



United States Congress

Joint Economic Committee

EST. 1946

Republicans

Representative David Schweikert, *Chairman*



Tennessee

Employment Update



August 2025 | Released September 19, 2025

United States Employment Snapshot

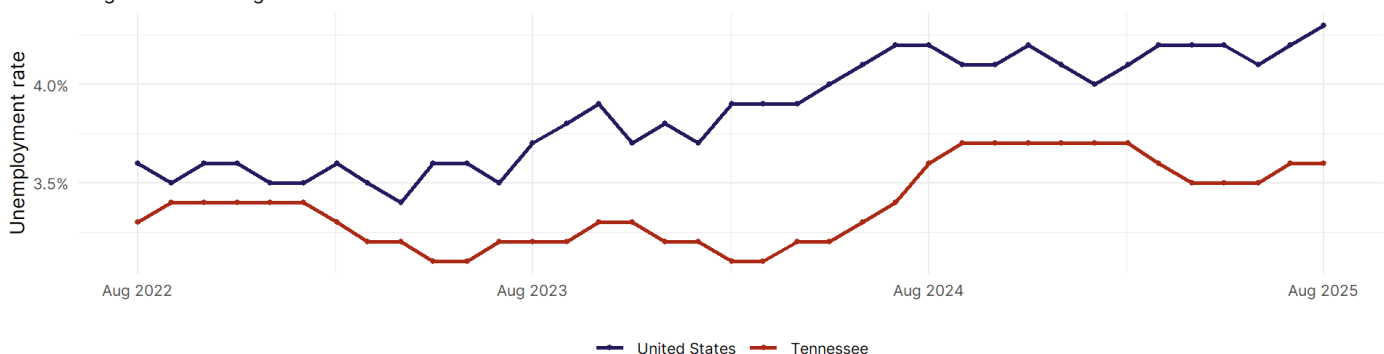
- In August, among the 50 states and the District of Columbia **unemployment fell in 13, rose in 12, and remained unchanged in 26.**
- The highest unemployment rate was 6 percent in **District of Columbia**, and the lowest was 1.9 percent in **South Dakota**. Nationally, the unemployment rate rose by 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**.

Tennessee Employment Snapshot

- In August, **Tennessee added 9,500 net payroll jobs** and the **unemployment rate remained unchanged at 3.6 percent.** In the prior month, Tennessee added 3,500 net payroll jobs.
- Over the past 12 months, **Tennessee added 34,400 net payroll jobs** and the **unemployment rate remained unchanged.**
- Nationally, nonfarm payrolls **rose by 22,000 in August, or 0 percent.** Tennessee **is tied for 18th** in the nation for percentage gain in nonfarm payroll employment over the past 12 months.
- In August, **Tennessee's private sector added 8,900 net private payroll jobs**, and over the past 12 months it added 24,100 private payroll jobs. In the prior month, Tennessee added 3,300 net private payroll jobs.
- In August, employment in Tennessee **rose by 9,030**, and over the past 12 months it rose by 59,363.
- **Tennessee's labor force participation rate rose to 60 percent** in August from 59.9 percent and **ranks 39th** in the nation. In the past 12 months, the labor force participation rate has risen by 0.4 percentage points.

