

# STATE OF IOWA WORKNET WORKFORCE DEVELOPMENT

SECOND QUARTER 2004

## *Recovery Moves Forward at Slow Pace*

Although the Iowa job market reflected improvement over the year, the recovery continued to be slow and had not made the transition to a sustained, broad-based expansion. The second-quarter jobless rate averaged 4.2 percent as new job seekers entered the labor market in large numbers in May and June. The state's seasonally adjusted unemployment rate averaged 4.5 percent for the same period one year ago.

Strong productivity has been largely responsible for the sluggish hiring patterns that have prevailed for some time. Nationally, labor productivity in the nonfarm sector rose over 4 percent in 2002 and nearly 5 ½ percent in 2003, some of the larger annual increases experienced since the early 1960s. To achieve high levels of productivity, companies have been putting to use the high-tech equipment that they purchased in the late 1990s and restructuring their organizations to provide ongoing efficiencies.

Meanwhile, figures for Iowa's manufacturing industry revealed a slow healing process, particularly in the durable goods sector. The industry's employment level averaged 221,000 for second quarter compared to 219,000 for the same period one year ago. Some of the larger over-the-year gains occurred in plants that manufacture wood products, primary metal, fabricated metal and machinery. The length of the manufacturing workweek also pointed to a rebound in the industry. For each month of second quarter, the average weekly hours for manufacturing approached or exceeded 43 hours. Machinery manufacturing stood out as being particularly strong with a workweek of about 44 hours. The overtime hours worked during the quarter could signal that employers will need to begin hiring more workers to keep pace with production schedules.

In the service-producing sector, over-the-year gains continued to be concentrated in finance and in education and health. Trade and transportation lost about 3,000 jobs from the same quarter one year ago, while information and professional and business services remained flat. Information and retailing have both incurred heavy losses due to stiff competition and weak demand within the industries. Professional and business services lost business due to its strong ties to manufacturing and the effects of the "do not call" registry in telemarketing. Several telemarketing firms announced layoffs during the quarter.

## *Job Outlook*

The economic climate now seems more conducive to business investment, which should speed up the pace of the recovery. The recent resurgence in business confidence will ultimately create a demand for more manufactured products and professional and business services. Companies that are involved in export markets will also benefit from the relatively weaker dollar and improvement in the global economies.

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# LABOR MARKET FOCUS

## Iowa Employers' Benefit Survey

*Another tool to help in the decision making process.....*

Employers ask as they review budgets, make decisions about adding staff, or consider expanding their business, "What is the cost of the total compensation package of an employee in my industry?" A total compensation package includes information about the wages and benefits being offered to employees.

Wage information can be acquired through the Occupational Employment Statistics (OES) Wage Survey and until 1998, Iowa Workforce Development (IWD) collected information about fringe benefits as part of the Iowa Employer Wage and Benefits Survey. However, benefit information is no longer collected in this manner.

In recent months, the demand for fringe benefit information has been pushed to the forefront. Although the National Compensation Survey reports fringe benefits at a national and regional level, it does not provide state specific data. Businesses, community leaders, and legislators have requested information at the state/community level. This request is the driving force behind a group of states partnering together (of which Iowa is a member), supported by the Employment Training Administration (ETA) and the Bureau of Labor Statistics (BLS), to design the new Employer Fringe Benefit Survey that would collect the necessary data.

*Partnering for continued success.....*

IWD has recently conducted two pilot surveys using the new Employer Fringe Benefit Survey in two distinct areas within the state (a metropolitan area - The Greater Dubuque area and a rural area - Montgomery & Page Counties). By establishing a partnership with local economic development groups and businesses within the communities, both pilots received overwhelming response and participation by employers.

Survey results not only provide overall incidence and participation for full-time and part-time employees but also information specific to industry. Some of the highlights of both pilot surveys are listed on the following page. If more detailed information is needed, please contact the Workforce Research Bureau at 515-281-7307.

*Highlights from the Pilots.....*

In general the highlights of both of the pilots show significant differences between the urban and rural areas but they do not infer a statewide baseline.

### Benefits Addressed

#### Insurance Coverage

Health/Medical

Dental

Vision

#### Retirement

Defined Pension Plan

Defined Contribution Plan

#### Life Insurance

#### Short-term & Long-term Disability

#### Paid Time Off

Vacation

Sick

Holiday

#### Other Benefits

Childcare assistance

Tuition Reimbursement

Hiring Bonuses

Flex-Spending Accounts

Shift Pay Differential

# LABOR MARKET FOCUS

## Dubuque

Insurance Coverage for full-time employees:

- 83.8% of the businesses offer Health/Medical Insurance
- 57.4% of the businesses offer Dental Insurance
- 26.0% of the businesses offer Vision Coverage
- 45.2% of the businesses offer Life Insurance
- 48.2% of the businesses offer Short-Term Disability
- 39.2% of the businesses offer Long-Term Disability

Paid Leave:

- 71.8% offer Paid Vacation Leave
  - Average 7 days after 1 year of service
  - Average 12 days after 5 years of service
  - Average 15 days after 10 years of service
- 38.1% offer Paid Sick Leave
- 71.6% offer Paid Holiday Leave
- 19.2% offer a bank of paid leave in lieu of Vacation, Sick, or Holiday Leave

Retirement:

- 14.6% offer Defined Pension Plan
- 63.9% offer a Defined Contribution Plan

Other Benefits:

- 5.2% offer some form of Childcare Assistance
- 35.0% offer Tuition Assistance

## Page & Montgomery Counties

Insurance Coverage for full-time employees:

- 45.0% of the businesses offer Health/Medical Insurance
- 26.1% of the businesses offer Dental Insurance
- 8.1% of the businesses offer Vision Coverage
- 38.3% of the businesses offer Life Insurance
- 23.6% of the businesses offer Short-Term Disability
- 18.5% of the businesses offer Long-Term Disability

Paid Leave:

- 56.2% offer Paid Vacation Leave
  - Average 7 days after 1 year of service
  - Average 11 days after 5 years of service
  - Average 14 days after 10 years of service
- 34.1% offer Paid Sick Leave
- 56.3% offer Paid Holiday Leave
- 11.2% offer a bank of paid leave in lieu of Vacation, Sick or Holiday Leave

Retirement:

- 30.9% offer Defined Pension Plan
- 39.4% offer a Defined Contribution Plan

Other Benefits:

