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| NEWS RELEASE | For Statewide Distribution |
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| **For Release:** 9:00 a.m.  **Date**: January 24, 2017 | **Contact:** Courtney Maxwell Greene (515) 281-9646 |
| |  | | --- | | Iowa’s Unemployment Rate Drops to 3.6 Percent in December    DES MOINES, IOWA – Iowa’s seasonally adjusted unemployment rate dropped to 3.6 percent in December. The state’s jobless rate was 3.5 percent one year ago. The U.S. unemployment rate increased to 4.7 percent in December.    “Iowa’s economy received a boost in December as businesses added jobs and unemployment eased to 3.6 percent,” said Beth Townsend, Director of Iowa Workforce Development. “While Iowa’s economy has grown at a slower rate than in the past, growth in construction, finance and healthcare offset losses in other areas. Time will tell if the growth seen in December will continue and expand in 2017.”    The number of unemployed Iowans decreased to 61,200 in December from 65,100 in November. The current estimate is 1,800 higher than the year ago level of 59,400.  The total number of working Iowans decreased to 1,650,800 in December. This figure was 4,000 lower than November and 4,800 higher than one year ago.    Seasonally Adjusted Nonfarm Employment    Total nonfarm employment added 1,900 jobs in December and will finish the year at 1,582,100 jobs. This month’s gain halts three consecutive months of losses among Iowa’s establishments. Within the private sector, goods-producing industry gains of 1,000 were exactly offset by service industry losses. Government added 1,900 jobs and was fueled by higher-than-expected growth at the local government level. Compared to last year, government has added 1,500 jobs.  The professional and business services sector added the most jobs in December (+1,300) and was fueled by hiring in professional, scientific, and technical services (+800). In total, 2,500 jobs have been added over the past two months for this sector. Manufacturing added 900 jobs following losses in the prior two months. The majority of the gain occurred in nondurable goods factories (+600). Although small, Iowa’s financial sector gained 300 jobs and marked three-consecutive months of gains. Other sectors adding jobs in December included education and healthcare services, construction, and other services. Alternatively, losses in December were heaviest in leisure and hospitality (-1,600) and due to larger-than-expected seasonal declines in accommodations and food services. Retail trade reflected another sluggish month of holiday sales and fueled a loss of 1,100 in trade and transportation. Weak retail hiring may be a symptom of consumers bypassing brick-and-mortal retail establishments in favor of online retailers. The only other decline this month occurred in information services (-300).  Despite layoffs over the past several months, Iowa remains up 8,200 jobs annually. Individually, no sector has added more jobs than construction (+6,900). This sector added almost half of all the jobs gained (42 percent) versus last December. Finance remains markedly up (+4,400) and has displayed strong hiring throughout this past year, as did education and healthcare (+3,900). Despite this month’s gain, manufacturing still remains strikingly lower than last year’s mark (-7,000). Losses have been evenly split between durable and nondurable factory jobs. Information services is second in annual losses (-1,400), although much of this loss is due to streamlining of services and a change in how information is being used by customers. Professional and business services has recovered somewhat during the past couple months and is now down just 900 jobs following a turbulent year with losses peaking at 3,700 jobs a few months ago.      Visit [www.iowalmi.gov](http://www.iowalmi.gov) for more information about current and historical data, labor force data, nonfarm employment, hours and earnings, and jobless benefits by county.  ###  An Equal Opportunity Employer/Program Auxiliary aids and services are available upon request for individuals with disabilities.  [www.iowaworkforcedevelopment.gov](http://www.iowaworkforcedevelopment.gov/)• [www.iowajobs.org](http://www.iowajobs.org) | |  | | MEDIA ALERT: An audio cut of comments about Iowa’s labor market situation is available by calling  (515) 281-6057. Statewide and local data for January 2017 will be released on Monday, March 13, 2017. | |  | | |