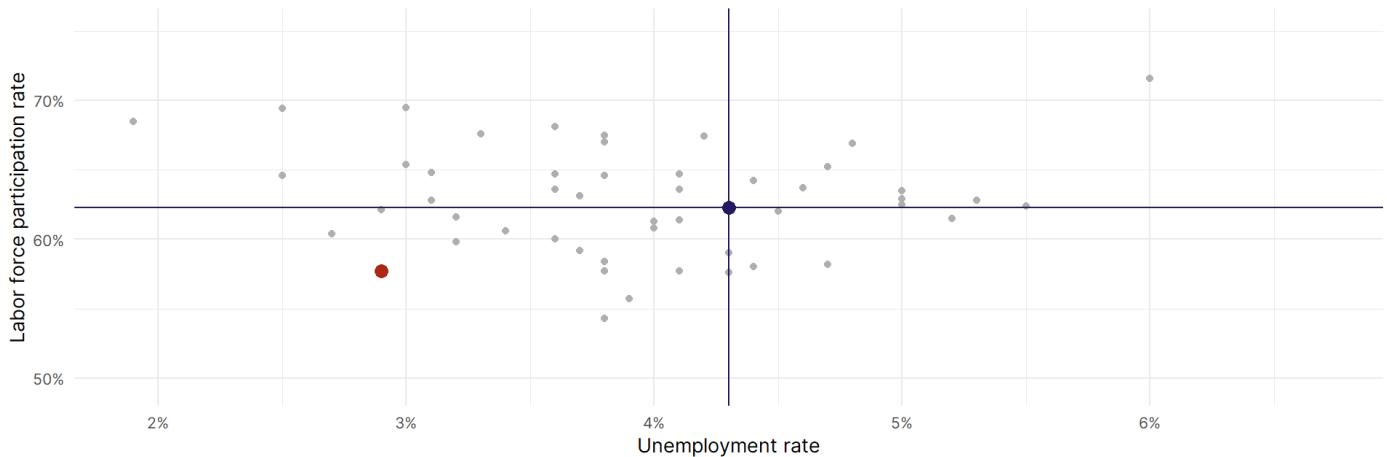
- The labor force participation rate in **Alabama fell to 57.7 percent in August from 57.9 percent in the prior month.**
- **Alabama is tied for 46th** in the nation.
- The 10-year high for the labor force participation rate in Alabama was **58 percent** occurring in June 2025, and the 10-year low was **55.4 percent** in April 2020.
- The national labor force participation rate **rose by 0.1 percentage points to 62.3 percent** in August.

Labor Force Participation Rate in Alabama
August 2022 to August 2025



Source: Bureau of Labor Statistics, data is seasonally adjusted

Unemployment and Labor Force Participation Rates by State
August 2025



Source: Bureau of Labor Statistics, data is seasonally adjusted