



IOWA WorkNet

Putting Iowa to Work

A Labor Market Information Publication

Second Quarter 2003

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RECOVERY STILL ON HOLD

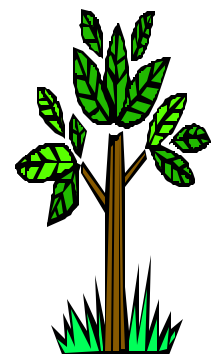
As second quarter ended, the Iowa economy was in a similar position to where it was one year ago—beyond the recession, but not quite in recovery. Compared to most states, Iowa's unemployment problems appeared mild. However, slow job growth for the past two and one half years has resulted in rising unemployment.

The statewide unemployment rate averaged 4.3 percent for second quarter, and the number of unemployed rose to 70,400. This was the highest level of unemployment reported since third quarter 1992, the last time that Iowa was in a post-recessionary period. The state's jobless rate averaged 4.0 percent for second quarter 2002.

The number of working Iowans averaged 1,569,500 during the quarter, about 30,000 less than the same period one year ago. Total employment had continued to grow through the end of 2002, reaching a peak of 1,607,500 workers in November of last year.

On July 17, the National Bureau of Economic Research, an independent committee that tracks the business cycle, announced that the recession that began in March 2001 ended in November of the same year. In its report, the committee cited real gross domestic product as the primary indicator of a recovery. The committee explained that jobs have not followed growth due to increases in workers' productivity.

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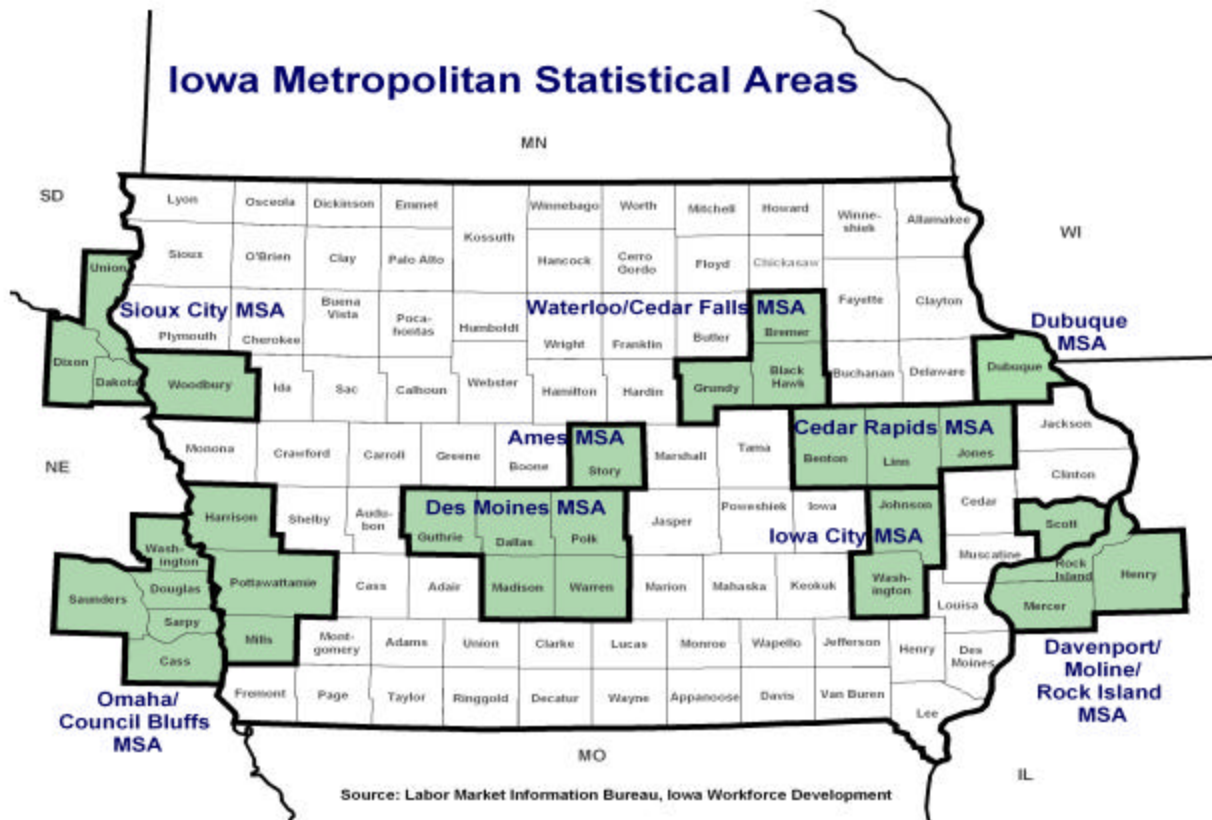


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LMI focus

NEW AND REVISED METROPOLITAN STATISTICAL AREAS (MSA'S) DESIGNATED

Effective June 2003, the United States Office of Management and Budget (OMB) announced the designation of 49 new metropolitan statistical areas (MSA's) along with revised definitions for a number of existing MSA's. The OMB established MSA designations in 1950 to provide nationally consistent definitions for collecting, tabulating, and publishing federal statistics for a set of geographic areas. A comprehensive review of Census 2000 population and commuting data were used to make the current designations.



Iowa has nine metropolitan statistical areas made up of twenty Iowa counties and eleven counties in other states.

- **Ames, IA** – Story County
- **Cedar Rapids, IA** – Benton County, Jones County, Linn County
- **Davenport-Moline-Rock Island, IA-IL** – Henry county (IL), Mercer County (IL), Rock Island County (IL), Scott County (IA)
- **Des Moines, IA** – Dallas County, Guthrie County, Madison County, Polk County, Warren County
- **Dubuque, IA** – Dubuque County
- **Iowa City, IA** – Johnson County, Washington County
- **Omaha-Council Bluffs, NE-IA** – Harrison County (IA), Mills County (IA) Pottawattamie County (IA), Cass County (NE), Douglas County (NE), Sarpy County (NE), Saunders County (NE) Washington County (NE)
- **Sioux City, IA-NE-SD** – Woodbury County (IA), Dakota County (NE), Dixon County (NE), Union County (SD)
- **Waterloo-Cedar Falls, IA** – Black Hawk County, Bremer County, Grundy County

LMI focus

In Iowa, Ames (Story County) was designated as an MSA, bringing the total count of these larger labor areas in the state to nine. In addition, the definitions of seven of the state's existing metro areas were revised to include additional counties. Dubuque was the only MSA to remain unchanged. The general concept of a metropolitan statistical area is that of a core area containing at least one urbanized area of 50,000 or more population that may include adjacent counties. However, to be included, the adjacent counties must have a minimum of 25 percent of workers commuting to the central county or counties of the area. The name of the principal city identified within the MSA is used in titling the area.