- 2.0% offer some form of Childcare Assistance
- 20.5% offer Tuition Assistance

## Dubuque

Industries most likely to offer a complete benefit package which includes Health/Medical Insurance, Life & Disability Insurance, Dental, Retirement, Paid Leave (over 50% of the businesses surveyed must offer):

- Manufacturing
- Transportation/Warehousing
- Finance & Insurance
- Professional, Scientific & Technical Services
- Health Care & Social Assistance
- Public Administration
- Educational Services

## Page & Montgomery Counties

Industries most likely to offer a complete benefit package which includes Health/Medical Insurance, Life & Disability Insurance, Dental, Retirement, Paid Leave (over 50% of the businesses surveyed must offer):

- Manufacturing
- Finance & Insurance
- Public Administration
- Educational Services

# US EMPLOYMENT SITUATION

## *Labor Force Data (Seasonally Adjusted)*

	April, 2004	May, 2004	June, 2004	June, 2003
Civilian Labor Force	146,741,000	146,974,000	147,279,000	146,917,000
Employed	138,576,000	138,772,000	139,031,000	137,673,000
Unemployed	8,164,000	8,203,000	8,248,000	9,245,000
Unemployment Rate	5.6%	5.6%	5.6%	6.3%

## *Historical Labor Force Series*

	1999	2000	2001	2002	2003
Civilian Labor Force	139,368,000	142,583,000	143,734,000	144,863,000	146,510,000
Employed	133,488,000	136,891,000	136,933,000	136,485,000	137,736,000
Unemployed	5,880,000	5,692,000	6,801,000	8,378,000	8,774,000
Unemployment Rate	4.2%	4.0%	4.7%	5.8%	6.0%

## *Unemployment Rates for Iowa and Neighboring States*

State	Rank	Rate
Nebraska	3	3.3%
South Dakota	4	3.4%
<b>Iowa</b>	<b>14</b>	<b>4.3%</b>
Minnesota	15	4.4%
Wisconsin	27	5.0%
Missouri	29	5.2%
Illinois	42	5.9%

## *Consumer Price Indexes (All Items)\**

	US City Average	June, 2004	May, 2004	June, 2003	% Chg June 2003 to June 2004
CPI-U	1967 = 100	568.2	566.4	550.4	3.3%
	1982-84 = 100	189.7	189.1	183.7	
CPI-W	1967 = 100	551.9	550.2	534.8	3.2%
	1982-84 = 100	185.3	184.7	179.6	

Source: Bureau of Labor Statistics, U.S. Department of Labor.

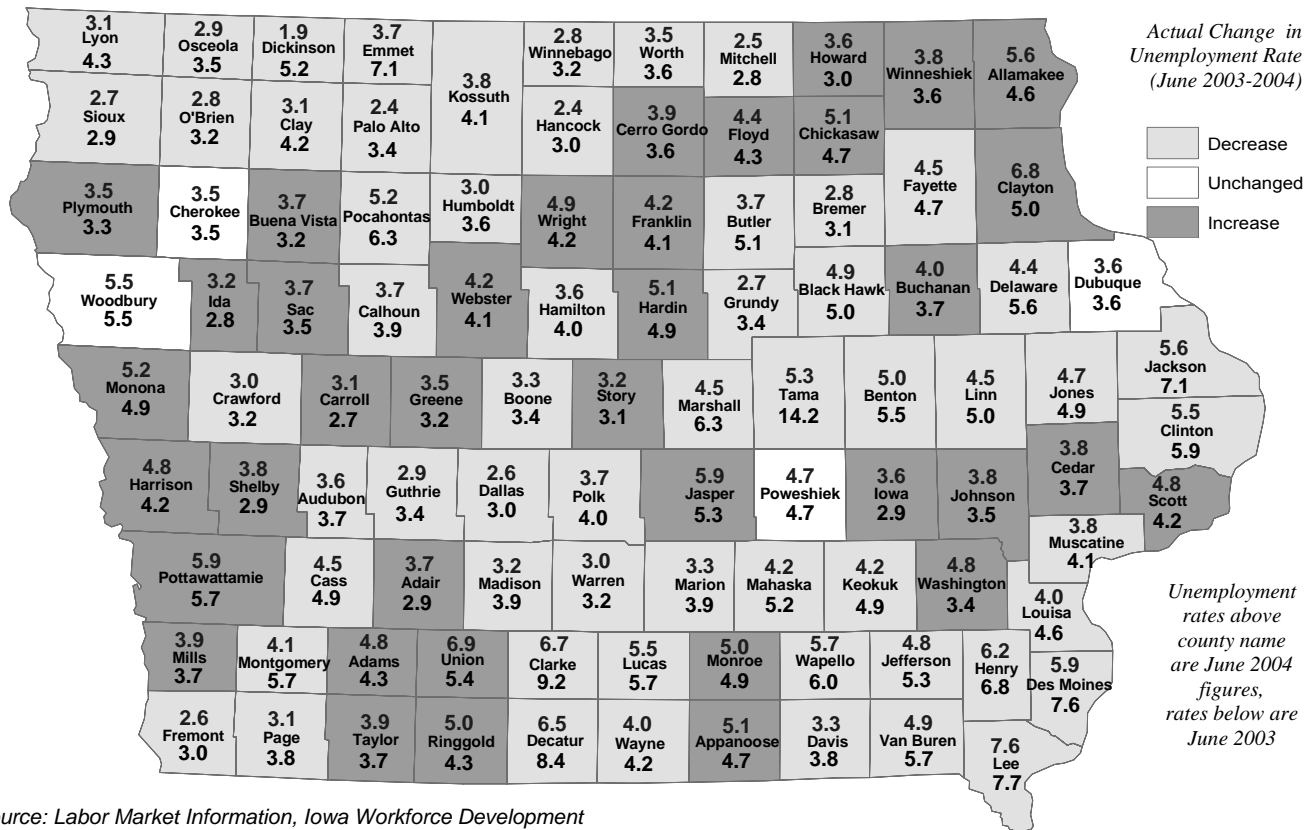
\*The Consumer Price Index for All Urban Consumers (CPI-U) extends coverage to such groups as salaried workers, the self-employed, retirees, and the unemployed. The index covers approximately 80 percent of the total noninstitutional civilian population of the United States. The CPI for Urban Wage Earners and Clerical Workers (CPI-W) represents about one-half of the population covered by the CIP for All urban Consumers.

