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> IOWA MANPOWER REVIEW

November 1975 lowa Employment Security Commission



IOWA EMPLOYMENT SECURITY COMMISSION

Affiliated with
EMPLOYMENT AND TRAINING ADMINISTRATION
U.S. Department of Labor

IOWA MANPOWER REVIEW

Prepared by the
Research and Statistics Department
IOWA EMPLOYMENT SECURITY COMMISSION
1000 East Grand Avenue
Des Moines, Iowa 50319
Phone (515) 281-3020

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PREFACE

During 1975 lowa's economy felt the effects of the nationwide recession. As with most economic changes the effects are evident in manpower related areas such as employment and unemployment trends, labor turnover rates, hours worked and earnings of workers. One of the purposes of this report is to present manpower trends in Iowa during the first 10 months of 1975. A description of selected services provided to employers and those seeking employment by the Iowa Employment Security Commission through the Employment Service and its various administrative offices is also included.

SUMMARY

lowa has felt the brunt of the national economic recession, particularly in manufacturing employment. The labor force in the state has been growing during 1975, but the greatest increase has been in the number of unemployed. The number of unemployed has reached the highest levels since 1950. Employment has grown but not significantly.

Manpower program activities have taken new expanded directions. Computerized job matchings, CETA activities, the Indo-China Refugee Services and services to migrant and seasonal workers have boosted services to both applicants and employers.

The manpower outlook for Iowa appears to be one of cautious optimism. Historically, Iowa has lagged behind national economic changes by 4 to 6 months. If the national recovery continues improvements in Iowa's employment and unemployment picture may appear by middle to late spring of 1976.

AN ECONOMIC PROFILE OF IOWA*

Clay Seaton
Manpower Research Economist
Research and Statistics Department

Because of her fertile soil and favorable climate, Iowa is one of the leading agricultural states in the nation. Consequently, agriculture has always held a predominate place in Iowa's economy. However, in line with the nation's increasing industrialization, nonagriculturally related industries have increased in importance in Iowa. This is directly related to the increase in urban population in Iowa. This trend toward increased urbanization became evident in the 1950's when the urban population in the state began exceeding the rural population. This trend is continuing. In direct relation to this increased urbanization of the population, nonagricultural employment has increased and continues to widen the margin over agricultural employment in the state.

This increase in the relative importance of the nonfarm portion of lowa's economy has not been accompanied by any decline in agricultural production. On the contrary, lowa's crop and livestock production is greater than at any time in our history.

What has happened is that improved farm technology and a radical change in farm economics has enabled a smaller agricultural work force to produce increased amounts of farm products. The greater use of commercial fertilizers, chemical herbicides and insecticides, hybrid seeds, modern farm equipment and improved livestock feeding techniques have contributed substantially to the increased productivity of the farmer. These factors have, in turn, contributed to the reduced demand for year-round farm workers. At the same time, changes have occurred in the "economics" of farming. Farmers have become more and more dependent on the use of products and services produced off the farm. This increased dependence on these services and products combined with the increased manhour productivity in agriculture creates an interesting situation with regard to economic gain. In respect to production per worker:

The utilization in agricultural production of larger amounts of products and services produced in the nonagricultural sector results in a real economic gain measurably less than the gross increase in agricultural production.

The reason is simply that some of the value of the increased farm production must be allocated to pay for the purchased goods and services. For example, when farmers began using gasoline powered tractors instead of horses for power, the cost of the tractors and the fuel to operate them had to be deducted from the value of the increased agricultural production available for sale off the farm before any net gain could be realized. Formerly, the farmer devoted a portion of his time to raising horses and the grain to feed them; now he can devote this time and labor to the production of food stuffs for sale off the farm. But, he **must** produce more, if only to pay for the tractors and fuel which must now be purchased. Only after the resulting increased productivity has exceeded the amounts so allocated, can he begin to realize **net** increased productivity per worker.

But regardless of whether the cause is an intrinsic increase in farm efficiency or merely the transfer of tasks indirectly related to agricultural production out to the nonfarm sector of the economy, the result of all these changes has been a continuing decline in farm employment and a corresponding increase in nonfarm employment.

What Are Iowa's Nonagricultural Industries?

lowa has developed an important insurance and financial industry which has generated a strong demand for professional, para-professional and clerical workers. Trade and service industries have gained in importance partly because of the demands made for products and services by agricultural workers but also because of the growth in the number of nonagricultural workers who also demand many of the same products and services. Accompanying this increased importance of trade and service industries a number of changes have been occurring in the location of major trade centers in various areas of the state.

Many small towns once flourishing as local trade centers have found it difficult to survive in the competition with larger cities for providing services and retail trade centers for their residents. Some of these towns have completely disappeared. The combination of the smaller number of farmers and the ease of travel to larger cities and towns have contributed to the lessening of business activity in many smaller towns. Larger towns, i.e., county seat communities and others of comparable size, have been able to maintain their size or have grown moderately. Larger metropolitan areas have grown substantially because they have been able to attract new businesses and expand old ones.

Manufacturing industries and the accompanying employment have done much to change the patterns of life in lowa. The types of manufacturing employment that have grown most prominently are:

^{*}Views expressed in this article are those of the author and not necessarily those of the Iowa Employment Security Commission.

- (1) Manufacturing which serves the farm market in supplying materials and equipment used in the business of farming as it is presently conducted, e.g. production of farm tractors and implements; of fertilizer, herbicides, and insecticides; and of livestock feed supplements.
- (2) Processing of farm products, including livestock slaughtering plants; corn, oats, and soybean processing plants; creameries; and similar enterprises.

The fact that these two general types of manufacturing are those that have emerged as the most important in the state's manufacturing profile bears out the economic rule that two of the most important factors in determining the location of manufacturing establishments are:

- (1) the proximity of raw materials used in the manufacturing process, and
- (2) the proximity of markets for the finished product.

The raw materials for the manufacturing process and the leading markets for the finished product are not usually found in the same geographical location. If they are not, other factors, such as economics of transportation, will determine whether proximity to raw materials or markets will ultimately determine the location of the manufacturing activity. Fortunately for lowa, the economics of transportation involved has favored the establishment in or near lowa of both the raw material-oriented and the market-oriented industries related to farming. For example, the farm implement manufacturer finds an economic advantage in setting up his manufacturing facilities in lowa, then bringing in the needed steel plates, sheets, and bars from Pittsburg or Gary at relatively low freight rates and then shipping the more bulky finished implements a short distance to the distributor. The alternative, which would be less efficient, would be to locate his facilities nearer the source of steel supply and then ship the bulky end product a longer distance, at higher freight rates to the consumer, the lowa farmer.