FOR FURTHER INFORMATION, CONTACT THE STATE DATA CENTER, STATE LIBRARY OF IOWA. CALL (515) 281-4350 OR ACCESS THE STATE DATA CENTER WEB SITE AT:

<http://www.silo.lib.ia.us/specialized-services/datacenter/>

MICROPOLITAN STATISTICAL AREAS AND COMBINED STATISTICAL AREAS

The current designations announced by OMB also include two new sets of statistical areas—micropolitan statistical areas and combined statistical areas. Micropolitan statistical areas have at least one urban cluster of at least 10,000 but less than 50,000 population. Both metropolitan and micropolitan statistical areas are defined in terms of whole counties.

Iowa has fourteen micropolitan statistical areas made up of sixteen Iowa Counties and two counties in other state.

- Boone, IA – Boone County
- Burlington, IA-IL – Henderson County (IL), Des Moines County (IA)
- Clinton, IA – Clinton County
- Fort Dodge, IA – Webster County
- Keokuk-Fort Madison, IA-MO – Lee County (IA), Clark County (MO)
- Marshalltown, IA – Marshall County
- Mason City, IA – Cerro Gordo County, Worth County
- Muscatine, IA – Louisa County, Muscatine County
- Newton, IA – Jasper County
- Oskaloosa, IA – Mahaska County
- Ottumwa, IA – Wapello County
- Spencer, IA – Clay County
- Spirit Lake, IA – Dickinson County
- Storm Lake, IA – Buena Vista County

Combined statistical areas are complementary sets of areas whose components consist of adjacent metropolitan and micropolitan statistical areas. There are four of these areas in Iowa.

- Ames-Boone, IA – Ames, IA metropolitan statistical area and Boone, IA micropolitan statistical area
- Des Moines-Newton, IA – Des Moines, IA metropolitan statistical area and Newton, IA micropolitan statistical area
- Omaha-Council Bluffs-Fremont, NE-IA – Fremont, NE micropolitan statistical area and Omaha-Council Bluffs, NE-IA metropolitan statistical area
- Sioux City-Vermillion, IA-NE-SD – Sioux City, IA-NE-SD metropolitan statistical area and Vermillion, SD micropolitan statistical area

U. S. STATISTICAL UPDATE

Labor Force Data* (Seasonally Adjusted)

	Apr 2003	May 2003	Jun 2003	Jun 2002
Civilian Labor Force	146,473,000	146,485,000	147,096,000	144,852,000
Employed	137,687,000	137,487,000	137,738,000	136,383,000
Unemployed	8,786,000	8,998,000	9,358,000	8,469,000
Unemployment Rate	6.0%	6.1%	6.4%	5.8%

HISTORICAL LABOR FORCE SERIES*

	1998	1999	2000	2001	2002
Civilian Labor Force	137,673,000	139,368,000	142,583,000	143,734,000	144,863,000
Employed	131,463,000	133,488,000	136,891,000	136,933,000	136,485,000
Unemployed	6,210,000	5,880,000	5,692,000	6,801,000	8,378,000
Unemployment Rate	4.5%	4.2%	4.0%	4.7%	5.8%

Unemployment Rates for Iowa and Neighboring States National Rankings, June 2003			Consumer Price Indexes* (All Items)				
Rank	State	Rank		Jun 2003	CPI-U May 2003	Jun 2002	% Chg Jun 2002
1	South Dakota	3.1	U.S. City Average				
5	Nebraska	3.9	1967 = 100	550.4	549.7	538.9	
9	IOWA	4.2	1982-84 = 100	183.7	183.5	179.9	2.1%
12	Minnesota	4.4			CPI-W		
24	Missouri	5.6		Jun	May	Jun	% Chg
24	Wisconsin	5.6		2003	2003	2002	Jun 2002
38	Illinois	6.3	U.S. City Average				
			1967 = 100	534.8	534.3	524.0	
			1982-84 = 100	179.6	179.4	175.9	2.1%