# IOWA EMPLOYMENT SITUATION

## Statewide and Local Labor Force Data

State of Iowa	April, 2004	May, 2004	June, 2004	June, 2003
Labor Force	1,620,100	1,631,700	1,623,700	1,611,700
Unemployed	62,900	70,400	70,200	73,300
Percent Unemployed	3.9%	4.3%	4.3%	4.5%
Employed	1,557,100	1,561,300	1,553,400	1,538,400

## Unemployment Rates per Iowa Counties - June 2003 and 2004



Source: Labor Market Information, Iowa Workforce Development

## Metropolitan Statistical Area Data - June 2004

MSA	Labor Force	Employed	Unemployed	Rate
Cedar Rapids	115,500	110,300	5,200	4.5
Des Moines	280,500	270,600	10,000	3.6
Dubuque	51,800	49,900	1,900	3.6
Iowa City	78,400	75,400	2,900	3.8
Sioux City	63,900	60,600	3,400	5.3
Waterloo-Cedar Falls	71,600	68,100	3,500	4.9
*Davenport-Moline-Rock Island	102,000	96,800	5,200	5.1
**Omaha	416,200	397,700	18,600	4.5

Source: Labor Market Information Bureau, Iowa Workforce Development

\* Prepared by Illinois Department of Employment Security

\*\* Prepared by Nebraska Department of Labor

# IOWA NONFARM EMPLOYMENT

## Iowa's Nonfarm Employment from Second Quarter 2003 - 2004

Increased by 10,100. Gains were made in Construction, Manufacturing, Finance, Education, and Health Services

## Largest Single Increase in Employment

Increased by 4,700. Gains were made in Finance and Health Services

## Largest Single Decrease in Employment

Decrease by 3,000. Losses occurred in Motor Vehicles and Parts Sales

## Statewide Nonfarm Employment

Seasonally adjusted nonfarm employment rose by 10,100 jobs from second quarter 2003 to a quarterly average of 1,447,000 in the second quarter 2004. Gains were noted in construction, manufacturing, finance and education and health services. Trade, transportation, and warehousing and government demonstrated decreases, while professional and business services remained virtually unchanged.

The most significant gains occurred in finance and education and health services. Finance showed a gain of 4.9 percent, gaining 4,700 jobs from second quarter 2003 to second quarter 2004. The increase was due in large part to increases in mortgage lending institutions. Education and health services gained 3,100 jobs, most of which were in the health and social services sector.

Trade, transportation and warehousing demonstrated the largest job loss, decreasing by 3,000 jobs, primarily due to a significant decrease in motor vehicles and parts sales. Construction increased 2,000 jobs over second quarter 2003. Manufacturing demonstrated a modest gain of 1,800 jobs despite some layoffs in equipment manufacturing.

Government showed a modest decrease of 300 jobs, while professional and business services remained the same over the year.

## Statewide Nonfarm Employment (Seasonally Adjusted)

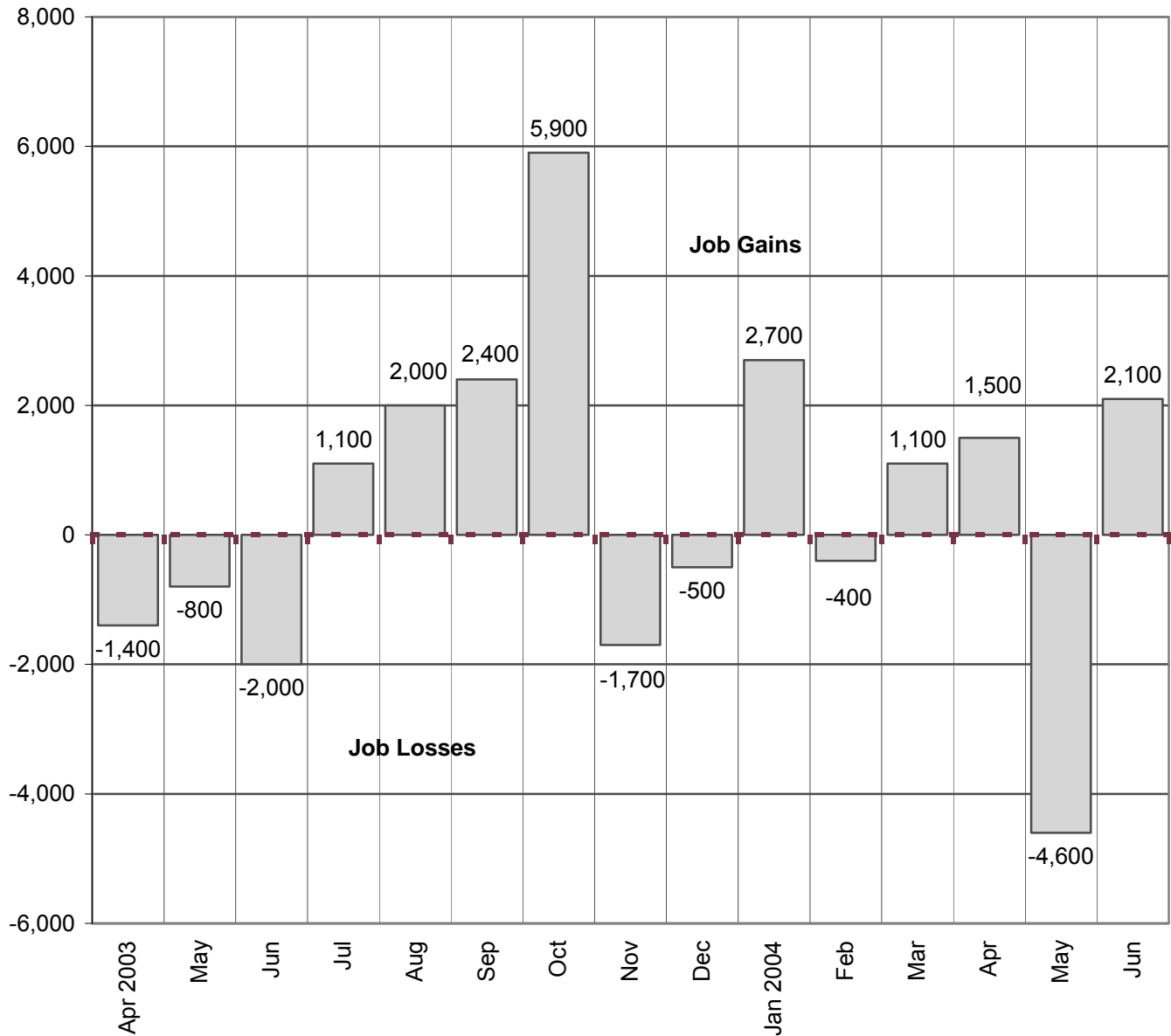
(In Thousands)	Apr 2004	May 2004	Jun/ <sup>P</sup> 2004	2nd Qtr 2004 Avg	2nd Qtr 2003 Avg	Change 2nd Qtr 2003 2nd Qtr 2004	Net Change
Total Nonfarm	1,449,400	1,444,800	1,446,900	1,447,000	1,436,900	10,100	
Construction	67,100	65,400	64,900	65,800	63,800	2,000	
Manufacturing	219,800	220,900	221,800	220,800	219,000	1,800	
Trade & Transportation	301,700	300,300	299,900	300,600	303,600	-3,000	
Information	33,800	33,500	33,500	33,600	33,600	0	
Financial Activities	99,400	99,700	99,300	99,500	94,800	4,700	
Professional & Business Svcs	105,800	105,100	103,900	104,900	104,900	0	
Education & Health Svcs	191,100	191,500	194,400	192,300	189,200	3,100	
Government	245,000	243,900	244,400	244,400	244,700	-300	