Conversely, the economics of transportation work out to favor the location of food processing close to the producer (the lowa farmer) rather than close to the major markets. In processing grain and especially livestock, the difference between the weight of the raw material and the marketable product, the "dressing percentage" in the case of livestock, is enough that it is more efficient to do the processing near the source of the raw material rather than near the markets for dressed beef and pork. When the processing plants are located in lowa, the non-edible portions of the animal can be sold here for livestock feed or fertilizer and the dressed meat can then be shipped to eastern markets for less than it would have cost to ship the live animal.

Consequently, the Iowa economy has been able to capture the lion's share of both the farm resource oriented industries and the farm market oriented industries. Employers in these industries are among Iowa's largest individual employers and the workers in these industries are, in

general, the highest paid production workers in the state.

However, the growth of these two major industry groups has not been sufficient to engage in nonagricultural pursuits a number of workers equivalent to those displaced by the technological revolution in agricultural. If we ask why, we have only to note the large numerical reduction in farmers and farm workers in recent decades. The needs of the remaining farmers for heavy capital equipment, and the processing of farm products has not required that amount of labor. The result has been two-fold. First, lowa has not been able to retain all its natural population increase and in one decade—from 1900 to 1910—the population of the state actually declined. Second, industries other than these two groups have become established. These industries are not specifically oriented toward agriculture as a market or a source of raw materials.

Just what kind of industry do we find in this third category? As one attempts to describe this segment of lowa manufacturing—that which is neither market-oriented or resource-oriented toward agriculture, we are struck first by the great diversity that is evident, and the apparent absence of any one predominate characteristic. Some things, however, can be said about this industry. A considerable portion of it is labor intensive—the availability of labor because of the declining farm employment became the factor which gave impetus to the formation of many new manufacturing enterprises. Most of the establishments in this sector are relatively small, though there are exceptions.

Most make relatively light demands on transportation facilities and energy supplies. Many establishments produce component parts of machines and appliances marketed by larger manufacturers outside the state.

A large part of this third segment of Iowa manufacturing is located in or near the Mississippi River cities and hence is in the outer fringe of the Chicago industrial belt. Its specific composition in this area is largely determined by its relationship to the Chicago area economy.

Several important, medium sized lowa industries are the legacy of pioneer lowa inventors, businessmen and publishers who founded companies that have retained and increased their importance, some of quite respectable rank in the economy of the nation as a whole.

Looking to the future, we can expect continued growth in all three industrial segments. We can also expect these industries, along with a large proportion of nonmanufacturing activities such as trade and insurance and finance, to remain relatively recession-resistant as compared to industries depending on the nonagricultural capital goods market or upon the consumer market for such products as automobiles, major appliances or housing.

Table 1 — Iowa Manpower Profile

	1970 Annual Average	1971 Annual Average	1972 Annual Average	1973 Annual Average	1974 Annual Average	Percent Change 1970 to 1974	Percent Change 1973 to 1974
Estimated civilian labor force							
Iowa	1,200,200	1,218,400	1,258,200	1,289,800	1,306,800	8.9	1,3
United States	82,715,000	84,113,000	86,542,000	88,714,000	91,011,000	10.0	2.5
Nonagricultural wage and salary (Place of Work)							
Iowa	882,800	888,900	832,300	975,100	999,300	13.2	2.5
United States	70,920,000	71,222,000	73,714,000	76,833,000	78,334,000	10.5	2.0
Manufacturing employment							
Iowa	215,500	209,200	223,400	240,200	248,900	15.5	3.6
United States	19,349,000	18,572,000	19,090,000	20,054,000	20,016,000	3.5	- 0.2
Estimated unemployment rate							
Iowa	3.7	4.2	3.6	2.9	3.0	E. E. E. E.	
United States	4.9	5.9	5.6	4.9	5.6	11 -	
Agricultural Employment							
Iowa	165,400	167,700	170,800	170,200	158,700	- 4.1	- 6.8
United States	3,462,000	3,387,000	3,472,000	3,452,000	3,492,000	0.9	1.2

IOWA MANPOWER TRENDS

Employment Trends

Place of Residence

During 1975 the lowa resident civilian labor force has continued to show the same steady increase noted since 1970 when the current labor force series began. Employment has shown this same general trend. However, the rate of growth slowed in 1974 and has only picked up slightly in the first 10 months of 1975. This slowed rate of growth in employment has been one of the indicators of the recession slowed economy in the state (Table 2).

Resident employment had grown from an annual average of 1,155,700 persons in 1970 to 1,267,600 persons in 1974, an increase of 9.7 percent. The growth in employment during 1975 has been from 1,209,300 in January to 1,313,000 in October, an increase of 8 percent. (Chart 1 shows 1974 and 1975 trends).

Place of Work

Total nonfarm employment in 1975 has not shown any significant growth over 1974. (Chart 2). During the first 10 months of 1975 employment in nonfarm industries has shown the highs and lows of the lowa economic picture. Manufacturing employment has suffered significant declines. Layoffs, due to business slowdowns or attempts to reduce inventories, and very little, if any, expansion of businesses contributed to this drop in employment. At the same time employment in nonmanufacturing industries has increased and continued to be well above the 1974 trend.

Employment in manufacturing has declined in 1975 from 242,600 in January to 234,900 in October, a drop of 3.2 percent. Manufacturing employment, particularly in durable goods industries, reached their lowest points for 1975 in July when employment was only 229,000 in manufacturing and 138,400 in durable goods industries. Since July, employment in both has been increasing somewhat (Chart 3 and Table 3).

Chart 1. Iowa Employment Trend 1974 - 1975

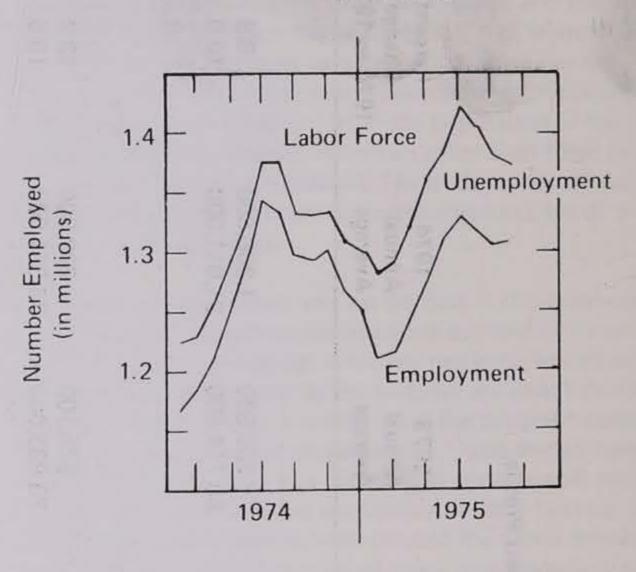


Chart 2. Total Nonagricultural Wage and Salary Employment 1974 - 1975 by Place of Work

