

## Iowa Jobless Rate Down to 4.1%; U.S. Rate Down to 7.7%

The number of new job seekers in Iowa dropped substantially during July, either because they found jobs or have discontinued their search. As a result, the state's jobless rate dropped from 5% in June to 4.1% in July. Compared to year-earlier figures, 22,500 more Iowans were working and 300 fewer were counted as unemployed.

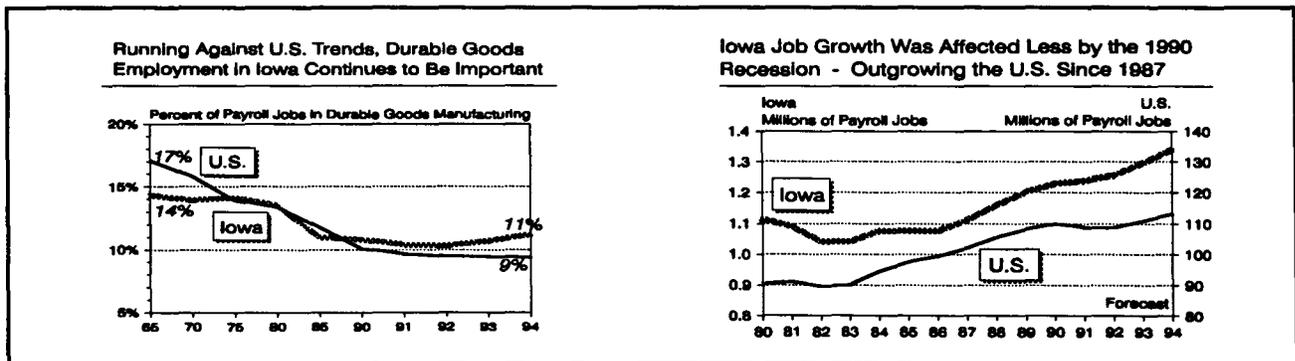
Non-farm jobs in Iowa peaked in June and declined 21,800 in July. Of these, 16,900 resulted from the seasonal reduction in public school non-faculty positions. Total non-farm jobs in July, 1992 matched the numbers in July, 1991. Within this total, goods producing jobs were down 5,500 and service producing jobs were up for the year. The construction and durable goods manufacturing sectors showed the greatest declines. Construction activity was stronger earlier this year and may have finally exhausted the pent-up market. The slow down could also be a sign that the recovery in Iowa is stalled in neutral.

Durable goods factory employment in Iowa accounts for about 11% of all non-farm jobs. Since the mid-1960's, the sector's relative share of the Iowa job pool has declined only slightly. Across the nation, this sector has lost a considerable share as these higher-paid factory jobs have been lost to foreign competition or have been moved offshore.

For more labor market information contact Employment Services economist Ann Wagner at (515)281-8182.

Iowa Labor Market Information				
(Thousands of Workers)	July 1991	July 1992	Diff.	Percent Diff.
Resident Labor Force	1,530.8	1,553.0	22.2	1.5%
Resident Employment	1,466.5	1,489.0	22.5	1.5%
Resident Unemployed	64.3	64.0	-0.3	-0.5%
Unemployment Rate	4.2%	4.1%		
Non-Farm Wage & Salary Jobs	1,234.5	1,234.5	0.0	0.0%
Goods Producing	288.3	282.8	-5.5	-1.9%
Construction	52.9	50.5	-2.4	-4.5%
Manufacturing	233.1	230.0	-3.1	-1.3%
Durable Goods	130.0	127.7	-2.3	-1.8%
Fabricated Metals	17.1	17.2	0.1	0.6%
Industrial Machinery	41.4	39.2	-2.2	-5.3%
Farm & Garden	14.9	14.1	-0.8	-5.4%
Constr. & Related	10.5	9.6	-0.9	-8.6%
Electronic Equipment	16.5	15.9	-0.6	-3.6%
Transportation Equip.	11.0	11.2	0.2	1.8%
Instruments & Related	11.7	11.3	-0.4	-3.4%
Non-Durable Goods	103.1	102.3	-0.8	-0.8%
Food Products	50.5	50.2	-0.3	-0.6%
Meat Products	26.8	26.4	-0.4	-1.5%
Grain Mill Products	10.2	10.1	-0.1	-1.0%
Printing & Publishing	19.7	19.4	-0.3	-1.5%
Rubber & Plastics	13.5	13.0	-0.5	-3.7%
Service Producing	946.2	951.7	5.5	0.6%
Transp. & Public Utilities	55.7	55.0	-0.7	-1.3%
Wholesale & Retail Trade	317.1	318.6	1.5	0.5%
Finance, Insur. & Real Est.	73.1	74.5	1.4	1.9%
Insurance	32.6	33.3	0.7	2.1%
Services	295.2	298.1	2.9	1.0%
Business Services	39.7	40.9	1.2	3.0%
Health Services	100.4	102.9	2.5	2.5%
Government	223.5	205.5	-18.0	-8.1%