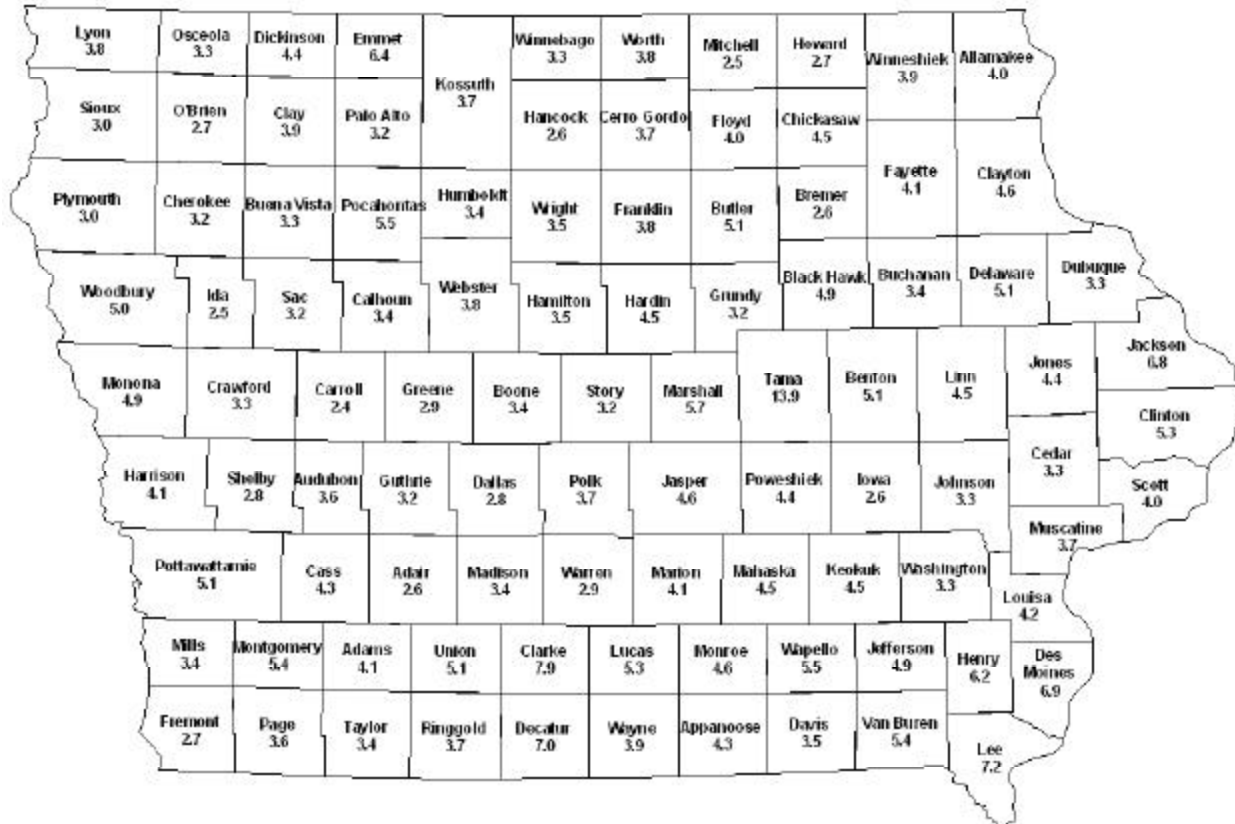
Source: Bureau of Labor Statistics, U.S. Department of Labor.

*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			June 2002
	Apr 2003	May 2003	June 2003	
Labor Force	1,643,300	1,634,200	1,642,200	1,669,800
Unemployed	68,200	73,400	69,600	66,800
Percent Unemployed	4.2	4.5	4.2	4.0
Employed	1,575,100	1,560,800	1,572,600	1,603,100

Iowa Unemployment Rates by County June 2003



Source: Labor Market Information, Iowa Workforce Development

Metropolitan Statistical Area Data June 2003

	Labor Force	Employed	Unemployed	Rate
Cedar Rapids MSA	119,000	113,600	5,400	4.5%
Des Moines MSA	277,400	267,500	9,800	3.5%
Dubuque MSA	49,600	47,900	1,700	3.3%
Iowa City MSA	74,400	71,900	2,500	3.3%
Sioux City MSA	66,400	63,100	3,200	4.9%
Waterloo-Cedar Falls MSA	70,400	67,000	3,500	4.9%
*Davenport-Moline-Rock Island MSA	190,500	181,100	9,400	4.9%
**Omaha MSA	428,000	408,300	19,600	4.6%

Source: Labor Market Information Bureau, Iowa Workforce Development.

*Prepared by Illinois Department of Employment Security.

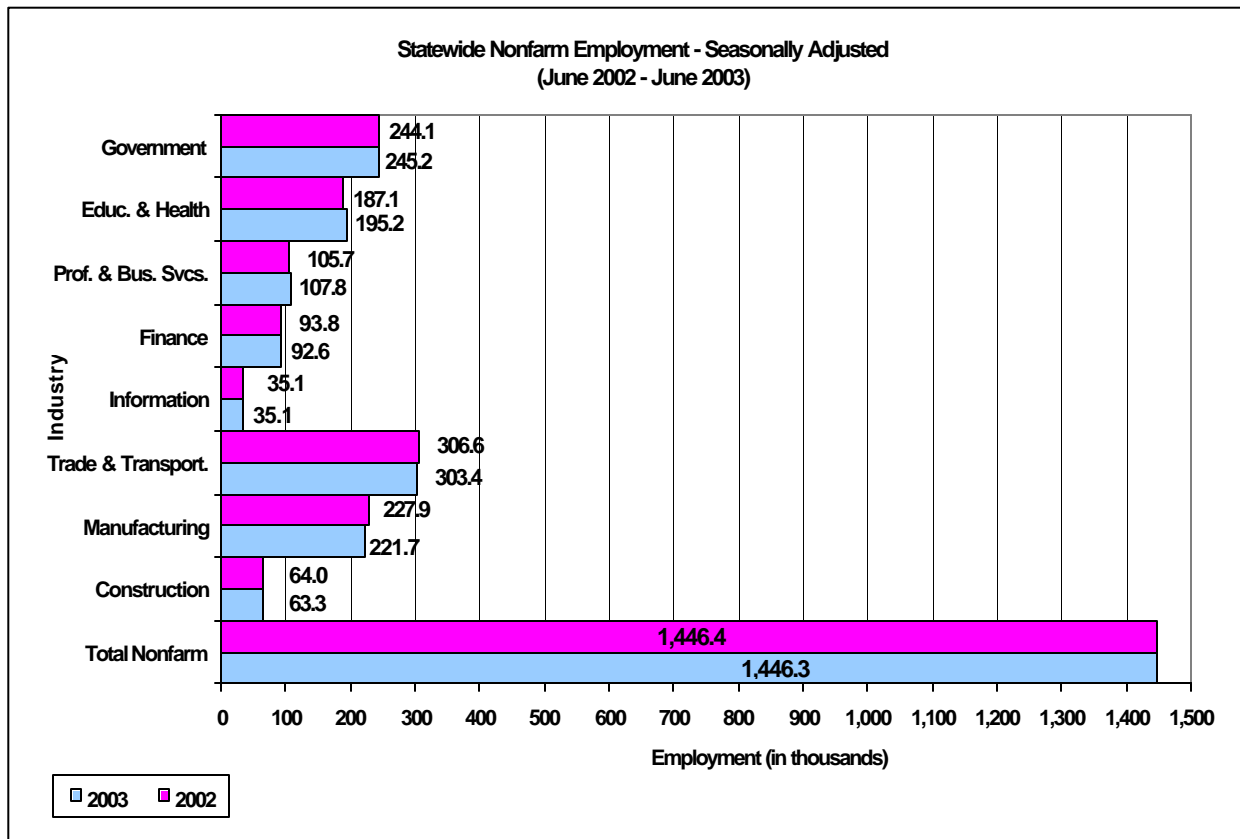
**Prepared by Nebraska Department of Labor.

