

JOB PROSPECTS IMPROVE IN MOST COUNTIES

The state's unemployment rate averaged 4.1 percent for the first three months of 2004, down from 4.2 percent for the same period one year ago. The jobless rate translated into 66,700 unemployed workers compared with 69,300 for first quarter 2003. While the Iowa economy has been on the path to a recovery since July 2003, job growth has been sporadic. For the current year, job growth surged in January, but fell flat for February and March.

The recovery is reflected in nonfarm employment figures for Iowa's counties. Based on this indicator, job gains have materialized in about 75 percent of the counties from first quarter 2003. A look at the state's metro areas shows that Scott County (Davenport) experienced the strongest job growth over the year, increasing its nonfarm employment by 3 percent. Three metro areas lost nonfarm jobs over the year: Cedar Rapids (-1.6 percent), Iowa City (-1.6 percent), and Sioux City (-1.3 percent).

Manufacturing was the weakest link in the state's economy, with 3,000 fewer workers employed in the industry than the level reported for first quarter 2003. Just-in-time hiring practices and rising productivity continued to keep hiring at a minimum. Adding to the industry's woes, steel prices surged during the first quarter. Prices for flat-rolled and other popular types of steel have more than doubled in the past year. In Iowa, steel prices accounted for temporary layoffs at an eastern Iowa plant, and contributed to the closing of at least one other plant.

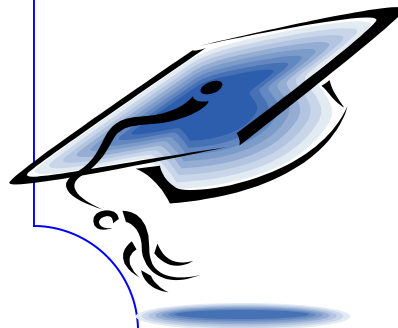
First Quarter 2004

Labor Market Information News

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Outlook?

Larger, and more consistent monthly job gains are expected as the year progresses. However, most of the job gains will probably occur outside of manufacturing. Look for another strong year in Construction, and growth in such industries as Financial Activities, Education and Health Services, Professional and Business Services and Leisure and Hospitality.



Job prospects for new college graduates are also expected to be a little brighter this year according to an annual survey conducted by the National Association of Colleges and Employers. Although the market will remain extremely competitive, many companies have boosted campus recruiting and job advertising this year.

LMI focus

LOCAL EMPLOYMENT DYNAMICS (LED)

LED Data for Decision Making

The Local Employment Dynamics (LED) Program is an innovative new state/federal partnership with the U.S. Census Bureau and Iowa Workforce Development to provide new information, Quarterly Workforce Indicators (QWI). Local decision makers - employers, workers, transportation agencies, education and training institutions and economic development agencies - increasingly need detailed local information about their economies to make informed decisions, but are frustrated by the lack of timely local data. The LED partnership works to fill critical data gaps and provide indicators needed by state and local authorities. Just as national economic indicators measure the performance of the overall economy, the QWI measure the performance of the local economy.

Quarterly Workforce Indicators...What are They?

The new LED *Quarterly Workforce Indicators (QWI)* series provide just that — regularly updated information about where workers and clients are, what industries are hiring workers, and what workers are paid. The twenty-nine new indicators show economic trends by worker age and sex, by county and workforce investment area (WIA). These, combined with local expertise and information, can provide an important local tool for decision makers. They will provide a resource for planning, management, performance accountability and plan refinements. The Quarterly Workforce Indicators (QWI) provide information that can help answer questions such as:

What are the characteristics of the local labor force?

The QWI can be used to provide detailed information about the local labor market: who's employed in what industry at the county and Metropolitan Statistical Area (MSA) level of detail.

How high is worker turnover?

The QWI can be used to generate a measure of worker turnover. Workers can use this to identify the likely duration of employment in an industry; firms can use it to benchmark their turnover in the industry; and state and local agencies can use it as a measure of workforce quality.

What are workers (and new hires) being paid in a particular region and industry?

These are probably the most useful of all the measures that are provided by the QWI. Employers need to know what workers are being paid and what to pay new hires. Workers need to know what wages they can earn in different kinds of industries. Placement agencies need to know what different types of jobs are likely to pay, and education institutions need benchmarks so they can measure the performance of their graduates.

Where do workers live and where do they work?

These QWIs provide a measure of employment by where people work as well as where they live. This information allows transportation planners to know where new roads and public transportation should be located. Over time, agencies can use these trends to develop better projections of future transportation needs.

Contact Deb Ostrem, Employment Statistics, Iowa Workforce Development, at 1-800-532-1249 for a presentation to your group.

Who Can Benefit From QWI Indicators?

- **Decision Makers**—for strategic planning purposes
- **Employers** — for questions regarding workers and wages
- **Workers** — for questions regarding jobs and pay
- **Economic Development Organizations** —information for prospective businesses
- **Educational and Training Organizations** —information regarding potential students and future curriculum opportunities
- **Transportation Organizations** — information on where people live and work

What Do We Do Now?

