

# NEWS RELEASE

# For Statewide Distribution



**For Release:** 9:00 a.m.  
**Date:** January 24, 2017

**Contact:** Courtney Maxwell Greene (515) 281-9646

## Iowa's Unemployment Rate Drops to 3.6 Percent in December

DES MOINES, IOWA – Iowa's seasonally adjusted unemployment rate dropped to 3.6 percent in December. The state's jobless rate was 3.5 percent one year ago. The U.S. unemployment rate increased to 4.7 percent in December.

"Iowa's economy received a boost in December as businesses added jobs and unemployment eased to 3.6 percent," said Beth Townsend, Director of Iowa Workforce Development. "While Iowa's economy has grown at a slower rate than in the past, growth in construction, finance and healthcare offset losses in other areas. Time will tell if the growth seen in December will continue and expand in 2017."

The number of unemployed Iowans decreased to 61,200 in December from 65,100 in November. The current estimate is 1,800 higher than the year ago level of 59,400.

The total number of working Iowans decreased to 1,650,800 in December. This figure was 4,000 lower than November and 4,800 higher than one year ago.

## Seasonally Adjusted Nonfarm Employment

Total nonfarm employment added 1,900 jobs in December and will finish the year at 1,582,100 jobs. This month's gain halts three consecutive months of losses among Iowa's establishments. Within the private sector, goods-producing industry gains of 1,000 were exactly offset by service industry losses. Government added 1,900 jobs and was fueled by higher-than-expected growth at the local government level. Compared to last year, government has added 1,500 jobs.

The professional and business services sector added the most jobs in December (+1,300) and was fueled by hiring in professional, scientific, and technical services (+800). In total, 2,500 jobs have been added over the past two months for this sector. Manufacturing added 900 jobs following losses in the prior two months. The majority of the gain occurred in nondurable goods factories (+600). Although small, Iowa's financial sector gained 300 jobs and marked three-consecutive months of gains. Other sectors adding jobs in December included education and healthcare services, construction, and other services. Alternatively, losses in December were heaviest in leisure and hospitality (-1,600) and due to larger-than-expected seasonal declines in accommodations and food services. Retail trade reflected another sluggish month of holiday sales and fueled a loss of 1,100 in trade and transportation. Weak retail hiring may be a symptom of consumers bypassing brick-and-mortar retail establishments in favor of online retailers. The only other decline this month occurred in information services (-300).

Despite layoffs over the past several months, Iowa remains up 8,200 jobs annually. Individually, no sector has added more jobs than construction (+6,900). This sector added almost half of all the jobs gained (42 percent) versus last December. Finance remains markedly up (+4,400) and has displayed strong hiring throughout this past year, as did education and healthcare (+3,900). Despite this month's gain, manufacturing still remains strikingly lower than last year's mark (-7,000). Losses have been evenly split between durable and nondurable factory jobs. Information services is second in annual losses (-1,400), although much of this loss is due to streamlining of services and a change in how information is being used by customers. Professional and business services has recovered somewhat during the past couple months and is now down just 900 jobs following a turbulent year with losses peaking at 3,700 jobs a few months ago.

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

	December 2016	November 2016	December 2015	Change from November 2016	December 2015
Civilian labor force	1,712,100	1,720,000	1,705,400	-7,900	6,700
Unemployment	61,200	65,100	59,400	-3,900	1,800
Unemployment rate	3.6%	3.8%	3.5%	-0.2	0.1
Employment	1,650,800	1,654,800	1,646,000	-4,000	4,800
U.S. unemployment rate	4.7%	4.6%	5.0%	0.1	-0.3

### Nonfarm Employment in Iowa, Seasonally Adjusted Data

Total Nonfarm Employment	1,582,100	1,580,200	1,573,900	1,900	8,200
Mining	2,200	2,200	2,300	0	-100
Construction	89,800	89,700	82,900	100	6,900
Manufacturing	208,700	207,800	215,700	900	-7,000
Trade, transportation and utilities	316,900	318,000	317,200	-1,100	-300
Information	22,500	22,800	23,900	-300	-1,400
Financial activities	111,300	111,000	106,900	300	4,400
Professional and business services	138,700	137,400	139,600	1,300	-900
Education and health services	230,500	230,200	226,600	300	3,900
Leisure and hospitality	141,900	143,500	141,600	-1,600	300
Other services	63,300	63,200	62,400	100	900
Government	256,300	254,400	254,800	1,900	1,500

### Unemployment Insurance Claims for Iowa

	December 2016	November 2016	December 2015	% Change from November 2016	December 2015
<b>Initial claims</b>	29,296	15,247	32,900	92.1%	-11.0%
<b>Continued claims</b>					
Number of claimants	33,472	23,064	36,286	45.1%	-7.8%
Weeks paid	106,093	80,337	130,153	32.1%	-18.5%
Amount paid	\$39,746,565	\$29,486,592	\$46,324,187	34.8%	-14.2%

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.

###

An Equal Opportunity Employer/Program  
 Auxiliary aids and services are available upon request for individuals with disabilities.  
[www.iowaworkforcedevelopment.gov](http://www.iowaworkforcedevelopment.gov) • [www.iowajobs.org](http://www.iowajobs.org)

MEDIA ALERT: An audio cut of comments about Iowa's labor market situation is available by calling (515) 281-6057. Statewide and local data for January 2017 will be released on Monday, March 13, 2017.