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Iowa's Unemployment Rate at 3.7 Percent in March

DES MOINES, IOWA – Iowa's seasonally adjusted unemployment rate remained at 3.7 percent from the revised February rate of 3.7 percent. The state's jobless rate was 2.9 percent one year ago. The U.S. unemployment rate fell to 6.0 percent in March.

"The good news is that Iowa added 15,100 jobs in March, which indicates we continue to recover from the pandemic," said Director Beth Townsend, Iowa Workforce Development. "The largest gains were in construction, manufacturing, and hospitality. It is good news for Iowa that the hospitality industry added over 4,000 jobs since December, as that indicates people are getting out and doing things we took for granted pre-pandemic like visiting our local restaurant or movie theater. I am hopeful this return to normal will continue across all industries and help us return to our usual low unemployment rate."

The total number of working Iowans increased to 1,573,400 in March. This figure was 3,200 higher than February's number of 1,570,200 and 51,000 higher than April 2020. The number of unemployed Iowans increased to 60,900 in March from 60,700 in February. The current estimate is 129,300 lower than the COVID-19 peak in April of 190,200 and 10,800 higher than the year ago level of 50,100. The labor force participation rate for March at 65.8 percent was essentially the same as February.

Seasonally Adjusted Nonfarm Employment

Firms in Iowa added 15,100 jobs in March, lifting total nonfarm employment to 1,525,900 jobs. This monthly gain helps offset the February loss driven by forbiddingly cold weather. This was particularly evident within goods-producing sectors which got a huge lift from construction industries in March as weather conditions improved. Additionally, the March increase is the largest since the June-July surge of 2020 which averaged 32,800 jobs gained over those two months. Private sectors accounted for most of the job growth this month. Government did add 1,000 jobs with hiring being strongest in local government entities related to public administration. Despite three months of growth, government remains down 12,400 jobs annually (-4.7 percent). Private sectors have fared better, trailing by 46,000 jobs, or 3.5 percent annually.

Construction industries led all sectors in jobs gains in March (+7,500). Unusually severe winter storms last month forced many projects to temporarily halt, so the March advancement is in many ways a correction of those projects that had to temporarily cease. This month's gain also leaves construction up annually for the first time since social distancing measures began last spring. Manufacturing increased by 1,800 jobs following slight losses over the prior two months. This sector was lifted entirely by hiring within durable goods factories, specifically firms related to construction and industrial machinery production. Leisure and hospitality continued to add staff in March and has now added 4,100 jobs since December. Most of the hiring is within accommodations and food services. Growth in this sector is expected to continue to increase as COVID vaccines are distributed and social distancing measures begin to recede. The only sectors to pare jobs in March were information services and mining. These sectors shed a combined 300 jobs.

Compared to April 2020, total nonfarm employment recovered 113,400 jobs (+8.0 percent). Private industries are responsible for most of the growth with government up just 1,300 jobs over that span (+0.5 percent). Leisure and hospitality has now grown by 43,500 jobs with 36,300 jobs added in accommodations and food services. Retail trade has also fared well since last April with 24,400 jobs gained. The only sectors remaining with fewer jobs since social distancing measures began are state government (-2,100) and information (-900).

Unemployment Insurance Claims

The total number of initial claims increased in March 2021 by 2,359 (10.9 percent) from February 2021 and have fallen 133,272 (-84.7 percent) versus the peak of 157,324 in April 2020. For continued claims, most statistics have been reduced to approximately 75 percent of the April 2020 levels. The number of claimants increased by 0.4 percent from last month and are down 137,918 over the prior eleven months. The weeks paid increased to 167,349 in March, approximately 26 percent of the 652,623 paid in April 2020, while the total amount paid to claimants increased to \$67.8 million, approximately 32 percent of the \$213.5 million paid eleven months ago.

Employment and Unemployment in Iowa, Seasonally Adjusted Data					
	March 2021	April 2020	March 2020	Change from April 2020	March 2020
Civilian labor force	1,634,300	1,712,600	1,721,700	-78,300	-87,400
Unemployment	60,900	190,200	50,100	-129,300	10,800
Unemployment rate	3.7%	11.1%	2.9%	-7.4	0.8
Employment	1,573,400	1,522,400	1,671,600	51,000	-98,200
U.S. unemployment rate	6.0%	14.8%	4.4%	-8.8	1.6
Nonfarm Employment in Iowa, Seasonally Adjusted Data					
Total Nonfarm Employment	1,525,900	1,412,500	1,584,300	113,400	-58,400
Mining	2,300	2,200	2,300	100	0
Construction	80,500	74,600	79,600	5,900	900
Manufacturing	219,900	212,900	223,400	7,000	-3,500
Trade, transportation and utilities	308,000	281,600	309,300	26,400	-1,300
Information	17,800	18,700	20,500	-900	-2,700
Financial activities	110,800	108,300	110,200	2,500	600
Professional and business services	136,400	129,600	140,000	6,800	-3,600
Education and health services	221,700	207,600	236,100	14,100	-14,400
Leisure and hospitality	121,800	78,300	141,400	43,500	-19,600
Other services	55,200	48,500	57,600	6,700	-2,400
Government	251,500	250,200	263,900	1,300	-12,400

Unemployment Insurance Claims for Iowa					
	March 2021	April 2020	March 2020	% Change from April 2020	March 2020
Initial claims	24,052	157,324	126,040	-84.7%	-80.9%
Continued claims					
Number of claimants	44,741	182,659	46,298	-75.5%	-3.4%
Weeks paid	167,349	652,623	121,881	-74.4%	37.3%
Amount paid	\$67,792,366	\$213,451,863	\$48,848,277	-68.2%	38.8%

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 March 2021 will be posted to the IWD website on Tuesday, April 20, 2021.
Statewide data for April 2021 will be released on Friday, May 21, 2021.