



April 2026

Iowa Jobs and Labor Force Update

January 2026

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Introduction

In April, the Bureau of Labor Statistics (BLS) implemented a revised benchmark for state-level employment and unemployment estimates. This update incorporates population controls and revised seasonal adjustment factors. As a result, all published state employment data have been revised. The figures reported by CSI for December 2025 and prior months will not align with the updated data starting in this report.

This month, Iowa reported a net gain of 6,400 jobs. However, under the new benchmark, Iowa's employment level for December was revised downward by 17,500 jobs compared to pre-revised December. National employment estimates were revised downward by over nearly one million. While both state and national employment did indeed increase from December to January, the revised estimates indicate the absolute employment levels are lower than previously reported.

This month's employment growth was driven primarily by gains in professional and business services (1,800) and government (1,400). Other labor market indicators remain comparatively strong. Iowa's unemployment rate fell 0.1% from pre-revised December to 3.4%, ranking 10th lowest nationally. The state's labor force participation rate edged up to 67.9%, 0.2% higher than pre-revised December, placing the state 6th nationwide, but still below the pre-pandemic level of 69.5% in January 2020.

The revised data underscores an uncomfortable reality: Iowa's labor market is slightly weaker than previously thought. Under the new benchmark, last year's employment growth was revised down to be the worst of any post-pandemic year. Still, the headline job numbers tell only part of the story—Iowa's unemployment and labor force participation rates remain among the strongest in the nation, pointing to a workforce that is both active and employed.

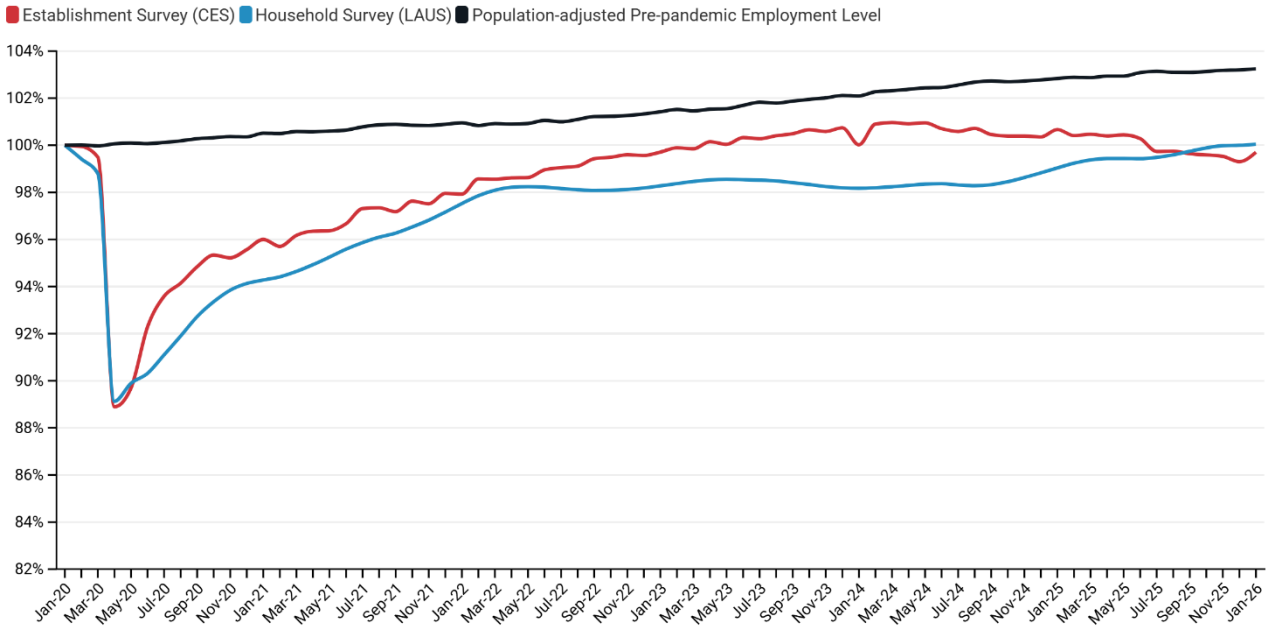
Key Findings—Iowa January 2026 Employment Data

- **In January, Iowa gained 6,400 jobs. Eight of 11 major sectors contributed to this gain.**
 - Professional and business services contributed most to this gain with 1,800 jobs.
 - Other services saw the largest monthly decrease, losing 500 jobs.
- New BLS employment methodology indicates a smaller labor force in Iowa.
 - State revisions: The state reported 17,500 fewer jobs in December 2025 compared to pre-revised December 2025, making 2025 the weakest year for job growth in Iowa's post-pandemic recovery.
 - Industry revisions: Construction had the largest downward revision, losing 6,200 jobs. Professional and business services had the largest upward revision, gaining 1,200 jobs.
- Iowa has the 10th lowest unemployment rate in the nation, up two spots from pre-revised December.
 - Unemployment: Iowa's unemployment rate was 3.4% in December, 0.1% lower than in pre-revised December.
- Iowa labor force participation rate ranks 6th in the nation, unchanged from pre-revised December.
 - LFPR: Iowa's LFPR was 67.9% in December, 0.2% higher than pre-revised December.
- From January '21 to January '26, Iowa's private sector jobs increased by 3.1%.
 - The national private sector grew 11.7% over this same period.

