

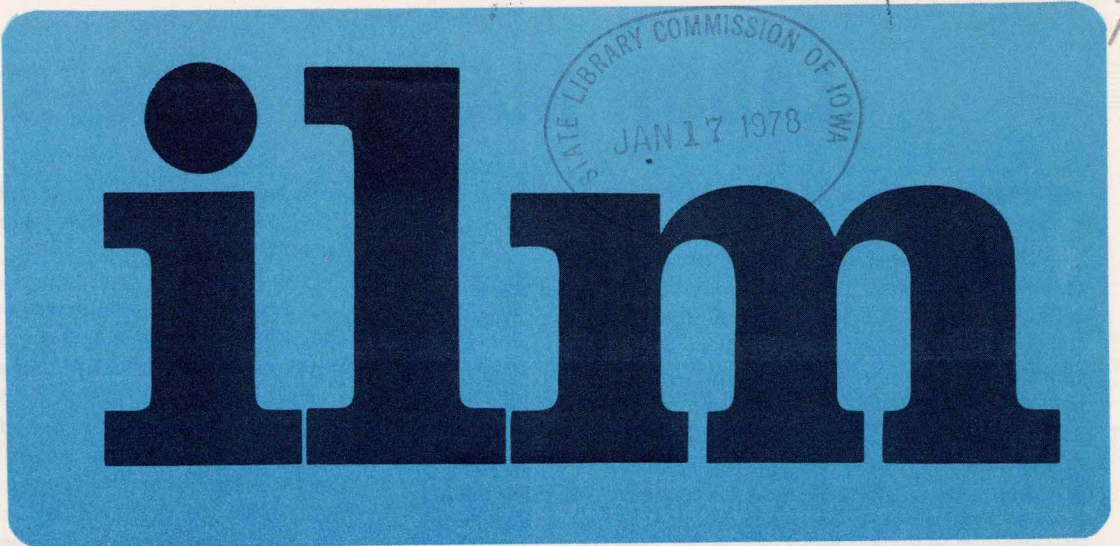
**IOWA
LABOR
MARKET**

November 1977

employment and unemployment
hours and earnings
labor turnover
job insurance
job placement

**IOWA
DEPARTMENT
OF
JOB SERVICE**

Research &
Statistics Department



THE ANATOMY OF INFLATION (PART II)

(Editor's note: In recent years, the U.S. economy has been experiencing a relatively new phenomenon—inflation in the midst of recession. Part I of this article defined inflation primarily as an increase in the amount of money in circulation—coupled with a sudden and sharp drop in the value of the dollar, plus an increase in consumer prices. A number of alleged causes of inflation were pointed out, all partially responsible but none by itself.

Inflation was shown to be more detrimental than beneficial.)

The Money Supply

To achieve a clearer picture of inflation, it's necessary to understand the role of the money supply in circulation. If the supply of money never increased, for example, there could be no inflation, per se. If only a fixed amount were in circulation and some prices were driven upward (as with the price of oil demanded by the OPEC countries), no inflation would come of it.

To explain: If a motorist has a fixed number of dollars to spend and has to pay more for gasoline and oil, there'll be less left for other items. Therefore the motorist's purchases of other items would be reduced. And if all motorists were similarly affected, the producers of items other than gasoline and oil would have to cut their prices to stay competitive. In other words, there'd be no price increase *across the board* and no general inflation.

Ordinarily, however, the supply of money in circulation isn't fixed. In the situation described above, the money supply would more than likely have increased. In most cases, such an increase would have stemmed from bank loans. The motorists would borrow from banks to buy the items other than gas or oil, thereby in a sense "creating" money.

And as the supply of "created" money moves into circulation, the ultimate advance of costs and prices triggers inflation.

The Monetary Policy

As a means of exercising some control over the value of the dollar, the Federal Reserve System (FRS) attempts to regulate the amount of money in circulation. The FRS has several types of controls it can exert, including: (1) The power to raise or lower the percentage of deposits its member banks must maintain as reserves, limiting or expanding the banks' loan capacities. (2) The power to change the rate of interest on loans made to member banks. (3) The "open market" purchase or sale of government securities for the purpose of increasing or decreasing the money supply. When the FRS *sells* government securities, the money paid for them reduces the amount in circulation. Conversely, when the FRS *buys* securities, *more* money is put in circulation.

The Federal Fiscal Policy

Inflation control can also be activated by maneuvering the fiscal policy of the federal government.

To combat recession, for example, the federal government may create a deliberate deficit through increased spending without advancing taxes. To do this, money is borrowed from the FRS or commercial banks.

Inflation, on the other hand, is combatted through an opposite method—the creation of a deliberate fiscal surplus through increased taxes or cuts in federal spending.

Roughly, monetary policy is used to control the amount of currency in circulation and the cost of borrowing money (interest rates). Fiscal policy is directed toward changing the relationship between federal tax revenues and spending. Both *can* contribute to the control of inflation, but more often it's easier said than done.

To Measure Inflation

The general trend in inflation is commonly measured by the cost of living as depicted by the Consumer Price Index

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LABOR MARKET BRIEFS

The Nation

In October, the Nation's unemployment rate . . . seasonally adjusted . . . climbed back to 7.0% from 6.9% in September . . . continuing the up-down pattern of the last six months. While the number of unemployed in October changed only slightly from September (6,872,000 in October; 6,773,000 in September) . . . increases were noted among men 25 years old and over and in the jobless rate for blacks. Of the unemployed in October, 46.3% had lost their jobs . . . most of these for reasons other than being laid off. The duration of unemployment however, declined slightly in October from September . . . the average duration of unemployment in October was 13.8 weeks . . . 14.2 weeks for September. Total employment nationally rose slightly in October. Over the past 12 months total employment has risen by 3.5 million . . . almost half of this was among adult women.

