



For Release: 9:00 a.m.
Date: September 20, 2016

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Iowa's Unemployment Rate Trends Up to 4.2 Percent in August

DES MOINES, IOWA – Iowa's seasonally adjusted unemployment rate increased slightly to 4.2 percent in August from 4.1 percent in July. The state's jobless rate was 3.6 percent one year ago. The U.S. unemployment rate remained at 4.9 percent in August.

"While the unemployment rate ticked up again in August, there were a few bright spots," said Beth Townsend, Director of Iowa Workforce Development. "The total number of working Iowans also increased by 1,700 from July and 3,600 higher than a year ago. Additionally, for the third consecutive month, Iowa businesses expanded their payrolls and added 4,900 jobs, raising the total number of working Iowans. Iowa's unemployment rate also remains 0.7% lower than the national rate."

The number of unemployed Iowans rose to 72,700 in August from 70,700 in July. The current estimate is 11,500 higher than the year ago level of 61,200.

The total number of working Iowans increased to 1,642,300 in August. This figure was 1,700 higher than July and 3,600 higher than one year ago.

Seasonally Adjusted Nonfarm Employment

For the third consecutive month, Iowa businesses expanded their payrolls and added 4,900 jobs, raising the total to 1,590,600. Both goods-producing and service sectors gained jobs this month with private services adding the majority (2,900). Government added jobs at the local level and is 4,800 higher annually; however, this gain is partially due to seasonal staff being retained and brought back earlier than usual this year. Compared to last year, the state has added 31,200 jobs, a gain of 2.0 percent.

Leisure and hospitality added the most jobs in August (1,400), with the gains evenly split between arts and entertainment and accommodations and food services. Despite recent uncertainty within the economy, staffing patterns in these industries has been strong, a reassuring sign that consumers are still willing to part with disposable income on non-essentials. Elsewhere, trade and transportation was bolstered by retail trade hiring and added 1,300 jobs. Retail in Iowa has not fared well recently, adding jobs in only three months in 2016. Other gains this month included financial activities, construction, manufacturing, and other services. Losses were small by comparison and were led by professional and business services (-600). Despite a sizable gain last month, this sector has pared jobs in three of the last four months. The only other losses were small declines in education and health services and information.

Annually, construction continues to expand over last year's level and is now up 14,400 jobs. Leisure and hospitality is a distant second with 5,800 jobs gained, then other services at 4,300. Manufacturing continues to lag due to durable goods layoffs (-5,000), and this stagnation may now be carrying over into professional and business services—down 2,900 jobs versus one year ago.

MEDIA ALERT: An audio cut of comments about Iowa's labor market situation is available by calling (515) 281-6057. Statewide data for September will be released on Friday, October 21, 2016. Local data for September will be posted to the IWD website on Tuesday, October 25, 2016.

Employment and Unemployment in Iowa, Seasonally Adjusted Data

	August 2016	July 2016	August 2015	Change from	
				July 2016	August 2015
Civilian labor force	1,715,000	1,711,300	1,700,000	3,700	15,000
Unemployment	72,700	70,700	61,200	2,000	11,500
Unemployment rate	4.2%	4.1%	3.6%	0.1	0.6
Employment	1,642,300	1,640,600	1,638,700	1,700	3,600
U.S. unemployment rate	4.9%	4.9%	5.3%	0.0	-0.4

Nonfarm Employment in Iowa, Seasonally Adjusted Data

Total Nonfarm Employment	1,590,600	1,585,700	1,559,400	4,900	31,200
Mining	2,200	2,200	2,300	0	-100
Construction	91,500	90,900	77,100	600	14,400
Manufacturing	210,400	209,900	215,400	500	-5,000
Trade, transportation and utilities	318,200	316,900	315,900	1,300	2,300
Information	23,500	23,600	24,600	-100	-1,100
Financial activities	109,800	108,800	106,000	1,000	3,800
Professional and business services	136,700	137,300	139,600	-600	-2,900
Education and health services	230,400	230,800	225,500	-400	4,900
Leisure and hospitality	145,000	143,600	139,200	1,400	5,800
Other services	64,100	63,800	59,800	300	4,300
Government	258,800	257,900	254,000	900	4,800

Unemployment Insurance Claims for Iowa

	August 2016	July 2016	August 2015	% Change from	
				July 2016	August 2015
Initial claims	8,466	11,956	9,413	-29.2%	-10.1%
Continued claims					
Number of claimants	24,920	24,509	24,069	1.7%	3.5%
Weeks paid	88,355	75,626	74,626	16.8%	18.4%
Amount paid	\$31,565,846	\$26,620,575	\$25,409,775	18.6%	24.2%

Visit www.iowaworkforcedevelopment.gov/labor-market-information-division 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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