Statewide Nonfarm Employment

- The service-producing sectors increased by 4,900 over second quarter 2002, as insurance companies, mortgage companies, super-stores announced expansions and new hires.
- Hardest hit among goods-producing industries was the Manufacturing sector, which was down by 6,600 when compared with second quarter of 2002. Layoffs at key manufacturers in Jasper, Marion, Henry and Winneshiek Counties helped drive down manufacturing employment.
- The largest single gain among the service-producing industries occurred in Health Services, which was up by 6,300 from second quarter 2002. The net loss from May to June 2003 was seasonal. Professional and Business Services added 1,500 new jobs over the year. Industries such as payroll services, temporary help agencies, and advertising services contributed to the increase.

Statewide Nonfarm Employment June (Seasonally Adjusted)

	April 2003	May 2003	June 2003	June 2002	Net Change May 2003 to June 2003	Net Change June 2002 to June 2003
Total Nonfarm	1,443.6	1,445.3	1,446.3	1,446.4	1.0	-0.1
Construction	63.4	63.6	63.3	64.0	-0.3	-0.7
Manufacturing	221.5	222.1	221.7	227.9	-0.4	-6.2
Trade & Transport.	302.1	303.0	303.4	306.6	0.4	-3.2
Information	35.2	35.3	35.1	35.1	-0.2	0.0
Finance	93.7	93.8	92.6	93.8	-1.2	-1.2
Prof. & Bus. Svcs.	105.7	106.8	107.8	105.7	1.0	2.1
Educ. & Health	192.3	192.7	195.2	187.1	2.5	8.1
Government	245.2	246.3	245.2	244.1	-1.1	1.1



Metropolitan Statistical Area Nonfarm Employment

Cedar Rapids

- Despite layoffs in telemarketing, Professional and Business Services managed to gain 400 jobs over the month, and an additional 100 over the quarter.
- Despite a slight gain in the second quarter 2003, Manufacturing continues its yearlong slump as manufacturers continue both short-term and long-term layoffs.
- Trade has seen an increase over the year; the harbinger of better things to come for manufacturing.

Des Moines

- Education and Health Services demonstrated a sharp decrease over-the-year and over-the-month, primarily due to seasonal employment in colleges.
- Manufacturing continues to falter, losing 200 jobs over the year, mostly due to layoffs. Numerous manufacturers indicate they have already begun to recall employees, as evidenced by a 300 gain from May to June.

Dubuque

- As in many areas, Manufacturing employment dipped over the year. Multiple short-term layoffs contributed to the decline. However, a gain of 200 from May to June indicates recalls have already begun.
- Leisure and Hospitality slipped in June, despite seasonal increases in outdoor recreation.

Iowa City

- A key insurance carrier announced plans to expand its workforce by 100 in April, causing an increase in second quarter in Financial Activities.
- State government showed a large drop, primarily due to a decrease in student workers.

Sioux City

- Total nonfarm is 0.15 percent below the June 2002 level, but 0.9 percent below the June 2001 level.
- Leisure and Hospitality posted its fourth consecutive employment increase, due in part to seasonal increases in outdoor recreational activities. Still, employment level remained lower than 2002.
- Trade, Transportation and Utilities is staying strong especially in the Retail Trade.

Waterloo

- State government showed the single largest decrease, primarily due to the end of the academic year.
- Manufacturing showed a slight gain over the year despite multiple short-term layoffs at key manufacturers.



CEDAR RAPIDS MSA (Linn County)

Employment By Industry	Apr 2003	May 2003	June 2003	June 2002	Net Change June 2002 to June 2003
Total Nonfarm Employment	118,300	118,800	119,000	120,100	-1,100
Goods-Producing Industries	105,700	105,900	106,300	107,300	-1,000
Natural Resources and Construction	24,100	24,500	24,500	25,400	-900
Manufacturing	17,500	17,600	17,500	18,400	-900
Service-Producing Industries	94,200	94,300	94,500	94,700	-200
Trade and Transportation	25,800	26,300	26,400	25,600	800
Information	5,800	5,800	5,900	6,300	-400
Financial Activities	8,600	8,300	8,300	8,700	-400
Professional and Business Services	13,200	12,900	13,300	12,800	500
Education and Health	14,600	14,600	14,400	14,000	400
Leisure and Hospitality	9,000	8,900	8,800	9,600	-800
Other Services	4,600	4,600	4,700	4,900	-200
Government	12,600	12,900	12,700	12,800	-100
Federal Government	1,200	1,200	1,200	1,200	0
State Government	400	400	400	600	-200
Local Government	11,000	11,300	11,100	11,000	100

Des Moines MSA (Dallas, Polk, and Warren Counties)

Employment By Industry	Apr 2003	May 2003	June 2003	June 2002	Net Change June 2002 to June 2003
Total Nonfarm Employment	288,400	289,800	291,000	291,600	-600
Goods-Producing Industries	34,600	35,000	35,900	35,300	600
Natural Resources and Mining	200	200	200	300	-100
Construction	15,400	15,700	16,300	15,400	900
Manufacturing	19,000	19,100	19,400	19,600	-200
Service-Producing Industries	253,800	254,800	255,100	256,300	-1,200
Trade and Transportation	63,500	64,000	64,600	63,200	1,400
Information	9,600	10,000	10,300	9,500	800
Financial Activities	44,400	44,100	44,200	44,500	-300
Professional and Business Services	29,900	30,000	30,000	30,100	-100
Education and Health	34,600	34,000	32,200	33,700	-1,500
Leisure and Hospitality	23,600	24,600	25,400	26,000	-600
Other Services	11,500	11,500	11,400	11,800	-400
Government	36,700	36,600	37,000	37,500	-500
Federal Government	5,400	5,400	5,400	5,500	-100
State Government	8,400	8,200	8,400	8,600	-200
Local Government	22,900	23,000	23,200	23,400	-200