Unemployment Rate in Tennessee

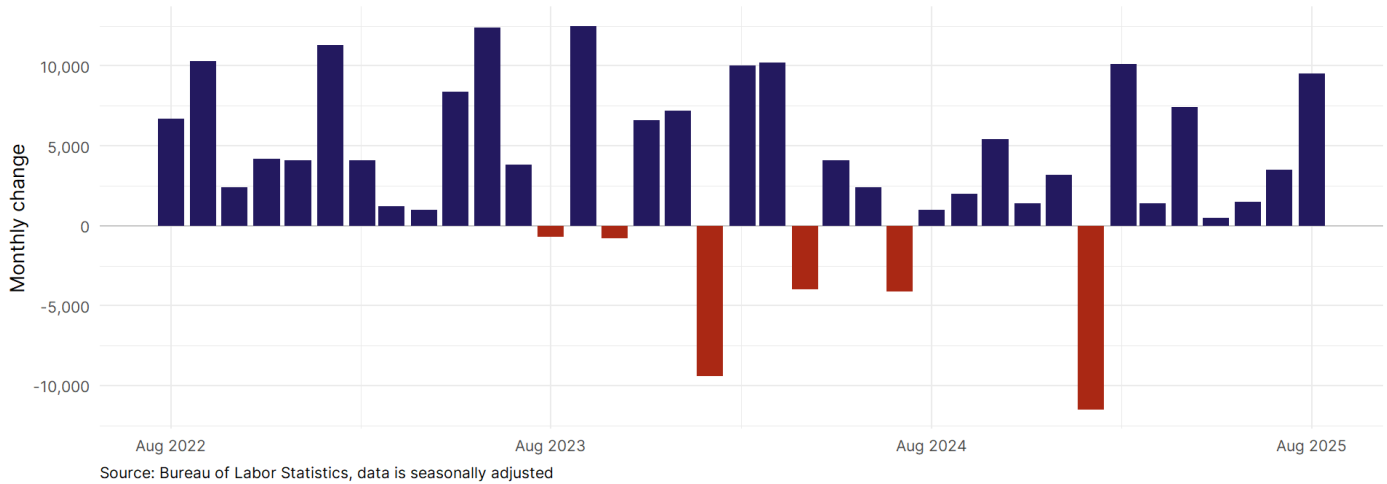
August 2022 to August 2025



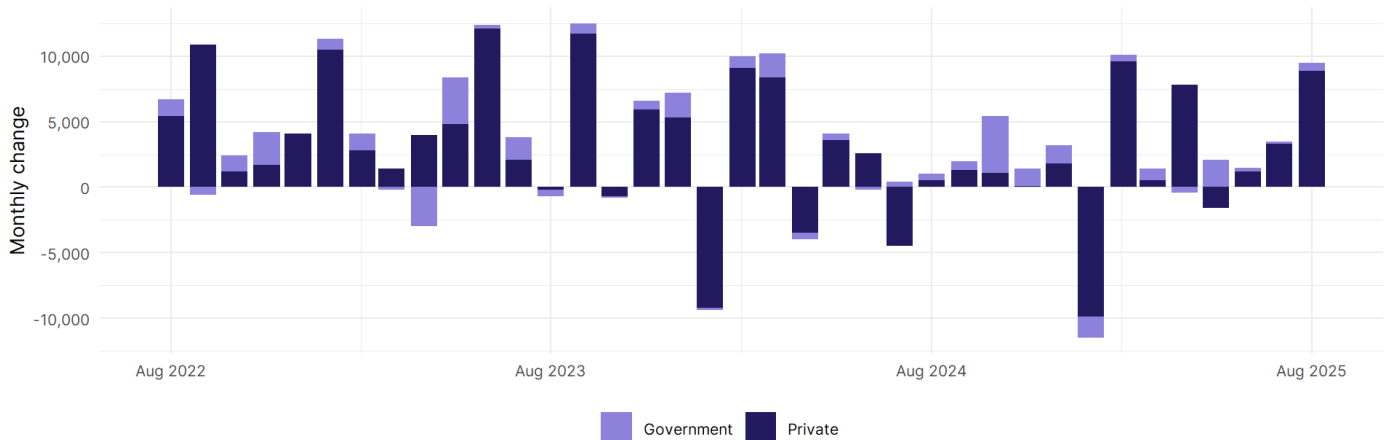
Source: Bureau of Labor Statistics, data is seasonally adjusted