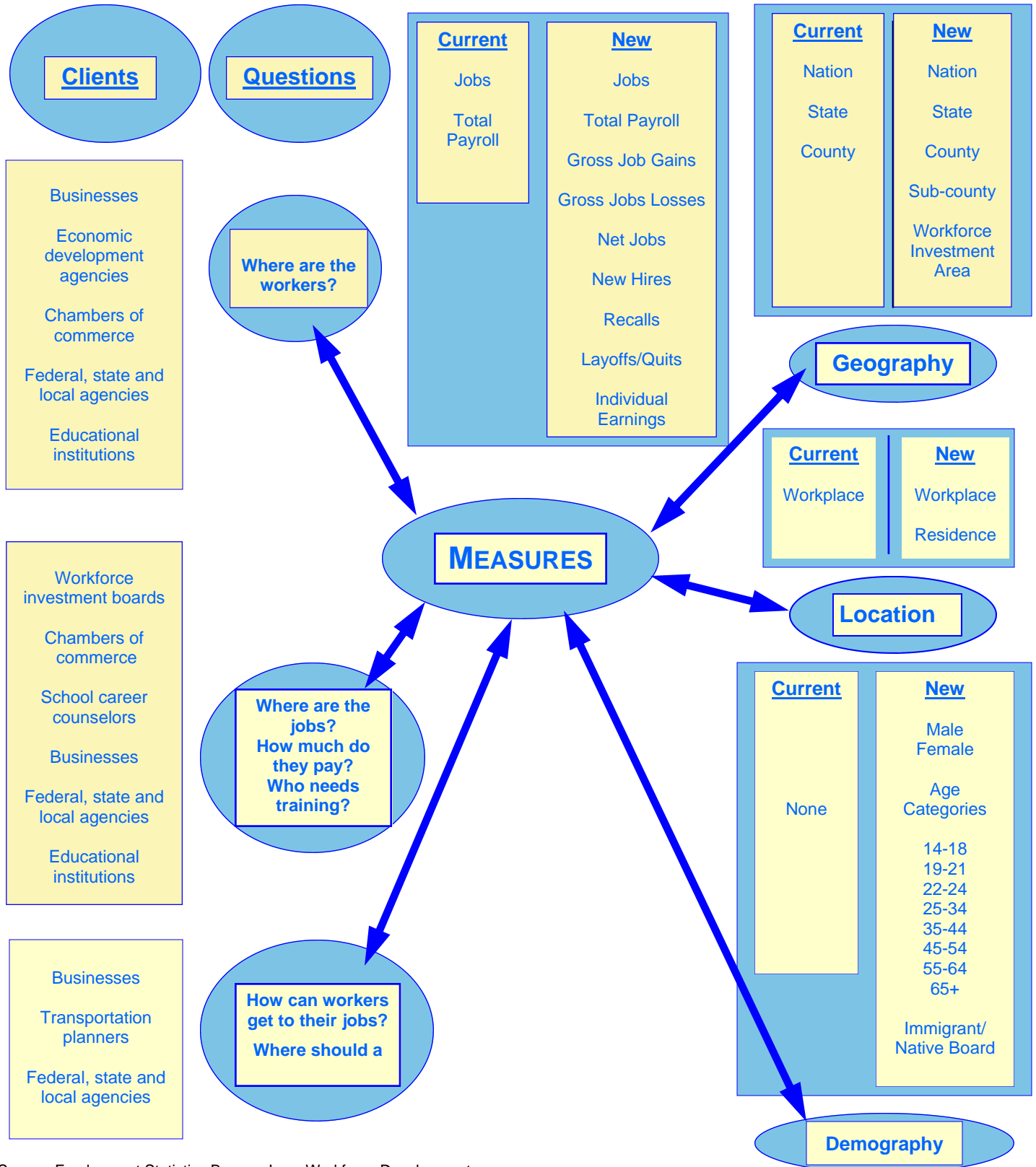
The state of Iowa has historical data back to 1998 for purposes of statistical analysis. In the next few months, numerous revisions to the QWI access functions of the website will be made to incorporate several enhancements. The product enhancements will include a changeover to NAICS-based industry codes, the addition of detailed industry data at sub-state levels, and the addition of an "All" employers category to accompany the "Private" employers category already on the site. During this time, you may encounter delays or a temporary inability to use the QWI access portion of the site. Please bear with us as we make these enhancements.

<http://lehd.dsd.census.gov/>



LMI focus

LED Quarterly Workforce Indicators



Source: Employment Statistics Bureau, Iowa Workforce Development

LMI focus

Industry Clusters and Manufacturing

In 1999, Iowa Department of Economic Development commissioned a study by the Stanford Research Institute (SRI) to re-examine targeted industries in light of Iowa's actual experience, and to update the industry sector analysis conducted by a group called Batelle. This study also identified key competitive advantages for Iowa (including workforce quality, training capacity, physical infrastructure, quality of life, etc.) and ultimately identified three very broad industry clusters for future investments. They are:

- ◇ Life sciences (including production)
- ◇ Agriculture, (value-added processing, pharmaceuticals)
- ◇ Advanced manufacturing (involving the rapid introduction of new processes), and
- ◇ Information solutions (including insurance, financial services, and information technology).

In a national analysis, Michael Porter, a researcher at Harvard Business Schools, and his colleagues identified forty-one industry clusters at a more detailed level than the three broad ones identified in the Iowa.

Among other things, the greater detail permits the identification of "geographic concentrations of interconnected companies and institutions in a particular field."* This element of an industry cluster's critical mass in geographic regions has profound implications for public investments in economic development, workforce development, education, and research.

Recently, Policy and Information Division, Iowa Workforce Development began to analyze industry clusters in Iowa. The results of this analysis have demonstrated once again that manufacturing does indeed play a significant role in Iowa's economy.

Advanced Manufacturing Super Cluster

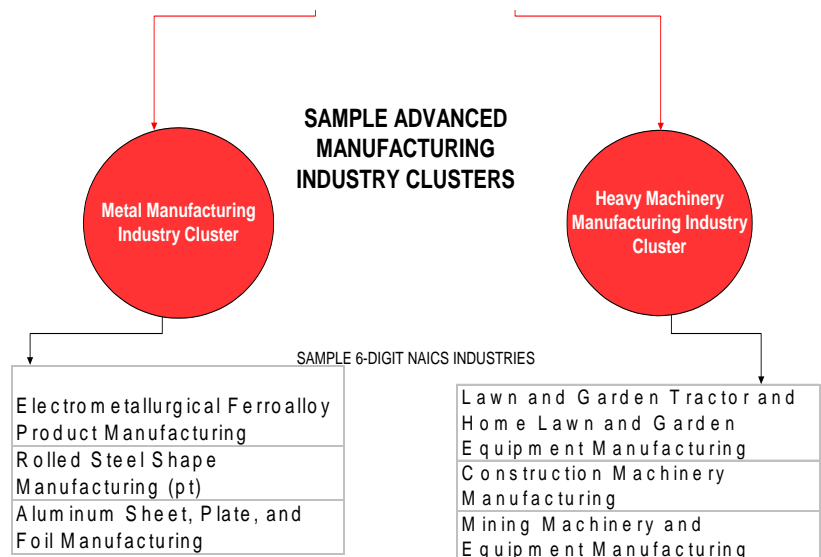
The Advanced Manufacturing Super Cluster includes four industry clusters: aerospace vehicles and defense, analytical instruments, heavy ma-

chinery, and metal manufacturing. Each of these clusters, in turn, is made of many six-digit NAICS industries.

Several tools may be used to analyze advanced manufacturing's impact on the economy in Iowa and in counties. The first of these is wage and employment analysis. A high-wage threshold of \$35,000 and a high-employment threshold of 250 were set as measuring standards. Many of the six-digit industries meet both the high-wage threshold and the high-employment threshold.

Another analysis tool is the location quotient (LQ). The LQ is a measure of an area's share – or the concentration – of activity as compared to a larger geographic area. An LQ of one means that an area has its share of activity, an LQ of less than one indicates that an area has less than its share of activity and is likely to be importing or paying lower-than-average wages. An LQ of greater than one shows that an area has more than its share of activity, is highly competitive, is likely to be exporting more than it imports, and may have higher than average wages.

A brief review of the LQs for employment and wages for Advanced Manufacturing in Iowa coun-



* Source: Clusters and the New Economics of Competition, Porter, Michael E., Harvard Business Review, November-December 1998 p. 78.