Source: Employment Statistics Bureau, Iowa Workforce Development

DUBUQUE MSA (Dubuque County)

Employment By Industry	Apr 2003	May 2003	June 2003	June 2002	Net Change June 2002 to June 2003
Total Nonfarm Employment	50,600	50,600	50,700	51,400	-700
Goods-Producing Industries	10,900	11,000	11,300	11,700	-400
Natural Resources and Construction	2,100	2,300	2,400	2,400	0
Manufacturing	8,800	8,700	8,900	9,300	-400
Service-Producing Industries	39,700	39,600	39,400	39,700	-300
Trade and Transportation	11,400	11,400	11,500	11,300	200
Information	1,600	1,600	1,600	1,700	-100
Financial Activities	2,200	2,200	2,300	2,200	100
Professional and Business Services	3,500	3,300	3,300	3,600	-300
Education and Health	10,000	10,000	9,700	9,200	500
Leisure and Hospitality	4,500	4,500	4,400	5,100	-700
Other Services	2,400	2,400	2,400	2,400	0
Government	4,100	4,200	4,200	4,200	0
Federal Government	300	300	300	300	0
State Government	200	200	200	200	0
Local Government	3,600	3,700	3,700	3,700	0

Iowa City MSA (Linn County)

Employment By Industry	Apr 2003	May 2003	June 2003	June 2002	Net Change June 2002 to June 2003
Total Nonfarm Employment	76,300	76,500	74,100	73,300	800
Goods-Producing Industries	7,800	7,900	7,800	8,300	-500
Natural Resources and Construction	2,500	2,700	2,700	3,000	-300
Manufacturing	5,300	5,200	5,100	5,300	-200
Service-Producing Industries	68,500	68,600	66,300	65,000	1,300
Trade and Transportation	13,400	13,500	13,500	13,000	500
Information	3,300	3,100	3,100	3,000	100
Financial Activities	2,600	2,600	2,600	2,500	100
Professional and Business Services	5,900	6,100	6,100	6,000	100
Education and Health	6,100	6,000	5,900	5,700	200
Leisure and Hospitality	6,200	6,400	6,400	6,500	-100
Other Services	1,800	1,800	1,900	1,800	100
Government	29,200	29,100	26,800	26,500	300
Federal Government	1,600	1,700	1,700	1,700	0
State Government	23,400	23,200	20,800	20,600	200
Local Government	4,200	4,200	4,300	4,200	100

Source: Employment Statistics Bureau, Iowa Workforce Development

SIOUX CITY MSA (Woodbury County)

Employment By Industry	Apr 2003	May 2003	June 2003	June 2002	Net Change June 2002 to June 2003
Total Nonfarm Employment	64,800	64,600	64,700	64,800	-100
Goods-Producing Industries	15,800	16,000	16,300	16,100	200
Natural Resources and Construction	2,600	2,800	3,000	3,000	0
Manufacturing	13,200	13,200	13,300	13,100	200
Service-Producing Industries	49,000	48,600	48,400	48,700	-300
Trade and Transportation	14,300	14,400	14,500	14,300	200
Information	800	800	800	900	-100
Financial Activities	2,900	2,800	2,900	2,900	0
Professional and Business Services	4,600	4,400	4,500	4,600	-100
Education and Health	10,100	9,700	9,700	9,600	100
Leisure and Hospitality	5,600	5,700	5,800	6,200	-400
Other Services	2,500	2,500	2,500	2,500	0
Government	8,200	8,300	7,700	7,700	0
Federal Government	1,000	1,000	1,000	900	100
Local Government	6,700	6,800	6,200	6,300	-100
Local Government Education	4,100	4,100	3,500	3,500	0

Waterloo MSA (Black Hawk County)

Employment By Industry	Apr 2003	May 2003	June 2003	June 2002	Net Change June 2002 to June 2003
Total Nonfarm Employment	73,300	73,600	71,900	72,600	-700
Goods-Producing Industries	17,700	17,900	18,100	17,600	500
Natural Resources and Construction	2,700	2,900	3,100	3,000	100
Manufacturing	15,000	15,000	15,000	14,600	400
Service-Producing Industries	55,600	55,700	53,800	55,000	-1,200
Trade and Transportation	13,100	13,200	13,200	13,700	-500
Information	900	900	1,000	1,000	0
Financial Activities	3,500	3,500	3,500	3,700	-200
Professional and Business Services	6,000	6,100	5,900	6,400	-500
Education and Health	10,000	10,100	10,200	9,700	500
Leisure and Hospitality	6,200	6,300	6,400	6,200	200
Other Services	2,800	2,800	2,900	3,000	-100
Government	13,100	12,800	10,700	11,300	-600
Federal Government	600	600	600	600	0
State Government	5,600	5,300	3,400	3,700	-300
Local Government	6,900	6,900	6,700	7,000	-300
Local Government Education	3,200	3,200	3,000	3,300	-300

Unemployment Insurance Financial Activity

Regular Unemployment Insurance (UI)

Item	Quarter Ending:		Twelve Months Ending:	
	June 2003	June 2002	June 2003	June 2002
Benefits Paid (\$)	89,472,138	84,437,261	373,528,746	361,779,664
Weeks Compensated	360,873	350,096	1,504,968	1,484,916
First Payments	20,776	20,265	111,449	116,756
Final Payments	9,141	9,341	32,727	27,723
Average Benefit per First Payment (\$)	4,306.51	4,166.65	3,351.57	3,098.60
Average Weekly Benefit (\$)	247.93	241.18	248.20	243.64
Average Duration	-----	-----	13.5	12.7
Exhaustion Rate	-----	-----	29.4%	24.3%