Tennessee Payroll employment

Change in Nonfarm Payrolls in Tennessee
August 2022 to August 2025



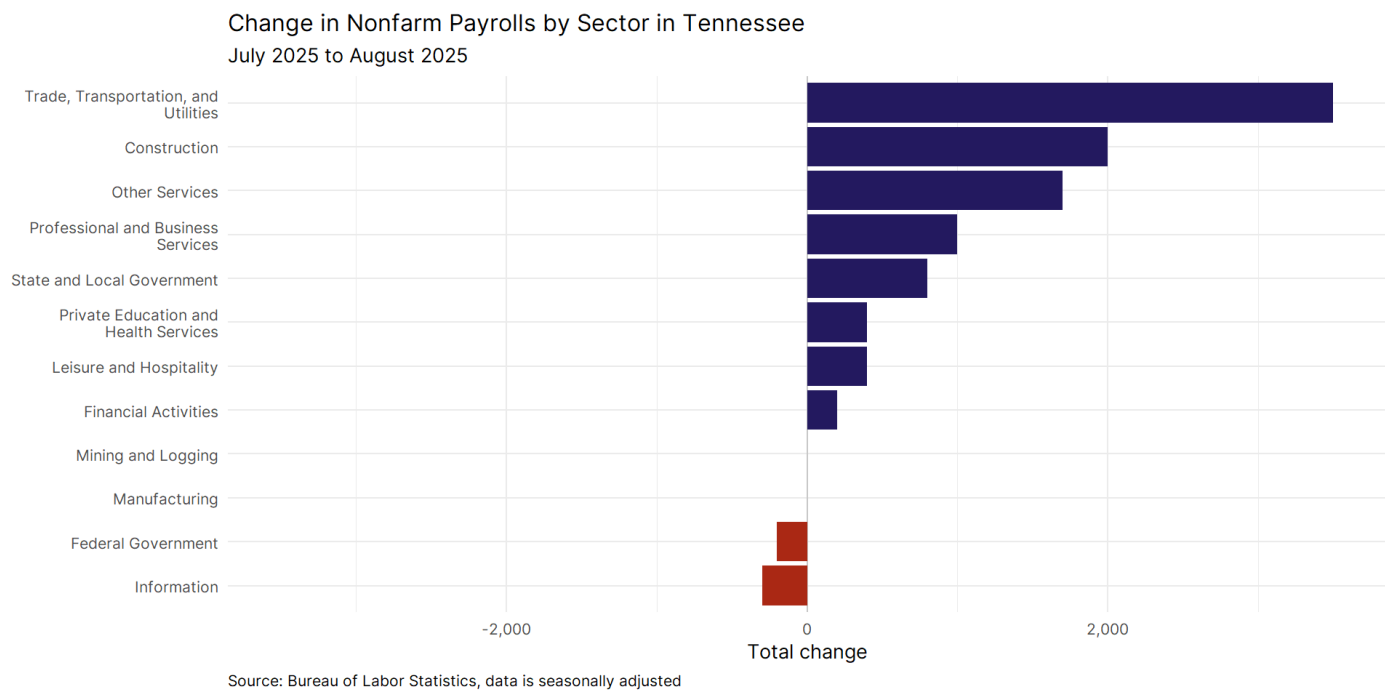
Change in Nonfarm Payrolls by Sector in Tennessee
August 2022 to August 2025



- **Tennessee added 9,500 net payroll jobs, or 0.3 percent,** on a seasonally adjusted basis during August. In the prior month, Tennessee added 3,500 jobs. Tennessee nonfarm payroll employment has increased in **11 of the past 12 months**.
- Nationally, nonfarm payrolls **rose by 22,000 in August, or 0 percent**. Tennessee is tied for 18th in the nation for percentage gain in nonfarm payroll employment over the past 12 months.
- **Tennessee added 8,900 private sector jobs, or 0.3 percent,** on a seasonally adjusted basis during August. In the prior month, Tennessee added 3,300 jobs. Tennessee 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**. Tennessee is tied for 26th in the nation for percentage gain in private sector payroll employment over the past 12 months.