Establishment vs. Household Survey

- According to both the employment figures from the BLS survey of establishments (CES) and the number of people employed from the BLS survey of households (LAUS), **Iowa has yet to recover to a pre-pandemic employment-to-population ratio.**
- Based on the **establishment survey**, employment grew by 6,400 or 0.41%.
- Based on the **household survey**, employment grew by 767 jobs or 0.05%.

Employment Levels in Iowa since January 2020



Revisions

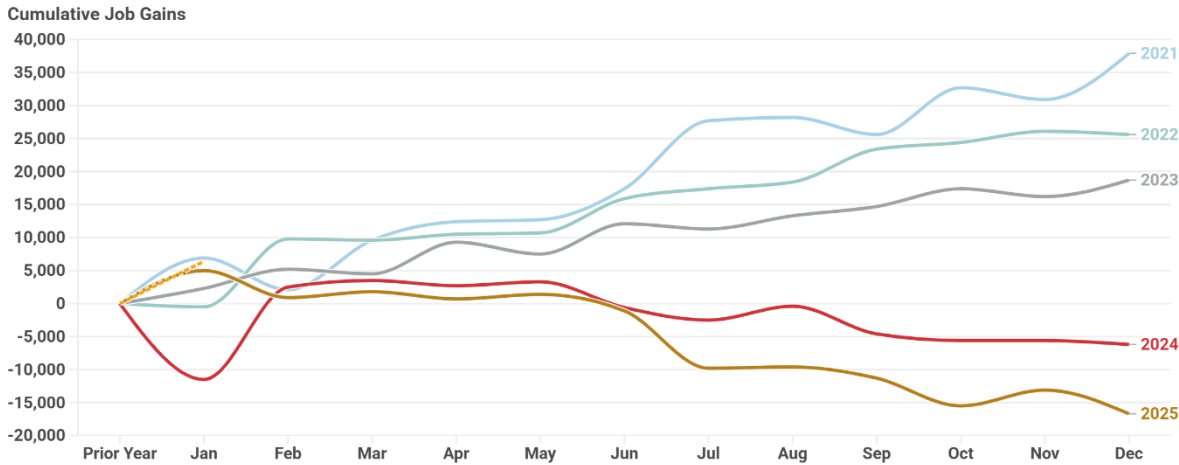
- **United States** – In April, the BLS revised December 2025 seasonally adjusted total nonfarm employment in the United States downward 936,400 under its new benchmark (-0.59%).
- **Iowa** – In April, the BLS revised December 2025 seasonally adjusted total nonfarm employment in Iowa downward 17,500 under its new benchmark (-1.10%).
- **Iowa by Sector** – In April, the new benchmark revised December 2025 seasonally adjusted total nonfarm employment for the following major sectors:
 - Construction downward by 6,200 jobs (-6.9%).
 - Trade, transportation, and utilities downward by 4,000 jobs (-1.30%).
 - Government downward by 3,300 jobs (-1.22%).
 - Other services downward by 2,000 jobs (-3.50%).
 - Manufacturing downward by 1,600 jobs (-0.74%).
 - Education and health services downward by 800 jobs (-0.32%).
 - Information downward by 600 jobs (-3.35%).
 - Leisure and hospitality downward by 400 jobs (-0.29%).
 - Mining and logging upward by 200 jobs (10.0%).
 - Professional and business services upward by 1,200 jobs (0.85%).

Iowa's Post-Pandemic Growth

- From December 2025 to January 2026, Iowa added 6,400 nonfarm jobs to its economy. The one-month growth in jobs this January ranks as the second-best start to a year in the post-pandemic period.
- Under the new BLS benchmark, 2025 was the worst year for job growth in the post-pandemic period.
- **As of January 2026, the private sector was up 5,000 jobs since December 2025.**

Cumulative Jobs Added by Year - Iowa

From December 2025 to January 2026, employment has grown by 6,400 jobs, versus 5,000 this time last year.