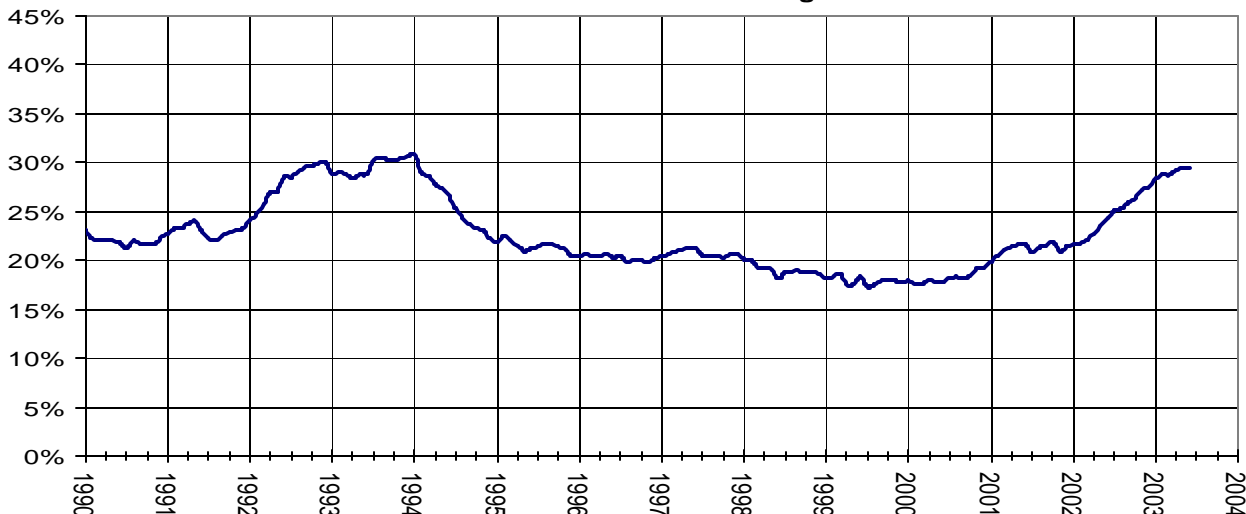
Temporary Emergency Unemployment Compensation (TEUC)

Item	Quarter Ending:		Twelve Months Ending:	
	June 2003	June 2002	June 2003	June 2002
Benefits Paid (\$)	19,173,312	29,352,652	72,392,659	29,352,652
Weeks Compensated	80,030	125,269	304,045	125,269
First Payments	8,822	17,013	31,580	17,013
Final Payments	5,061	5,475	20,754	5,475
Average Weekly Benefit (\$)	239.58	234.32	238.10	234.32

Unemployment Insurance Trust Fund Revenue

Item	Quarter Ending:		Twelve Months Ending:	
	June 2003	June 2002	June 2003	June 2002
Total UI Contribution (prelim.)	105,339,192	80,993,265	247,256,075	215,369,196
Interest Earned on Trust Fund	9,663,550	12,099,218	44,724,267	49,239,328
Total Trust fund Revenue	115,002,742	93,092,483	291,980,342	264,608,523

Regular UI Exhaustion Rate For the Twelve Months Ending



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.

Western Iowa

Manufacturing

Spirit Lake

The Iowa Great Lakes Corridor of Opportunity and the city of Spirit Lake are pleased to announce an Economic Development Set Aside Account Award made to Pure Fishing by the Iowa Department of Economic Development. This \$75,000 grant will assist Pure Fishing with their \$4 million expansion project. In addition, the city of Spirit Lake has agreed to provide \$30,000 in assistance for this expansion. This assistance will help the company retain 12 jobs and create 13 new positions. As part of this internal expansion, Pure Fishing intends to purchase additional equipment for installation of their new Gulp product line.

Red Oak

One of the nation's leading makers of automotive parts has announced plans to build a plant in the southwest Iowa city of Red Oak. Johnson Controls will open a \$21 million plant where lead plates will be cast, rolled and stamped for automotive batteries, local officials said. "This will be a state-of-the-art plant utilizing advanced technology," said George Maher of the Red Oak Industrial Foundation. "The jobs being created are examples of the high-skilled positions that have been identified as crucial to Iowa's economic future, so this is a positive development for the entire state as well as for our city," Maher said. The plant is expected to employ about 75 workers when it reaches full production.

Adair

The Iowa Department of Economic Development approved the loan to Audubon-based R.J. Trausch Industries to build food display cases using new refrigeration technology. The \$150,000 loan will help create 50 jobs in this western Iowa town.

Spencer

Freudenberg NOK has announced plans to expand the operations of its Spencer facility. The expansion of operations includes the purchase of additional equipment and infrastructure improvements to its existing facility in north Spencer. According to plant manager Mark Niccum, the new expansion will result in the creation of at least 15 new jobs.

Jackson, MN

Agco has announced plans to move the production line of the MT 700 and 800 track tractors from DeKalb, IL to Jackson, MN. The DeKalb, IL plant will close in May, with the relocation to follow quickly. The move will add nearly 150 jobs immediately to the Jackson site, with the possibility of many more future additions. Jackson is located approximately 20 miles northeast of Spirit Lake, IA and 20 miles northwest of Estherville, IA. The local Agco plant currently employs close to 900 locally with another 300 in the field as service and sales representatives. **A large portion of the employees lives in northwest Iowa.** Of the 150 jobs, about 110 are expected to be manufacturing positions, with the remaining 40 covering engineering and office personnel.

Clarinda

Lisle Corp., a Clarinda-based firm that manufactures tools and vehicle components, has acquired E-Z Way Inc., a company located in Minneapolis, MN. E-Z Way makes and sells patient transfer devices designed to ease potential strain on caregivers who work in the health care field. John Lisle, chief executive officer of the company, said that within the next year the E-Z Way operation would be moved to the site of the former Glenn Miller National Guard Armory in Clarinda. He said E-Z Way employs 32 people in Minneapolis, and that plans were to create a similar number of jobs in Clarinda.

Retail Trade

Storm Lake

The new Wal-Mart superstore, scheduled to open in May will employ 300 workers, double the force at the current Wal-Mart.

Sioux Center

Golden Crisp Premium Foods, a division of Patrick Cudahy Inc., is expanding in Iowa and will receive a \$500,000 investment (loan) from the Community Economic Betterment Account. The Iowa Department of Economic Development Board approved partnering with Sioux County to help Golden Crisp Premium Foods move into the vacant Quick-To-Fix food processing facility in Sioux Center.