Source: Iowa Department of Employment Services

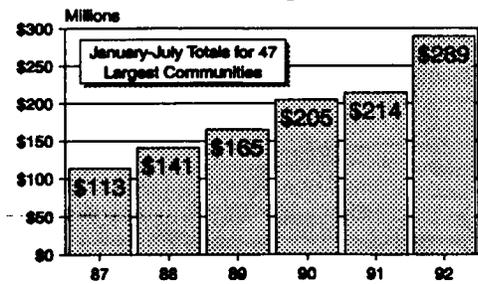


## Housing Permits: Seven Months into 1992, and Still Up 35%

The value of housing permits issued by Iowa's 47 largest communities for the first seven months of 1992 exceeded those issued during the same period in 1991 by 35%. While the impact of lower mortgage rates and pent-up demand is beginning to slow down, the housing market has clearly led the rest of the Iowa economy into the recovery.

The big growth leaders during July included West Des Moines, Indianola, and Carroll. For most of the communities surveyed, the peak month was June, 1992. Only a handful of Iowa cities issued more permits during July.

Value of Iowa Housing Permits Issued



Value of Housing Permits - Thousands of Dollars													
City	Month of July						January - July Totals						Percent Change 1991-1992
	1987	1988	1989	1990	1991	1992	1987	1988	1989	1990	1991	1992	
Altoona	603	223	0	463	1,030	833	1,414	788	1,871	1,419	2,062	3,143	52%
Ames	298	192	542	128	1,916	1,239	4,509	3,325	4,282	4,042	8,702	11,545	33%
Ankeny	1,024	788	2,311	1,198	1,403	879	3,650	5,825	9,658	12,570	12,226	13,205	8%
Atlantic	0	0	0	180	175	0	0	100	210	435	661	0	-100%
Bettendorf	764	2,057	2,730	1,917	2,857	1,650	5,796	8,286	12,416	14,770	14,450	13,867	-4%
Boone	37	480	40	171	140	140	185	652	377	456	1,186	1,050	-11%
Burlington	176	200	185	154	0	146	659	670	827	1,500	1,262	1,164	-8%
Carroll	70	215	154	218	0	684	960	600	838	2,254	1,946	2,396	23%
Cedar Falls	224	1,993	260	849	915	785	852	4,107	3,237	6,936	4,441	8,139	83%
Cedar Rapids	1,869	1,621	2,817	1,922	3,998	4,253	10,859	8,181	17,720	10,550	19,742	22,069	12%
Charles City	0	0	0	0	0	0	0	0	35	123	0	333	Huge
Clear Lake	500	100	200	200	100	75	900	600	1,000	1,200	400	820	105%
Clinton	0	120	75	335	0	0	206	600	1,143	1,617	932	1,278	37%
Clive	0	0	605	1,651	3,328	1,332	788	465	5,459	13,190	17,641	29,166	65%
Coralville	214	312	479	786	1,594	869	2,118	1,391	2,869	4,411	7,454	8,341	12%
Council Bluffs	214	1,485	386	0	520	874	2,423	4,676	2,197	2,343	3,044	3,682	21%
Creston	0	0	0	0	0	0	470	108	451	0	983	125	-87%
Davenport	385	629	1,001	1,052	1,406	670	3,178	5,896	9,672	9,802	8,460	10,631	26%
Decorah	0	210	210	65	160	255	1,181	1,007	767	1,246	1,337	2,721	104%
Des Moines	752	1,055	1,920	3,177	2,087	2,133	3,886	15,860	16,184	18,632	17,714	19,833	12%
Dubuque	856	898	825	1,044	1,234	1,329	4,606	5,777	5,346	8,628	6,674	10,719	61%
Fairfield	0	0	353	230	385	0	519	295	1,023	570	914	1,238	35%
Fort Dodge	80	165	162	250	0	210	577	1,227	1,219	1,029	1,060	1,284	21%
Fort Madison	0	0	0	50	0	0	0	0	40	130	200	66	-67%
Indianola	650	130	161	1,253	505	1,039	2,553	1,653	892	3,738	3,554	3,624	2%
Iowa City	672	1,868	2,114	1,850	2,031	3,058	5,862	9,294	14,980	14,508	14,265	21,642	52%
Keokuk	0	0	0	0	0	64	76	20	0	160	186	236	27%
Knoxville	0	46	113	0	107	0	154	188	358	617	636	508	-20%
LeMars	420	250	118	175	435	265	1,178	854	758	1,013	1,446	1,253	-13%
Marion	299	209	1,149	366	1,097	484	2,789	2,705	3,690	3,396	3,812	7,494	97%

