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Iowa's Unemployment Rate Increases to 10.2 Percent in April

DES MOINES, IOWA – Iowa's seasonally adjusted unemployment rate increased to 10.2 percent in April. The state's jobless rate was 2.7 percent one year ago. The U.S. unemployment rate rose to 14.7 percent in April.

"April is the first month we have seen the real impact of the pandemic on our unemployment rate. We remain hopeful that as we reopen the state and more people return to work, the rate will decrease quickly and this unprecedented rate will be a very temporary one," said Director Beth Townsend, Iowa Workforce Development. "The silver lining in this month's report is that over 1.5 million Iowans remained in the workforce despite the pandemic and this will do the most to decrease the recovery time. For Iowans returning to the workforce, we want to ensure employers and employees have the resources and information to help with this transition. If you have questions about returning to the workplace or the safety guidelines implemented by the U.S. Department of Labor, please review our FAQs and guidance on <https://www.iowaworkforcedevelopment.gov/COVID-19>"

The number of unemployed Iowans jumped to 175,300 in April from 56,600 in March. The current estimate is 128,300 higher than the year ago level of 47,000.

The total number of working Iowans decreased to 1,536,200 in April. This figure was 129,200 less than March and 144,200 lower than one year ago.

Seasonally Adjusted Nonfarm Employment

Iowa total nonfarm employment fell by 177,100 jobs in April as social distancing efforts to curtail spread of the coronavirus took effect. Obviously, this decline dwarfs anything we've seen historically and follows a loss of 8,900 in March which would have also been considered extremely large prior to this month. Overall, the state's payrolls were trimmed by 11.3 percent versus last month, slightly lower than the U.S. drop of 13.5 percent in total nonfarm employment. Virtually every sector began working in a reduced capacity, although goods-producing sectors displayed a lower reduction of staff (-6.0 percent). Private service industries declined by 13.3 percent and were driven down by sizable layoffs and furloughs within hotels, restaurants, and entertainment industries. Government was also not spared, declining 9.4 percent or 24,500 jobs. Much of this reduction can be attributed to state universities and public schools dropping to summer levels. Most institutions ended in-person classes after spring break.

Accommodations and food services led all sectors with 56,400 jobs shed in April. The layoff was nearly half (-46.5 percent) of all staff on payroll in this sector as restrictions went into place and halted in-person dining. In total, leisure and hospitality shed 68,500 jobs (-48.9 percent), easily the most of any sector. Retail trade lost 22,300 (-12.8 percent) as non-essential stores either temporarily closed or worked in a reduced capacity. Education and health care dropped by 17,700 jobs (-7.6 percent) with health care and social assistance laying off 11,400. Professional and business services lost 13,900 (10.2 percent) and manufacturing reduced staffing levels by 10,600 jobs (-4.8 percent).

Following this month's drop, the state now trails last year's mark by 191,200 jobs (-12.1 percent). However, this annual loss should mitigate substantially as the year progresses and firms try to resume normal operations. Accommodations and food services and retail trade shed about half of all payroll employment and have the largest over-the-year deficits to make up (-56,400 and -22,500, respectively), yet these industries may also have to deal with new regulations that reduce foot traffic or attendance.

Employment and Unemployment in Iowa, Seasonally Adjusted Data

	April 2020	March 2020	April 2019	Change from March 2020	April 2019
Civilian labor force	1,711,500	1,722,000	1,727,400	-10,500	-15,900
Unemployment	175,300	56,600	47,000	118,700	128,300
Unemployment rate	10.2%	3.3%	2.7%	6.9	7.5
Employment	1,536,200	1,665,400	1,680,400	-129,200	-144,200
U.S. unemployment rate	14.7%	4.4%	3.6%	10.3	11.1

Nonfarm Employment in Iowa, Seasonally Adjusted Data

Total Nonfarm Employment	1,395,300	1,572,400	1,586,500	-177,100	-191,200
Mining	2,300	2,400	2,400	-100	-100
Construction	69,700	77,000	78,000	-7,300	-8,300
Manufacturing	212,500	223,100	226,200	-10,600	-13,700
Trade, transportation and utilities	284,700	307,400	310,600	-22,700	-25,900
Information	19,900	20,300	21,500	-400	-1,600
Financial activities	107,500	110,500	109,900	-3,000	-2,400
Professional and business services	122,400	136,300	139,600	-13,900	-17,200
Education and health services	215,900	233,600	235,300	-17,700	-19,400
Leisure and hospitality	73,700	142,200	144,100	-68,500	-70,400
Other services	49,700	58,100	57,800	-8,400	-8,100
Government	237,000	261,500	261,100	-24,500	-24,100

Unemployment Insurance Claims for Iowa

	April 2020	March 2020	April 2019	% Change from March 2020	April 2019
Initial claims	156,660	126,040	8,668	24.3%	1707.3%
Continued claims					
Number of claimants	182,802	46,383	27,834	294.1%	556.8%
Weeks paid	655,332	122,636	78,767	434.4%	732.0%
Amount paid	\$214,036,593	\$49,038,061	\$31,196,451	336.5%	586.1%

Visit www.iowalmi.gov for more information about current and historical data, labor force data, nonfarm employment, hours and earnings, and jobless benefits by county.

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MEDIA ALERT: Local data for April 2020 will be posted to the IWD website on Wednesday, May 27, 2020. Statewide data for May 2020 will be released on Friday, June 19, 2020.