Source: Bureau of Labor Statistics, Current Employment Statistics

<sup>P/</sup> Preliminary data

# IOWA NONFARM EMPLOYMENT

*Nonfarm Employment  
Seasonally Adjusted 2003-2004*



Since April 2003, Iowa's seasonally adjusted nonfarm employment has grown by 8,800, with most of the new jobs having been added in third quarter 2003, early fourth quarter, and first quarter 2004. An unexpected downturn occurred in May 2004, but this was not enough to offset the general trend of upward momentum during the last fifteen months.

# CEDAR RAPIDS MSA

## *Cedar Rapids MSA Nonfarm Employment (Linn County)*

<b>(In Thousands)</b>	<b>Apr 2004</b>	<b>May 2004</b>	<b>Jun/<sup>P</sup> 2004</b>	<b>2nd Qtr 2004 Avg</b>	<b>2nd Qtr 2003 Avg</b>	<b>Change 2nd Qtr 2003- 2nd Qtr 2004</b>	<b>Net Change</b>
Total Nonfarm	115,900	116,000	116,600	116,200	117,300	-1,100	
Construction	5,500	5,600	5,800	5,600	6,300	-700	
Manufacturing	17,200	17,000	17,200	17,100	17,600	-500	
Trade & Transportation	24,800	24,700	24,700	24,700	24,800	-100	
Information	5,700	5,600	5,700	5,700	5,800	-100	
Financial Activities	9,500	9,600	9,700	9,600	9,200	400	
Professional & Business Svcs	10,300	10,100	10,300	10,200	12,100	-1,900	
Education & Health Svcs	16,300	16,100	15,800	16,100	14,200	1,900	
Government	12,600	12,800	12,700	12,700	13,000	-300	

Source: Bureau of Labor Statistics, Current Employment Statistics

<sup>P</sup>/ Preliminary data

Note: Data not seasonally adjusted

### What is an MSA?

A metropolitan statistical area (MSA) is defined as a county or group of contiguous counties, that contain at least one city of 50,000 inhabitants or more, or "twin cities" with a combined population of at least 50,000. Outlying counties are included in an MSA based on their population densities and the volume of commuting to central counties.

Metropolitan Statistical Areas (MSAs)

### What's New In The Cedar Rapids MSA?

- Nonfarm employment is down by 1,100 compared to second quarter 2003 due to a drop of 1,900 in professional and business services. Other major declines include decreases of 700 in construction, 500 in manufacturing, and 300 in government.
- Decreases of 200 each in wholesale and retail trade contributed to the trade, transportation and warehousing sector decline of 100 jobs.
- A bright spot in the service-providing sector continues to be educational and health services with a gain of 1,900 from second quarter 2003 to second quarter 2004.



# DES MOINES MSA

## Des Moines MSA Nonfarm Employment (Dallas, Polk, and Warren Counties)

(In Thousands)	Apr 2004	May 2004	Jun/ <sup>P</sup> 2004	2nd Qtr 2004 Avg	2nd Qtr 2003 Avg	Change 2nd Qtr 2003-2nd Qtr 2004	Net Change
Total Nonfarm	291,200	293,400	295,600	293,400	287,300	6,100	
Construction	15,900	16,700	17,300	16,600	14,600	2,000	
Manufacturing	19,600	19,700	19,700	19,700	18,800	900	
Trade & Transportation	60,200	60,500	60,700	60,500	61,400	-900	
Information	9,500	9,500	9,600	9,500	9,300	200	
Financial Activities	46,000	46,200	46,200	46,100	44,400	1,700	
Professional & Business Svcs	30,300	30,000	30,400	30,200	30,200	0	
Education & Health Svcs	36,800	36,800	36,500	36,700	34,400	2,300	
Government	38,300	38,600	38,600	38,500	37,200	1,300	

Source: Bureau of Labor Statistics, Current Employment Statistics

<sup>P</sup>/ Preliminary data

Note: Data not seasonally adjusted

### What's New In The Des Moines MSA?

- Nonfarm employment is up by 6,100 jobs from second quarter 2003 to second quarter 2004.
- Construction added 2,000 jobs and manufacturing added 900 jobs despite some long-term layoffs.
- Educational and health services added 2,300, financial activities added 1,700 and government added 1,300, 1,100 of which were in local government.

