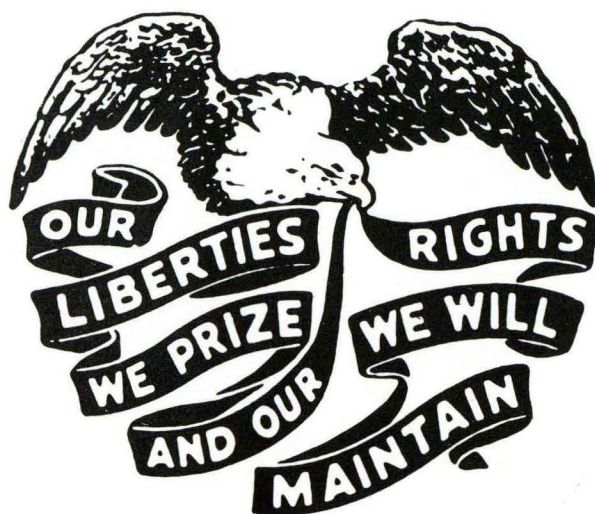


# **Iowa Economic Indicators**



**Robert D. Ray, Governor**

**PREPARED BY THE GOVERNOR'S ECONOMIC ADVISORY COUNCIL**

**Data Through Second Quarter 1979**

**Number 15**

## **SOURCES OF STATISTICAL SERIES**

<b>Agriculture:</b>	Statistical Reporting Service, United States Department of Agriculture
<b>Construction:</b>	F.W. Dodge Division, McGraw Hill Information Systems
<b>Energy:</b>	Iowa Energy Policy Council
<b>Labor Force:</b>	Research and Statistics Division, Iowa Employment Security Commission
<b>Personal Income:</b>	Bureau of Economic Analysis, United States Department of Commerce
<b>Public Finance:</b>	Office of the Comptroller, State of Iowa
<b>Taxable Retail Sales:</b>	Research and Statistics Division, Iowa Department of Revenue
<b>Wholesale and Consumer Price Index:</b>	Bureau of Labor Statistics, United States Department of Labor, Iowa State University Extension Service

### **Personal Income**

*Personal Income consists of private and government wage and salary payments in cash and in kind, other labor income, farm and non-farm proprietors' income, interest, net rents, dividends and transfer payments. From this total is deducted personal contributions for Social Security. It is measured before the deduction of personal income and other personal taxes and is reported in current dollars.*

*received in primary markets by producers in all stages of processing. This index was formerly known as the Wholesale Price Index.*

### **Cash Receipts from Farm Marketings**

*Cash receipts from farm marketings represent agricultural products sold by farmers multiplied by prices received per unit of production at the local market.*

### **Taxable Retail Sales**

*Taxable retail sales are all sales subject to the retail sales tax as established under Chapter 422.42 Code of Iowa, 1975.*

### **Prices Paid by Farmers**

*Prices paid by farmers is an index of expenditures made by farmers for commodities, service, interest, taxes, and wages. This service is used to compile the parity index.*

### **Consumer Price Index**

*The Consumer Price Index is a monthly (for U.S. quarterly for Cedar Rapids) statistical measure of the average change in prices of goods and services purchased by urban wage earners and clerical workers. It is based on the prices of approximately 400 items. Cedar Rapids is the only reporting point in the state.*

### **Residential Building**

*Residential building includes both housekeeping and non-housekeeping units such as hotels, motels, dormitories, and other shelter.*

### **Producer Price Index**

*The Producer Price Index measures average changes in prices*

### **Non-Residential Building**

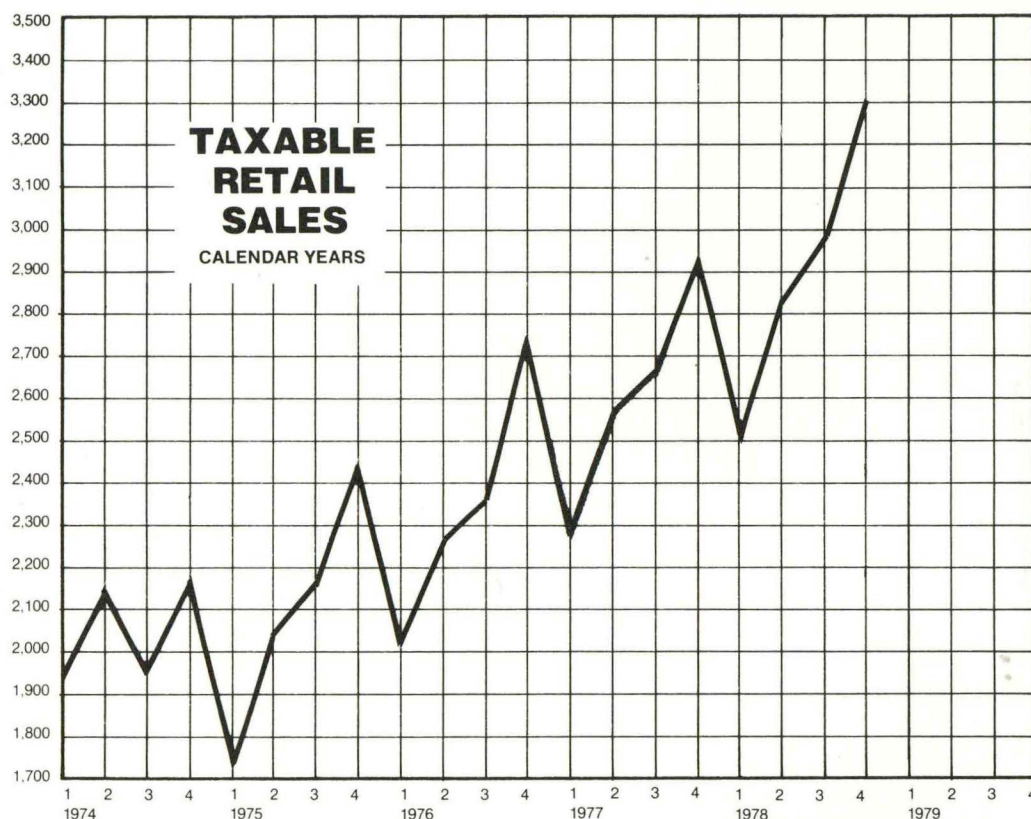
*Non-residential building includes commercial, manufacturing, educational and science buildings, hospitals, public buildings, religious, and amusement buildings.*

## Taxable Retail Sales

Taxable Retail sales for the fourth quarter, the most recently reported period, reached a record \$3.4 billion. The fourth quarter is traditionally the seasonal peak period for retail sales due to holiday spending. Taxable retail sales were

up 12.2 percent over the third quarter and 14.8 percent over the last quarter of 1977. The real value of taxable sales was also greater as the growth rate of sales exceeded the growth rate of prices.