The Golden Crisp Premium Foods facility start-up will create 136 jobs at a regionally-competitive pay scale to manufacture precooked bacon products. The \$12.2 million project would remodel the existing facility for two precooked bacon production lines and complementing bacon-processing equipment.

Health Care & Social Assistance

Council Bluffs

An Omaha developer is looking for a Council Bluffs building site for a new, \$6 million, senior housing facility.

The Vintage Companies plans to break ground this year for construction of a 65-unit assisted living center, project manager Jason Lange said. The group hopes to open the center in June 2003.

Central Iowa

Manufacturing

Adair

Schafer Systems in Adair laid off 20 people April 1. It was a decision based on economic realities that company leaders could no longer



ignore. According to CEO Victor Aspengren this has been the slowest period in four years. Also, two of the companies leading vendors went out of business. In an attempt to turn things around and defuse the economic slowdown, the company imposed a 20 percent pay cut from the top executive on down to the lowest paid employee. This was done six weeks prior to the layoff. "It just didn't help," said Aspengren. "We also can't ask employees to live on 20 percent less for an indefinite period."

Newton

Thombert Inc. announced its intent to expand Newton operations to Brooklyn, which will ultimately result in the loss of 15 jobs here. The new Brooklyn facility is expected to be in production sometime after April 1, with the Newton layoffs following transitions into that building.

Newton-based Maytag Corp. plans to cut 500 salaried jobs to reduce costs in a restructuring expected to affect all of the appliance maker's 15 domestic operations, including those in Newton and Amana. Word of the job cuts, expected to be completed by June, prompted concern among employees. Expected cuts at the Newton facility

will affect 150 employees. Maytag's total workforce is 20,900. The cuts represent about 8 percent of the company's salaried workforce, 6,400 people in jobs from administrative positions to managers.

Bancroft

Plans are underway for a Bancroft manufacturer to increase its space by 50 percent next year, with staffing increases of as many as 20 people over three years.

Mike Lloyd, president of Aluma LTD, said that he is working closely with the city of Bancroft, the Kossuth County Economic Development Corporation and the Iowa Department of Economic Development, on an expansion of the manufacturing plant, which produces aluminum trailers and other aluminum products.

Oskaloosa

The Iowa Department of Economic Development Board approved tax benefits of about \$1.5 million for Musco Sports Lighting LLC of Oskaloosa, which is building a fiber-optic telecommunications network and training center. The \$9.6 million project is expected to create 21 jobs with a median starting wage of \$16.38 per hour.

Musco, one of the nation's leaders in sports lighting equipment, employs 200 people in Oskaloosa, 221 in its plant in Muscatine and 140 at other locations in the United States and around the world.

Arts, Entertainment & Recreation

Tama

The Meskwaki Casino has been shut down per National Indian Gaming Commission. Tribal leaders have filed to have the decision overturned.



Until then, more than 1,200 people are out of work. The closure is also affecting sales at local retailers and reservations at hotels/motels, which may in turn have a negative impact on employment in and around Tama.

Eastern Iowa

Construction

Ottumwa

Winger Mechanical of Ottumwa laid off 65 maintenance workers following a layoff at Cargill. Winger workers did the maintenance at Cargill,

although they did not have a contract. Another contractor will do day-to-day maintenance at the Cargill plant. According to Tom Keck, owner and president of Winger Mechanical of Ottumwa, through an improved marketing effort and Winger's reputation for quality workmanship, he hopes to find more projects for the company to work on. In fact, of the 65 workers that had been laid off, Winger has already called 18 or 19 back.



Manufacturing

Burlington

An Italian maker of hydraulic hoses used inside industrial and construction equipment announced last December it plans to open a \$6.1 million plant in Burlington, which also will serve as its North American headquarters.

Milan, Italy-based Alfacomma Group – a supplier to a Case New Holland plant in Burlington – expects to add 120 jobs in the next three years, paying an average starting wage of \$12.51 per hour.

Representatives of the company expected the assembly line to be running by April 1.

West Burlington

Raider Precast Concrete, which won the contract for 500 concrete modules to be used in the construction of a Hopkins Park, IL prison, laid off more than 100 workers after an April 14 announcement that the projects had been halted. "This was about 30 percent of our business for the year," said Raider president Colin Wagenbach. "It's very disappointing, disheartening. There are no winners here." As of last fall, Raider boasted about 325 employees. With the economic downturn, however, the manufacturer's employment level has dipped to below 140. Over the winter about 60 workers were laid off in smaller increments, Wagenbach said.

Mt. Pleasant

West Liberty Foods, approved for a \$500,000 forgivable loan by the Iowa Department of Economic Development in May 2002 expected their new Mount Pleasant slicing plant to open by April 1, 2003. The company planned to start with more than 100 employees.

Lomont Molding is adding 21 people to its staff. Southeastern Community College is preparing to give classes in lean manufacturing, robotics, quality and warehouse management to help with the expansion. Funds for the training will be provided through the New Jobs Training Program.

Celestica Corp. of Mount Pleasant will eliminate 100 jobs to pare its workforce to meet a slowdown in business, officials announced.

The company said those who participate in the program will receive extended medical benefits, a severance package and federal aid for continuing education. The plant currently employs 425 people.

Waterloo

A metal-fabricating company that has operated on Waterloo's east side for nearly 20 years said it will close due to a poor business climate. Cedar Metal Works will cease operations April 11. The company has 38 employees. An additional 25 workers who are union members have been on strike since November 2001.



Deere & Co. has announced more temporary shutdowns of its tractor production lines in Waterloo. The shutdowns have been scheduled "in the interest of John Deere's continued commitment to balance its production schedule with retail sales," company officials said. Deere's large row crop four-wheel drive product lines will be shut down June 16 - 20. The small row crop, large row crop and four-wheel drive lines will be shut down July 14 - 18. The shutdowns are in addition to the regular two-week shutdown that happens in late July. The shutdowns affect 1,400 union wage production workers at two Deere locations in Waterloo, local spokeswoman Mindy Westendorf said. Deere's engine works and Product Engineering Center in Cedar Falls are not affected.