LMI focus

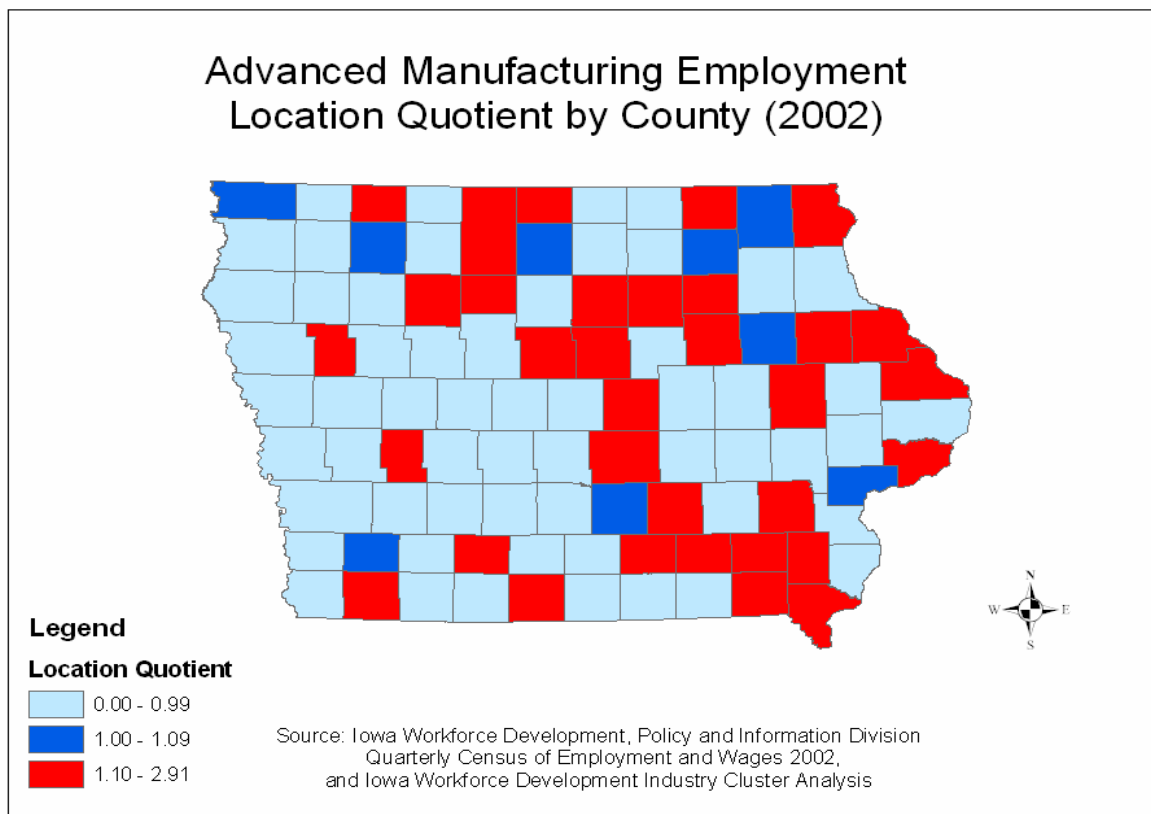
ties shows that Dubuque, Delaware, Howard, Winnebago, and Lee counties have high LQs, indicating high concentrations of advanced manufacturing employment and wages.

SUMMARY

Manufacturing has been a mainstay of Iowa's economy for decades, contributing the largest share to the GSP and bringing in export dollars. In the mid-

1980s, however, Iowa began losing manufacturing jobs to other states and other countries. Manufacturing wages have consistently been among the highest in Iowa, only recently being surpassed by communications industries.

Advanced manufacturing industry cluster analysis shows that industries within the super cluster have higher than average employment and wages.



Further statewide or local area analysis is available for interested parties by contacting Yvonne Younes, Labor Market Research Economist, Employment Statistics Bureau. Call (800) 532-9793 or email Yvonne.Younes@iwd.state.ia.us.

U. S. EMPLOYMENT SITUATION

Labor Force Data (Seasonally Adjusted)

	Jan 2004	Feb 2004	Mar 2004	Mar 2003
Civilian Labor Force	146,863,000	146,471,000	146,650,000	145,818,000
Employed	138,566,000	138,301,000	138,298,000	137,300,000
Unemployed	8,297,000	8,170,000	8,352,000	8,519,000
Unemployment Rate	5.6%	5.6%	5.7%	5.8%

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 National Rankings, Dec 2003			Consumer Price Indexes* (All Items)				% Chg Mar 2003 to Mar 2004	
Rank	State	Rate	Mar-04	Feb-04	Mar-03			
			US City Average 1967 = 100	561.5	557.9	551.8		CPI-U
2	South Dakota	3.3	1982-84 = 100	187.4	186.2	184.2	1.7%	
5	Nebraska	3.6						CPI-W
12	IOWA	4.1	US City Average 1967 = 100	544.8	541.7	537.1		
17	Minnesota	4.7	1982-84 = 100	182.9	181.9	180.3	1.4%	
25	Missouri	5.0						
28	Wisconsin	5.1						
42	Illinois	6.0						

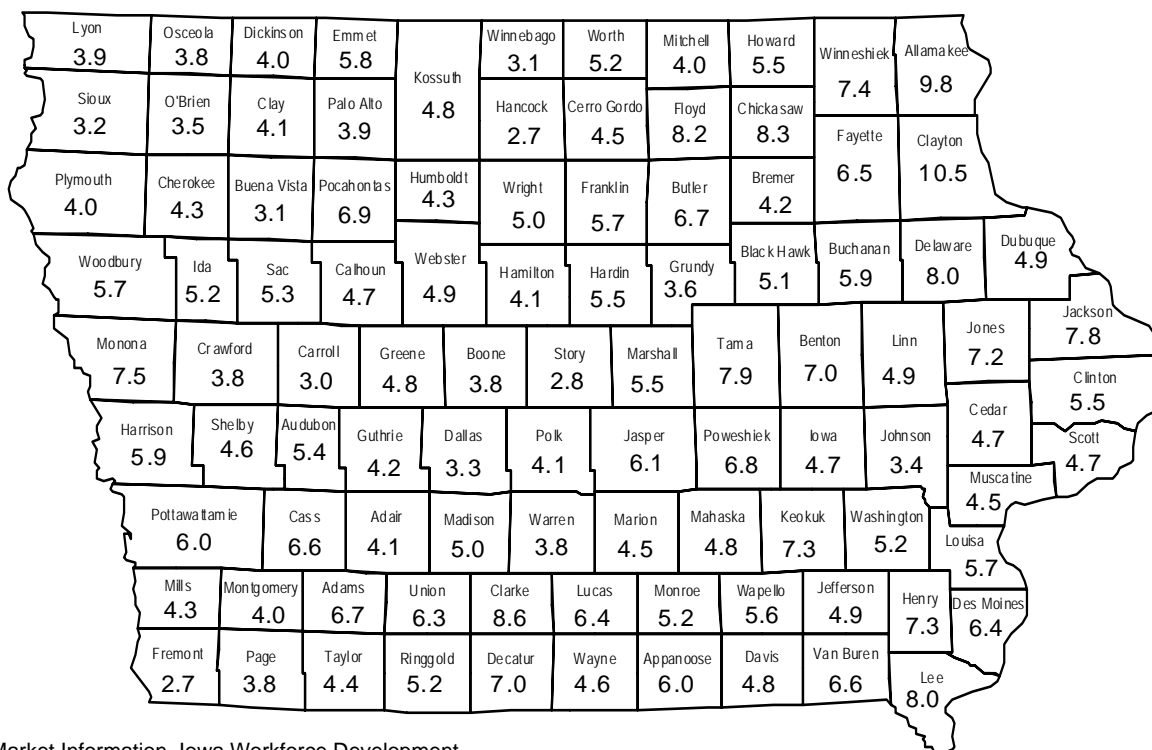
Source: Bureau of Labor Statistics, U.S. Department of Labor.