MILLIONS \$



Taxable Retail Sales				Taxable Retail Sales			
	QUARTER	ANNUAL TOTAL			QUARTER	ANNUAL TOTAL	
1973	1	1,666,582,312	7,759,028,179	1976	1	2,004,444,659	\$ 9,422,573,981
	2	1,849,169,835			2	2,298,000,000	
	3	1,998,955,445			3	2,395,968,272	
	4	2,244,320,587			4	2,724,161,050	
1974	1	1,929,828,525	8,253,179,085	1977	1	2,251,807,235	\$10,370,760,602
	2	2,171,996,710			2	2,533,554,888	
	3	1,974,041,107			3	2,658,198,755	
	4	2,177,312,743			4	2,927,199,724	
1975	1	1,717,620,910	\$8,321,249,001	1978	1	2,474,311,810	\$11,643,664,891
	2	2,039,933,115			2	2,815,393,740	
	3	2,155,944,712			3	2,993,810,113	
	4	2,407,750,264			4	3,360,149,228	

Percentage Change from Last Qtr. 12.2  
Last Year 14.8



## Personal Income

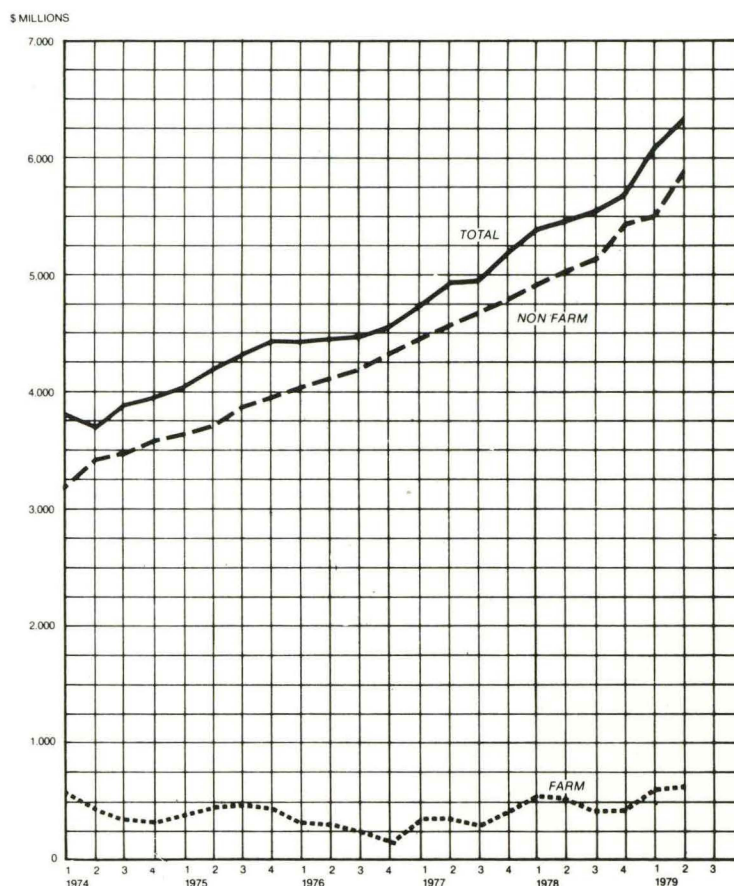
Preliminary estimates of personal income and its farm and non-farm components exceeded the estimates for the first quarter and the second quarter of last year.

Total personal income was up 11.2 percent from last year while nonfarm income was up by 10.6 percent and farm in-

come was up by 16.9 percent due mainly to higher grain prices.

These preliminary quarterly data are subject to substantial revisions so they should be viewed as merely indicating a trend rather than absolute levels of income.

## PERSONAL INCOME



MILLION \$		QUARTERLY TOTAL	NON-FARM INCOME	FARM PROPRIETORS AND LABORERS INCOME	ANNUAL TOTAL
1974	1	\$3,754.8	\$3,230.0	\$524.8	\$15,217
	2	3,724.5	3,355.2	369.3	
	3	3,835.5	3,488.7	346.8	
	4	3,902.0	3,588.5	313.5	
1975	1	4,024.3	3,620.8	403.5	16,893
	2	4,183.8	3,715.0	468.8	
	3	4,315.3	3,820.5	494.8	
	4	4,369.8	3,936.3	433.5	
1976	1	4,310.8	4,023.5	387.3	17,545
	2	4,329.5	4,125.7	203.8	
	3	4,385.8	4,188.0	197.8	
	4	4,519.3	4,323.5	195.8	
1977	1	4,717.5	4,432.7	284.8	19,829
	2	4,920.3	4,589.0	331.3	
	3	4,976.5	4,708.7	267.8	
	4	5,214.5	4,829.2	385.3	

MILLION \$		QUARTERLY TOTAL	NON-FARM INCOME	FARM PROPRIETORS AND LABORERS INCOME	ANNUAL TOTAL
1978	1	\$5,510.8	\$4,970.3	\$540.5	\$22,798
	2	5,634.8	5,128.0	506.8	
	3	5,732.0	5,238.0	494.0	
	4	5,920.8	5,430.0	490.8	
1979	1	6,132.8	5,551.5	581.3	
	2	6,265.9	5,673.5	592.4	
	3				
	4				

