

NEWS RELEASE

For Statewide Distribution



For Release: 9:00 a.m.

Contact: Cory Kelly (515) 330-5646

Date: July 20, 2018

Iowa's Unemployment Rate Remains at 2.7 Percent

DES MOINES, IOWA – Iowa's seasonally adjusted unemployment rate remains at 2.7 percent in June. The state's jobless rate was 3.2 percent one year ago. The U.S. unemployment rate increased to 4.0 percent in June.

"We are running out of superlatives to describe the low unemployment in Iowa," said Beth Townsend, Iowa Workforce Development Director. "Low unemployment combined with the 3,400 additional jobs created in June, translates to employers struggling to find a qualified, available workforce. The good news is that Iowa continues with strong efforts to increase the number of skilled workers in Iowa through programs like [Future Ready Iowa](#), [STEM](#), [Home Base Iowa](#) and [apprenticeship programs](#), both registered and industry recognized. All our partners are at the table and working hard to support growth of the workforce including education, economic developers, business and industry and nonprofits. We must continue and expand these efforts to ensure that our workforce growth keeps pace with our economic growth."

The number of unemployed Iowans decreased to 44,900 in June from 46,000 in May. The current estimate is 8,200 lower than the year ago level of 53,100.

The total number of working Iowans increased to 1,635,000 in June. This figure was 5,100 higher than May and 7,900 higher than one year ago.

Seasonally Adjusted Nonfarm Employment

In June, Iowa establishments added 3,400 jobs. Whereas private industry gained 500 jobs, government was responsible for 2,900 jobs added. The majority of these hires were at the local level. The gain was due to a larger than expected seasonal expansion in local areas adding public staff for summer activities. Government has now risen 1,600 jobs above last year's mark, while the state combined now rests up 15,900 jobs beyond last June. This month's increase is the second-consecutive gain and the fourth overall monthly expansion for 2018.

Construction added jobs for the fifth consecutive month in June (+900) and has more than rebounded following a downturn last year. With this gain, construction has now added 4,900 jobs since January. Fueled by gains in healthcare, the education, healthcare and social assistance super sector again trended up this month. This is the second straight gain following unexpected losses in March and April. The only other notable gain this month occurred in manufacturing (+300) with all of the increase stemming from nondurable goods factories, specifically food manufacturers. On the other hand, losses this month were heaviest within professional and business services (-600). The biggest drop came from administrative support and waste management services and was related to unexpected declines for firms involved with staffing and cleaning services. In the wake of the recent flooding in Iowa, these sectors may see a spike in the July estimates for these industries. All other losses were small this month and included trade and transportation, financial activities, and other services.

Manufacturing continues to lead all sectors with 9,800 jobs added over the past twelve months. Durable goods factories leads its nondurable goods counterpart in terms of jobs with 7,200 added versus 2,600 in nondurable goods factories. Two of the largest segments of manufacturing, food manufacturing and machinery manufacturing, have both fared well during that span. The professional and business services sector experienced a slight loss this month but is up 2,600 jobs due to growth in the professional, scientific, and technical services sector. Finance also remains markedly up despite small losses in each of the last two months. Losses have been limited to other services, trade and transportation, and education and health services.

Employment and Unemployment in Iowa, Seasonally Adjusted Data

| | June 2018 | May 2018 | June 2017 | Change from | |
|------------------------|--------------|-------------|--------------|-------------|--------------|
| | | | | May 2018 | June 2017 |
| Civilian labor force | 1,679,900 | 1,676,000 | 1,680,200 | 3,900 | -300 |
| Unemployment | 44,900 | 46,000 | 53,100 | -1,100 | -8,200 |
| Unemployment rate | 2.7% | 2.7% | 3.2% | 0.0 | -0.5 |
| Employment | 1,635,000 | 1,629,900 | 1,627,100 | 5,100 | 7,900 |
| U.S. unemployment rate | 4.0% | 3.8% | 4.3% | 0.2 | -0.3 |

Nonfarm Employment in Iowa, Seasonally Adjusted Data

| | | | | | |
|-------------------------------------|-----------|-----------|-----------|-------|--------|
| Total Nonfarm Employment | 1,588,400 | 1,585,000 | 1,572,500 | 3,400 | 15,900 |
| Mining | 2,400 | 2,400 | 2,300 | 0 | 100 |
| Construction | 77,500 | 76,600 | 76,200 | 900 | 1,300 |
| Manufacturing | 225,000 | 224,700 | 215,200 | 300 | 9,800 |
| Trade, transportation and utilities | 314,000 | 314,200 | 314,700 | -200 | -700 |
| Information | 22,000 | 21,900 | 22,000 | 100 | 0 |
| Financial activities | 111,200 | 111,400 | 109,000 | -200 | 2,200 |
| Professional and business services | 142,100 | 142,700 | 139,500 | -600 | 2,600 |
| Education and health services | 232,300 | 231,900 | 232,700 | 400 | -400 |
| Leisure and hospitality | 144,700 | 144,700 | 142,800 | 0 | 1,900 |
| Other services | 55,200 | 55,400 | 57,700 | -200 | -2,500 |
| Government | 262,000 | 259,100 | 260,400 | 2,900 | 1,600 |

Unemployment Insurance Claims for Iowa

| | June 2018 | May 2018 | June 2017 | % Change from | |
|-------------------------|--------------|--------------|--------------|---------------|--------------|
| | | | | May 2018 | June 2017 |
| Initial claims | 9,259 | 9,063 | 10,201 | 2.2% | -9.2% |
| Continued claims | | | | | |
| Number of claimants | 17,161 | 19,632 | 21,970 | -12.6% | -21.9% |
| Weeks paid | 54,168 | 65,707 | 80,825 | -17.6% | -33.0% |
| Amount paid | \$19,799,009 | \$24,821,796 | \$29,333,356 | -20.2% | -32.5% |

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.

###

An Equal Opportunity Employer/Program

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

www.iowaworkforcedevelopment.gov • www.iowajobs.org

MEDIA ALERT: [Click here](#) or call (515) 281-6057 to access an audio cut of comments about Iowa's labor market situation. Local data for June will be posted to the IWD website on Tuesday, July 24, 2018. Statewide data for July 2018 will be released on Friday, August 17, 2018.