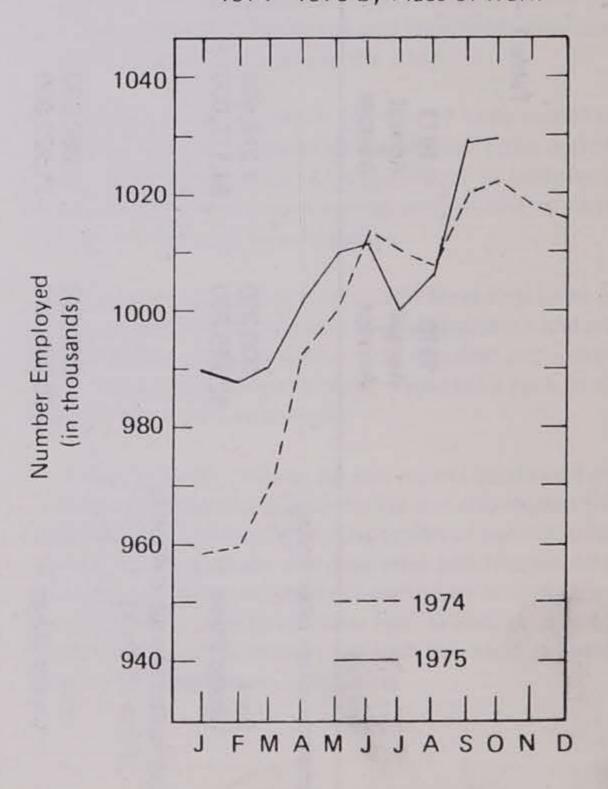


Table 2 - Iowa Labor Force Summary 1970 - 1975

Labor Year Force		Percent Change From Previous Year	Employment	Percent Change From Previous Year	Unemployment	Percent Change From Previous Year	Unadjusted Unemployment Rate (Percent)	Seasonally Adjusted Unemployment Rate (Percent)	
1970	1,200,200		1,155,700		44,500		3.7	3.7	
1971	1,218,400	1.5	1,167,300	1.0	51,100	14.8	4.2	4.2	
1972	1,258,200	3.3	1,213,400	4.0	44,900	- 12.2	3.6	3.6	
1973	1,289,900	2.5	1,253,000	3.3	36,800	- 17.9	2.9	2.9	
1974	1,306,800	1.3	1,267,600	1.2	39,200	6.3	3.0	3.0	
Jan.	1,224,100	1.2	1,173,900	0.9	50,300	8.3	4.1	3.1	
Feb.	1,233,600	0.9	1,184,900	0.7	48,700	5.9	3.9	2.9	
Mar.	1,253,700	0.2	1,210,700	0.1	43,000	2.9	3.4	2.9	
Apr.	1,296,400	0.5	1,260,000	0.7	36,400	- 6.1	2.8	2.8	
May	1,328,400	- 0.3	1,296,900	- 0.3	31,500	- 0.3	2.4 .	2.9	
June	1,376,600	0.3	1,336,600	0.4	40,000	- 1.5	2.9	2.8	
July	1,376,100	2.3	1,333,800	2.1	42,300	9.1	3.1	3.0	
Aug.	1,331,500	0.9	1,298,600	0.8	33,000	3.0	2.5	2.9	
Sept.	1,327,000	2.5	1,296,900	2.5	30,100	1.5	2.3	2.9	
Oct.	1,330,800	1.5	1,300,800	1.5	30,000	2.0	2.3	3.0	
1975									
Jan.	1,279,600	4.5	1,209,300	3.0	70,300	39.7	5.5	4.2	
Feb.	1,288,000	4.4	1,211,500	2.3	76,500	57.2	5.9	4.4	
Mar.	1,319,300	5.1	1,238,000	2.2	81,300	89.1	6.2	5.2	
Apr.	1,352,700	4.3	1,272,100	1.0	80,600	121.6	6.0	5.9	
May	1,380,600	3.9	1,308,400	0.9	72,100	129.2	5.2	6.3	
June	1,419,100	3.1	1,331,800	- 0.4	87,300	118.5	6.2	6.1	
July	1,404,200	2.0	1,319,600	- 1.1	84,600	100.1	6.0	5.9	
Aug.	1,380,600	3.7	1,303,700	0.4	77,000	133.6	5.6	6.5	
Sept.	1,378,000	3.7	1,307,000	0.8	71,000	135.9	5.1	6.6	
Oct.	1,383,800	4.0	1,313,000	0.9	70,800	136.0	5.1	6.8	

Table 3 — Iowa Nonagricultural Wage and Salary Summary — 1960-1975
Place of Work

Total Nonagricultural Wage and Salary

Manufacturing

Nonmanufacturing

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Change Fre	Percent Change From Previous Year	Total Employment	Percent Change From Previous Year	Durable Goods Employment	Percent Change From Previous Year	Nondurable Goods Employment	Percent Change From Previous Year	Total Employment	Percent Change From Previous Year	
1960	681,000	1 1 1 1 1 1	176,600		94,100		82,500		504,400	
1961	679,600	- 0.2	171,200	- 3.1	89,200	- 5.2	82,000	- 0.6	508,400	0.8
1962	868,400	1.0	174,300	1.8	92,200	3.5	82,100	0.2	512,000	0.7
1963	701,200	2.2	178,500	2.4	96,600	4.7	82,000	- 0.2	522,700	2.1
1964	720,400	2.7	183,000	2.5	99,900	3.5	83,100	1.4	537,400	2.8
1965	754,600	4.8	192,400	5.1	107,800	7.9	84,600	1.8	562,200	4.6
1966	806,500	6.9	211,500	9.9	123,700	14.7	87,800	3.8	595,000	5.8
1967	836,500	3.7	218,700	3.4	128,600	3.9	90,100	2.7	617,800	3.8
1968	846,800	2.4	222,500	1.7	130,800	1.8	91,700	1.7	634,300	2.7
1969	878,600	2.7	224,700	1.0	131,500	0.5	93,300	1.8	653,900	3.1
1970	882,800	0.5	215,500	- 4.1	122,800	- 6.6	92,700	- 0.6	667,300	2.1
1971	889,100	0.7	209,200	- 2.9	115,800	- 5.7	93,400	0.8	679,800	1.9
1972	932,300	4.9	223,400	6.8	128,900	11.3	94,500	1.1	708,800	4.3
1973	975,100	4.6	240,200	7.5	146,900	13.9	93,300	- 1.2	735,000	3.7
1974	999,300	2.5	248,900	3.6	155,900	6.1	93,000	- 0.3	750,400	2.1
Jan.	958,900	1.9	241,100	3.9	149,100	7.4	92,000	- 1.4	717,800	1.3
Feb.	960,200	1.9	241,800	3.7	150,200	6.9	91,600	- 1.1	718,400	1.3
Mar.	970,500	1.4	242,100	2.9	151,800	6.8	90,300	- 3.0	728,400	0.9
Apr.	993,400	2.4	247,100	4.5	154,600	7.1	92,600	0.4	746,300	1.7
May	1,001,300	1.8	247,600	3.5	155,700	6.5	91,900	- 1.1	753,700	1.2
June	1,013,900	2.5	255,200	4.4	160,200	7.3	95,000	- 0.2	758,700	1.8
July	1,009,200	2.9	254,600	5.0	159,700	7.9	94,900	0.5	754,700	2,2
Aug.	1,008,000	2.5	252,000	3.7	157,100	5.4	94,900	0.9	756,000	2.1
Sept.	1,019,800	3.0	251,800	3.4	157,900	5.2	93,900	0.6	767,900	2.9
Oct.	1,021,700	3.2	252,500	3.8	158,800	5.0	93,700	2.0	766,100	3.0