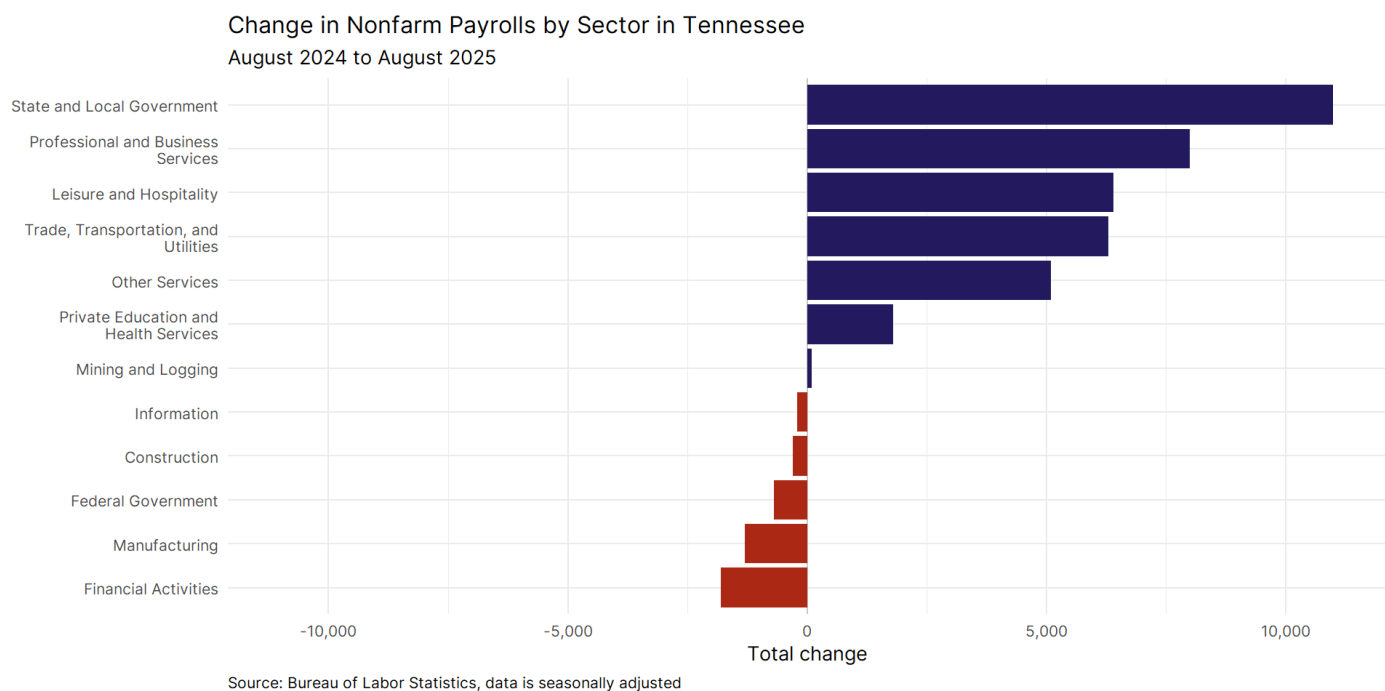
From July 2025 to August 2025:

- The best performing sectors were **Trade, Transportation, and Utilities** (+3,500) and **Construction** (+2,000).
- The worst performing sectors were **Information** (-300) and **Federal Government** (-200).



From August 2024 to August 2025:

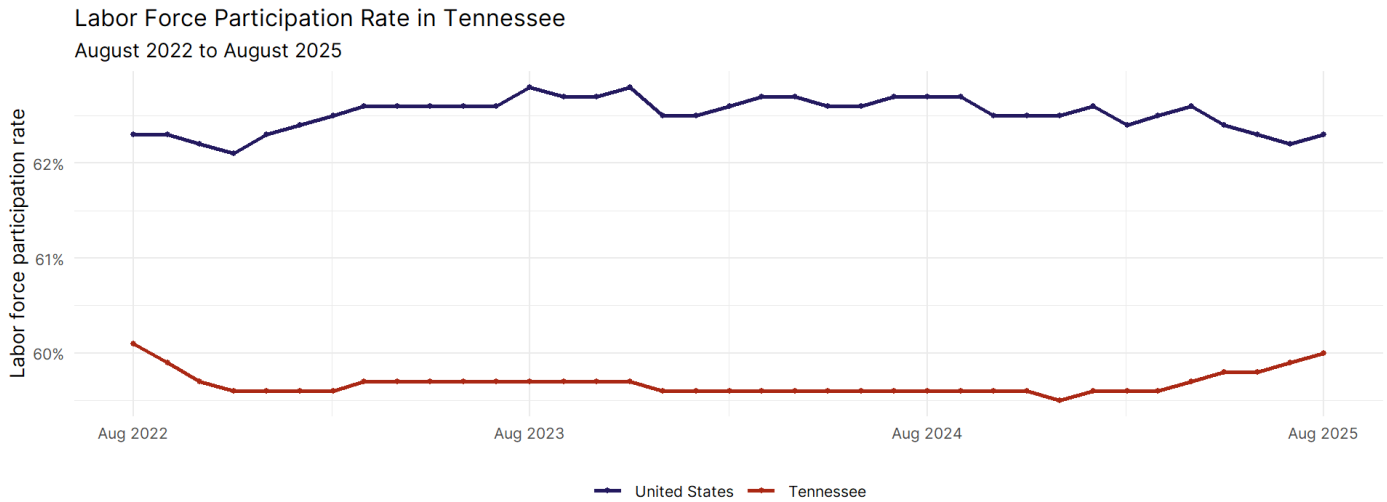
- The best performing sectors were **State and Local Government** (+11,000) and **Professional and Business Services** (+8,000).
- The worst performing sectors were **Financial Activities** (-1,800) and **Manufacturing** (-1,300).



