



FOR IMMEDIATE RELEASE

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**Unemployment Insurance Customer Service**

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### **Iowa's Unemployment Rate Increased to 3.9 Percent in May**

DES MOINES - Iowa's unemployment rate increased slightly to 3.9 percent from 3.8 percent in April. The state's jobless rate was 8.3 percent one year ago. Iowa's labor force participation rate increased from 66.1% in April to 66.4% in May as the total number of working Iowans increased to 1,584,000 in May. The number of unemployed Iowans and the seasonally adjusted unemployment rate increased slightly by 1,300 and 0.1 percent respectively. The U.S. unemployment rate decreased to 5.8 percent in May.

"The positive takeaways from May's monthly job report are that the number of Iowans in the workforce increased by 6,300; the number of Iowans working increased by 5,000 and claims numbers in May were down significantly from the previous month," said Beth Townsend, Director of Iowa Workforce Development. "While the number of unemployed Iowans ticked up slightly, the overall trend is positive for Iowa as we see more and more Iowans returning to the workforce."

This figure was 5,000 higher than April's number of 1,579,000 and 60,900 higher than May 2020. The number of unemployed Iowans increased to 63,500 in May from 62,200 in April. The current estimate is 1,300 higher than last month and 74,300 lower than a year ago. The labor force participation rate has gradually increased every month this year.

### **Seasonally Adjusted Nonfarm Employment**

Total nonfarm employment in Iowa increased slightly in May, adding 800 jobs compared to April and lifting the jobs total to 1,518,400. Combined, private industries were little changed this month and goods-producing industries returned mixed results with hiring in manufacturing being offset by a decline in construction and mining, logging, and natural resources. Government continues to trend up with gains in the federal, state, and local levels in May. This gain marks the fifth consecutive monthly increase for government which is now up 15,200 jobs versus this time one year ago. Private industries have pared jobs in three of the last four months but did experience a recent high in March. Overall, private industries have added 82,000 jobs compared to last May.

Professional and business services added the most jobs this month (+1,300). This increase follows a drop of 1,400 in April. Administrative support and waste management gained 600 and professional, scientific, and technical services added 800 jobs. Leisure and hospitality continued to trend up in May with 800 jobs added. The hiring was evenly split between both arts, entertainment, and recreation along with accommodations and food services. Manufacturing added 800 jobs in the durable goods

sector. This month's increase is the third consecutive with 3,200 jobs added since February. On the other hand, nondurable goods industries have shed 1,000 jobs during that same span. Trade and transportation shed the most jobs of any super sector in May (-1,400). Most of this loss stemmed from retail trade (-1,000). This is the third consecutive loss for retail with 3,500 jobs lost during that span. Financial activities decreased by 900 jobs. Many of which were shed within credit intermediation and related activities. Construction posted the only other major loss in May, paring 800 jobs.

Compared to last May, total nonfarm employment has added 97,200 jobs. Leisure and hospitality continue to rebuild staffing levels and is up 35,500 jobs. Most of the growth has been in accommodations and food services (+27,200). Trade and transportation have increased due to hiring in retail and is up 14,400. Education and health services have added a combined 12,600. Information and construction are the only sectors shedding jobs versus one year ago. Both sectors are down a slight 500 jobs.

### Unemployment Insurance Claims

The total number of initial claims decreased in May 2021 by 7,816 (-35.3 percent) from April 2021 and have fallen 38,913 (-73.1 percent) from May 2020. The number of recipients decreased by 32.0 percent from last month and are down 181,889 over the prior year. The weeks paid decreased to 75,625 in May, approximately 11 percent of the 703,289 paid in May 2020, while the total amount paid to claimants decreased to \$28.3 million from \$38.2 million the previous month and approximately 13 percent of the \$219 million paid twelve months ago.

The IWD weekly unemployment insurance claims press release will no longer be issued when the State of Iowa ends its participation in federal pandemic-related unemployment benefit programs on June 12, 2021.

<b>Employment and Unemployment in Iowa, Seasonally Adjusted Data</b>					
				<b>Change from</b>	
	<b>May</b>	<b>April</b>	<b>May</b>	<b>April</b>	<b>May</b>
	<b>2021</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Civilian labor force	1,647,500	1,641,200	1,660,800	6,300	-13,300
Unemployment	63,500	62,200	137,800	1,300	-74,300
Unemployment rate	3.9%	3.8%	8.3%	0.1	-4.4
Employment	1,584,000	1,579,000	1,523,100	5,000	60,900
U.S. unemployment rate	5.8%	6.1%	13.3%	-0.3	-7.5
<b>Nonfarm Employment in Iowa, Seasonally Adjusted Data</b>					
Total Nonfarm Employment	1,518,400	1,517,600	1,421,200	800	97,200
Mining	2,200	2,300	2,200	-100	0
Construction	75,600	76,400	76,100	-800	-500
Manufacturing	220,300	219,500	211,900	800	8,400
Trade, transportation and utilities	302,400	303,800	288,000	-1,400	14,400
Information	17,900	17,900	18,400	0	-500

Financial activities	109,300	110,200	108,300	-900	1,000
Professional and business services	135,900	134,600	130,400	1,300	5,500
Education and health services	220,700	220,800	208,100	-100	12,600
Leisure and hospitality	124,400	123,600	88,900	800	35,500
Other services	56,900	56,600	51,300	300	5,600
Government	252,800	251,900	237,600	900	15,200
(above data subject to revision)					

Unemployment Insurance Claims for Iowa					
				% Change from	
	May	April	May	April	May
	2021	2021	2020	2021	2020
Initial claims	14,329	22,145	53,242	-35.3%	-73.1%
Continued claims					
Benefit recipients	22,286	32,781	204,175	-32.0%	-89.1%
Weeks paid	75,625	97,820	703,289	-22.7%	-89.2%
Amount paid	\$28,312,773	\$38,213,174	\$219,043,360	-25.9%	-87.1%

MEDIA ALERT: Local data for May 2021 is posted on the IWD website. Statewide data for June 2021 will be released on Friday, July 16, 2021.

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### An Equal Opportunity Employer/Program

Auxiliary aids and services are available upon request for individuals with disabilities.

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