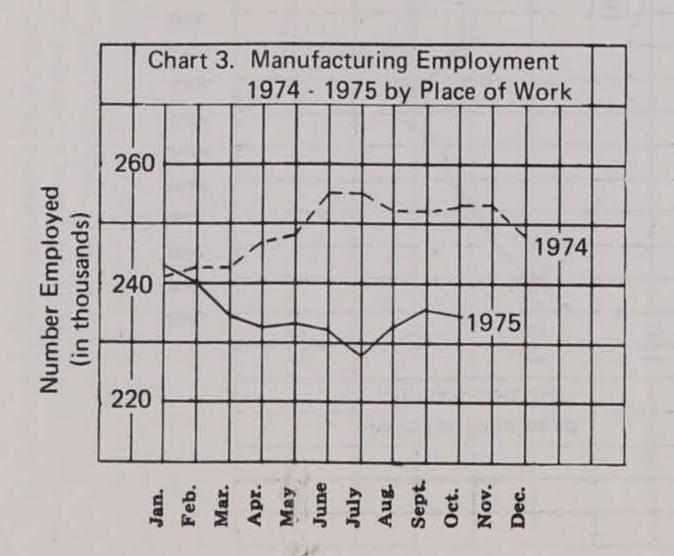
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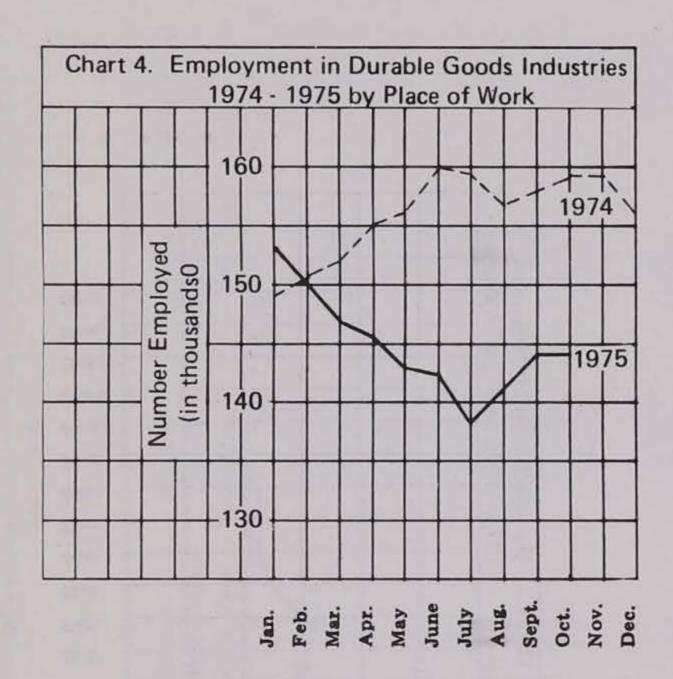
Table 3 — Iowa Nonagricultural Wage and Salary Summary — 1960-1975

Place of Work

Total	Total Nonagricultural Wage and Salary			Manufac	eturing		(-)	Nonmanufacturing		
Year	Employment	Percent Change From Previous Year	Total Employment	Percent Change From Previous Year	Durable Goods Employment	Percent Change From Previous Year	Nondurable Goods Employment	Percent Change From Previous Year	Total Employment	Percent Change From Previous Year
1975										
Jan.	990,300	3.3	242,600	0.6	152,800	2.5	89,800	- 2.4	747,800	4.2
Feb.	987,500	2.9	239,500	- 1.0	149,900	- 0.2	89,600	- 2.2	748,100	4.1
Mar.	991,200	2.1	235,300	- 2.8	146,900	- 3.2	88,400	- 2.1	755,900	3.8
Apr.	1,002,000	0.9	233,100	- 5.7	145,200	- 6.1	87,900	- 5.0	768,900	3.0
May	1,009,900	0.9	231,600	- 6.4	142,800	- 8.3	88,900	- 3.3	778,300	3.3
June	1,012,900	- 0.1	232,800	- 8.8	142,700	- 10.9	90,100	- 5.2	780,100	2.8
July	1,000,800	- 0.8	229,000	- 10.1	138,400	- 13.3	90,600	- 4.5	771,800	2.3
Aug.	1,006,700	- 0.1	232,700	7.7	141,000	- 10.2	91,700	- 3.4	774,000	2.4
Sept.	1,027,600	0.8	235,500	- 6.5	144,000	- 8.8	91,600	- 2.5	792,000	3.1
Oct.	1,028,600	0.7	234,900	- 7.0	144,000	- 9.3	90,900	- 3.1	793,700	3.2

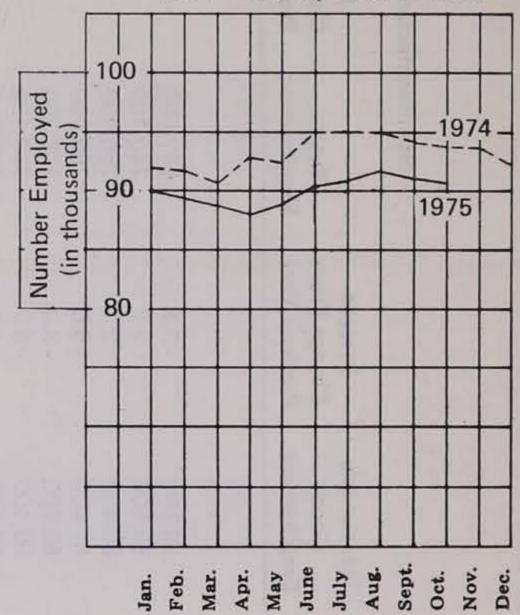


Employment in nondurable goods manufacturing industries for 1975 has been consistently behind 1974 reflecting a general decline in the growth in these industries (Chart 4). Interestingly, total employment in nondurable goods industries grew only 12.7 percent between 1960 and 1974 as compared to the 65.7 percent increase in durable goods employment. Declines in employment were noted in industries involved in production of food and kindred products, particularly in production of meat products. However, firms involved in the production of rubber and plastic products more than doubled in the number of employed between 1960 and 1974.