Percent Change	From Last Quarter	2.2	2.2	1.9
	Year Ago	11.2	10.6	16.9

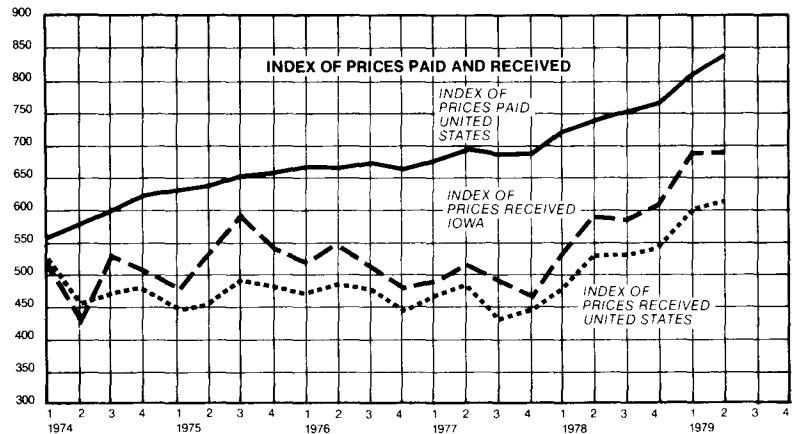
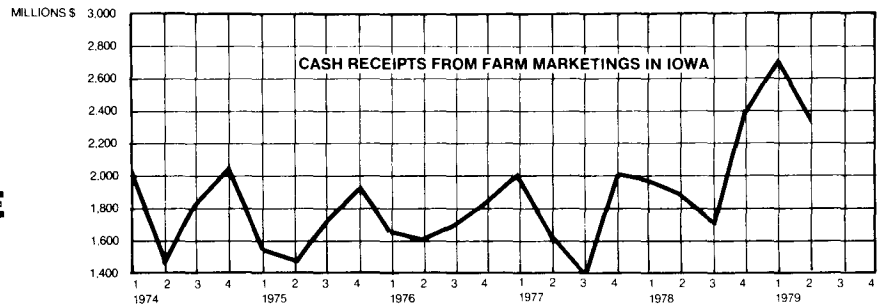
## Agriculture

Cash receipts from farm marketings of Iowa farmers advanced by 24.7 percent over the second quarter of 1978. Prices of corn, soybeans, and cattle were higher than last year but hog prices were down 16.6 percent for June 1979 compared to June 1978. Cattle prices were trending downward during the quarter due to abundant supplies of pork and poultry products.

Strong export demand boosted corn and soybean prices but the expected large harvests should cause prices for these products to weaken in the future.

Prices of inputs for agricultural production in the second quarter increased by 13.3 percent over 1978. Prices of goods sold averaged 14.6 percent higher as farmers experienced a slight increase in the parity ratio.

## AGRICULTURE



		Average Prices Paid U.S.		Average Prices Rec'd. Iowa		Average Prices Rec'd U.S.		Cash Receipts from Farm Marketings - Iowa THOUSANDS	
		Quarter	Annual	Quarter	Annual	Quarter	Annual	Quarter	Annual Total
1974	1	548	578	520	488	502	466	2,056,828	7,433,810
	2	564		423		442		1,472,547	
	3	588		508		459		1,830,054	
	4	612		502		462		2,074,381	
1975	1	615	632	463	524	428	459	1,544,727	6,614,245
	2	624		517		449		1,459,220	
	3	640		582		481		1,690,187	
	4	645		533		478		1,920,111	
1976	1	661	660	505	502	472	467	1,671,297	7,009,696
	2	658		534		479		1,635,222	
	3	663		512		475		1,795,743	
	4	659		456		442		1,907,434	
1977	1	679	687	490	494	466	457	1,957,065	6,941,492
	2	693		522		476		1,603,631	
	3	687		486		440		1,399,357	
	4	687		476		447		1,981,439	
1978	1	718	744	539	580	482	524	2,035,684	8,208,841
	2	742		590		535		1,876,917	
	3	751		581		533		1,786,917	
	4	765		608		544		2,509,323	
1979	1	810	841	679	676	599	615	2,723,377	
	2	841		676		615		2,340,623	

Percentage Last Qtr. 3.8  
Change From Last Year 13.3

- 0.4  
14.6

2.7  
15.0

- 14.1  
24.7

Public Finance

Revenues from the sales and personal income taxes increased over the second quarter of 1978 by 10.7 and 13.9 percent, respectively. Both rates of growth were about average for the quarter and consistent with past seasonal trends.

