

NEWS RELEASE

For Statewide Distribution



Iowa Workforce
Development

For Release: 9:00 a.m.
Date: September 17, 2026

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Iowa's Unemployment Rate Remains at 3.2 Percent in August

DES MOINES, IOWA – Iowa's seasonally adjusted unemployment rate remained at 3.2 percent in August, steady for the fourth consecutive month and down from a jobless rate of 3.5 percent one year ago. The U.S. unemployment rate also held steady at 4.1 percent.

The total number of unemployed Iowans was 54,700 in August, unchanged from July.

The total number of working Iowans decreased to 1,669,600 in August, largely due to Iowa workers leaving the workforce for retirement. The employed figure is 2,600 lower than July and 7,500 lower than one year ago. The labor force participation rate fell to 67.0 percent in August from 67.1 percent in July.

"The August report shows a return to job growth, led by 1,300 new manufacturing jobs and significant increases in hiring in healthcare and leisure & hospitality," said Beth Townsend, Executive Director of Iowa Workforce Development. "The people who left the workforce primarily did so due to retirement. Iowa had the third-highest labor force participation rate in the country in July, up from seventh-highest during the same month last year. Meanwhile, Iowa's historically low level of unemployment claims has led to a \$2.1 billion balance in the trust fund and allowed us to maintain the lowest possible tax rates for employers in 2027."

Seasonally Adjusted Nonfarm Employment

Iowa establishments added 2,400 jobs in August, raising total nonfarm employment to 1,585,800 jobs. This gain helps offset a loss of 2,800 jobs in July. Firms involved with goods production, primarily construction and manufacturing, fueled much of this gain. Private service industry was unchanged from July; government added 500 jobs between state (200) and local (300) governments. Following this month's gain, total nonfarm employment is up 700 jobs annually.

Manufacturing added the most jobs in August (+1,300). Most of the hiring was in durable goods factories (+900). Jobs were added within machinery and wood product production. Nondurable goods firms also gained jobs (+400) following a gain of 300 in July. Accommodation and food services increased by 1,000 jobs. This gain was fueled by hiring in drinking places and fast food restaurants. Health care and social assistance continued to trend upward, gaining 700 jobs in August and 2,400 jobs over the past three months. As far as job losses go, professional and business services shed 1,000 jobs. Most of these losses were in administrative support and waste management. This sector has dropped 4,000 jobs since January. Transportation and warehousing shed 900 jobs. This was the fourth consecutive decline for this sector equating to 1,600 jobs lost.

Compared to last August, health care and social assistance have gained the most jobs (+5,700). This sector continues to climb and has been positive since 2021. Construction industries have added 3,200 jobs. This sector has only shed jobs once since December. In terms of losses, trade and transportation industries have shed the most jobs (-5,200). Transportation leads all sectors with 3,300 jobs pared. Trade industries, wholesale and retail, are down a combined 1,900 jobs. Arts, entertainment and recreation industries have lost 2,200 jobs over the past 12 months.

Employment and Unemployment in Iowa, Seasonally Adjusted Data

	August 2026	July 2026	August 2025	Change from July 2026 August 2025	
Civilian labor force	1,724,300	1,726,900	1,737,000	-2,600	-12,700
Unemployment	54,700	54,700	59,900	0	-5,200
Unemployment rate	3.2%	3.2%	3.5%	0.0	-0.3
Employment	1,669,600	1,672,200	1,677,100	-2,600	-7,500
Labor Force Participation Rate	67.0%	67.1%	67.7%	-0.1	-0.7
U.S. unemployment rate	4.1%	4.1%	4.3%	0.0	-0.2

Nonfarm Employment in Iowa, Seasonally Adjusted Data

Total Nonfarm Employment	1,585,800	1,583,400	1,585,100	2,400	700
Mining	2,200	2,200	2,200	0	0
Construction	87,700	87,100	84,500	600	3,200
Manufacturing	214,200	212,900	214,800	1,300	-600
Trade, transportation and utilities	304,300	304,700	309,500	-400	-5,200
Information	17,500	17,700	17,400	-200	100
Financial activities	105,200	105,500	104,400	-300	800
Professional and business services	139,900	140,900	142,400	-1,000	-2,500
Education (private)	43,500	43,400	43,200	100	300
Health care and social assistance	206,600	205,900	200,900	700	5,700
Leisure and hospitality	142,000	141,300	143,500	700	-1,500
Other services	54,900	54,500	54,600	400	300
Government*	267,800	267,300	267,700	500	100

* includes publicly owned education and health services

Data Above Subject to Change

Unemployment Insurance Claims for Iowa

	August 2026	July 2026	August 2025	% Change from July 2026 August 2025	
Initial claims	5,414	6,242	7,440	-13.3%	-27.2%
Continued claims					
Benefit recipients	10,994	11,809	13,783	-6.9%	-20.2%
Weeks paid	33,893	34,289	36,471	-1.2%	-7.1%
Amount paid	\$17,677,869	\$17,589,682	\$18,791,952	0.5%	-5.9%

Media Alert: Local data for August 2026 will be posted to the website on Tuesday, September 22, 2026. Statewide data for September 2026 will be released on October 15, 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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