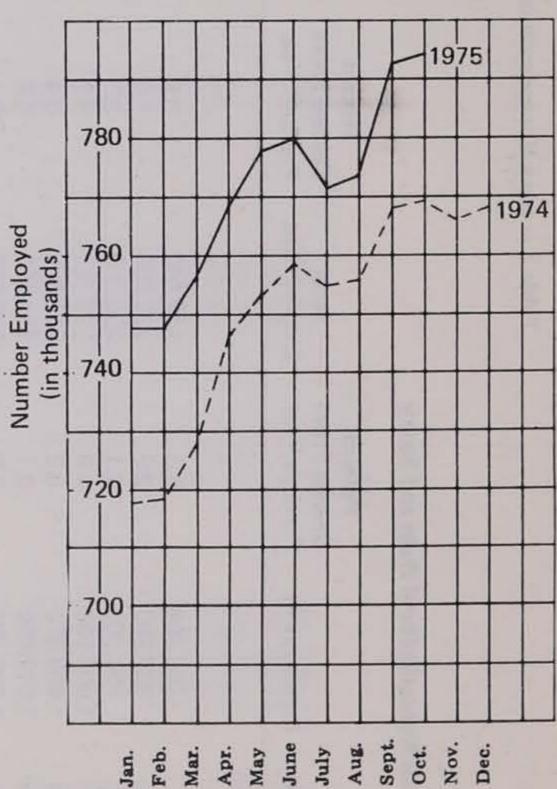
Consequently, employment in manufacturing industries has felt the brunt of the recent recession. Employment in 1975 in these industries dropped significantly below 1974 levels. The greatest impact has been in industries producing durable goods (primary metal industries, fabricated metal industries, and machinery producing industries). The impact of the recession on nondurable goods industries was not as drastic as in durable goods, however, employment is also consistently below 1974 (Chart 5).

Chart 5. Employment in Nondurable Goods Industries 1974 - 1975 by Place of Work



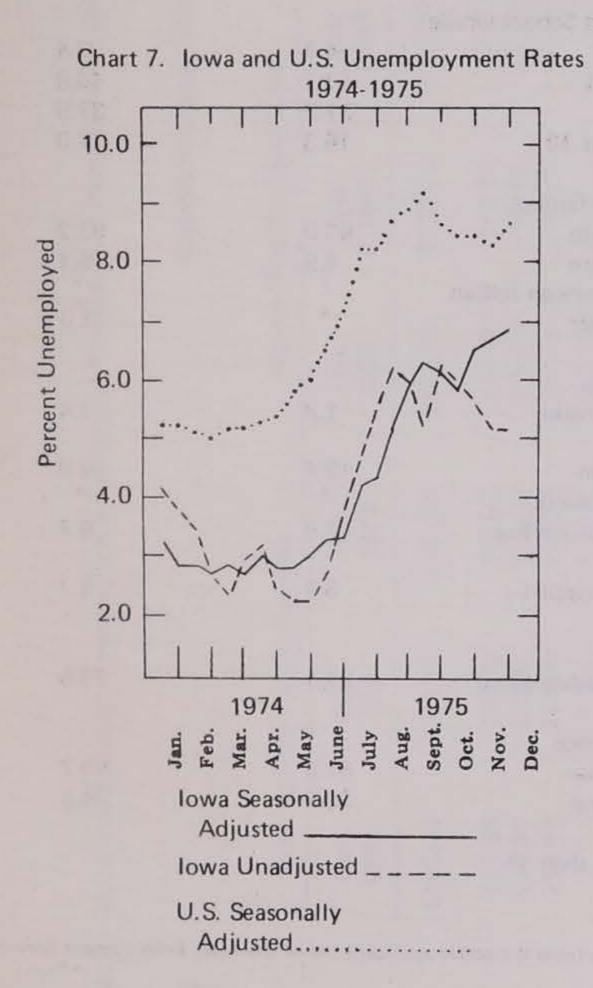
Employment in nonmanufacturing industries has remained strong during 1975. This follows a long established trend in the growth of employment in this sector. Nonmanufacturing employment during 1974 averaged 750,400, a 2.1 percent increase over 1973. For the first 10 months of 1975 average employment was 771,000, a 3.2 percent increase of the same 10 months of 1974 (Chart 6).

Chart 6. Nonmanufacturing Employment 1974 - 1975 by Place of Work



Unemployment Trends

Since lowa's economy is not isolated from what happens to the national economy, ups and downs in national business patterns eventually are felt in Iowa. One of the most visible indicators of the status of Iowa's economy has been the state's unemployment situation measured by the unemployment rate. In recent years the Iowa unemployment rate has tended to lag four to six months behind national business pattern changes. The state's seasonally adjusted unemployment rate usually follows the trend of the national seasonally adjusted rate but not exactly. The national rate had steadily increased since August 1974. Iowa's adjusted rate did not begin any real upturn until November 1974. Historically the Iowa rate has been lower than the national rate (Chart 7 and Table 4 show Iowa and U.S. comparisons).



During the summer months of June and July 1975 the lowa seasonally adjusted rate showed signs of a downward trend, indicating an improvement in the state's economy. However, with fewer laid off workers being called back and slowdowns in many businesses October 1975 unemployment rate climbed to 6.8 percent. The September 1975 rate of 6.6 percent had shown little change over the August unemployment situation. October's unemployment rate does not show much of an improvement in the state's economy. Persons who have been unemployed, for the most part, have remained unemployed.

Unemployment in 1975 has been significantly higher than in 1974. During the first 10 months of 1975 the number of unemployed persons in the labor force increased to the highest levels since 1950. Unemployment in January 1975 was 70,300, an increase of almost 40 percent over January 1974. As 1975 has trudged on the number unemployed has increased to the point where in October 70,900 persons were unemployed, a 136 percent increase over October 1974.

Characteristics of the Unemployed

Characteristics of the unemployed in lowa during 1975 changed from 1974. Under normal circumstances men under 22 years of age made up a large segment of the unemployed. This was true early in 1975. However, as the number of unemployed increased, the age of the unemployed also increased. Older workers were being laid off, both men and women. The greatest concentration of unemployed had been employed in manufacturing industries.