Dubuque

Barnstead International plans to close one of its East Coast facilities and move the "high-paying" jobs to its Dubuque location. The company announced it will move its West Paterson, N.J.-based Ever Ready Thermometer Co. operations to the Barnstead International facility on Kerper Boulevard.

The relocation, partially funded by a \$60,000 loan/forgivable loan approved by the Community Economic Betterment Account (IDED) Board, include the creation of 20 positions with a monthly average salary of \$3000.

Cedar Rapids

Raining Rose Inc., a Cedar Rapids maker of lip balm and body-care products, plans to expand, creating 30 jobs over three years. Raining Rose, which employs 15 people, plans to move from its current 5,000-square-foot facility to a new location nearby with more than three times the

space. The total investment will be about \$825,000.

Muscatine

The Iowa Department of Economic Development approved a \$125,000 loan for a \$2 million expansion at Musco Sports Lighting LLC in Muscatine. The project is expected to create 43 jobs with an average starting wage of \$13.88 an hour.

Cresco

Bolstered by a \$2,000,000 loan from the USDA, the Amish Cheese plant north of Cresco anticipates starting up production in the near future. Golden Ridge Cheese Cooperative will be making cheese for sale to consumers. The loan will be used to acquire equipment, refinance existing debt and to renovate the facility that will manufacture the specialty cheese.

According to Neville McNaughton, manager of the operation, "if everything is put together, we should be making blue cheese in June." McNaughton anticipates hiring about a half dozen people initially with interviews to begin mid-March. Eventually, the cheese plant will have 20 - 25 employees.

Wholesale Trade

Cedar Falls

Ag Services of America, Inc. in Cedar Falls has eliminated about a quarter of its work force, according to company officials.

Twenty-eight people at Ag Services' headquarters and another dozen district sales managers were laid off in May, said Chief Operating Officer Shawn Smeins. The layoffs are permanent, although the company hopes to add jobs once its financial condition improves.

Ag Services supplies seed, chemicals and fertilizers to farmers and finances programs for agricultural manufacturers and distributors. The layoffs come two weeks after the company reported a nearly \$6 million profit in the fiscal year ending Feb. 28.

Farley

The Farley City Council learned a new business will be locating its operation within the Farley Industrial Park. Three members of the Farley Industrial Development Corp. told the council that Triton Mfg., a metal stamping company (which has a base company, Intertrade Steel Inc. of Cedar Rapids), purchased two acres of land last week within the industrial park. Triton will construct a 10,000 - 15,000-square-foot facility at a cost of \$300,000 and will begin operating with five employees and hopes to eventually have 15 within three to five years at a pay rate of \$15 per hour.

Retail Trade

Hiawatha

If all goes according to plan, Cedar Rapids Toyota will be moving into a new showroom and service facility in mid-December.

The 20-year-old dealership broke ground Thursday for a 26,000 square-foot building on the northwest corner of Interstate 380 and Boyson Road in Hiawatha. According to Scott Ryan, vice president and manager, "We estimate that our number of associates will grow from 33 to 44."

Clinton

Clinton's Econofoods store, 1620 Lincoln Way, closed for good at 5 p.m. Saturday, April 26. The closing was announced through a sign at the store indicating April 26 would be the last day of business.

Cedar Falls

Thousands applied for 500 positions at the new Cedar Falls Target warehouse. The new center will distribute merchandise to stores in Iowa, Minnesota, Wisconsin and Illinois.

The company was approved for a \$500,000 economic development grant through the Iowa Department of Economic Development.

Davenport

Dillard's is building a 124,500 square-foot store at NorthPark Mall (Davenport) at a cost of approximately \$9 million. The Dillard's store will have approximately 200 employees.

Information

Hiawatha

Riverdeep Inc., a publisher of interactive software for education and entertainment, is expanding the work force at its direct marketing and customer support center in Hiawatha. Novato, CA-based Riverdeep said Monday that it plans to expand its educational products sales division by adding 48 positions in Hiawatha by next month.

The Hiawatha operation currently employs 88. "These positions are going to average about \$50,000 in total compensation," said David Bader, senior vice president and general manager of direct marketing.

Marion

U.S. Cellular plans to add 100 jobs as it expands its customer service center to handle growth in the company's Midwest region. It's the latest in a series of expansions to U.S. Cellular's "Customer Care Center" in Marion. The center handles customer service and billing inquiries for customers in Iowa, Illinois, Indiana, Missouri and Nebraska.

Dubuque

In another upbeat sign for the local economy, McKesson Corp. confirmed that it will expand its Dubuque data center. Mike Nolan, vice president of the Dubuque division, said the data center will add 38 jobs by Sept. 1. Nolan called the new jobs a "mix of positions," including computer operations, network systems analysts and project managers. "They are very good-paying jobs," the executive said, without disclosing wage or salary figures.

Kate Rohrbach, vice president of corporate communications for the San Francisco-based drug distribution and health care information technology company, said the work ethic of the area made the Dubuque expansion an easy choice for McKesson. The data center currently employs 60 people, with plans to eventually employ nearly 100.

Finance & Insurance

Coralville

GEICO Direct wants to dispel its mistaken image as a telemarketer to attract the employees it needs to keep growing. Tom Garner, Branch Director, hired 100 employees within the past year, 20 of them in the past week (April 20), but

more workers are needed. "I would like to fill the building. I need 100 more," Garner said.

Real Estate, Rental & Leasing

Cedar Rapids

AEGON USA reduced its Cedar Rapids work force by 66 positions Monday, June 2, primarily due to a tough environment for annuity sales.

Administrative & Waste Services

Waterloo

The Waterloo office of Peoria, IL-based Affina is expected to lay off 27 full-time employees over the next month after its contract to service a federal benefits program was terminated, officials announced in May. Friday, May 9, was the last day for ten workers at the company's customer service center in Waterloo.

Health Care & Social Assistance

Cedar Rapids

Effective April 14, nearly 100 teachers in the Cedar Rapids Community School District have lost their jobs as the district tries to trim \$2.9 million from next year's budget. Some rehiring and shifting is expected.

The Quarterly Industry Review is produced by Iowa Workforce Development, Employment Statistics Bureau, as a stand-alone publication of Iowa WorkNet.

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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