### Des Moines Employment Increase

By 6,100 jobs

Metropolitan Statistical Areas (MSAs)

# DUBUQUE MSA

## Dubuque MSA Nonfarm Employment (Dubuque County)

(In Thousands)	Apr 2004	May 2004	Jun/ <sup>P</sup> 2004	2nd Qtr 2004 Avg	2nd Qtr 2003 Avg	Change 2nd Qtr 2003-2nd Qtr 2004	Net Change
Total Nonfarm	52,500	53,100	53,500	53,000	51,700	1,300	
Construction	2,300	2,500	2,600	2,500	2,400	100	
Manufacturing	9,300	9,300	9,400	9,300	8,700	600	
Trade & Transportation	11,200	11,300	11,300	11,300	11,200	100	
Information	1,800	1,800	1,800	1,800	1,700	100	
Financial Activities	2,400	2,400	2,500	2,400	2,200	200	
Professional & Business Svcs	3,500	3,500	3,500	3,500	3,600	-100	
Education & Health Svcs	10,200	10,200	10,000	10,100	10,000	100	
Government	4,200	4,300	4,300	4,300	4,100	200	

Source: Bureau of Labor Statistics, Current Employment Statistics

<sup>P</sup>/ Preliminary data

Note: Data not seasonally adjusted

### Dubuque Employment Increase

By 1,300 jobs

### What's New In The Dubuque MSA?

- With gains in total nonfarm employment in both May and June, the three-month average is 1,300 above the second quarter 2003 employment level.
- The single-largest industry gain occurred in manufacturing which increased 600 over second quarter 2003 although manufacturing employment remained steady from April to May and gained only 100 in June.
- The only industry with a loss in employment compared to second quarter 2003 is professional and business services which decreased 100.

Metropolitan Statistical Areas (MSAs)

# IOWA CITY MSA

## Iowa City MSA Nonfarm Employment (Johnson County)

(In Thousands)	Apr 2004	May 2004	Jun/ <sup>P</sup> 2004	2nd Qtr 2004 Avg	2nd Qtr 2003 Avg	Change 2nd Qtr 2003-2nd Qtr 2004	Net Change
Total Nonfarm	78,800	79,000	78,200	78,700	77,200	1,500	
Construction	2,700	2,800	3,000	2,800	2,800	0	
Manufacturing	5,300	5,400	5,400	5,400	5,200	200	
Trade & Transportation	13,400	13,500	13,500	13,500	13,500	0	
Information	2,600	2,600	2,600	2,600	2,600	0	
Financial Activities	2,800	2,900	2,900	2,900	2,600	300	
Professional & Business Svcs	5,100	5,100	5,000	5,100	4,800	300	
Education & Health Svcs	7,400	7,300	7,300	7,300	7,200	100	
Government	30,700	30,600	29,700	30,300	29,900	400	

Source: Bureau of Labor Statistics, Current Employment Statistics

<sup>P</sup>/ Preliminary data

Note: Data not seasonally adjusted

### What's New In The Iowa City MSA?

- Nonfarm employment is up by 1,500 from second quarter 2003 to second quarter 2004 due to gains in the service-providing sector.
- Financial activities increased by 300, as insurance agencies added employment throughout the year. Professional and business services also added 300 from second quarter 2003 to second quarter 2004.
- Trade, transportation and warehousing remained unchanged. However, retail trade continued its downward trend during second quarter 2004 with a decline of 400 jobs. The decline in retail trade was partially offset by 200 jobs when two new warehouses opened over the year.

### Iowa City Employment Increase

By 1,500 jobs

Metropolitan Statistical Areas (MSAs)

# SIoux CITY MSA

## Sioux City MSA Nonfarm Employment (Woodbury County)

(In Thousands)	Apr 2004	May 2004	Jun/ <sup>P</sup> 2004	2nd Qtr 2004 Avg	2nd Qtr 2003 Avg	Change 2nd Qtr 2003-2nd Qtr 2004	Net Change
Total Nonfarm	62,200	62,100	62,100	62,100	62,500	-400	
Construction	3,000	3,100	3,200	3,100	3,100	0	
Manufacturing	10,600	10,300	10,300	10,400	11,100	-700	
Trade & Transportation	13,500	13,500	13,400	13,500	13,700	-200	
Information	800	800	800	800	800	0	
Financial Activities	3,000	3,100	3,100	3,100	2,900	200	
Professional & Business Svcs	4,400	4,400	4,400	4,400	4,800	-400	
Education & Health Svcs	10,400	10,200	9,800	10,100	9,800	300	
Government	8,100	8,100	8,300	8,200	7,900	300	

Source: Bureau of Labor Statistics, Current Employment Statistics

<sup>P</sup>/ Preliminary data

Note: Data not seasonally adjusted

### Sioux City Employment Decrease

By 400 jobs

### What's New In The Sioux City MSA?

- Second quarter 2004 employment is 0.7 percent (400) below second quarter 2003 levels.
- A layoff at a food manufacturer caused manufacturing and the goods-producing sector to decline 700 compared to same quarter last year.
- Education and health services and government are both up by 300 from 2003 second quarter.

Metropolitan Statistical Areas (MSAs)

# WATERLOO MSA

## Waterloo MSA Nonfarm Employment (Blackhawk County)

(In Thousands)	Apr 2004	May 2004	Jun/ <sup>P</sup> 2004	2nd Qtr 2004 Avg	2nd Qtr 2003 Avg	Change 2nd Qtr 2003-2nd Qtr 2004	Net Change
Total Nonfarm	74,100	74,800	73,600	74,200	72,600	1,600	
Construction	2,700	2,900	3,100	2,900	2,900	0	
Manufacturing	13,800	14,000	14,100	14,000	14,000	0	
Trade & Transportation	14,200	14,300	14,000	14,200	13,700	500	
Information	1,100	1,100	1,100	1,100	1,100	0	
Financial Activities	3,600	3,700	3,800	3,700	3,600	100	
Professional & Business Svcs	6,700	6,800	6,800	6,800	5,800	1,000	
Education & Health Svcs	10,000	10,000	10,100	10,000	9,700	300	
Government	12,800	12,600	11,000	12,100	12,500	-400	

Source: Bureau of Labor Statistics, Current Employment Statistics

<sup>P</sup>/ Preliminary data

Note: Data not seasonally adjusted

### What's New In The Waterloo MSA?

- Total nonfarm employment in the Waterloo/Cedar Falls MSA increased 1,600 compared to second quarter 2003. Total nonfarm gained 700 from April to May before decreasing 1,200 in June.
- Professional and business services realized the greatest gain in employment from second quarter 2003 to second quarter 2004, increasing 1,000.
- All sectors of the government industry are below second quarter 2003 levels. Overall, government industry employment decreased by 400 employees.