Hours and Earnings

The gross weekly earnings and spendable weekly earnings of production or nonsupervisory workers in Iowa were up in 1975 as compared to 1974 levels. Gross weekly earnings in October 1975 were \$165.53 as compared with \$153.24 in October 1974, an increase of \$12.29.

The earnings of manufacturing workers during 1975 increased between January and October from \$208.82 to \$221.35. During the same period in 1975 earnings of workers in nonmanufacturing industries increased from \$135.02 in January to \$148.47 in October. Spendable average weekly earnings of workers in the private sector have also remained above 1974 levels. Spendable average weekly earnings or the take-home pay of workers, after federal and state taxes, in the total private sector rose from \$119.57 to \$129.23, for a worker with no dependents between January and October 1975.

At the same time lowa workers were receiving higher earnings during 1975 as compared to 1974 levels, the average weekly hours worked have been irregular compared to 1974. Manufacturing workers have been working fewer hours per week in 1975 than they had in 1974-40.1 hours in October 1975, 41.1 hours in October 1974. Nonmanufacturing workers, on the average, are working more hours per week in 1975 than in 1974-35.1 hours in October 1975, 34.7 hours in October 1974. This tends to follow the trends established in the employment levels in these types of industries. Layoffs and business slowdowns, indicative of the impact of the recession in lowa, account for the drops in employment and hours worked in a week in manufacturing. Nonmanufacturing employment has remained strong during 1975 which is reflected in the earnings and hours worked in these industries (Tables 6 and 7).

Table 4 — Iowa and National Unemployment Rates

(p) Preliminary data

Table 5 — Characteristics of Unemployed 1

Percent of Total

FY 1975

52.4

47.6

55.0

37.6

7.4

4.3

47.7

31.7

16.3

93.9

4.9

1.3

12.4

5.9

21.1

61.8

38.2

Percent of Total

First Quarter

FY 1976

48.2

51.8

44.5

46.5

9.0

3.4

40.8

37.9

17.9

93.2

5.4

1.0

1.4

10.8

5.7

29.5

65.2

34.8

	Seasonally Adjusted		Unadjusted	
Year	Iowa	U.S.	lowa	
1970	3.7	4.9	3.7	Sex Male
1971	4.2	5.9	4.2	Female
1972	3.6	5.6	3.6	Age Under 22
1973	2.9	4.9	2.9	22-44 45 or Older
1974	3.0	5.6	3.0	
				Highest School Grade
Jan.	3.1	5.2	4.1	0-7
Feb.	2.9	5.2	3.9	8-11
Mar.	2.9	5.1	3.4	12
Apr.	2.8	5.0	2.8	Over 12
May	2.9	5.2	2.4	
June	2.8	5.2	2.9	Ethnic Group
July	3.0	5.3	3.1	White
Aug.	2.9	5.4	2.5	Negro
Sept.	2.9	5.8	2.3	American Indian
Oct.	3.0	6.0	2.3	Other
Nov.	3.3	6.6	2.8	
Dec.	3.4	7.2	3.7	Spanish
1975				Surname
1975				Veteran
Jan.	4.2	8.2	5.5	Disabled
Feb.	4.4	8.2	5.9	Vietnam Era
Mar.	5.2	8.7	6.2	
Apr.	5.9	8.9	6.0	Handicapped
May	6.3	9.2	5.2	
June	6.1	8.6	6.2	Poor
July	5.9	8.4	6.0	Disadvantaged
Aug.	6.5	8.4	5.6	
Sept.	6.6	8.3	5.1	Residence
Oct.	6.8 (p)	8.6	5.1 (p)	Urban Rural

¹ Taken from the active applicant file of the Iowa Employment Service.

* Less than 1%

Table 6 - Gross and Spendable Average Weekly Earnings of Production or Nonsupervisory Workers in Iowa

Spendable Average Weekly Earnings

	Gross Average Weekly Earnings			Worker	With No Depe	ndents	Married Worker With Three Dependents			
	Oct. 1975	Sept. 1975	Oct. 1974	Oct. 1975	Sept. 1975	Oct. 1974	Oct. 1975	Sept. 1975	Oct. 1974	
TOTAL PRIVATE	\$165.53	\$164.70	\$153.24	\$129.79	\$129.23	\$121.59	\$143.09	\$142.48	\$131.75	
MANUFACTURING	221.35	220.30	210.02	167.59	166.87	161.57	182.54	181.81	172.99	
Durable Goods	225.99	223.97	215.59	170.79	169.40	165.49	185.77	184.36	177.10	
Nondurable Goods	213.40	214.38	201.50	162.12	162.79	155.58	177.02	177.70	166.74	
NONMANUFACTURING	148.47	148.39	133.60	118.05	117.99	107.81	130.60	130.54	117.35	
Mining	245.98	241.54	228.80	184.33	181.33	174.69	200.16	196.95	186.84	
Contract Construction	381.77	311.98	273.67	232.95	228.47	205.08	253.81	248.86	220.09	
Transportation & Public Utilities	236.90	238.63	220.45	178.19	179.36	168.88	193.60	194.85	180.68	
Wholesale & Retail Trade	126.48	124.05	116.96	102.74	101.05	96.30	114.18	112.35	105.00	
Finance & Real Estate	122.68	121.34	119.11	100.10	99.15	97.78	111.32	110.31	106.61	
Services	108.86	111.88	95.12	90.23	92.39	80.74	100.62	103.17	88.38	

Table 7 - Hours and Earnings of Production or Nonsupervisory Workers by Industry in Iowa