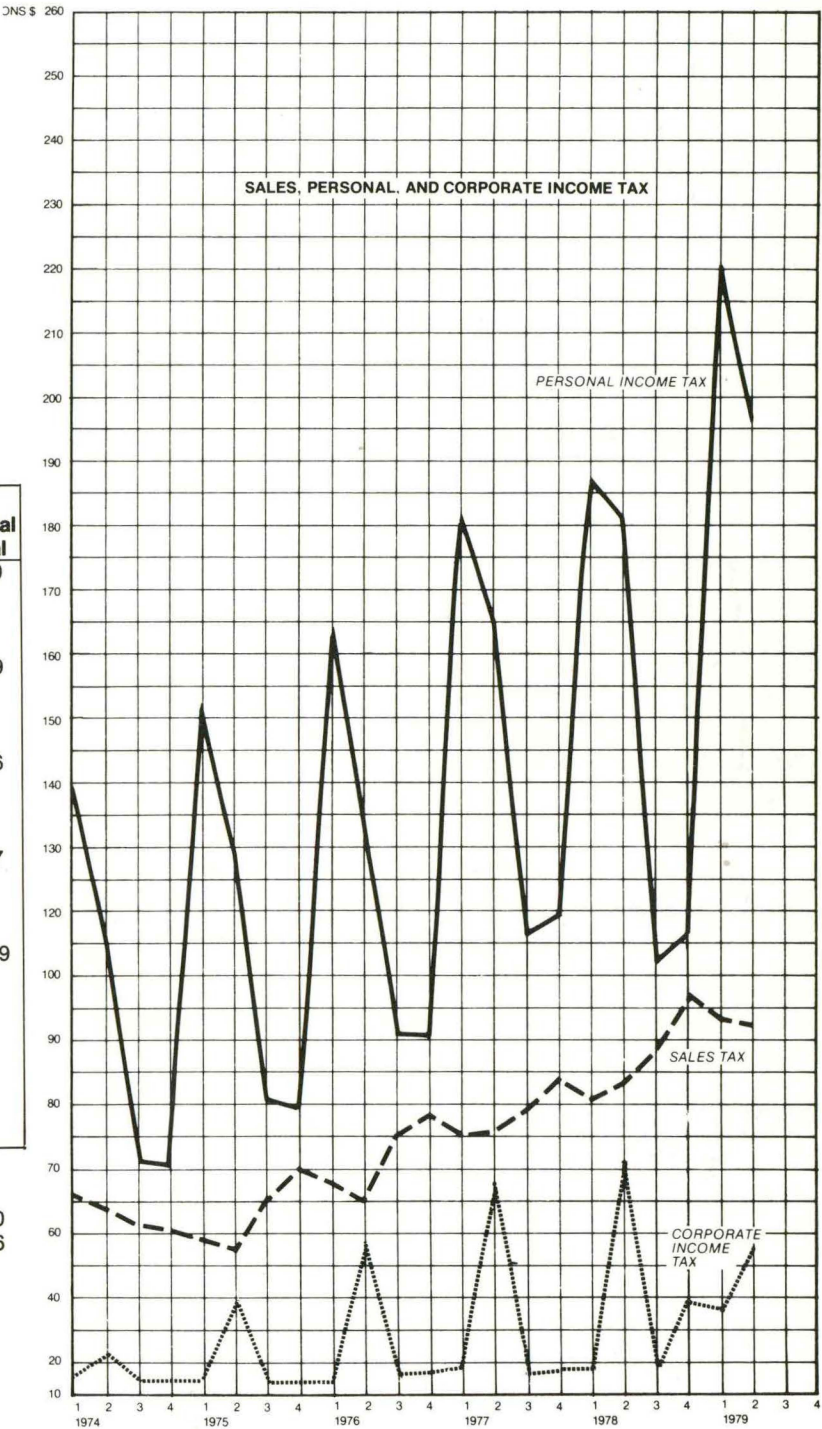
The corporate income tax was up by 81.0 percent over the first quarter but declined by 16.6 percent from last year. The second quarter has traditionally been a peak quarter for collections, but due to a change to quarterly payments the pattern is changing and the peaks and valleys smoothed out.

PUBLIC FINANCE

Quarter	Sales Tax	Annual Total	Personal Income Tax	Annual Total	Corporate Income Tax	Annual Total
1974	1 65.1	254.4	132.7	388.7	9.1	59.0
	2 64.5		110.8		32.6	
	3 62.6		72.5		7.2	
	4 62.6		72.7		10.1	
1975	1 59.3	254.0	142.8	427.8	11.4	67.9
	2 58.7		122.7		36.9	
	3 65.9		82.1		9.4	
	4 70.1		80.2		10.2	
1976	1 69.0	286.0	156.4	470.0	13.6	84.6
	2 64.7		131.3		49.5	
	3 75.0		91.3		10.5	
	4 77.0		91.0		11.0	
1977	1 75.5	313.6	172.5	540.8	16.7	97.7
	2 75.1		153.1		58.0	
	3 79.3		105.9		11.0	
	4 83.7		109.3		12.0	
1978	1 81.5	348.5	176.6	598.4	17.2	130.9
	2 83.2		171.8		65.1	
	3 88.3		123.1		14.9	
	4 95.5		126.9		33.7*	
1979	1 92.7		224.3		30.0	
	2 92.1		195.6		54.3	

Percentage Change From From Last Qtr. Year Ago	- 0.6	- 12.8	81.0
	10.7	13.9	- 16.6

\*Change in reporting



## Labor Force

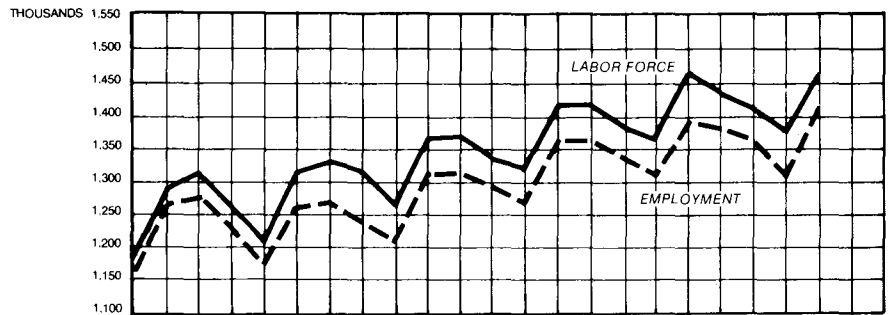
Employment of Iowa workers reached a record 1,409,400 in the second quarter compared to 1,314,100 in the first quarter and 1,397,100 a year ago.

This size of the labor force grew at a slower rate than employment, so the unemployment rate fell to 3.3 percent,

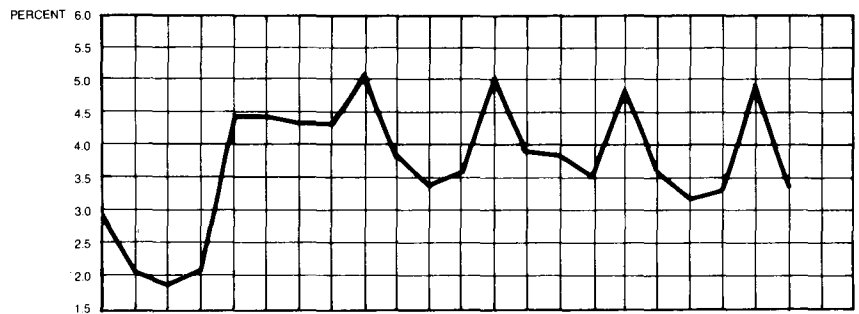
the lowest second quarterly average since 1974.

Durable goods manufacturing, trade, services, and agriculture all increased to record or near record levels due to the combined strength of the agricultural and industrial sectors of the state's economy.