*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.

Statewide and Local Labor Force Data

State of Iowa	Jan 2004	Feb 2004	Mar 2004	Mar 2003
Labor Force	1,621,600	1,629,400	1,621,800	1,625,100
Unemployed	66,800	67,200	66,100	70,400
Percent Unemployed	4.1%	4.1%	4.1%	4.3%
Employed	1,554,800	1,562,200	1,555,800	1,554,700

Iowa Unemployment Rates by County—March 2004



Source: Labor Market Information, Iowa Workforce Development

Metropolitan Statistical Area Data March 2004

	<u>Labor Force</u>	<u>Employed</u>	<u>Unemployed</u>	<u>Rate</u>
Cedar Rapids MSA	114,600	109,000	5,600	4.9
Des Moines MSA	273,500	262,600	10,900	4.0
Dubuque MSA	51,400	48,900	2,500	4.9
Iowa City MSA	75,600	73,100	2,600	3.4
Sioux City MSA	62,900	59,500	3,500	5.5
Waterloo-Cedar Falls MSA	71,700	68,000	3,700	5.1
*Davenport-Moline-Rock Island MSA	185,700	175,700	10,000	5.4
**Omaha MSA	410,100	391,700	18,400	4.5

Source: Labor Market Information Bureau, Iowa Workforce Development

* Prepared by Illinois Department of Employment Security

** Prepared by Nebraska Department of Labor

Statewide Nonfarm Employment

Seasonally adjusted nonfarm employment in Iowa averaged 1,446,900 during first quarter 2004, about 1,500 more than in fourth quarter 2003. Gains were noted in Construction, Information, Financial Activities, and Education and Health, while declines occurred in Manufacturing, Trade and Transportation, Professional and Business Services and Government.

The largest single increase during the quarter occurred in Education and Health, which was up by 1,400 from fourth quarter 2003. This industry has continued to grow over the past three years. Financial Activities also grew by a relatively large amount, adding 1,200 from the previous quarter. New hires, expansions, and new business announcements in real estate credit and insurance carriers contributed significantly to the gain.

Professional and Business Services dropped by 500 during first quarter, partially caused by closures and permanent

layoffs in payroll services, advertising services and telemarketing firms.

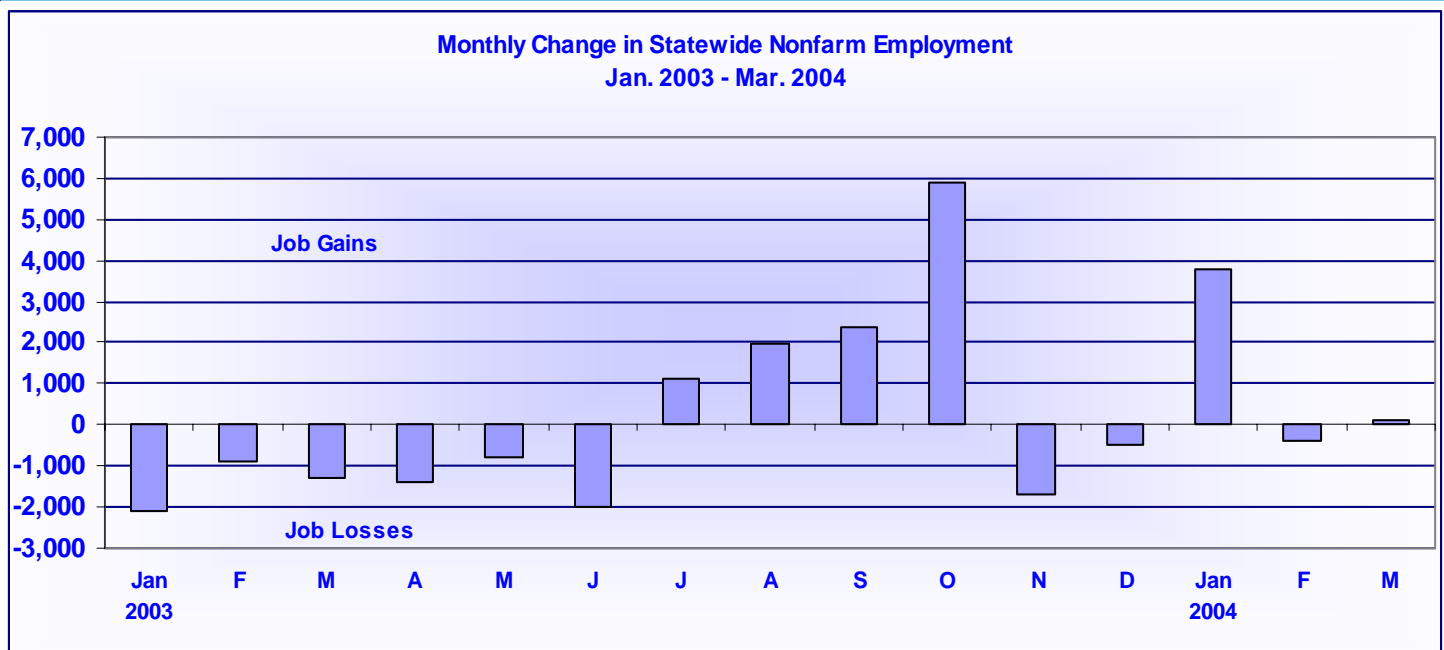
The largest single decrease during the quarter occurred in Trade and Transportation, which was down by 1,600. Other major decreases were reflected in Government and Manufacturing, which were down 1,100 and 1,000 respectively. The decrease in Manufacturing was due to substantial layoffs at a rubber product manufacturer, communications equipment manufacturer and household appliance manufacturer.

Compared to first quarter 2003, nonfarm employment is 9,800 higher, with the largest single increase of 3,000 occurring in Financial Activities. Construction has added 2,900 new jobs over the year, Education and Health Services is up by 2,000, Professional and Business Services is up by 1,800 and Government is 300 higher. On the other hand, Manufacturing is down by 3,100 from a year ago, Trade and Transportation is 700 lower, and Information is down by just 200.