	Aver	Ave	rage Weekly	Hours	Average Hourly Earnings					
	Oct. 1975	Sept. 1975	Oct. 1974	Oct. 1975	Sept. 1975	Oct. 1974	Oct. 1975	Sept. 1975	Oct. 1974	
TOTAL PRIVATE	\$165.53	\$164.70	\$153.24	36.3	36.6	36.4	\$4.56	\$4.50	\$4.21	
MANUFACTURING	221.35	220.30	210.02	40.1	40.2	41.1	5.52	5.48	5.11	
Durable Goods	225.99	223.97	215.59	40.5	40.5	41.7	5.58	5.53	5.17	
	178.26	183.08	154.88	38.5	39.8	37.5	4.63	4.60	4.13	
Lumber & furniture	229.86	224.38	201.84	43.7	43.4	43.5	5.26	5.17	4.64	
Stone, clay & glass products	236.81	232.25	228.23	39.8	39.7	41.8	5.95	5.85	5.46	
Primary metal industries	199.08	201.96	187.32	40.3	40.8	40.9	4.94	4.95	4.58	
Fabricated metal products	269.69	263.98	263.78	41.3	40.8	43.6	6.53	6.47	6.05	
Machinery except electrical	280.70	278.64	282.68	40.8	40.5	44.1	6.88	6.88	6.41	
Farm machinery	289.53	278.10	274.19	41.9	41.2	43.8	6.91	6.75	6.26	
Construction & related machinery	182.58	185.42	171.74	38.6	39.2	39.3	4.73	4.73	4.37	
Electrical equipment & supplies			167.56	42.0	41.6	42.1	4.24	4.26	3.98	
Transportation equipment	178.08	177.22		39.6	39.5	38.5	4.09	4.10	3.86	
Other durable goods	161.96	161.95	148.61	39.3	39.7	40.3	5.43	5.40	5.00	
Nondurable Goods	213.40	214.38	201.50 223.27	39.5	39.9	41.5	5.87	5.80	5.38	
Food & kindred products	231.87	231.42		38.4	39.0	40.5	6.50	6.48	6.03	
Meat products	294.60	252.92	244.22	41.3	41.4	43.4	5.85	5.87	5.26	-37
Grain mill products	241.61	243.02	228.28		37.4	36.3	2.86	2.85	2.81	
Apparel & other textile products	106.68	106.59	102.00	37.3		40.8	4.69	4.65	4.19	
Paper & allied products	191.82	193.44	170.95	40.9	41.6	38.4	5.12	5.12	4.69	
Printing & publishing	196.61	196.61	180.10	38.4	38.4		5.06	5.10	4.76	
Newspapers	175.08	175.95	156.60	34.6	34.5	32.9		5.72	5.20	
Chemicals & allied products	236.39	245.39	214.76	41.4	42.9	41.3	5.71	5.57	5.09	
Rubber & plastics products	215.00	216.67	195.46	38.6	38.9	38.4	5.57			
Other nondurable goods	102.31	100.36	92.12	38.9	38.6	36.7	2.63	2.60	2.51	
NONMANUFACTURING	148.47	148.39	133.60	35.1	35.5	34.7	4.23	4.18	3.85	
Mining	245.98	241.54	228.80	50.2	49.7	51.3	4.90	4.86	4.46	
Contract Construction	318.77	311.98	273.67	40.3	40.1	38.6	7.91	7.78	7.09	
Transportation & Public Utilities	236.90	238.63	220.45	41.2	41.5	40.9	5.75	5.75	5.39	
Wholesale & Retail Trade	126.48	124.05	116.96	34.0	33.8	34.1	3.72	3.67	3.43	
Finance, Insurance & Real Estate	122.68	121.34	119.11	38.7	38.4	38.3	3.17	3.16	3.11	
		111.88	95.12	32.4	33.8	31.6	3.36	3.31	3.01	
Services	108.86	111.88	95.12	32.4	33.8	31.6	3.36	3.31	3.01	

¹ Estimates are based upon a sample of full and part-time production and related employees, who worked during or received pay for the payroll period which includes the 12th of the month. Besides changes in basic hourly and incentive wage rates, average hourly earnings reflect such variable factors as overtime premium pay, late shift work, and changes in output of workers paid on an incentive basis. They also reflect changing employment of workers between relatively high-paid and low-paid work, and full-time and part-time status. Revised to most current information available at publication.

MANPOWER PROGRAM ACTIVITIES

The purpose of this section is to discuss selected manpower activities of the Employment Service in Iowa.

The Iowa Employment Service has stressed both service to those seeking employment and employers. Job placement for those entering the labor market, those whose skills need upgrading and skilled workers who need jobs matching their abilities, testing, job counseling and providing labor market information are integral parts of the placement process.

During FY 1975, 63,200 individual workers were placed in jobs as a result of these activities. For the first quarter 1975, 32,600 individuals have been placed in jobs when the state has had unemployment rates at exceptionally high levels.

The effectiveness of the Employment Service in finding jobs for workers is expected to improve as the year progresses. This will be the result of the implementation of computerized job matching to be in operation later this fiscal year. Employers with jobs and applicants with the necessary skills will be matched. This matching of job with worker will be done quickly using computer terminals located in offices throughout the state. The use of these terminals will eliminate major delays in getting the information concerning a job to a prospective employee. Of course, the Employment Service can refer an applicant to an employer but the final hiring decision is between employer and employee.

Comprehensive Employment and Training Act (CETA)

The Comprehensive Employment and Training Act (CETA) was signed into law in December 1973. The purpose of CETA was to decentralize and decategorize various existing manpower related programs. Under CETA local manpower needs are assessed and programs initiated to meet these needs by local officials. These programs may be existing or former programs such as manpower development and training, On-the-Job Training (OJT), Neighborhood Youth Corps (NYC), Operation Mainstream, Job Opportunities in Business (JOBS), Concentrated Employment Program (CEP) or totally new programs designed and operated to meet local manpower needs. Under CETA, block grants are issued to state and local prime sponsors to finance these programs. Usually these prime sponsors are cities and counties of over 100,000 population. The grants are used for manpower services tailored to meet local needs.

There are six prime sponsors in Iowa. These are the Des Moines Consortium, the Cedar Rapids Consortium, Waterloo Cedar Falls SMSA, Woodbury County, Scott County, and Balance of Iowa Prime Sponsor. The Employment Service has contracted with these prime sponsors for the delivery of manpower services.

Job Corps

The Job Corps program is designed to provide training for underprivileged youth 16-22 years of age. The objectives of the program are to develop responsible, employable and productive citizens through training in residence centers away from their normal environment. Basic education, vocational training combined with work experience, personal and cultural development and recreation are included in the program.

Young men are enrolled at the Pine Ridge Civilian Conservation Center near Chadron, Nebraska or the Box Elder Civilian Conservation Center at Nemo, South Dakota. Young women are enrolled at the Excelsior Springs Job Corps Center at Excelsior Springs, Missouri.

During the 1975 fiscal year 338 men and 116 women enrolled in the Job Corps program from all parts of the state. During the first quarter of the 1976 fiscal year 51 men and 23 women have enrolled in the program.

Special Services to Veterans and Mandatory Listings

Under federal law, priority referrals to available job openings for veterans and preferential treatment to handicapped veterans were extended by the Employment Service. As a result of the vigorous program in Iowa 3,683 veterans were placed in nonagricultural jobs and 161 in agricultural jobs during first quarter FY 1976. Of these veterans placed 540 were handicapped.

The mandatory listing of jobs by employers, holding federal contracts of over \$10,000, with the Employment Service, was designed to aid the placement of Vietnam era veterans and handicapped veterans.

Services Provided Migrant and Seasonal Farm Workers

All manpower services, protections and benefits including counseling, testing, training and job referral services must be made available to migrant and seasonal farm workers.