### Waterloo Employment Increase

By 1,600 jobs

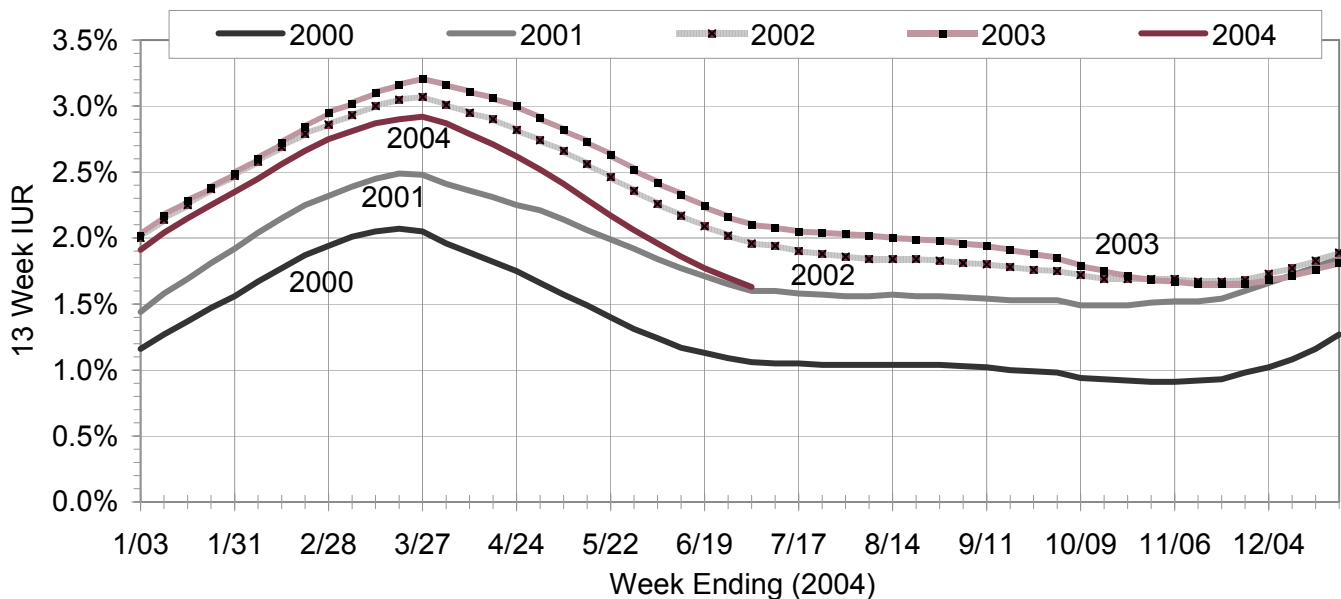
Metropolitan Statistical Areas (MSAs)

# UNEMPLOYMENT INSURANCE

## Unemployment Insurance Financial Activity

Regular Unemployment Insurance (UI)				
Item	Quarter Ending:		Twelve Months Ending:	
	June 2004	June 2003	June 2004	June 2003
Benefits Paid	\$67,253,884	\$89,472,138	\$346,693,862	\$373,528,746
Weeks Compensated	275,609	360,873	1,392,582	1,504,968
First Payments	15,624	20,776	99,401	111,449
Final Payments	7,159	9,141	30,899	32,727
Average Benefit per First Payment	-----	-----	\$3,487.83	\$3,351.57
Average Weekly Benefit	\$244.02	\$247.93	\$248.96	\$248.20
Average Duration	-----	-----	14.0	13.5
Exhaustion Rate	-----	-----	27.2%	29.4%
Temporary Emergency Unemployment Compensation (TEUC)				
Benefits Paid	\$163,742	\$19,173,312	\$45,374,029	\$72,392,659
Weeks Compensated	623	80,030	188,072	304,045
First Payments	4	8,822	15,228	31,580
Final Payments	83	5,061	14,074	20,754
Average Weekly Benefit	\$262.83	\$239.58	\$241.26	\$238.10
Unemployment Insurance Trust Fund Revenue				
Total UI Contributions	\$91,418,957	\$105,255,690	\$273,425,977	\$247,172,573
Interest Earned on Trust Fund	\$9,114,288	\$9,663,550	\$39,975,202	\$44,724,267
Contributions and Interest	\$100,533,245	\$114,919,240	\$313,401,179	\$291,896,840

### Thirteen Week Insured Unemployment Rate



The insured unemployment rate (IUR) is similar to the more publicized total unemployment rate (TUR). The TUR includes all persons meeting the definition of unemployed. The IUR only includes persons claiming UI benefits. This chart uses a 13 week moving average of the IUR to smooth weekly variation.

# QUARTERLY INDUSTRY REVIEW

## *Western Iowa*

### *Atlantic*

Plastic Professionals, a division of Owner Revolutions, plans to begin operations in the 220,000-square-foot building formerly occupied by Skyjack. Plans call for the company to begin operations in April and be fully operational by winter. When fully operational, the facility is expected to employ 30-50 people.

Wal-Mart officials confirmed plans to open a 155,000 square-foot Supercenter in Atlantic, possibly as soon as 2006. Once opened, the company would employ around 350 people and have an annual payroll of nearly \$7 million.

### *Carter Lake*

infoUSA plans to buy and remodel a Carter Lake building for a data center and to hire 135 people for jobs that will pay about \$19 an hour. A spokesperson for the Omaha database marketing company said that the 30,000-square-foot structure at One Owen Parkway will become a data center for a California firm that infoUSA acquired recently. It will also be used for data storage for companies that infoUSA is looking at buying.

### *Cherokee*

The Cherokee Truck Body plant was scheduled to be closed and moved to Armstrong. The closing of the Cherokee plant was expected to occur around May 15. The 16 Cherokee employees were offered employment in Armstrong.

### *Council Bluffs*

A decision by the Iowa Lottery Board is expected to create up to 75 new jobs in Council Bluffs. The May 3 announcement means American Games Inc. will manufacture about 325 instant-ticket vending machines and 1,050 pull-tab machines for purchase by the lottery. Under the plan approved by the lottery board, American Games will manufacture all of the vending machines used by the Iowa Lottery. The company also will provide maintenance.

### *Merrill*

Three states tried to lure away Mark and Jeanne Bogenrief's renowned stained-glass business, but the couple said their Northwest Iowa roots run too deep to leave. Home state loyalty, paired with an aggressive effort by state and local officials, was enough to keep Bogenrief Studios LLC in Iowa. Future plans involve moving Bogenrief Studios and production facilities from Merrill in Plymouth County to downtown Cherokee. The Bogenriefs currently employ about 20 people, but expansion plans could push their workforce to 100 employees. The Bogenriefs produce stained-glass works that have been compared to Tiffany glass and sell for tens of thousands of dollars.