Statewide Nonfarm Employment (Seasonally Adjusted)

(In Thousands)	Jan 2004	Feb 2004	Mar 2004	Mar 2003	Net Change Feb 2004 to Mar 2004	Net Change Mar 2003 to Mar 2004
Total Nonfarm	1,447,200	1,446,800	1,446,900	1,434,800	100	7,400
Construction	67,200	66,800	67,100	63,100	300	3,300
Manufacturing	219,500	218,400	218,700	221,000	300	-2,300
Trade & Transportation	303,200	300,800	301,600	302,500	800	-2,600
Information	33,900	33,900	33,400	33,700	-500	-400
Financial Activities	97,300	98,000	98,300	94,800	300	3,600
Professional & Business Services	104,500	105,200	105,400	102,400	200	1,000
Education & Health Services	191,100	191,100	191,100	189,300	0	1,500
Government	243,600	245,500	244,600	244,900	-900	-100

Iowa Nonfarm Employment (Seasonally Adjusted)



Metropolitan Statistical Area Nonfarm Employment

Cedar Rapids MSA

- Manufacturing jobs remained fairly stable during first quarter 2004. However, permanent layoffs at a computer and electronics manufacturing company and an electrical equipment manufacturer helped pull down employment in Manufacturing by 700 jobs over the year.
- Telecommunications slipped slightly in February, yet managed to rebound in March 2004. Telecommunications remains down from a year ago due to permanent layoffs at two large wireless telecommunications companies.

Des Moines MSA

- Construction is up 1,300 jobs from first quarter 2003 to first quarter 2004 due to increased road construction.
- Despite significant layoffs at rubber and plastics manufacturers, Manufacturing is up first quarter 2004. A new manifold business forms printing company added 90 jobs during the quarter.
- Financial activities remained stable during the quarter, but increased from first quarter last year. The increase was caused by increases in real estate credit, and property and casualty insurance companies.
- Administrative and support services showed a gain over the quarter due to increases in employee services, credit bureaus, and telemarketing bureaus.

Dubuque

- The Manufacturing Industry employment level remained steady from January to February before gaining 200 in March. The 1st quarter 2004 level is 500 above 1st quarter 2003.
- The Retail Trade Industry realized a gain of 300 when compared to 1st quarter 2003 despite a loss of 200 from January to February and an additional loss of 100 in March. The gain in the Retail Trade Industry contributed to an overall increase in Trade, Transportation & Warehousing of 500.

Iowa City MSA

- Manufacturing added 100 jobs during first quarter 2004 due in part to new hires at a chemical manufacturer.
- A new home center store business helped push retail trade up by 100 jobs during the quarter.
- Despite the announcement of a property and casualty insurance company to add 100 jobs, Financial Activities trended down 100 jobs for the quarter.

Sioux City MSA

- Employment decreased by 1,500 (2.4 percent) from 4th quarter 2003 to 1st quarter 2004, mostly as a result of seasonal employment decreases in Natural Resources and Mining and Educational Services.
- The Goods-Producing sector dropped 300 as a large manufacturer laid off employees. This reduction was partially due to a layoff at an animal slaughtering and processing plant.
- The Service-Providing Sector decreased 400 due to drops in Educational and Health Services, Professional and Business Services, and Trade, Transportation and Warehousing. Layoffs at insurance carriers and computer system design services contributed to the decrease in Professional and Business Services.

Waterloo

- The Manufacturing Industry lost 200 in February and held steady in March. The industry remains 400 below 1st quarter 2003 levels. Closures in fabricated metal product manufacturing and leather and allied product manufacturing added to the job loss in Manufacturing.
- The Trade, Transportation & Warehousing Industry held steady through the 1st quarter, but is 600 above 1st quarter 2003. The majority of the gain is in the Transportation, Warehousing & Utilities Sector. The gain is due to the hiring of 500 workers at a new warehousing company in the area.

Cedar Rapids MSA
(Linn County)

Employment By Industry	Jan 2004	Feb 2004	Mar 2004	Mar 2003	Net Change Mar 2003 to Mar 2004
Total Nonfarm Employment	114,600	113,600	114,200	113,300	-2,100
Goods-Producing Industries	22,500	22,100	22,400	23,700	-1,300
Natural Resources and Construction	5,300	4,900	5,200	5,900	-700
Manufacturing	17,200	17,200	17,200	17,800	-600
Service-Producing Industries	92,100	91,500	91,800	92,600	-800
Trade and Transportation	25,100	24,900	24,800	24,700	100
Information	5,500	5,500	5,600	5,700	-100
Financial Activities	9,300	9,300	9,400	9,100	300
Professional and Business Services	10,900	10,000	9,900	12,000	-2,100
Education and Health	16,000	16,300	16,300	14,700	1,600
Leisure and Hospitality	8,600	8,400	8,500	8,900	-400
Other Services	4,600	4,600	4,600	4,700	-100
Government	12,100	12,500	12,700	12,800	-100
Federal Government	1,100	1,100	1,100	1,200	-100
State Government	500	500	500	600	-100
Local Government	10,500	10,900	11,100	11,000	100

Des Moines MSA
(Dallas, Polk and Warren Counties)

Employment By Industry	Jan 2004	Feb 2004	Mar 2004	Mar 2003	Net Change Mar 2003 to Mar 2004
Total Nonfarm Employment	282,800	283,200	285,800	280,100	5,700
Goods-Producing Industries	32,500	32,500	33,400	31,200	2,200
Natural Resources and Mining	200	200	200	200	0
Construction	13,700	13,700	13,900	12,500	1,400
Manufacturing	18,600	18,600	19,300	18,500	800
Service-Producing Industries	250,300	250,700	252,400	248,900	3,500
Trade and Transportation	60,900	59,700	60,100	60,300	-200
Information	9,300	9,300	9,300	9,200	100
Financial Activities	45,600	45,600	45,600	44,200	1,400
Professional and Business Services	28,700	28,900	29,300	29,400	-200
Education and Health	35,500	36,000	36,700	34,000	2,700
Leisure and Hospitality	21,100	21,300	21,800	23,100	-1,300
Other Services	11,900	11,700	11,400	11,500	-100
Government	37,300	38,200	38,300	37,200	1,100
Federal Government	5,200	5,200	5,200	5,400	-200
State Government	8,500	8,500	8,500	8,100	400
Local Government	23,600	24,500	24,600	23,700	900

Source: Employment Statistics Bureau, Iowa Workforce Development

**Dubuque MSA
(Dubuque County)**

Employment By Industry	Jan 2004	Feb 2004	Mar 2004	Mar 2003	Net Change Mar 2003 to Mar 2004
Total Nonfarm Employment	51,800	51,900	52,400	50,900	1,500
Goods-Producing Industries	11,100	11,100	11,400	10,600	800
Natural Resources and Construction	2,000	2,000	2,100	2,000	100
Manufacturing	9,100	9,100	9,300	8,600	700
Service-Producing Industries	40,700	40,800	41,000	40,300	700
Trade and Transportation	11,500	11,400	11,300	10,900	400
Information	1,800	1,800	1,800	1,700	100
Financial Activities	2,300	2,400	2,400	2,200	200
Professional and Business Services	3,500	3,400	3,500	3,500	0
Education and Health	10,000	10,200	10,300	10,300	0
Leisure and Hospitality	5,000	5,000	5,000	5,200	-200
Other Services	2,400	2,400	2,500	2,400	100
Government	4,200	4,200	4,200	4,100	100
Federal Government	300	300	300	300	0
State Government	200	200	200	200	0
Local Government	3,700	3,700	3,700	3,600	100

