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### **Iowa's Unemployment Rate Decreases to 10.0 Percent in May**

DES MOINES, IOWA – Iowa's seasonally adjusted unemployment rate decreased to 10.0 percent in May. The state's jobless rate was 2.7 percent one year ago. The U.S. unemployment rate dropped to 13.3 percent in May.

"Given Iowa did not begin to reopen until May, it is not surprising that the unemployment rate remains at 10%. There are signs, however, that more people are returning to work as we see the total number of claims decline each week," said Director Beth Townsend, Iowa Workforce Development. "Moving forward, we are looking at the numbers of initial and continuing claims to determine the shape and speed of our recovery. Iowa's economy was strong going into the pandemic and we have over 50K job postings on IowaWORKS for Iowans looking for new jobs: [www.iowaWORKS.gov](http://www.iowaWORKS.gov). We continue to encourage open communication between employers and employees to create and implement safe work practices. We encourage employers to follow the guidelines provided by the Centers for Disease Control and Prevention and the Occupational Health and Safety Administration. COVID-19 guidance and resources for various industries can be found on <https://www.iowaworkforcedevelopment.gov/COVID-19>"

The number of unemployed Iowans declined to 168,100 in May from 188,000 in April. The current estimate is 121,000 higher than the year ago level of 47,100.

The total number of working Iowans fell to 1,520,000 in May. This figure was 4,600 less than April and 163,900 lower than one year ago.

### **Seasonally Adjusted Nonfarm Employment**

Iowa establishments added 15,800 jobs in May as firms began cautious reopening following social distancing measures in response to coronavirus (COVID-19). This month's gain is historically large, yet still small relative to the April drop due to quarantine efforts. Larger expansions are expected to occur in later summer months. The May increase was the first job gain for Iowa since October and was largely fueled by leisure and hospitality. Government again showed large declines at the local education level and may be the result of cancelled summer activities. Overall, government shed 8,400 jobs in May while private sectors increased by 24,200 jobs.

Leisure and hospitality added 18,200 jobs in May, helping ease some of the job loss in April due to distancing measures. Arts, entertainment, and recreation added 7,000 and accommodations and food services grew by 11,200. Even with the large gains, these sectors still remain down 38 percent versus last year's mark, but larger recovery should be seen as the summer progresses and consumers become more comfortable with new physical-distancing safety protocols at local businesses. Manufacturing also showed some rebound in May (+2,900). All of the job gains were in nondurable goods factories (+3,300). Durable goods shops continued to show some weakness and edged down 400 jobs. Professional and business services added 1,600 jobs and were fueled by administrative support and waste management industries. Other services added 1,300 jobs following losses stretching back to January. Retail trade showed some signs of recovery in May (+5,100) and fueled a gain of 1,200 jobs since April. This gain was tempered by a loss in wholesale trade and transportation and warehousing. Education and health services lost 800 jobs in May due to losses in private education (-1,500).

Annually, total nonfarm employment remains down 11.0 percent compared to last May. Leisure and hospitality has trimmed the most from their payrolls (-54,300 jobs or 37.7 percent). Education and health care lags behind by 23,400 jobs and trade and transportation by 21,300. Government is down 30,300 jobs (-11.6 percent) as schools and public administration entities reduced staff in May.

### Employment and Unemployment in Iowa, Seasonally Adjusted Data

	May 2020	April 2020	May 2019	Change from April 2020	May 2019
Civilian labor force	1,688,100	1,712,600	1,731,000	-24,500	-42,900
Unemployment	168,100	188,000	47,100	-19,900	121,000
Unemployment rate	10.0%	11.0%	2.7%	-1.0	7.3
Employment	1,520,000	1,524,600	1,683,900	-4,600	-163,900
U.S. unemployment rate	13.3%	14.7%	3.6%	-1.4	9.7

### Nonfarm Employment in Iowa, Seasonally Adjusted Data

Total Nonfarm Employment	1,411,300	1,395,500	1,585,900	15,800	-174,600
Mining	2,200	2,200	2,500	0	-300
Construction	69,800	70,100	78,100	-300	-8,300
Manufacturing	215,200	212,300	226,200	2,900	-11,000
Trade, transportation and utilities	289,100	287,900	310,400	1,200	-21,300
Information	19,700	19,600	21,400	100	-1,700
Financial activities	107,800	107,800	110,000	0	-2,200
Professional and business services	125,400	123,800	139,400	1,600	-14,000
Education and health services	211,700	212,500	235,100	-800	-23,400
Leisure and hospitality	89,600	71,400	143,900	18,200	-54,300
Other services	50,200	48,900	58,000	1,300	-7,800
Government	230,600	239,000	260,900	-8,400	-30,300

### Unemployment Insurance Claims for Iowa

	May 2020	April 2020	May 2019	% Change from April 2020	May 2019
<b>Initial claims</b>	53,242	157,324	10,304	-66.2%	416.7%
<b>Continued claims</b>					
Number of claimants	204,355	182,802	20,268	11.8%	908.3%
Weeks paid	713,174	655,332	67,527	8.8%	956.1%
Amount paid	\$220,645,934	\$214,036,593	\$26,196,736	3.1%	742.3%

Visit [www.iowalmi.gov](http://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 May 2020 will be posted to the IWD website on Tuesday, June 23, 2020. Statewide data for June 2020 will be released on Friday, July 17, 2020.