### *Ralston*

West Central Cooperative has decided to construct a \$5 million processing plant at Jefferson to manufacture Soy-Chlor, a feed supplement for dairy cattle. WCC was recently awarded a \$250,000 grant from the Iowa Values Fund to invest in new processing facilities for Soy-Chlor, which is currently made at Adair. The Values Fund grant will help West Central retain 14 jobs.

**infoUSA to add 136 jobs in Carter Lake**

**Iowa Lottery Board decision adds 75 jobs for Council Bluffs employer**

**Renowned Bogenrief Studios stays true to Iowa roots**

# QUARTERLY INDUSTRY REVIEW

## *Sioux City*

An Alabama insurer plans to trim the staff of its office in Sioux City by 23 people, but add eight jobs at its Des Moines operations. Cahaba Government Benefit Administrators processes Medicare claims that come from Iowa and South Dakota. Cahaba, a unit of Birmingham, Alabama-based Blue Cross & Blue Shield of Alabama, said that as part of a streamlining it will move about half of the staff from Sioux City to other company offices.

## *Sutherland*

The Iowa Department of Economic Development Board has awarded a CEBA (Community Economic Betterment Account) grant to JTV Manufacturing Inc. and the City of Sutherland for the creation of 34 jobs. The award includes a \$50,000 forgivable loan and a \$50,000 loan at 0% for five years.

## *Central Iowa*

### *Algona*

Snap-On Tools company spokesman Rick Secor has confirmed that the manufacturer's Algona plant intends to lay off 35-40 more workers April 9. The layoffs, which increases the total of recent workforce reductions at the plant to more than 60 workers, will leave the plant operating with 300 workers, nearly 100 below normal operating capacity. Secor said the layoffs are to "adjust production to the current (market) demand."

### *Clear Lake*

The second branch office of Manufacturers Bank and Trust opens in Clear Lake on Tuesday. The branch will offer three drive-up lanes, a full service ATM and safe-deposit boxes, according to community president Tim Esbeck. MBT entered the Clear Lake market in 1999 when it established the MBT Loan Center on U.S. Highway 18 East in Clear Lake.

### *Clive*

CIGNA Corp. is closing its claims-processing center in Clive, laying off 135 workers and sending about 65 workers to their homes to work as telecommuters. The processing center at 13300 Hickman Road will close in August, but much of the work done there will stop by late July. The work will be transferred to another company facility in Columbus, Ohio.

CIGNA, the nation's third-largest private health insurer, has had operations in the Des Moines area for more than 20 years. The shutdown is driven by economics, not performance.

### *Des Moines*

Hirsch Industries, a maker of file cabinets for homes and small offices, has closed its Des Moines factory and warehouse, blaming high steel prices and foreign competition. The 50-employee headquarters will remain in Des Moines.

Control Systems Software LLC of Des Moines has merged with an Indianapolis company. Carol Stewart, chief executive officer of Control Systems Software, which develops and maintains software for agricultural cooperatives, said the

**Snap-On Tools  
reduces staff**

**CIGNA Corp. closes  
Clive center**

**Hirsch Industries  
closes Des Moines  
facility**



## QUARTERLY INDUSTRY REVIEW

### **New Jersey software company comes to Des Moines**

merger with Ag Information Systems will strengthen the company by increasing its number of members.

The relocation of a New Jersey-based software development company will bring about 50 high-paying jobs and \$11 million in new capital investment to Des Moines.

The week of March 17, executives of Protocol Driven Healthcare Inc. announced their plans to relocate the company's business operations to downtown Des Moines. PDHI develops and sells Web-based software applications to pharmaceutical manufacturers and health benefit providers. The announcement was preceded by the approval of a \$320,000 economic development award from the Grow Iowa Values Fund board. The recruiting package included an additional \$100,000 from the city of Des Moines and \$325,000 in job training investment from Des Moines Area Community College.

### ***Grinnell***

Hutchison Inc., owner of Grinnell's HW Brands, announced it will add at least 20 full-time jobs this summer and almost double the size of its Grinnell facility. Improvements will include a larger warehouse, and indoor loading and unloading area, and improved air conditioning and temperature control. The project will cost \$1 million.

### ***Johnston***

Pioneer Hi-Bred International, a DuPont Co. subsidiary, will not be spared as DuPont trims its global work force, but fewer than 100 jobs will be eliminated, company officials said. According to Doyle Karr, company spokesman, "we're looking at a reduction of less than 100. Of that 100, part will come just through attrition, but there will be some layoffs as well."

### ***Mason City***

Plumes of steam belched from a stack, smoke signals declaring the Emery Generating Station operational on May 18 — two weeks ahead of schedule. Designed to run during peak usage hours, Alliant Energy's new 565-megawatt generating plant is fired by natural gas. The \$400 million construction project is the first new power plant since 1981 to be built by Interstate Power & Light Co., an Alliant subsidiary. Expectation of record high energy demand this summer equates to perfect timing for the plant to open, even with the volatility of natural gas prices, according to Interstate Power & Light Co. President Tom Aller. The Emery Generating Station is designed to be a back-up source of electricity during high usage periods and in case other energy plants in the region go down. Wisconsin-based Alliant Energy serves more than 460,000 customers in Iowa.

### ***Nevada***

A new energy cooperative hopes to build a \$60 million to \$80 million coal-burning ethanol plant near Nevada. The Lincolnway Energy Cooperative, formed to develop this plant, announced April 14 that it is negotiating with the Heart of Iowa Cooperative to build a facility that could create up to 40 high-paying jobs and produce up to 50 million gallons of ethanol a year. An exact location and timeline for completion has not been determined.

### **Alliant Energy fires up new generating plant**

# QUARTERLY INDUSTRY REVIEW

## ***Webster City***

The Iowa Department of Economic Development has awarded a CEBA (Community Economic Betterment Account) grant to Arrow Acme Inc. and the City of Webster City. The grant includes a \$150,000 forgivable loan and a \$150,000 loan at 0% for five years for the retention of 84 jobs.

## ***West Des Moines***

C E Software Inc., once considered a promising Iowa technology stock, will sell its assets and dissolve, the company announced April 13. The company said its West Des Moines building was sold in September and the remaining operations were sold April 1. In December, the company sold its software product Quick Mail, which was an early e-mail program that competed with Microsoft and accounted for about one-third of the company's revenues.

