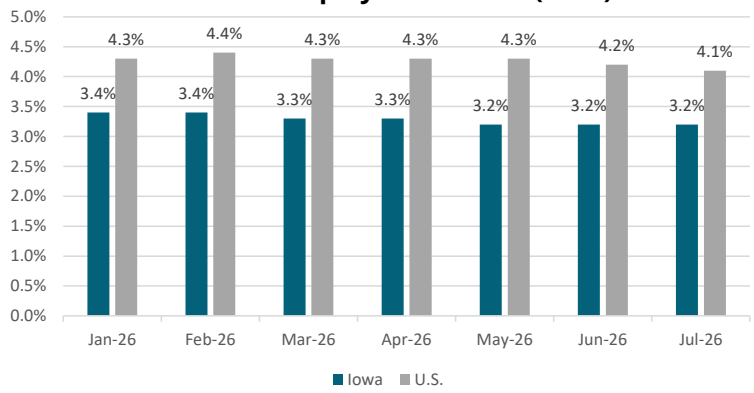
Status of Iowa's Workforce & Economy June 2026

Iowa Workforce Development

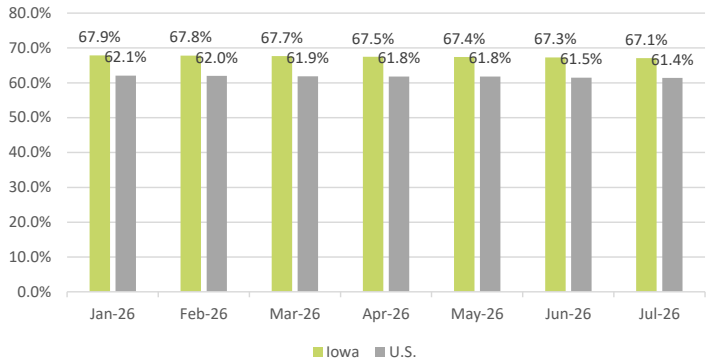
Published in August 2026

Labor Force & Unemployment

Iowa and U.S. Unemployment Rates (2026)



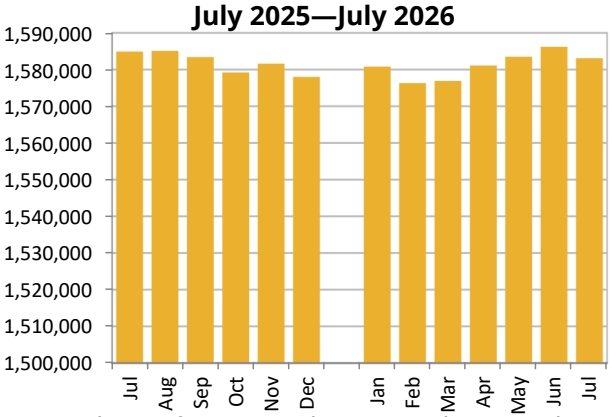
Iowa and U.S. Labor Force Participation Rates



- Iowa's unemployment rate remained at 3.2 percent in July for the third month. The state's jobless rate was 3.5 percent one year ago.
- The U.S. unemployment rate fell to 4.1 percent in July.
- The state's total employment level decreased to 1,672,200 in July from 1,674,400 in June.
- Iowa's labor force participation rate decreased to 67.1 percent in July as the state saw an increase in retirements.
- People in retirement make up over 60 percent of those not in the labor force.

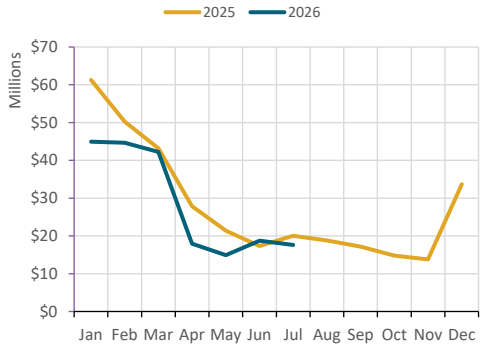
Nonfarm Employment

Total Nonfarm Employment July 2025—July 2026



- Total nonfarm employment decreased in July (-3,100). Prior to this month, the state had gained 9,900 jobs since February.
- Construction added the most jobs in July (+900). Most of the jobs added were specialty trade contractors.
- Accommodation and food services increased slightly (+500). This sector has added jobs in five of the last six months, gaining 2,600 jobs during that span.
- Local governments shed the most jobs in July (-1,700). Most of the loss stems from K-12 schools summer layoffs.
- Retail shed 1,300 jobs and wholesale trade shed 300 jobs in July. Prior to this month, retail had gained 3,500 jobs in May and June.
- Annually, Iowa trails last year's mark by 1,800 jobs. The heaviest losses were in trade, transportation and utilities (-5,000). Job gains were led by health care and social assistance (+4,800).
- Nationally, the U.S. lost 23,000 jobs in July.

Unemployment Insurance (UI) Benefits Paid ($ Millions)



- Unemployment Insurance (UI) benefits paid during the first seven months of 2026 totaled $201 million. This is 17 percent lower than $241 million paid during the first seven months of 2025.
- UI benefits paid during 2026 have been running close to the 2024 trend. Benefits paid during the first seven months of 2024 totaled $207 million.
- On a monthly basis, UI benefits fell from $18.8 million in June 2026 to $17.6 million in July 2026. The July 2025 benefit payout was $20.0 million.

Upcoming Monthly News Release Schedule		
Reference Month	**Statewide News Release**	**Local Area News Release**
July	August 20, 2026	August 25, 2026
August	September 17, 2026	September 22, 2026
September	October 15, 2026	October 20, 2026

Source: Labor Market Information (LMI) Division, Iowa Workforce Development—Bureau of Labor Statistics (BLS) unless noted. (Reference: July 2026)

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