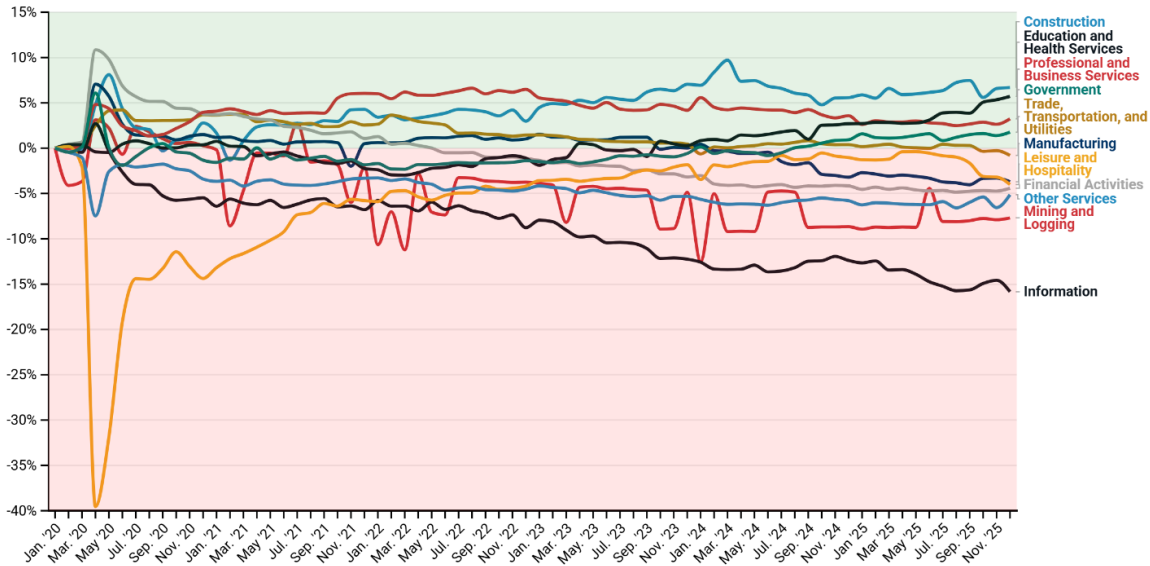


- Since January 2021, Iowa's private employment has grown 3.1%—up from last month's 2.8%.
- Over the same period, U.S. private employment has grown 11.7%—up from 11.5% last month.

A Deeper Dive into Iowa Industries (BLS CES Survey)

- **Based on the establishment survey, the net growth of 6,400 jobs in January was driven by net job gains in 8 of 11 major sectors.**
 - Professional and business services gained 1,800 jobs (1.26%).
 - Government gained 1,400 jobs (0.52%).
 - Construction gained 1,300 jobs (1.55%).
 - Education and health services gained 1,100 jobs (0.45%).
 - Manufacturing gained 1,000 jobs (0.47%).
 - Trade, transportation, and utilities gained 300 jobs (0.10%).
 - Mining and logging (0.44%) and Information (0.58%) both gained 100 jobs.
- Two sectors saw net job losses in jobs from December to January.
 - Other services lost 500 jobs (-0.91%).
 - Leisure and hospitality lost 200 jobs (-0.14%).

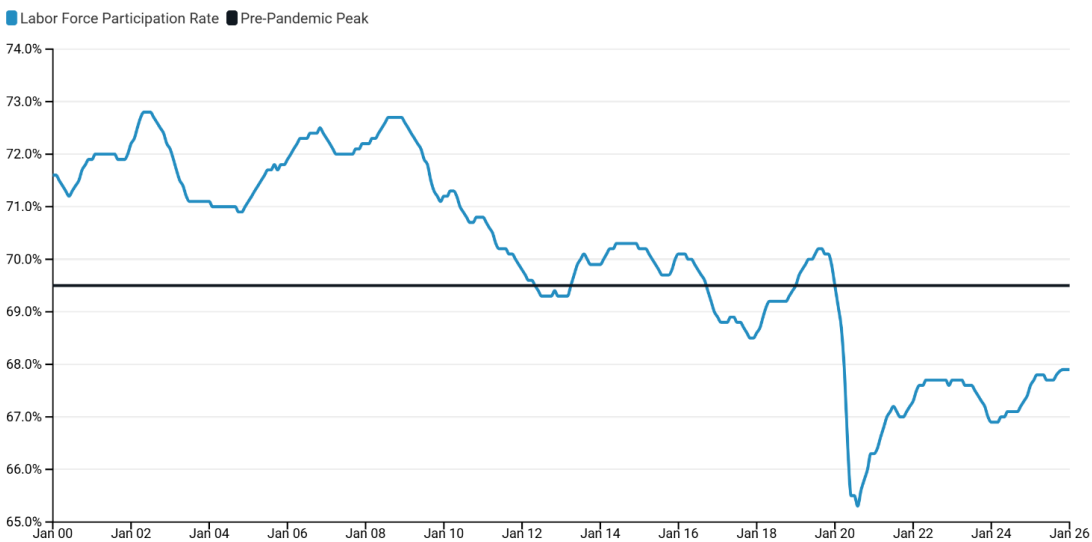
Changing Industry Shares of Total Iowa Employment since January 2020



Iowa Labor Force Update

- In January, Iowa’s LFPR remained unchanged at 67.9%, 1.6 percentage points below the pre-pandemic LFPR of 69.5% in January 2020.
 - Iowa ranked 6th highest in labor force participation among 50 states, unchanged from pre-revised December.
- Iowa’s unemployment rate in January fell to 3.4%, down 0.1% from pre-revised December.
 - Iowa ranked 10th lowest in unemployment rate among all 50 states, up two spots from pre-revised December 2025.

Labor Force Participation Rate in Iowa Since 2000



Data Sources

The data in this report are compiled from monthly and annual data released by the U.S. Bureau of Labor Statistics (BLS), including data from the Current Employment Statistics (CES) survey and the Local Area Unemployment Statistics (LAUS) Survey.