As with all applicants with the Employment Service, individual preferences, needs and skills, job availability and training opportunities are made available. Outreach pro-

The Des Moines Consortium includes the City of Des Moines, Polk, Warren, Boone, Dallas, Jasper, Madison, Marion and Story Counties. The Cedar Rapids Consortium includes the City of Cedar Rapids and Linn County. Woodbury County is the Iowa portion of the Sioux City, Iowa - Nebraska SMSA. Scott County is the Iowa portion of the Davenport - Rock Island - Moline, Illinois - Iowa SMSA. Balance of Iowa is under the sponsorships of the Governor through the Office of Planning and Programming.

grams are in operation during the portions of the year when significant numbers of migrants and seasonal farm workers in the area may be in need of manpower services.

In an effort to accomplish the priority objectives of integrating regular Employment Service and rural manpower services to employers and rural workers, Iowa has established a network of satellite offices in 34 rural areas of the state. These satellites are part of the larger network of 32 Employment Service offices operating in Iowa.

Indo-China Refugee Services

The Iowa Employment Security Commission has been involved in two activities regarding Indo-China refugees. The Employment Service renders the same services to this group of individuals as it does all applicants—placement through referral to employers, counseling, job training, testing, etc. By the end of October 1975, 100 refugees were in the active files of the Employment Service.

The Iowa Employment Security Commission, through Commissioner Shearer, has become an active participant in finding sponsors and resettlement of a specific group of refugees—the Tai Dam. Approximately 75 families have been sponsored by Iowans. To aid the sponsors and the refugees each Employment Service office has a person designated to help solve problems that may arise.

IOWA MANPOWER OUTLOOK

Employment and Unemployment

Keeping in mind that lowa's economy is affected by occurrences nationally, any recovery from the economic recession in the state appears to be slow and deliberate.

Normally the months of November, December, January and February have relatively high rates of unemployment. Seasonal cutbacks in construction, manufacturing and in retail trade particularly after Christmas contribute to increased unemployment. Employment does not increase significantly until March under normal conditions.

However, the economic conditions during 1975 have not left the impression that this has been a normal year. Unemployment is expected to remain high at least until spring. Employment appears to be picking up somewhat in some manufacturing and nonmanufacturing industries but this is not expected to be very significant. One of many reasons for this is that employers are being cautious in rehiring laid-off workers and hiring new workers. They don't want to build up huge inventories and face prospects of a reduced market for their products.

Manufacturing employment since February 1975 has been well below 1974. There have been some signs that employment is picking up in this sector, but not enough to make any real dent in the number of unemployed. Nonmanufacturing employment has remained strong during 1975, with the exception of seasonal changes in construction and some retail trade. It is expected to remain rather steady into 1976.

With seasonal increases in the number of unemployed and the rather dim outlook for improvement in manufacturing employment there is little indication that the unemployment situation in the state will be improving until spring of 1976. Even with seasonal fluctuations removed from unemployment and employment lowa's outlook is one of a stable but slowly declining unemployment rate into 1976.

TECHNICAL NOTES AND EXPLANATORY MATERIAL

The area manpower employment, and unemployment information in this Manpower Review was compiled by the Research and Statistics Department of the Iowa Employment Security Commission, affiliated with the Employment and Training Administration, U.S. Department of Labor. It is based on data obtained in part from employer surveys conducted by the Bureau of Labor Statistics, records of the public employment service and state unemployment insurance programs. These data were supplemented by other information from organizations and agencies which work cooperatively with the Iowa Employment Security Commission to implement various manpower training, vocational education, anti-poverty, and welfare programs and community development activities.

An explanation of some of the technical terminology and the sources of data for various items discussed in the State Manpower Review is given below:

Resident Employment: Employment estimates are developed principally from a sample of establishments which report regularly on their employment to this agency. These estimates are periodically compared with comprehensive data on employment obtained from tax records, which provide benchmarks for various nonagricultural industries. Appropriate adjustments are made to compute resident employment from the total establishment employment in the state.

Nonagricultural wage and salary employment (Place of Work) refers only to employees on establishment payrolls during the sample week in each month (week including the 12th) and excludes self-employed, unpaid family workers, domestic workers, agricultural workers, and workers involved in labor management disputes. Payroll records may include an individual more than once in the event of multiple job holding during the payroll period. Payroll data also include commuters who live outside the area, but not residents of the area who commute to work outside of the area.

Nonagricultural wage and salary employment (Place of Residence) refers to employees in the area where they live regardless of the area where they work. Workers holding multiple jobs are counted only once, and the effects of substantial in-or-out-commuting in the area are negated. This figure represents the actual number of employees living in an area working for establishments both in or outside the area.

Self-employed, unpaid family and domestic workers include persons who work in non-farm industries in the area who are not on payrolls, such as the self-employed worker, domestic worker in private household, and unpaid family worker. Resident Unemployment: Unemployment data included in this report for Iowa are conceptually comparable to those released by the U.S. Department of Labor each month for the country as a whole. However, they are developed on the basis of a different procedure.

The national data are based on a sample of 47,000 households throughout the country. The area information starts with the count of persons eligible for unemployment insurance benefits. To this total are added appropriate estimates for unemployed persons who have exhausted their unemployment insurance benefits and are still unemployed; persons who applied for benefits but were not qualified to receive them; workers separated from industries not covered by unemployment insurance; and unemployed persons newly entering or re-entering the labor force. The state estimate thus includes all workers who were not at work but were actively seeking work in the sample week of each month, or had made specific efforts to find a job during the preceding four weeks.

The unemployment data also include those who did not work during the week, but were waiting to be called back to a job, or would have looked for work except for illness, or were waiting to report to a new job to start within the following 30 days.

Unemployed workers are counted by their place of residence. The unemployment rate represents the number of unemployed as a percent of the civilian labor force.

Civilian Labor Force: The civilian labor force represents the sum of the employed (exclusive of the Armed Forces), the unemployed, and persons involved in labor-management disputes.

Applicants: Individuals registered at local Employment Service offices are reasonably representative of available worker supply in most occupational categories and for most sections of the state. These job seekers include an estimated 75 percent of all workers in the state suffering a period of unemployment each year, as well as labor force entrants and currently employed workers seeking a job change.

Placement: The hiring by an employer of an individual referred by the employment office for a job or an interview, providing that the employment office completed all of the following steps: (a) made prior arrangements with the employer for the referral of an individual or individuals; (b) referred an individual who had not been specifically designated by the employer; (c) verified from a reliable source, preferably the employer, that the individual had entered on a job; and (d) recorded the transaction on an employer order form and other appropriate ES forms.

NOTES