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### Value of Housing Permits - Thousands of Dollars (Continued)

City	Month of July						January - July Totals						Percent Change 1991-1992
	1987	1988	1989	1990	1991	1992	1987	1988	1989	1990	1991	1992	
Marshalltown	57	0	0	159	281	250	249	5,205	1,779	1,072	1,676	949	-43%
Mason City	215	292	365	110	258	66	926	1,597	3,058	1,777	1,937	2,435	26%
Mount Pleasant	58	198	175	247	205	100	592	1,147	492	1,011	1,586	870	-45%
Muscataine	115	299	55	367	33	510	784	937	962	1,540	1,439	2,796	94%
Newton	205	291	86	114	451	207	689	1,548	1,876	2,201	10,400	2,217	-79%
Oskaloosa	70	45	0	277	50	20	479	248	1,476	736	1,081	1,310	21%
Ottumwa	31	0	185	0	0	60	358	28	728	711	1,020	655	-36%
Pella	57	287	0	180	0	83	1,332	1,142	1,489	1,814	790	1,889	139%
Sioux City	97	134	202	224	284	1,002	832	1,365	1,403	2,466	2,219	4,076	84%
Spencer	0	0	0	34	74	115	85	55	87	2,673	574	684	19%
Storm Lake	0	0	260	0	77	0	68	701	295	456	239	561	134%
Urbandale	1,175	1,114	1,563	2,125	2,029	2,181	12,518	9,853	7,499	11,345	10,477	24,225	131%
Washington	40	45	76	125	173	85	91	871	668	666	605	979	62%
Waterloo	43	329	864	392	698	452	234	1,135	5,938	3,149	2,495	3,219	29%
Waverly	0	48	208	91	0	226	886	133	966	1,382	1,989	1,726	-13%
Webster City	82	46	70	86	100	0	616	628	584	86	328	120	-63%
West Des Moines	4,136	3,464	1,808	2,418	6,172	15,078	29,764	29,570	16,329	30,877	17,373	38,853	124%
<b>TOTAL</b>	<b>16,487</b>	<b>21,837</b>	<b>24,828</b>	<b>26,632</b>	<b>38,308</b>	<b>43,697</b>	<b>112,847</b>	<b>141,315</b>	<b>165,148</b>	<b>205,245</b>	<b>213,616</b>	<b>289,133</b>	<b>35%</b>