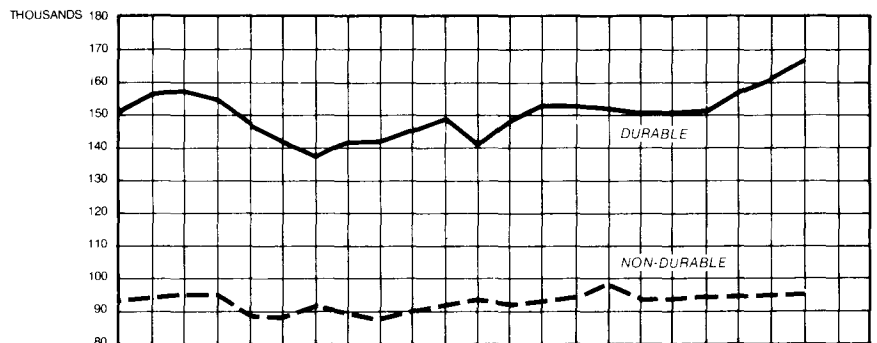
## LABOR FORCE



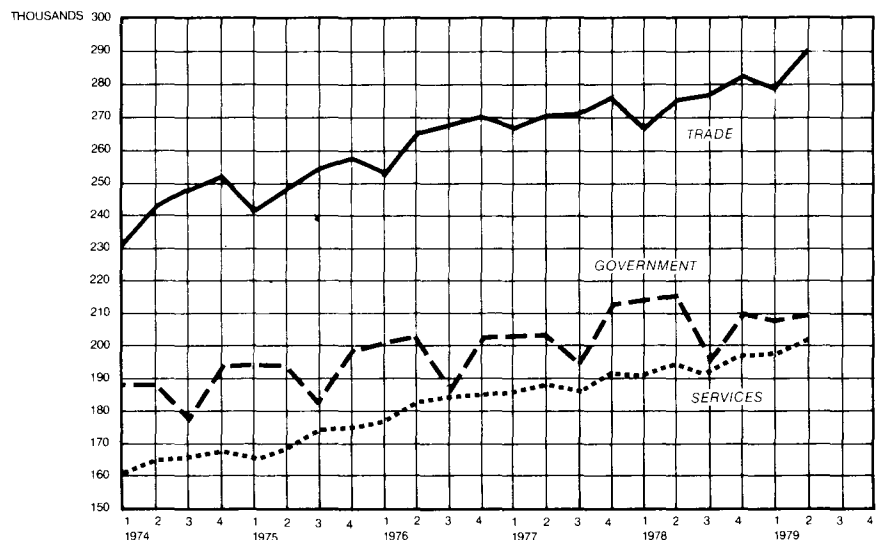
## UNADJUSTED UNEMPLOYMENT RATE



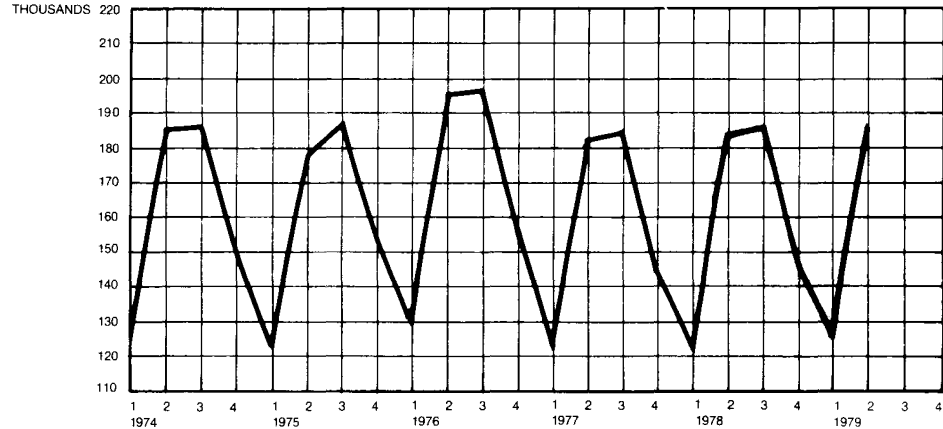
## MANUFACTURING EMPLOYMENT



## NON-MANUFACTURING EMPLOYMENT



## AGRICULTURAL EMPLOYMENT



## LABOR FORCE

Monthly Average  
By Quarter

YEAR	LABOR FORCE	UNEMPLOY- MENT RATE UNADJUSTED	TOTAL RESIDENT EMPLOY- MENT	MANUFACTURING		NON-MANUFACTURING				
				DURABLE	NON- DURABLE	WHOLESALE & RETAIL	SERVICES	GOV'T	AGRI.	
1974	1	1,194.1	2.9	1,160.1	151.2	92.4	231.3	160.4	188.4	120.7
	2	1,293.1	2.0	1,267.2	157.2	94.4	242.8	164.6	188.1	184.9
	3	1,304.5	1.9	1,279.2	158.1	96.2	247.5	167.5	178.2	184.8
	4	1,267.8	2.2	1,240.3	155.7	94.5	250.5	168.5	192.2	148.0
1975	1	1,222.7	4.4	1,168.5	149.2	89.4	240.1	165.8	193.2	120.2
	2	1,309.3	4.4	1,251.9	140.4	87.6	249.3	171.5	193.2	177.8
	3	1,323.8	4.3	1,267.6	139.0	90.1	254.6	173.8	182.3	185.1
	4	1,304.3	4.3	1,248.7	140.4	88.8	258.6	175.0	199.1	154.6
1976	1	1,267.3	5.0	1,203.4	140.2	88.1	253.7	177.0	200.7	131.0
	2	1,366.6	3.8	1,314.5	144.7	89.2	265.5	181.7	200.1	195.1
	3	1,366.5	3.4	1,319.3	148.8	90.6	269.2	183.5	184.0	193.6
	4	1,347.6	3.6	1,298.8	141.3	93.0	272.2	184.4	202.9	154.1
1977	1	1,329.6	5.0	1,262.8	149.0	91.0	266.4	185.0	205.2	124.0
	2	1,412.9	3.9	1,357.8	150.9	91.4	270.7	187.4	205.0	180.0
	3	1,409.3	3.8	1,356.4	150.6	92.6	270.8	185.8	191.6	181.4
	4	1,388.2	3.5	1,339.1	150.4	93.4	276.9	190.5	211.1	146.7
1978	1	1,370.1	4.9	1,303.3	150.1	92.5	268.5	190.4	213.8	120.0
	2	1,450.9	3.7	1,397.1	151.0	92.4	275.9	194.2	215.0	176.2
	3	1,432.5	3.2	1,386.4	150.1	93.8	277.2	193.2	198.2	177.5
	4	1,414.4	3.3	1,367.2	157.0	94.3	283.8	198.1	212.6	143.5
1979	1	1,380.2	4.8	1,314.1	162.6	94.3	280.0	198.0	210.3	127.2
	2	1,458.0	3.3	1,409.4	165.5	94.5	290.1	200.8	210.5	186.7
	3									
	4									
% CHANGE										
LAST QTR		5.6	— 31.3	7.3	1.8	0.2	3.6	1.4	—	46.8
YEAR AGO		0.5	— 10.8	0.9	9.6	2.3	5.1	3.4	— 2.1	6.0

