



**For Release:** 9:00 a.m.

**Date:** June 18, 2026

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### **Iowa's Unemployment Rate Drops to 3.2 Percent in May** Employers Expand Payrolls for Third Month in a Row

DES MOINES, IOWA – Iowa's seasonally adjusted unemployment rate dropped to 3.2 percent in May, down from 3.3 percent in April and 3.6 percent one year ago. Meanwhile, the U.S. unemployment rate remained at 4.3 percent in May.

The total number of unemployed Iowans decreased to 56,100 in May from 57,200 in April.

The total number of working Iowans decreased to 1,676,100 in May. This figure is 1,800 lower than April and 1,600 higher than one year ago. Iowa's labor force participation rate fell to 67.4 percent in May from 67.5 percent in April.

"With five months of 2026 data now available, the emerging trend is one of slow-but-steady growth in Iowa hiring," said Beth Townsend, Executive Director of Iowa Workforce Development. "Employers across most Iowa industries are adding jobs on a regular basis even as unemployment insurance claims hover at near-record lows and the state's Unemployment Insurance Trust Fund has a balance of more than \$2.1 billion. At the same time, more than 55,000 unfilled jobs are posted on IowaWORKS.gov, so opportunity remains for anyone who's looking to find a better position or embrace a new career."

### **Seasonally Adjusted Nonfarm Employment**

Businesses in Iowa added 3,400 jobs in May, lifting total nonfarm employment to 1,584,500 jobs. This is the third consecutive gain as the state has added 8,200 jobs since February. The primary driver of these job gains is private service industries. Goods-producing firms, primarily construction and manufacturing, have lost 400 jobs during that same time frame. Government has gained 800 jobs at the local level but is down 1,600 jobs compared to last year, while private industries trail by 10,000 jobs.

Retail trade added the most jobs in May (+1,700). This is the first sizable gain of the year for this sector and the result of hiring in several industries including outdoor power equipment dealers, supermarkets, hardware stores, and car dealers, among others. Professional, scientific, and technical firms gained 900 jobs. This is the first increase since June of last year for this sector. Durable goods manufacturing increased by 600 jobs. Foundries and metal product production helped fuel this growth. This gain, however, was offset partially by a loss of 400 jobs in nondurable goods factories. Firms involved in food production drove this loss. Nondurable goods shops have pared 1,500 jobs since January. Other services shed 500 jobs. This sector has not shown any marked trend over the past 12 months. Health care and social assistance decreased by 500 since April. Losses for this sector are unusual given the steady demand for services within health care industries. The only other losses were small in magnitude and were construction (-400) and administrative support and waste management (-400).

Annually, the state has shed 11,600 jobs since last May. Trade and transportation industries are down 6,100 jobs. Trade industries are responsible for 4,000 jobs shed, and transportation, warehousing, and utilities have lost 2,100 jobs. Manufacturing is down 3,800 jobs over the past 12 months. Factories involved with nondurable goods production have shed most of the jobs lost (-2,200). Conversely, health care and social assistance has added the most jobs annually despite minor losses over the past couple months (+3,200). Construction also experienced a small loss in May yet remains up 1,700 jobs. This sector had previously shown an upward trend since October of last year.

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

	May 2026	April 2026	May 2025	Change from	
				April 2026	May 2025
Civilian labor force	1,732,200	1,735,100	1,736,300	-2,900	-4,100
Unemployment	56,100	57,200	61,800	-1,100	-5,700
Unemployment rate	3.2%	3.3%	3.6%	-0.1	-0.4
Employment	1,676,100	1,677,900	1,674,500	-1,800	1,600
Labor Force Participation Rate	67.4%	67.5%	67.8%	-0.1	-0.4
U.S. unemployment rate	4.3%	4.3%	4.3%	0.0	0.0

### Nonfarm Employment in Iowa, Seasonally Adjusted Data

Total Nonfarm Employment	1,584,500	1,581,100	1,596,100	3,400	-11,600
Mining	2,300	2,300	2,200	0	100
Construction	85,800	86,200	84,100	-400	1,700
Manufacturing	214,100	213,900	217,900	200	-3,800
Trade, transportation and utilities	304,700	303,000	310,800	1,700	-6,100
Information	17,700	17,600	17,900	100	-200
Financial activities	105,400	104,800	105,400	600	0
Professional and business services	141,900	141,200	144,100	700	-2,200
Education (private)	43,300	43,100	42,100	200	1,200
Health care and social assistance	204,100	204,600	200,900	-500	3,200
Leisure and hospitality	142,100	141,600	145,400	500	-3,300
Other services	54,600	55,100	55,200	-500	-600
Government*	268,500	267,700	270,100	800	-1,600

\* includes publicly owned education and health services

Data Above Subject to Change

### Unemployment Insurance Claims for Iowa

	May 2026	April 2026	May 2025	% Change from	
				April 2026	May 2025
<b>Initial claims</b>	7,232	5,572	7,456	29.8%	-3.0%
<b>Continued claims</b>					
Benefit recipients	10,132	12,396	16,723	-18.3%	-39.4%
Weeks paid	27,590	33,327	40,281	-17.2%	-31.5%
Amount paid	\$14,911,211	\$17,934,788	\$21,363,238	-16.9%	-30.2%

MEDIA ALERT: Local data for May 2026 will be posted to the website on Tuesday, June 23, 2026. Statewide data for June 2026 will be released on July 16, 2026.

Visit [iowalmi.gov](http://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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