

NEWS RELEASE

For Statewide Distribution



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Iowa's Unemployment Rate Falls to 2.7 Percent in May

DES MOINES, IOWA – Iowa's seasonally adjusted unemployment rate fell to 2.7 percent in May. The state's jobless rate was 3.2 percent one year ago. The U.S. unemployment rate dropped to 3.8 percent in May.

"May was another positive month for Iowa's workforce and economy," said Beth Townsend, Iowa Workforce Development Director. "More Iowans are working than the same time last year and construction hiring is again on the upswing, with over 4,000 jobs added since January. What Iowa needs are more workers and we need to be doing everything we can as a state to increase the number of skilled workers, like [Future Ready Iowa](#). The good news is that we are working closely with business and industry, nonprofits, and all levels of education especially community colleges, to find ways to get more people into training programs."

The number of unemployed Iowans decreased to 46,000 in May from 47,000 in April. The current estimate is 7,900 lower than the year ago level of 53,900.

The total number of working Iowans increased to 1,630,100 in May. This figure was 2,900 higher than April and 3,300 higher than one year ago.

Seasonally Adjusted Nonfarm Employment

Iowa's business establishments added 3,300 jobs in May, raising total nonfarm employment to 1,586,400 jobs. This month's gain is moderate and helps offset the sluggish job numbers that afflicted the state last month. It is also the third increase for 2018. The job growth was primarily the result of service industries bolstering employment, although goods producing sectors added 900 jobs in total. On the other hand, May also marks another month of little change for the government sector. Only 200 jobs were added this month overall, while there was no change in March. Over the past twelve months, government has added a slight 700 jobs due to hiring at the local level.

Trade industries fueled much of the growth this month. Wholesale trade rebounded from two consecutive months of losses to add 1,100 jobs. For the first time in 2018, retail trade made a significant monthly advancement (+900). Job gains for retail are welcome news as this sector has steadily trended down since a recent high established in August of 2016. The overall outlook for retail, however, is for jobs to be trimmed as this sector deals with shifting consumer preferences. Administrative support and waste management industries, specifically temporary help and landscaping, advanced by more than expected this month (+1,100). Construction added jobs for the fourth consecutive month (+1,000), with 4,100 jobs being added since January. This sector had been dealing with annual losses following a slight regression from a peak established in early 2016. Losses were limited to just a few sectors, and led by accommodations and food services (-800), nondurable goods manufacturing (-400), and finance and insurance (-400).

Since last May, Iowa establishments have added 17,100 jobs. Durable and nondurable goods factories have combined for 9,800 jobs added. In a distant second were both healthcare and transportation, each having added 2,500 jobs. Retail trade has led all sectors in terms of losses (-2,800) followed by private education services (-2,200) and other services (-2,100).

Employment and Unemployment in Iowa, Seasonally Adjusted Data

	May 2018	April 2018	May 2017	Change from	
				April 2018	May 2017
Civilian labor force	1,676,100	1,674,200	1,680,600	1,900	-4,500
Unemployment	46,000	47,000	53,900	-1,000	-7,900
Unemployment rate	2.7%	2.8%	3.2%	-0.1	-0.5
Employment	1,630,100	1,627,200	1,626,800	2,900	3,300
U.S. unemployment rate	3.8%	3.9%	4.3%	-0.1	-0.5

Nonfarm Employment in Iowa, Seasonally Adjusted Data

Total Nonfarm Employment	1,586,400	1,583,100	1,569,300	3,300	17,100
Mining	2,400	2,400	2,300	0	100
Construction	76,700	75,700	76,800	1,000	-100
Manufacturing	224,700	224,800	214,900	-100	9,800
Trade, transportation and utilities	314,400	312,300	314,600	2,100	-200
Information	21,900	21,900	21,900	0	0
Financial activities	111,200	111,500	108,900	-300	2,300
Professional and business services	143,000	142,000	139,100	1,000	3,900
Education and health services	232,000	231,500	231,700	500	300
Leisure and hospitality	144,700	145,600	142,300	-900	2,400
Other services	55,500	55,700	57,600	-200	-2,100
Government	259,900	259,700	259,200	200	700

Unemployment Insurance Claims for Iowa

	May 2018	April 2018	May 2017	% Change from	
				April 2018	May 2017
Initial claims	9,063	7,480	9,272	21.2%	-2.3%
Continued claims					
Number of claimants	19,632	27,767	22,504	-29.3%	-12.8%
Weeks paid	65,707	82,506	68,070	-20.4%	-3.5%
Amount paid	\$24,821,796	\$31,996,414	\$25,555,092	-22.4%	-2.9%

Visit www.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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MEDIA ALERT: [Click here](#) or call (515) 281-6057 to access an audio cut of comments about Iowa's labor market situation. Local data for May will be posted to the IWD website on Tuesday, June 19, 2018. Statewide data for June 2018 will be released on Friday, July 20, 2018.