**Iowa City MSA
(Johnson County)**

Employment By Industry	Jan 2004	Feb 2004	Mar 2004	Mar 2003	Net Change Mar 2003 to Mar 2004
Total Nonfarm Employment	72,000	73,900	75,200	75,900	-700
Goods-Producing Industries	7,600	7,600	7,700	7,400	300
Natural Resources and Construction	2,400	2,400	2,400	2,400	0
Manufacturing	5,200	5,200	5,300	5,000	300
Service-Producing Industries	64,400	66,300	67,500	68,500	-1,000
Trade and Transportation	13,500	13,300	13,500	13,300	200
Information	2,500	2,500	2,500	2,500	0
Financial Activities	2,600	2,800	2,700	2,400	300
Professional and Business Services	4,900	4,900	4,900	4,900	0
Education and Health	7,300	7,400	7,500	7,200	300
Leisure and Hospitality	6,500	6,500	6,500	6,500	0
Other Services	1,800	1,800	1,800	1,800	0
Government	25,300	27,100	28,100	29,900	-1,800
Federal Government	1,600	1,600	1,600	1,600	0
State Government	19,500	21,200	22,200	24,200	-2,000
Local Government	4,200	4,300	4,300	4,100	200

Source: Employment Statistics Bureau, Iowa Workforce Development

**Sioux City MSA
(Woodbury County)**

Employment By Industry	Jan 2004	Feb 2004	Mar 2004	Mar 2003	Net Change Mar 2003 to Mar 2004
Total Nonfarm Employment	60,800	60,600	60,900	61,400	-500
Goods-Producing Industries	13,400	13,200	13,300	13,500	-200
Natural Resources and Construction	2,600	2,500	2,700	2,500	200
Manufacturing	10,800	10,700	10,600	11,000	-400
Service-Producing Industries	47,400	47,400	47,600	47,900	-300
Trade and Transportation	13,400	13,100	13,200	13,500	-300
Information	800	800	800	800	0
Financial Activities	2,900	2,900	2,900	2,900	0
Professional and Business Services	4,500	4,400	4,400	4,800	-400
Education and Health	9,900	10,200	10,100	9,900	200
Leisure and Hospitality	5,700	5,700	5,800	5,700	100
Other Services	2,400	2,300	2,400	2,300	100
Government	7,800	8,000	8,000	8,000	0
Federal Government	900	900	900	900	0
Local Government	6,400	6,600	6,600	6,600	0

**Waterloo MSA
(Black Hawk County)**

Employment By Industry	Jan 2004	Feb 2004	Mar 2004	Mar 2003	Net Change Mar 2003 to Mar 2004
Total Nonfarm Employment	72,500	72,800	73,100	72,100	1,000
Goods-Producing Industries	16,300	16,100	16,200	16,500	-300
Natural Resources and Construction	2,400	2,400	2,500	2,400	100
Manufacturing	13,900	13,700	13,700	14,100	-400
Service-Producing Industries	56,200	56,700	56,900	55,600	1,300
Trade and Transportation	14,100	14,000	14,000	13,600	400
Information	1,000	1,000	1,000	1,000	0
Financial Activities	3,600	3,600	3,600	3,600	0
Professional and Business Services	6,400	6,400	6,500	5,800	700
Education and Health	10,000	10,000	10,100	9,600	500
Leisure and Hospitality	5,900	6,100	6,200	6,100	100
Other Services	2,800	2,700	2,800	2,800	0
Government	12,400	12,900	12,700	13,100	-400
Federal Government	500	500	500	600	-100
State Government	5,300	5,500	5,400	5,600	-200
Local Government	6,600	6,900	6,800	6,900	-100

Source: Employment Statistics Bureau, Iowa Workforce Development

Unemployment Insurance Financial Activity

Regular Unemployment Insurance (UI)

Item	Quarter Ending:		Twelve Months Ending:	
	March 2004	March 2003	March 2004	March 2003
Benefits Paid (\$)	124,277,734	136,848,953	368,912,116	368,493,869
Weeks Compensated	486,373	540,929	1,477,846	1,494,191
First Payments	35,007	44,024	104,553	110,938
Final Payments	8,037	8,846	32,881	32,927
Average Benefit per First Payment (\$)	-----	-----	3,528.47	3,321.62
Average Weekly Benefit (\$)	255.52	252.99	249.63	246.62
Average Duration	-----	-----	14.1	13.5
Exhaustion Rate	-----	-----	29.4%	28.7%

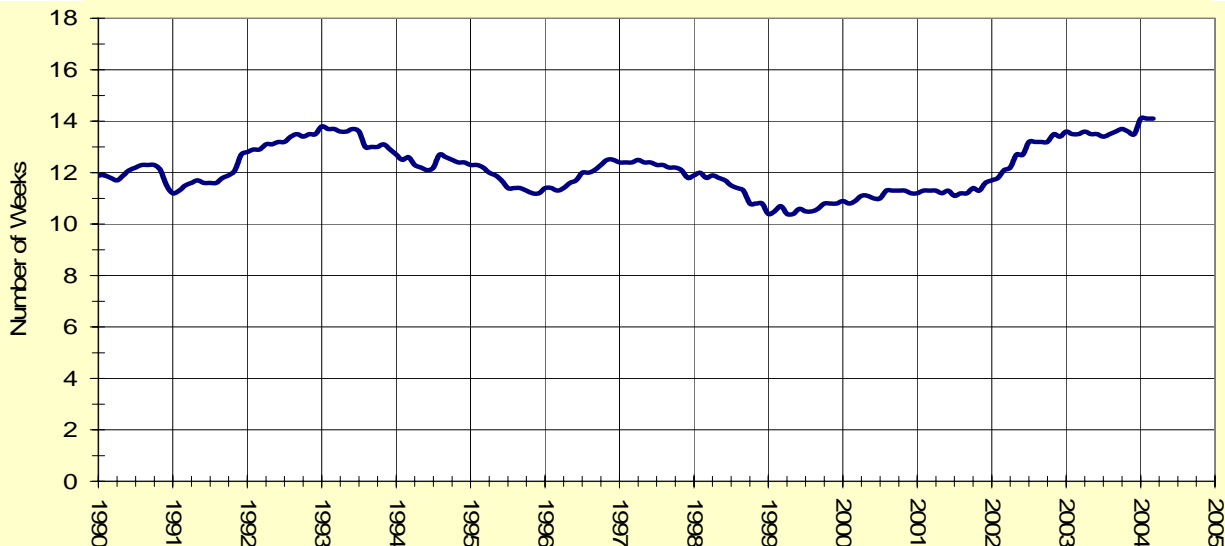
Temporary Emergency Unemployment Compensation (TEUC)

Item	Quarter Ending:		Twelve Months Ending:	
	March 2004	March 2003	March 2004	March 2003
Benefits Paid (\$)	6,894,838	16,340,523	64,383,599	73,267,143
Weeks Compensated	29,009	69,088	267,479	349,284
First Payments	326	8,018	24,046	39,771
Final Payments	3,451	4,474	19,052	21,168
Average Weekly Benefit (\$)	237.68	236.52	240.71	209.76

Unemployment Insurance Trust Fund Revenue

Item	Quarter Ending:		Twelve Months Ending:	
	March 2004	March 2003	March 2004	March 2003
Total UI Contribution (\$)	36,744,608	27,535,200	286,356,102	222,910,148
Interest Earned on Trust Fund (\$)	10,130,032	10,959,574	40,524,464	47,159,935
UI Contribution and Interest (\$)	46,874,640	38,494,774	326,880,565	270,070,084

Unemployment Insurance Average Duration Twelve Month Moving Average



Exhaustion Rate: A rate computed by dividing the average monthly exhaustions by the average monthly first payments. To allow for the normal flow of claimants through the program, the numerator lags the denominator by 26 weeks, e.g., the exhaustion rate for December 2001 is computed by dividing the average monthly exhaustions for the twelve months ending December 2001, by the average monthly first payments for the twelve months ending June 2001. TEUC and other special federal extended programs are not included.