## LABOR FORCE

Annual Average

YEAR	LABOR FORCE	UNEMPLOY- MENT RATE UNADJUSTED	TOTAL RESIDENT EMPLOY- MENT	MANUFACTURING		NON-MANUFACTURING			
				DURABLE	NON- DURABLE	WHOLESALE & RETAIL	SERVICES	GOV'T	AGRI.
1974	1,264.9	2.2	1,236.7	155.5	94.4	243.0	165.3	186.7	161.2
1975	1,290.0	4.3	1,234.2	141.4	89.0	250.8	171.5	192.0	159.4
1976	1,337.0	4.0	1,284.0	143.7	90.2	265.2	181.7	196.9	168.5
1977	1,385.0	4.0	1,329.0	150.2	92.1	271.2	187.2	203.2	158.0
1978	1,419.0	4.0	1,362.0	155.5	94.3	281.6	194.7	207.6	166.7
% CHANGE	2.5	0.0	2.5	3.5	2.4	3.8	4.0	2.2	5.5



## Construction

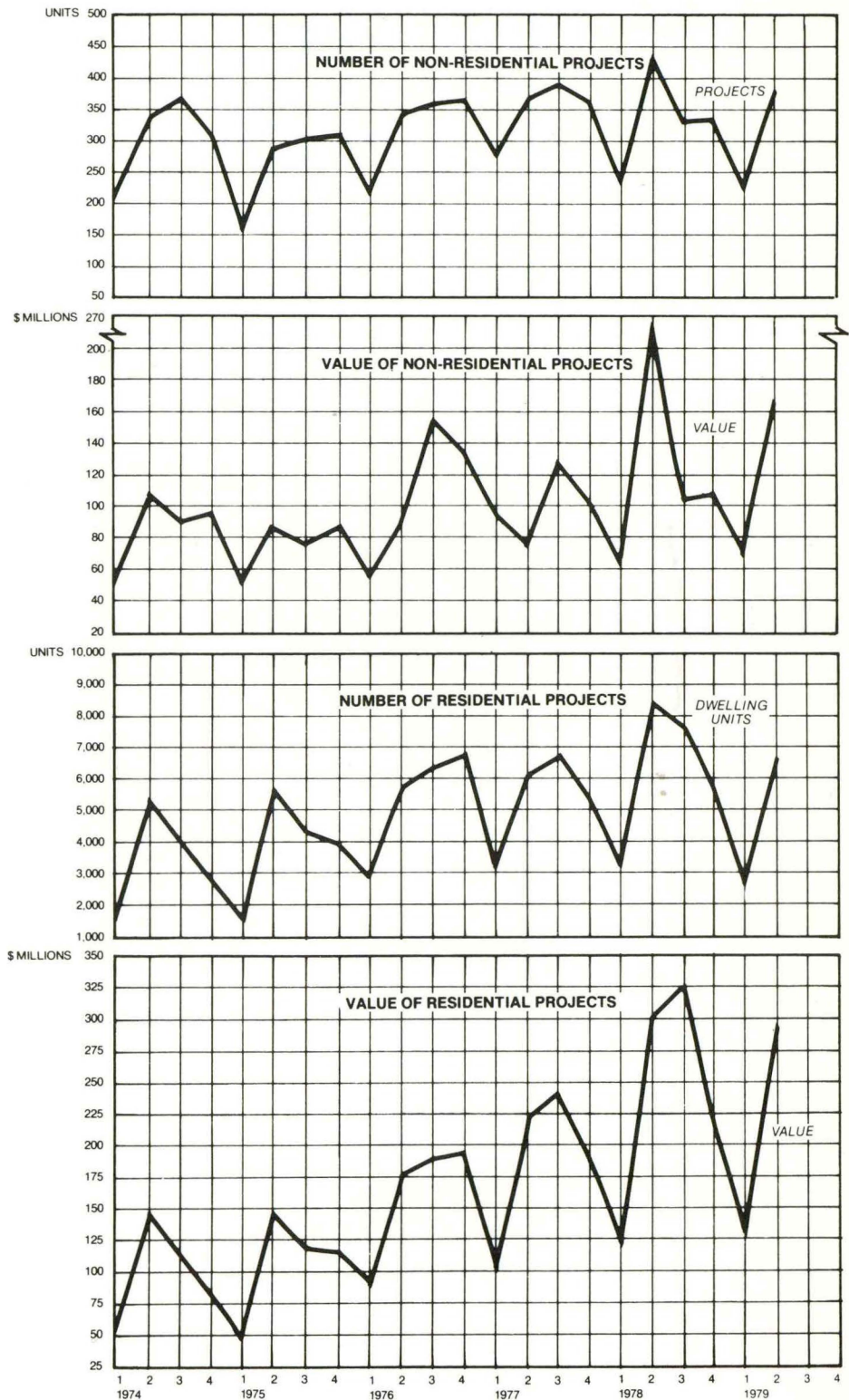
Although the construction industry experienced a seasonal upswing its strength was less than normal and activity fell below last year's level.

Residential construction declined by 15.8 percent in terms of new units and 11.2 percent in terms of value.

Nonresidential projects declined by 13.2 percent and value by 39.7 percent.