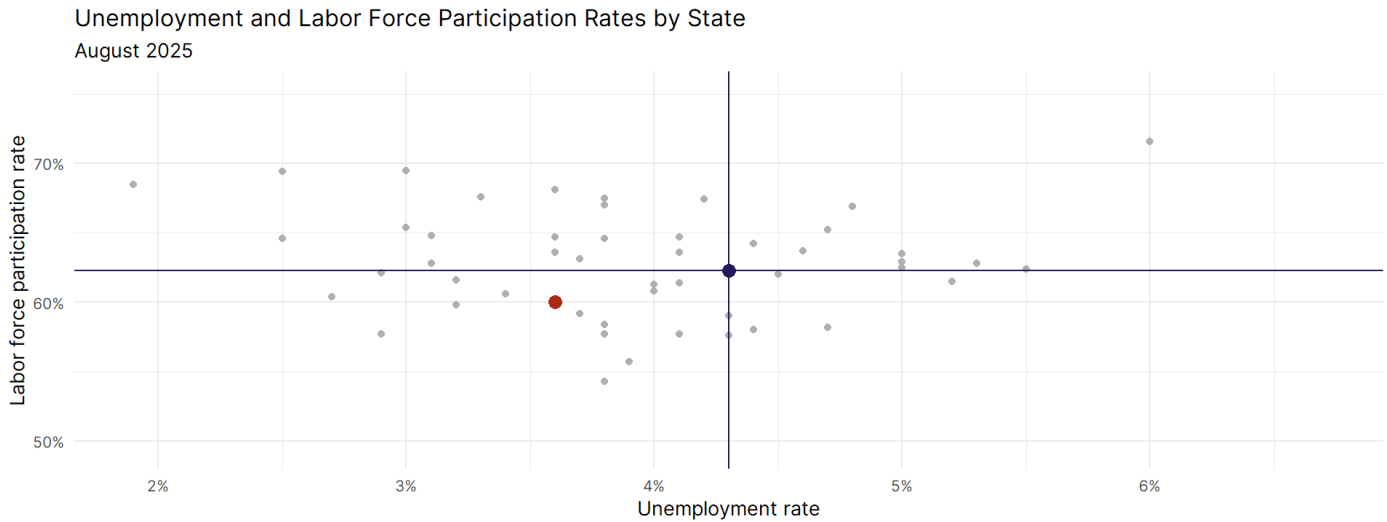
Tennessee Labor force

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 **Tennessee rose to 60 percent in August from 59.9 percent in the prior month.**
- **Tennessee ranks 39th** in the nation.
- The 10-year high for the labor force participation rate in Tennessee was **61.9 percent** occurring in November 2019, and the 10-year low was **58.8 percent** in April 2020.
- The national labor force participation rate **rose by 0.1 percentage points to 62.3 percent** in August.



Source: Bureau of Labor Statistics, data is seasonally adjusted



Source: Bureau of Labor Statistics, data is seasonally adjusted