

NEWS RELEASE

For Statewide Distribution



**Iowa Workforce
Development**

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Contact: Jesse Dougherty (515) 725-5487
communications@iwd.iowa.gov

Iowa's Unemployment Rate Remains at 3.2 Percent for the Third Month

DES MOINES, IOWA – Iowa's seasonally adjusted unemployment rate remained at 3.2 percent in July, equal to the rate in May and June and down from a jobless rate of 3.5 percent one year ago. Meanwhile, the U.S. unemployment rate fell to 4.1 percent in July.

The total number of unemployed Iowans decreased to 54,700 in July from 55,300 in June.

The total number of working Iowans decreased to 1,672,200 in July. This figure is 2,200 lower than June and 3,100 lower than one year ago. The labor force participation rate fell to 67.1 percent in July from 67.3 percent in June, as 2,800 people left the labor force, mostly due to retirements.

"Iowa's July report is largely consistent with what we've seen for the last several months," said Beth Townsend, Executive Director of Iowa Workforce Development. "Most industries showed little change in hiring with a notable exception in construction, which gained 900 jobs. We also saw a significant number of Iowans retiring in July. Between this and 59,000 posted jobs on IowaWORKS.gov, there remain plenty of great career opportunities whether you are looking for your first job or your next one."

Seasonally Adjusted Nonfarm Employment

Firms in Iowa shed 3,100 jobs in July, lowering total nonfarm employment to 1,583,100. Prior to this month, business establishments had added jobs in four consecutive months, totaling 9,900 jobs. Local government fueled much of the month's decline (-1,700). A majority of these losses were related to K-12 schools beginning summer break. Private industry was down slightly (-1,000); these losses were within service industries. Goods-producing firms countered with 800 jobs added, breaking two months of losses. Annually, total nonfarm employment is down slightly (-1,800).

Within private sectors, construction added the most jobs (+900). Since December, this sector has gained 3,400 jobs. Many of these increases were specialty trade contractors. Accommodation and food services increased by 500 jobs and is up 2,600 since January. Professional, scientific, and technical services gained 400 jobs since June and has added 1,200 jobs since April. As far as losses go, retail trade pared 1,300 jobs in July. This sector previously gained 3,500 jobs in May and June.

Annually, job losses are highest among trade and transportation industries (-5,000). Transportation and warehousing industries are responsible for almost half of this loss (-2,400). Trade industries, retail and wholesale combined, have shed 2,600 jobs. Manufacturing is down 2,100 jobs with durable goods factories accounting for most of the loss (-1,700). Professional and business service industries have lost 1,600 jobs since last July. Professional, scientific, and technical services fueled most of this loss (-1,000). On the positive side, health care and social assistance has added 4,800 jobs over the past 12 months to lead all other sectors. This sector has generally trended upward over the past several years. Construction followed with 3,300 jobs gained, and finance and insurance added 1,200 jobs. Smaller annual gains were found in private education (+600) and information (+300).

Employment and Unemployment in Iowa, Seasonally Adjusted Data

	July 2026	June 2026	July 2025	Change from June 2026 July 2025	
Civilian labor force	1,726,900	1,729,700	1,735,800	-2,800	-8,900
Unemployment	54,700	55,300	60,600	-600	-5,900
Unemployment rate	3.2%	3.2%	3.5%	0.0	-0.3
Employment	1,672,200	1,674,400	1,675,300	-2,200	-3,100
Labor Force Participation Rate	67.1%	67.3%	67.7%	-0.2	-0.6
U.S. unemployment rate	4.1%	4.2%	4.3%	-0.1	-0.2

Nonfarm Employment in Iowa, Seasonally Adjusted Data

Total Nonfarm Employment	1,583,100	1,586,200	1,584,900	-3,100	-1,800
Mining	2,200	2,200	2,200	0	0
Construction	87,100	86,200	83,800	900	3,300
Manufacturing	212,900	213,000	215,000	-100	-2,100
Trade, transportation and utilities	304,800	306,600	309,800	-1,800	-5,000
Information	17,800	18,000	17,500	-200	300
Financial activities	105,700	105,700	104,600	0	1,100
Professional and business services	141,100	140,900	142,700	200	-1,600
Education (private)	43,600	43,600	43,000	0	600
Health care and social assistance	205,700	205,700	200,900	0	4,800
Leisure and hospitality	141,600	141,300	143,700	300	-2,100
Other services	54,500	54,800	55,000	-300	-500
Government*	266,100	268,200	266,700	-2,100	-600

* includes publicly owned education and health services

Data Above Subject to Change

Unemployment Insurance Claims for Iowa

	July 2026	June 2026	July 2025	% Change from June 2026 July 2025	
Initial claims	6,242	7,918	9,494	-21.2%	-34.3%
Continued claims					
Benefit recipients	11,809	11,566	13,830	2.1%	-14.6%
Weeks paid	34,289	36,277	39,670	-5.5%	-13.6%
Amount paid	\$17,589,682	\$18,756,273	\$20,011,763	-6.2%	-12.1%

Media Alert: Local data for July 2026 will be posted to the website on Tuesday, August 25, 2026. Statewide data for August 2026 will be released on September 17, 2026.

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

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