High interest rates, shortage of loanable funds, and a dimmer economic outlook accounted for the decline in construction activity.

## CONSTRUCTION ACTIVITY



## CONSTRUCTION

		NON-RESIDENTIAL		RESIDENTIAL				NON-RESIDENTIAL		RESIDENTIAL'	
		PROJECTS	VALUE THOUSANDS	UNITS	VALUE THOUSANDS			PROJECTS	VALUE THOUSANDS	UNITS	VALUE THOUSANDS
1974	1	216	51,462	1,980	53,455	1977	1	275	84,648	3,212	99,750
	2	337	103,919	5,181	139,755		2	369	78,488	6,251	221,747
	3	354	85,872	3,892	113,516		3	394	126,537	6,771	244,987
	4	307	87,326	2,903	76,264		4	372	104,175	5,289	193,517
1975	1	160	49,176	1,612	45,607	1978	1	241	62,260	3,026	117,277
	2	281	81,171	5,223	139,738		2	433	266,147	8,047	319,596
	3	299	77,386	4,111	114,146		3	326	102,471	7,839	327,562
	4	307	82,877	3,927	109,235		4	329	103,516	5,386	222,657
1976	1	203	58,281	2,923	82,268	1979	1	216	67,109	2,875	128,913
	2	347	84,477	5,554	171,126		2	376	160,412	6,777	283,642
	3	351	154,162	6,293	191,590		3				
	4	354	130,169	6,636	187,175		4				

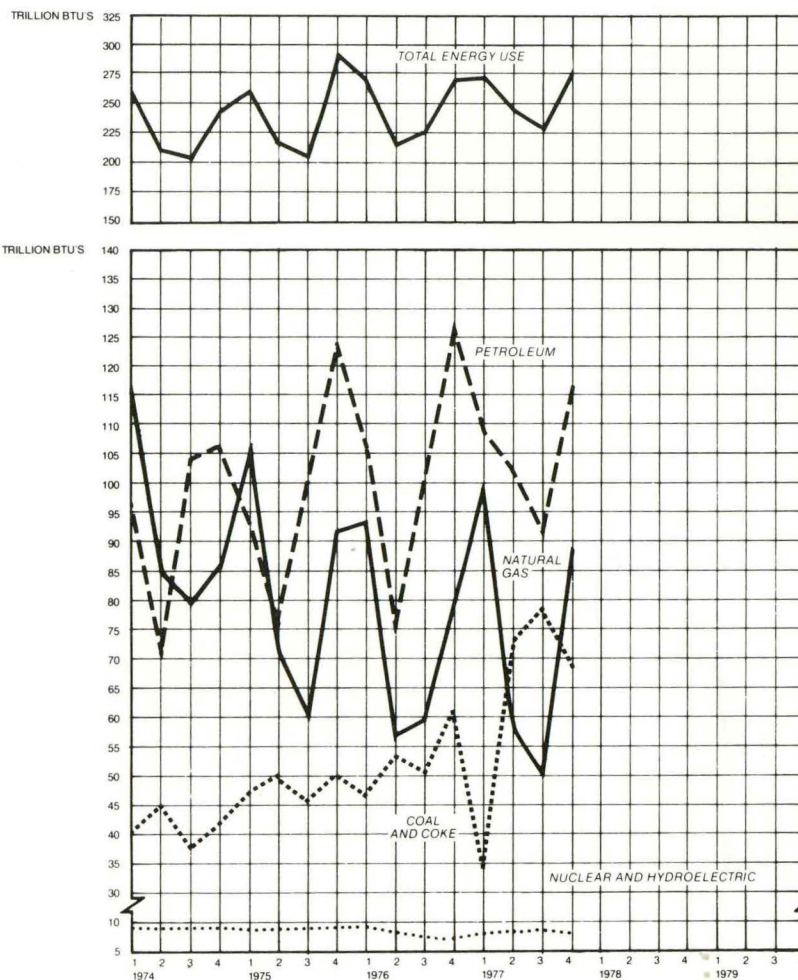
Pct. chg. from	Last Qtr.	74.1	139.0	135.7	120.0
	Last Yr.	- 13.2	- 39.7	- 15.8	- 11.2

	NON-RESIDENTIAL		RESIDENTIAL	
	PROJECTS	VALUE THOUSANDS	UNITS	VALUE THOUSANDS
1974	1,214	328,579	13,596	382,990
1975	1,047	290,610	14,873	408,726
1976	1,255	427,089	21,406	632,159
1977	1,403	381,550	21,269	754,250
1978	1,324	534,965	24,240	987,205
Pct. Chg.	- 5.6	40.2	14.0	30.9

## Energy

Energy data for 1979 are not yet available.

## ENERGY



TRILLION BTU'S

		NATURAL GAS	PETROLEUM	COAL AND COKE	NUCLEAR	HYDRO-ELECTRIC	TOTAL USES
1975	1	114.0	94.6	38.2	4.8	1.7	253.3
	2	83.4	86.4	44.9	4.1	2.5	221.3
	3	73.7	87.5	37.3	4.2	3.2	205.9
	4	94.7	105.7	41.5	4.9	2.5	249.3
1976	1	108.8	103.2	45.8	4.1	2.8	264.7
	2	74.6	89.5	47.7	4.3	3.0	219.1
	3	61.5	91.0	45.0	5.4	2.3	205.2
	4	96.0	132.2	51.0	5.0	2.1	286.3
1977	1	104.8	111.1	45.6	5.8	2.1	269.4
	2	62.3	90.0	61.1	4.3	1.9	219.6
	3	59.8	94.3	65.2	5.6	2.0	226.9
	4	89.0	121.8	45.0	6.1	1.7	263.6