Quarterly Industry Review

Iowa Workforce Development

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Western Iowa

Manufacturing

Storm Lake

Tyson Fresh Meats Inc. is planning a multi-million dollar, 14,000-square-foot expansion for its Storm Lake pork plant. The expansion will result in an additional 14 production jobs. Completion of the project is scheduled for October.

Denison

Nearly a dozen employees at the Tyson Foods beef plant here have been laid off temporarily in the wake of declining beef exports blamed on mad cow disease, company officials said. Within the first two weeks of January, the employees who normally handle those products were reassigned, transferred to other plants or furloughed.

Emmetsburg

Jim McCrabb and his son, David, will take possession of a large warehouse April 1 in hopes of turning out alcohol and protein from that building. McCrabb puts the total money brought into Emmetsburg at \$60 million, when the plant is at capacity.

Sheldon

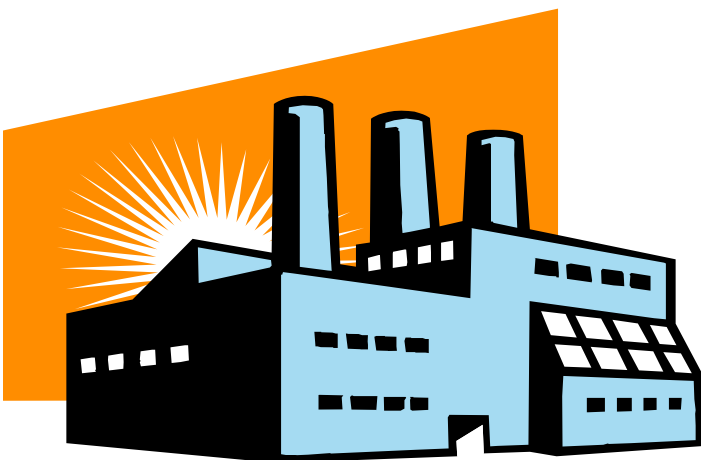
The Rosenboom Machine & Tool plant in Sheldon is back into a growth mode as it is building a 25,500-square-foot addition and is in the process of expanding its workforce by about 30 employees. Construction is under way for the addition to the west side of the 191,475-square-foot plant located along Western Avenue in the Sheldon Industrial Park. Company General Manager, Kraig Vos, anticipated the steel structure would be completed in January.

Council Bluffs

A plan by Omaha Standard to expand manufacturing activities was awarded \$1.5 million Jan. 15 from the Iowa Values Fund. The fund's board of directors approved the investment to retain 182 jobs and create 108 positions as part of a major upgrade of Omaha Standard's production operations in Council Bluffs. The average wage of the new jobs is \$20.67 per hour. The retained jobs pay, on average, \$16 per hour. The company has a \$17.4 million plan to consolidate operations into a new facility and upgrade finishing systems to an advanced electro-coat painting process.

Rock Rapids

The Iowa Department of Economic Development has awarded a \$70,000 Community Economic Betterment Account grant to the City of Rock Rapids and Rescue Vehicles of Iowa, Inc. The grant includes a \$35,000 forgivable loan and a \$35,000 loan at 0% for 5 years.



Finance & Insurance

Council Bluffs

American Republic Insurance Co. has announced its intention to open a new direct marketing office in Council Bluffs that will create 130 jobs in the community over a two-year period. American Republic has targeted May 1 as the date for operations to begin in a 19,000-square-foot space in the Omni Centre Business Park.

The Iowa Department of Economic Development has awarded the City of Council Bluffs and American Republic Insurance Company, Inc. a \$247,000 forgivable loan through the Community Economic Betterment Account with the expectation of 130 jobs being created.

Central Iowa

Manufacturing

Ankeny—Ames

Partially due to the mad cow outbreak, about 60 jobs have been eliminated from a company that produces protein products, company officials announced. The Lauridsen Group said the reductions were being made in two of its companies—Ames-based Proliant Inc. and Ankeny-based APC Inc. The reduction of about 30 corporate and 30 plant positions is partially due to a cow found with bovine spongiform encephalopathy.

Ankeny

The Tone Brothers plant in Ankeny, the largest spice production factory in the world, is for sale. The plant's Australian owner hasn't named a potential buyer publicly, but says it has received interest from an unspecified number of parties. A deal could be completed by June. The Ankeny plant employs about 450 people and has annual sales of about \$350 million.

Osceola

Osceola Foods is planning an \$11.2 million expansion that will include a 15,000-square-foot addition and 66 new jobs. This project has become a reality due to the Iowa Department of Economic Development's incentive package, including a \$198,000 Community Economic Betterment Account (CEBA) grant, enterprise zone benefits and tax credits totaling \$1.2 million.

Nevada

The city of Nevada has been approved for a \$200,000 loan from the Community Economic Betterment Account, or CEBA. The full loan amount will go toward Burke Corporation's expansion plans in Nevada. The loan was awarded to the pizza-toppings corporation by the Iowa Department of Economic Development. The company expansion will create 16 new jobs at a minimum hourly wage of \$12.60, as well as retain the 74 jobs that were in question of leaving the community if Burke Corporation decided to expand in a different location.

Algona

Snap-On Tools' Algona manufacturing plant has laid off 19 hourly workers as of February 27. The layoffs came as the company returned to a five-day work week for the first time in a month. Snap-On Tools has been a local employer for 49 years.

Mason City

When its bank put most of the assets of Lexstar Technologies Inc. up for sale the week of January 12 after a failed merger, the assets were purchased by the company's chief executive officer, John Casey. That keeps the rechargeable battery production company in Mason City under a new name, Alexander Technologies USA. "I really feel very strongly about the people here," Casey said. "This is the best work force I've ever been around." Seventeen employees were laid off the week ending January 16, but the new company hopes to "grow jobs back."

Lucas

It was announced March 8 that Dekko Engineering, a Division of Pent Technologies, Inc. in Lucas, will be closing its doors. The announced move is expected to be completed this summer and will put 29 people out of work. Dekko Engineering manufactures wiring harnesses for office furniture. According to a letter received by each employee giving them 60-days notice of the closing, the Lucas facility will be consolidating into other existing Dekko Engineering facilities in the United States and Mexico.