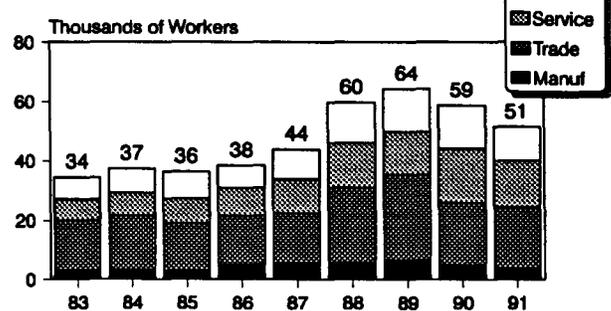
## New Jobs in Iowa: 424,655 Since 1983, But Slowing Down in 1991

Since 1983, when the first wave of the 1980's recession hit bottom, Iowa businesses and governments have added 424,655 new positions to their payrolls. These 'job births' did not occur in a vacuum. During the same period about 228,600 'job deaths' occurred. The net result was an increase in the non-farm workforce in Iowa of 196,055. New manufacturing job births of 43,900, minus job deaths of 13,900 left an increase of 30,000 factory jobs for the period.

Trade jobs had the highest turnover rate. A net increase of 43,700 wholesale and retail trade jobs resulted from 178,100 new trade job births - or about one job addition for every four jobs born. In 1991, 51% of the newly created jobs occurred at new firms. In 1983, new firms were responsible for 72% of the new jobs generated.

For more information about Iowa's workforce, industrial conditions, leading industries, wage rates, and employment programs order a copy of Condition of Employment, 1992 from the Department of Employment Services (DES). The

### New Job Growth in Iowa Annual Totals 1983 - 1991



DES staff have assembled in 55 pages enough relevant statistics and succinct analyses to delight any business planner. There is no charge for this publication, but it would even be worthwhile at twice the price. To receive a copy, contact editor Mike Blank, Iowa Department of Employment Services, 1000 East Grand Ave., Des Moines, IA 50319-0209, or call (515)242-5861.

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## Iowa New Car Sales Continue to Slump; Domestic Imports Up 14%

January-June New Car Sales in Iowa				
Manufacturer	1991	1992	Difference 1991-92	Percent Difference 1991-92
<b>Chrysler total</b>	2,814	2,851	37	1%
Chrysler domestics	2,553	2,562	9	0%
Chrysler DS imports*	261	289	28	11%
<b>Ford total</b>	8,061	7,097	-964	-12%
Ford domestics	7,585	6,687	-898	-12%
Ford DS imports	476	410	-66	-14%
<b>GM total</b>	16,030	14,777	-1,253	-8%
GM domestics	15,157	13,639	-1,518	-10%
GM DS imports	873	1,138	265	30%
<b>U.S. Carmakers total</b>	26,905	24,725	-2,180	-8%
total domestics	25,295	22,888	-2,407	-10%
total DS imports	1,610	1,837	227	14%
Honda	2,013	1,725	-288	-14%
Mazda	588	622	34	6%
Nissan	831	780	-51	-6%
Toyota	1,683	1,567	-116	-7%
All Others	1,407	1,406	-1	0%
<b>Foreign Carmakers total</b>	6,522	6,100	-422	-6%
<b>Total Sales</b>	33,427	30,825	-2,602	-8%

January-June Luxury New Car Sales				
Manufacturer	1991	1992	Difference 1991-92	Percent Difference 1991-92
BMW	55	39	-16	-29%
Ferrari	0	2	2	100%
Jaguar	12	7	-5	-42%
Mercedes Benz	48	41	-7	-15%
Infiniti	10	12	2	20%
Porsche	3	8	5	167%
Lexus	79	130	51	65%
<b>Luxury Car Total</b>	207	239	32	15%