TRILLION BTU'S

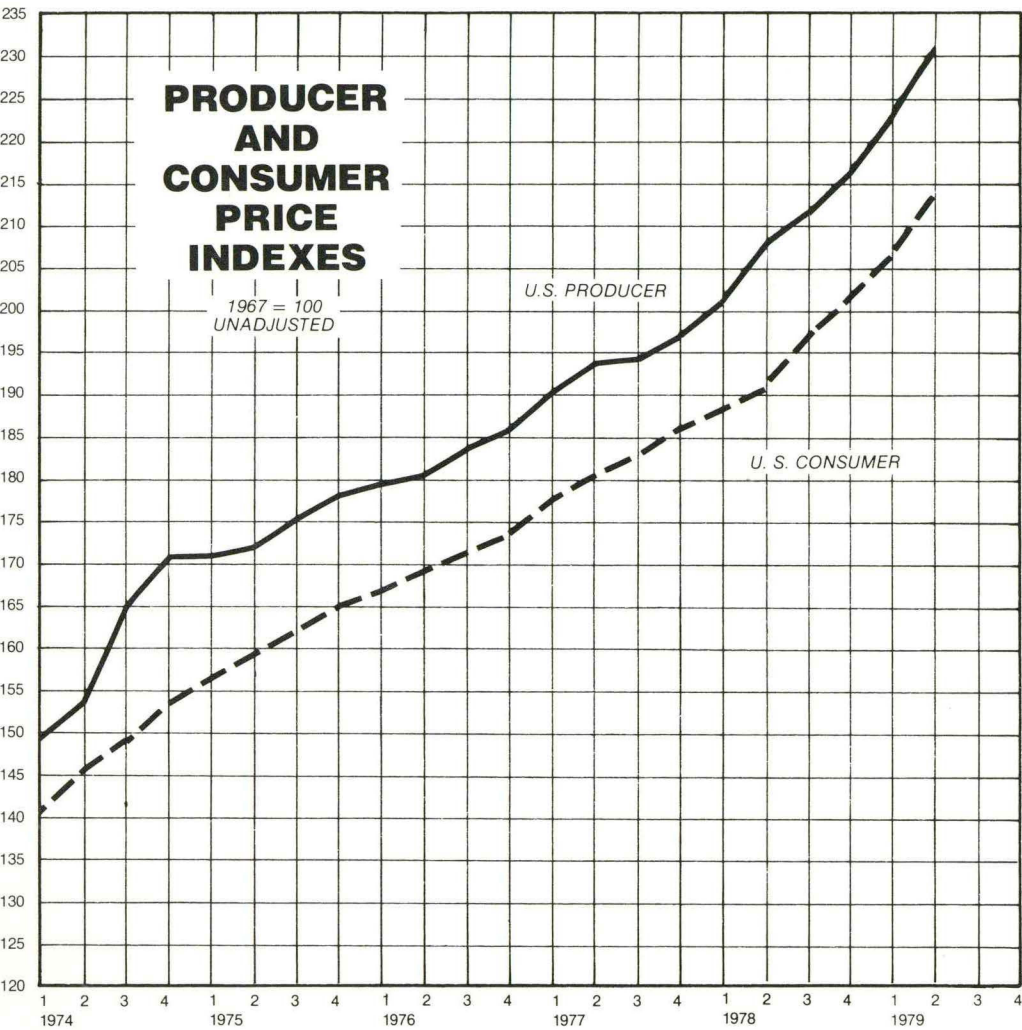
		NATURAL GAS	PETROLEUM	COAL AND COKE	NUCLEAR	HYDRO-ELECTRIC	TOTAL USES
1978	1	111.3	114.2	34.1	5.8	2.0	267.4
	2	64.3	96.6	73.2	3.9	2.6	240.6
	3	52.1	92.6	79.3	4.0	3.8	231.8
	4	87.8	117.7	69.3	3.7	3.3	281.8
1979	1	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	2	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.



**Producer and Consumer Price Indexes**

Consumer prices continued their upward spiral, increasing by 3.5 percent for the quarter and 10.9 from last year. Energy, food, housing, and medical costs all contributed to the increase.

The rate of increase in producer (wholesale) prices accelerated to 11.4 percent indicating that the upswing in consumer prices will continue in the future.



AVERAGE FOR THREE ENDING MONTH PERIOD	United States Consumer (Wage Earners)		United States Producer	
	QUARTER	ANNUAL AVERAGE	QUARTER	ANNUAL AVERAGE
1974	1	141.4	149.2	160.1
	2	145.4	154.5	
	3	149.9	165.4	
	4	154.2	171.2	
1975	1	157.0	171.2	174.9
	2	159.5	173.0	
	3	162.9	176.7	
	4	165.5	178.6	
1976	1	167.1	179.4	182.9
	2	169.2	182.1	
	3	171.9	184.2	
	4	173.8	186.0	

AVERAGE FOR THREE ENDING MONTH PERIOD	United States Consumer (Wage Earners)		United States Producer	
	QUARTER	ANNUAL AVERAGE	QUARTER	ANNUAL AVERAGE
1977	1	176.9	190.1	194.2
	2	180.7	194.6	
	3	183.3	194.9	
	4	185.3	197.2	
1978	1	188.3	201.9	215.5
	2	193.3	207.9	
	3	197.8	211.1	
	4	201.8	216.0	
1979	1	207.0	223.7	
	2	214.3	231.5	
	3			
	4			

Change From

Last Quarter  
Last Year

3.5  
10.9

3.5  
11.4



## NATIONAL INDICATORS

<i>INDICATOR</i>	<i>II QUARTER</i>	<i>PERCENTAGE CHANGE FROM LAST REPORTING PERIOD</i>	<i>PERCENTAGE CHANGE FROM YEAR AGO</i>
CIVILIAN EMPLOYMENT (Seas. Adj.)	96,415	- 0.2	2.5
UNEMPLOYMENT RATE (Seas. Adj.)	5.7	0.0	- 5.0
INDUSTRIAL PRODUCTION (Seas. Adj.)	151.1	- 0.3	4.9
GROSS NATIONAL PRODUCT (Ann. Rate-Bill.)	\$2,327.2	1.5	10.6
PERSONAL INCOME (Ann. Rate-Bill.)	\$1,892.6	2.2	12.0
INDEX OF LEADING INDICATORS	140.9	- 1.5	- 0.7

**Governor's Economic Advisory Council**  
**OFFICE FOR PLANNING AND PROGRAMMING**  
523 E. 12th ST.  
DES MOINES, IOWA 50319

BULK RATE  
U.S. POSTAGE  
**PAID**  
DES MOINES, IA.  
PERMIT NO. 1195