Citicorp Credit Services Inc. planned to lay off 105 employees in suburban Des Moines, the latest fallout from parent company Citigroup's purchase of Sears and Roebuck Co.'s credit card business last summer. The layoff was to be effective May 2. The jobs are being moved from Citigroup offices in West Des Moines to other locations across the country.

## ***Eastern Iowa***

## ***Bettendorf***

The Iowa Values Fund Board has awarded a \$70,000 forgivable loan and a \$70,000 loan at 0% for five years to Autotech LP, Bettendorf, for the retention of 40 jobs and creation of an additional 30 jobs.

## ***Burlington***

General Electric announced a layoff of 55 workers effective April 12. The length of the layoff is indefinite. According to a GE spokesperson, the layoff will bring GE back to nearly the same employment level as last summer.

## ***Cedar Falls***

The Mudd Group is making plans to build a high-tech production studio adjacent to its headquarters, which officials say will help the company double in the next five years. The local automotive advertising and marketing agency plans to begin construction in the fall, with completion set for July 2005. The company recently received \$75,000 from the Iowa Values Fund board in low-interest and forgivable loans for the project. Mudd said the studio will lead to 25 new jobs within three years of completion.

## ***Cedar Rapids***

McLeodUSA Inc. reduced its workforce in Cedar Rapids by 50 on Monday, May 3. The Cedar Rapids-based telecommunications services provider attributed the reduction in force to a growing use of technology and automation in some areas of the company.

RuffaloCody, a Cedar Rapids company that provides software and direct marketing services for nonprofit organizations, began looking for qualified applicants for 60 positions in May. The company said that openings in fund raising, information

**CE Software Inc.  
sells assets**

**Citicorp Credit  
Services Inc.  
reduces staff**

**Mudd Group to build  
high tech studio**

# QUARTERLY INDUSTRY REVIEW

**Medline Industries  
Inc. to add positions**

**Magnaflux to close  
Manchester plant**

services, training and project management would be filled over a 30 day period. The positions involve about 10 full-time jobs and 50 part-time jobs.

## ***Davenport***

Concrete sculpture manufacturer Isabel Bloom LLC of Davenport has fired 43 employees as part of a major restructuring. The move reduces the staff to 138 company-wide. The company said industry sales have dropped as much as 35 percent in the past two years.

## ***Dubuque***

Georgia-Pacific Corp. (Color Box LLC) planned to cut 45 positions at the Dubuque Kerper Blvd. plant by May 7, including 37 hourly workers and eight salaried employees. Bruce Fredericks, general manager of the company's Iowa operations, said the offset printing department is shutting down and its machines and jobs will be relocated to other Georgia-Pacific facilities. He did not specify where. The latest round of layoffs comes on the heels of job cuts in January that eliminated 47 positions - for similar reasons. After this latest round of cuts, the operation's total workforce will stand at about 173 employees, 35 percent smaller than it was at the beginning of the year.

One of Dubuque's fastest-growing companies is poised for another expansion. Medline Industries Inc. plans to add 41 positions to its burgeoning Dubuque call center, the customer-service arm of the health-care supply company. The expansion is contingent upon local and state incentives. The new jobs, expected to be filled within three years, would bring the company's total Dubuque staff to more than 140 employees.

The Iowa Department of Economic Development has issued an Iowa Values fund award to Medline Industries Inc. The award includes a \$125,000 loan to add 41 jobs as part of a planned \$2.5 million expansion. The company that has served the tri-state's petroleum needs for nearly a century is closing up shop.

Dubuque-based Iowa Oil Co., commonly known as IOCO, planned to sell its remaining 12 convenience stores, two bulk plants and Dubuque offices at a May auction. Brian Enke, IOCO's vice president and major stockholder, would not say how many employees would be affected by the liquidation, but asserted many of the workers would probably "get absorbed" by new ownership.

Big Lots, the nation's number one close-out retailer, is coming to Dubuque's west side. The Columbus, Ohio-based chain planned to open a store in the former Eagle Discount Supermarket in May. Plans call for the Dubuque store to employ 20-40 people, based on seasonal demand.

## ***Iowa City***

Budget cuts at the University of Iowa have forced layoffs to the Information Technology Services department, university officials said. Seventeen employees learned they will lose their jobs immediately or have them phased out over the next year. There are 238 people employed in the department.

## ***Manchester***

Magnaflux, which employs 16 people in Manchester, will close that plant in August

# QUARTERLY INDUSTRY REVIEW

or September. Most of the 16 jobs will move to the plant in DeWitt, according to Gina Muglia, human resources supervisor for Illinois Tool Works, the parent company of Magnaflux.

The plant in Manchester opened in 1995 and makes equipment that tests metal for cracks without destroying the metal during the process.

## ***Muscatine***

The Iowa Department of Economic Development has awarded a CEBA (Community Economic Betterment Account) grant to H.J. Heinz Co., Muscatine. The \$100,000 loan will help Heinz create 27 jobs as part of a \$4 million modernization project.

The Iowa Department of Economic Development has awarded a Community Economic Betterment Account (CEBA) Grant to Centro Inc., North Liberty. The \$132,000 loan will help create 26 jobs as part of an improvement project.

## ***Peosta***

A New Hampshire-based startup wants to locate its first manufacturing operation in Peosta, Iowa, a move expected to create about 80 full-time jobs within two years, according to the company. On Point, a consumer goods display and contract packaging company, plans to set up shop at an existing 244,000-square-foot warehouse in Peosta's industrial park. The company would lease the warehouse, owned by Peosta businessman A.J. Spiegel, and invest about \$1.2 million equipping the facility for production and distribution.

The Iowa Values Fund Board has approved a \$35,000 forgivable loan and a \$35,000 loan at 0% for three years for On Point Display LLC.

## ***Waterloo***

A national wholesale distributor of plumbing supplies is building a \$21 million distribution center in the northeast part of Waterloo, according to city officials. Ferguson Enterprises was scheduled to begin construction in May, pending the approval of a state incentive program. An estimated 180 people will be hired with a projected payroll of \$3.8 million. It will take approximately 10 months to complete the 608,000-square-foot center.

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TTY 515-281-4748; 1-800-831-1399

**H.J. Heinz Co. to add jobs in Muscatine with help of CEBA grant**

**New Hampshire-based startup to locate in Peosta**

## **Source:**

Unverified public announcements, newspapers, and periodicals [data from second quarter]





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