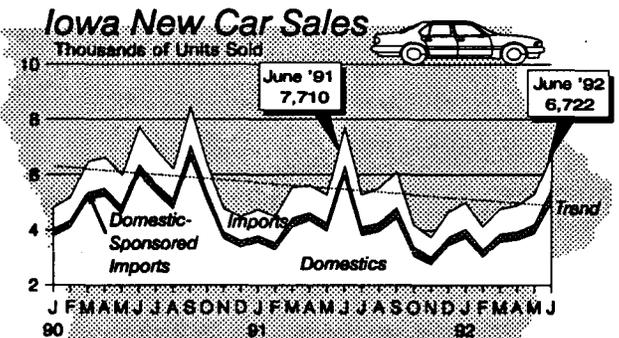
Source: R. L. Polk Co.

Iowa sales of domestic-made U.S. carmaker products continue to lag last year's numbers - and the gap has been widening. Meanwhile, the market share going to domestic-sponsored imports has continued to grow. For the first half of 1992, domestic-sponsored imports accounted for 6.0% of the total, compared to 4.8% during the same period of 1991. U.S. carmakers' domestic production models accounted for 74.3% market share, down from 75.7% for the first half of 1991.

Foreign carmakers maintained a stable 19% share of a market that shrank 8% for the period.

Those domestic-sponsored imports included the Chevrolet Metro and Storm, Pontiac LeMans, Dodge and Plymouth Colt and Stealth, Eagle Summit, Ford Festiva and Mercury Capri.

Luxury car sales in Iowa were up during the first half of 1992. Increased sales of Lexus, Porsche, and Ferrari led the 'conspicuous consumer' end of the market.



In response to a request by Willis Goudy, Harvey Siegelman's convertible, which has regularly appeared on this chart, is being temporarily replaced with a sedan.

## DRI Softens '92 Growth Projections and '93 Forecasts

DRI/McGraw-Hill has just lowered their growth expectations for the U.S. economy for 1992. The Blue Chip Economic Indicators report has also released a more sanguine outlook for the remainder of this year and for 1993.

According to the DRI report, "Evidence that the economy has stalled is again accumulating." Their analysts forecast a continued soft housing market despite lower mortgage rates. They are even expecting further cuts in interest rates before the November election.

DRI/McGraw-Hill's U.S. Economic Outlook						
Indicator	Measure	91	92	93	94	95
Gross domestic product (GDP)	Growth, \$1987	-1.2	1.8	2.9	3.2	2.3
Industrial production	% Change	-1.9	1.5	4.3	4.6	2.4
Capacity utilization of factories	%	78.2	77.9	79.9	82.1	82.1
Unemployment rate	%	6.8	7.5	7.1	6.2	5.9
Gross domestic product deflator	% Change	4.0	2.6	2.6	3.0	3.0
State & local gov't purchases GDP deflator	% Change	3.1	1.7	2.8	2.5	2.5
Consumer price index	% Change	4.2	3.1	3.3	3.4	3.4
Producer price index	% Change	2.1	1.4	3.0	3.3	3.0
Investment in office & computer equip.	% Change	11.7	31.9	25.3	19.8	11.5
Investment in commercial buildings	% Change	-15.1	-9.8	-2.1	10.6	8.5
Investment in residential buildings	% Change	-13.0	11.3	8.2	8.6	4.8
U.S. Dollar exchange rate	% Change	-1.1	-2.5	1.3	1.9	-1.7
U.S. merchandise exports	% Change	6.3	3.0	6.7	8.6	8.0
Prime rate of interest	%	8.5	6.3	6.4	7.6	7.6
Federal funds rate	%	5.7	3.5	4.1	5.3	5.3
1-year T-bill rate	%	5.4	3.5	4.1	5.0	4.8
10-year gov't bond yield	%	7.9	7.1	7.3	7.7	7.4
Mortgage Rates - Conventional	%	9.3	8.3	8.6	9.0	8.8

Source: DRI/McGraw-Hill United States Executive Report, August, 1992

## Living Costs in Iowa Cities Generally Lower than in Most U.S. Cities

If you moved from Ft. Dodge to New York City how much more would you need to be paid to enjoy the same standard of living? The answer may surprise you. Not that the amount would be significant, but that it would be staggering. You would need to increase your salary by two-and-a-third times. To move to Los Angeles, you would need to raise your salary by 1.4 times.