Newton

About 170 production workers at Maytag in Newton lost their jobs February 27. The company says the layoffs are due to a cut in production of some laundry equipment. Maytag is the nation's third largest home appliance maker and employs 20,000 workers worldwide.

Transportation & Warehousing

Osceola

The Iowa Department of Economic Development has awarded the City of Osceola and Hormel Foods Corporation a grant totaling \$198,000 for the creation of an additional 66 positions. The grant includes a \$148,500 forgivable loan and a \$49,500 loan at 0% for 3 years. The \$49,500 loan will convert to a forgivable loan if the company proceeds with Phase 2 of the project within 18 months of the award date.

Eastern Iowa

Manufacturing

Cedar Rapids

Two giant agribusinesses, Illinois-based Archer Daniels Midland Co. and France-based Lesaffre Group, announced plans February 17 to jointly build and operate a \$50 million yeast plant in Cedar Rapids that would provide jobs for nearly 90 Iowans. ADM and Lesaffre are seeking a \$500,000 forgivable loan from the Grow Iowa Values Fund. Mark Seckman, president of

Priority One, the economic development arm of the Cedar Rapids Chamber of Commerce, said the operation's 50 production jobs would pay an average of \$18 to \$20 an hour.

Burlington

Vista Bakery announced plans Feb. 5 to expand its plant, a move that will result in about 60 new hourly positions at the cookie and cracker plant. Bill Hayman, vice president of manufacturing at Vista, said construction of a 42,000-square-foot expansion could begin as soon as the winter weather clears. Vista currently employs more than 500 workers at the three-shift plant. The expansion will result in more supervisory positions as well.

North Liberty

An Arizona food producer will be setting up shop in the former Rudi's Organic Bakery building in North Liberty and plans to hire about 100 people within the next year. Dare Devil Shells of Phoenix plans to use the 40,000-square-foot commercial bakery at 1420 Progress St. to produce deep-pan pizza shells for food service providers and restaurants. Production is expected to begin in April.

Dubuque

Georgia-Pacific's Dubuque plant is cutting about 20 percent of its employees. The company is cutting a total of 47 of the plant's 265 employees. The company was to lay off 33 employees January 30. About a dozen employees were laid off early in January. The Dubuque operation is removing its Litho-laminating equipment and transferring it to other plants.

Dubuque

Unique Balance of Dubuque has laid off 80 percent of its work force because it is unable to get raw materials to make its products. The company, which produces spring-operated devices used in hung windows, laid off 43 employees because of an international steel shortage according to plant manager Ross Henesath. Experts say the problem is a direct result of China's voracious appetite for raw materials and years of consolidation in the U.S.

Finance & Insurance

Coralville

Integrated DNA Technologies is seeking state aid and tax breaks on a \$6 million capital investment that would create 200 new jobs in Coralville during the next five years. If approved, IDT would cut short an ongoing \$52 million expansion and similar job creation project begun two years ago, requiring the DNA firm to repay a state loan and start anew. The expansion would nearly double the company's size. IDT creates and sells short strands of DNA called oligonucleotides. Scientists at universities and laboratories around the globe use the oligonucleotides to test for genetic and infectious diseases, to research new drug and disease treatments and to produce agricultural products.

Davenport

Employees of Tri-City Fabricating & Finishing, some of whom had been with the company 30 years or more, arrived at work early March 18 to find neither their jobs nor the company still existed. The 63 employees who showed up found a locked door and a sign notifying them that Tri-City Fabricating had ceased doing business. General Manager, Ken Yager, was notified March 17 that the company would have to close as a result of its financial difficulties.

Middletown

American Ordnance, the operating contractor at the Iowa Army Ammunition Plant, announced January 20 it will lay off 50 workers. Citing the completion of several projects, AO will reduce its workforce effective January 22, bringing employment at the plant to about 750. The plant laid off about 24 workers in November.

West Union

DURA Automotive will soon introduce a new line to its West Union plant. Plant manager Deb Malek confirmed Feb. 2 that a RV coupler and jack line will be moved from the Rockford, Ill. plant to West Union. Malek said the new line will begin to move into the West Union plant in March. It is projected to be in full operation by the end of October. She estimated 100

employees will be required to work on the new line.

Fort Madison

The Sheaffer Pen factory, which has produced high-end writing instruments in Fort Madison, Iowa, for nearly a century, likely will close by 2006, according to parent company Bic USA Inc. Bic said it was considering closing the plant and another in Milford, CT, as part of a restructuring plan that would trim 20 percent, or 400 workers, from its U.S. work force.

Retail Trade

Fort Madison

Matt's Greenhouse in Fort Madison will soon be adding more space and more jobs to its business. According to owner Matt Mohrfeld, 12 new jobs, mostly part time, will be added to help work the new 31,000 square-foot greenhouse created at his Rodeo Park location. The new facility is scheduled to be completed January 1, and production will start January 10, 2004.

Cedar Rapids

Nordstrom Inc., the Seattle-based department store chain, has reached agreement with Cedar Rapids to expand its catalog fulfillment center here in exchange for property tax incentives. The \$4.8 million expansion is expected to add 275 jobs, city officials said. The center now has 350 employees.

Information

Dubuque

One of downtown Dubuque's biggest employers wants to create dozens of jobs under a proposed expansion plan. McKesson Corp. would add 74 "high-paying" jobs and invest \$5 million to upgrade its Locust Street offices, according to Rick Dickinson, executive director of Greater Dubuque Development Corp. The expansion plan hinges on local and state incentives, although Dickinson said the details of those incentives still need to be worked out.



Finance & Insurance

Coralville

Geico Direct, which has added 150 jobs over the past year at its Coralville service center, has said it might add more under a significant business expansion. Company officials said they might move from the Coralville location, but would stay in Johnson County. The lease at Geico's current location is up in 2005. The company has 446 employees in Coralville. Company officials had said they planned to add another 100 full-time jobs over the next year, and could add even more with a new building.

Professional & Technical Services

Washington

After a century of producing promotional calendars, the Norwood Promotional Products plant in Washington will close in early January at a cost of 200 local jobs. Norwood announced to employees this week that it will transfer its calendar manufacturing to another plant in Sleepy Eye, MN, to make better use of its production capacity. Tom Roller, chief executive officer of Norwood, said in a prepared statement that the closing became necessary due to changing market conditions.



Administrative & Waste Services

Dubuque

A telemarketing firm could double its work force to 300 employees over the next six months. APAC Customer Services Inc., which opened its call center in Dubuque in 1994, recently moved to a new location that company officials said allows for more growth.

Government

Middle Amana

The city of Davenport may eliminate 52 jobs, including some in public safety, if the City Council does not approve fee or tax increases to make up for a \$3.5 million budget shortfall. Under the scenario presented, at least six jobs in the Police Department and four in the Fire Department would be eliminated.

The Quarterly Industry Review is produced by Iowa Workforce Development, Employment Statistics Bureau.

This information is a compilation of public announcements and articles from newspapers and periodicals about business events significant to Iowa labor markets.

The information is intended as a review of events as they are reported. Many included events have not yet occurred.

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