Council Bluffs, Mason City and Ft. Dodge had the lowest housing costs of the Iowa cities surveyed, generally 10-13% below the all-city average. Grocery costs were lower than the U.S. average in nearly every Iowa surveyed city.

These city-to-city comparisons were published by a group called ACCRA from surveys prepared by the chambers of commerce across the country. Each quarter, about 250 cities participate. Twelve Iowa cities participated at some time during the past two years.

For comparison to other cities, contact Melissa Valadez at the Iowa Department of Economic Development, Bureau of Planning and Research. She can help you find ACCRA data and lots of other economic and demographic statistics. Call her at (515)242-4878.

City-to-City Cost of Living Comparisons					
100.0 = All-City Average					
Cities	All-Items Index	Housing Index	Grocery Index	Utility Index	Health Care
Ames	98.4	106.8	89.1	101.7	100.3
Cedar Rapids	99.3	101.2	94.7	104.2	91.9
Council Bluffs	90.9	86.6	93.2	93.2	83.2
Davenport	102.1	100.8	98.0	96.2	90.5
Des Moines	97.5	94.9	95.7	106.8	94.2
Dubuque	96.8	99.5	95.6	89.7	100.3
Fort Dodge	93.4	88.3	96.3	92.8	86.5
Iowa City	108.0	133.0	97.8	99.9	91.8
Marshalltown	96.3	96.9	92.7	92.4	91.1
Mason City	94.0	88.9	96.3	96.9	87.2
Sioux City	101.9	113.3	100.9	100.4	86.8
Waterloo/Cedar Falls	95.0	91.8	97.5	85.1	87.0
Phoenix, AZ	100.5	92.6	100.0	100.1	117.0
Los Angeles, CA	132.6	185.3	107.7	80.0	136.5
San Francisco, CA	144.5	259.6	108.2	81.1	155.3
Denver, CO	100.6	106.2	97.4	96.4	117.9
Hartford, CT	123.5	144.7	113.8	127.7	143.0
Atlanta, GA	99.7	97.8	97.7	111.7	118.9
Chicago, IL	124.0	164.5	107.3	116.7	107.5
Indianapolis, IN	96.6	94.7	96.4	96.9	97.1
Wichita, KS	96.9	92.8	84.8	114.1	102.5
Boston, MA	133.6	180.6	110.6	132.3	142.0
Baltimore, MD	122.3	118.1	136.0	145.8	126.4
Minneapolis, MN	101.7	114.9	90.8	91.8	111.3
Kansas City, MO	95.0	94.4	91.7	89.5	99.8
Charlotte, NC	100.3	98.8	95.0	102.0	105.7
Lincoln, NE	89.4	84.9	91.0	83.5	85.9
New York City, NY	219.1	394.2	141.4	196.1	209.9
Cleveland, OH	109.9	116.9	99.3	127.1	109.6
Tulsa, OK	88.5	72.7	98.3	90.6	94.7
Portland, OR	109.0	129.6	97.4	70.8	120.9
Philadelphia, PA	129.3	146.0	117.0	188.4	128.1
Charleston, SC	99.4	96.7	93.7	99.2	103.5
Memphis, TN	94.7	82.9	100.0	89.8	96.3
Dallas, TX	99.1	93.1	100.8	116.0	107.3
Houston, TX	98.9	91.7	101.4	99.1	104.7
Richmond, VA	105.5	104.6	100.4	112.4	107.0
Seattle, WA	117.6	150.9	107.6	61.7	144.2
Charleston, WV	100.1	103.7	101.1	95.8	88.1
Milwaukee, WI	104.9	124.0	99.5	95.5	101.2

Source: ACCRA

## Most Frequently Asked Question: Who Are Iowa's Largest Employers?

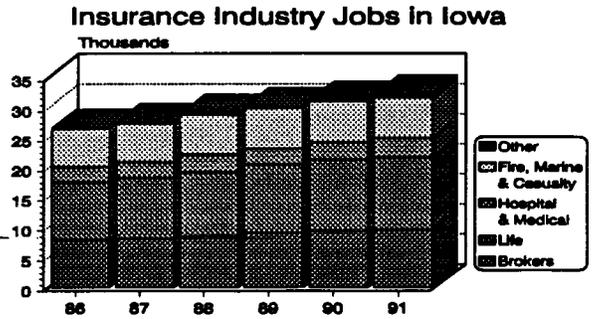
Here is the list of Iowa's biggest employers as of late 1991. The list comes from the Iowa Department of Employment Services and is based upon state unemployment insurance accounts. Several of the employers have multiple sites and are located in multiple cities.

- |                                      |                                       |   |
|--------------------------------------|---------------------------------------|---|
| 1. Hy-Vee Food Stores, Inc.          | 11. Iowa Department of Transportation | 21. Iowa State Association of Counties  |
| 2. Deere & Co.                       | 12. K-Mart Corp.                      | 22. U.S. West Communications            |
| 3. Rockwell International Corp.      | 13. Iowa Methodist Medical Center     | 23. Fareway Stores, Inc.                |
| 4. Wal-Mart Stores, Inc.             | 14. Mercy Hospital Medical Center     | 24. The Britwill Co.                    |
| 5. Principal Mutual Life Ins. Co.    | 15. United Parcel Service             | 25. Amana Refrigeration, Inc.           |
| 6. Iowa Beef Processors, Inc.        | 16. Younkers, Inc.                    | 26. Rolscreen Co.                       |
| 7. Iowa State University             | 17. Sears, Roebuck & Co.              | 27. Oscar Mayer Foods Corp.             |
| 8. Iowa Catholic Conference          | 18. The Maytag Co.                    | 28. Cedar Rapids Comm. School Dist.     |
| 9. Sisters of Mercy Health Corp.     | 19. Aluminum Company of America       | 29. Pioneer Hi-Bred International, Inc. |
| 10. Des Moines Ind. Comm. Sch. Dist. | 20. Target Stores                     | 30. Davenport Comm. School Dist.        |

## 5,500 More Iowa Insurance Jobs Since 1986

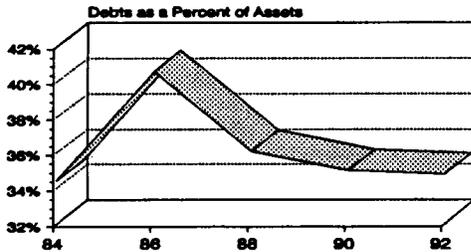
In the past five years, insurance companies in Iowa hired 5,553 more employees growing at an annual rate of 4.2%. Home offices hired 3,879 more workers, most of which were at life insurance companies. They added 2,530 more workers for an average growth rate of 5.3%.

The Iowa Department of Economic Development targets the insurance industry for aggressive recruitment and marketing activity. This focused attention is now paying early dividends. IDEED's insurance marketing specialist is Bill DeMuth. If you have questions or seek information about the insurance industry in Iowa, call him at (515)242-4712.



## Iowa Farm Debt Ratios Improved in Latest Survey

Debt-to-Asset Position of Iowa Farmers



Iowa farmers have been lowering their debt-to-asset ratios according to the 1992 Iowa Farm and Rural Life Poll. From a peak of nearly 40% in 1986, current levels were down to about 34% at the time of the mid-February survey. This year 19% of the farmers who were surveyed indicated that they expected overall economic prospects for Iowa farmers to improve in the next five years.

The survey is conducted every other year by Professor Paul Lasley, extension sociologist with the Iowa State University Cooperative Extension Service. Copies of the Summary Report are available at no cost by calling Dr. Lasley, (515) 294-0937.

Iowa Economic Trends  
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