The pace of economic activity was mixed during October. Industrial production increased 0.3% . . . less than September's rise . . . Personal income, on the other hand, increased 1.3% in October . . . housing starts surged up 5.6% over September and building permits for future home building increased 9.0%.

Inflation continues to lurk in the wings . . . The October Consumer Price Index was reported at 184.5 . . . a 0.3% increase over September and 6.5% above a year ago level.

Compared to September, the greatest increases in prices were for fuel and utility expenses, apparel and in health and recreation. Consumers were paying more for fuels and utilities and health care in October than they were a year ago. The only declines were registered in the prices of foods purchased for home consumption.

Another bright spot was in the Hourly Earnings Index . . . earnings adjusted for overtime in manufacturing, seasonality and the effects of changes in the proportion of workers in high-wage and low-wage industries. During the 12-month period ending in September, the Hourly Earnings Index in dollars of constant purchasing power rose 0.6%.

The State

Iowa's economy appears to have stabilized during October. The state's seasonally adjusted unemployment rate for October stood at 2.9% of the labor force . . . unchanged from September . . . well below the year-ago level of 4.1%. The number of Iowa residents unemployed during October remained unchanged from September, and 11,600 fewer than October 1976. One reason . . . no major layoffs during the survey week.

Characteristics of the insured unemployed gives a picture of a segment of the unemployed. During October 39.3%

were last employed in manufacturing . . . 30.4% were under 25 years old . . . 31.1% have been unemployed for more than 15 weeks.

Total resident employment continued to increase over the 1976 levels. Greater business activity in most industries has provided greater employment opportunities for Iowans.

Iowa's labor force increased 7,700 persons in October . . . compared to September . . . the result of increase in total employment.

Employment, wage and hour levels and labor turnover rates in the nonfarm sector point to a stable economy during October. Reconvening of fall adult education classes helped boost employment in local schools . . . A Department of Labor survey reported that in 1972 an American family with husband, wife and oldest child under 6 years of age spent \$37.14 on education; a family with husband, wife and oldest child 6 to 17 years spent \$79.26 and a family with husband, wife and oldest child over 18 spent \$458.88.

Retail trade employment figures are starting to climb as usual in preparation for holiday shoppers. Nationally, trade employment has not started the seasonal increase. Service employment dropped off in Iowa . . . amusement and recreation facilities are closing down for the winter months. Strike activity had very little effect in September and October—a strike was settled in furniture and fixtures and another began in machinery except electrical.

Total separations are the lowest they have been in October in the last five years. New hires and overtime are up in printing and publishing because of additional workload due to holiday advertising . . . a publication by the Iowa Development Commission reports that Iowa production workers add \$4.01 of value to manufactured goods for each one dollar in wage . . . a wage rate increase brought average hourly earnings up in farm machinery.

Economic indicators for Iowa continue to show signs of strength. Personal income of Iowans during third quarter 1977 is estimated at \$5,162.5 million up 2.4% over second quarter levels . . . this is despite an anticipated 3.4% decline in farm income. Taxable retail sales increased 12.5% in the second quarter over the first part of 1977. Construction activity continues strong with the value of construction up for both residential and nonresidential construction . . . residential up 10.5% . . . nonresidential up 61%.

The outlook for the next few months is not as good as it could be. Seasonal influences will definitely be evident with the decline in agriculture employment . . . completion of construction projects and winter weather slowing others affecting construction employment. Manufacturing employment is expected to remain somewhat stable . . . decline anticipated in food and kindred products—meat products due to closing of plant in northwest Iowa.

EMPLOYERS' PAGE

CHANGES IN TAXING PROVISIONS OF IOWA EMPLOYMENT SECURITY LAW

The Iowa Job Insurance trust fund is wholly financed by special taxes paid by Iowa employers on the wages of their employees. Jobless workers protected under the Job Insurance program are potentially eligible for 39 weeks of benefit payments, all of which is paid by the trust fund.

The recession of the 1970s—the worst since the Great Depression of the 1930s—brought high unemployment nationwide, including Iowa. Job Insurance claims climbed steadily, creating a heavy outflow of trust fund monies in the form of benefits. In 16 months' time, the trust fund dropped from \$126.3 million as of December 1974 to \$23.6 million as of April 1976. At the same time, due to their experience in the program, a majority of Iowa's employers eligible for a computed tax rate were paying a rate of less than 1%.

The harshness of the drain on the fund was too great, the incoming employer contributions too small and the time too short to restore more adequate stability to the trust fund. Emergency measures were required—and taken.

The Iowa Legislature in 1976—and again in 1977—imposed add-on taxes to safeguard the trust fund against an insolvency that forced 24 other states to borrow from the federal government to pay Job Insurance benefits.

Recent Legislation

Guided by actuarial studies, the Iowa 67th General Assembly recently moved to improve the taxing provisions of the Employment Security Law. For calendar year 1978, employers covered by the state Job Insurance program are assigned tax rates based on new tables (outlines in Senate File 337). The move changed the level of tax rates for all covered employers as well as the experience rating system on which the tax rates are based.

Here, briefly, are the changes:

Computation Date—Beginning with calendar year 1978, the tax rates will be computed based on individual experience as of July 1 of the preceding year.

New Rate Tables—Replaced the five tables in use since 1972 with nine new tables and *eliminated the add-on tax of the past two years*. (The new tables appear on the back of the periodic tax rate notice.)

Employers' Experience Compared—An employer's reserve ratio (percent of excess contributions or benefits) is now compared to the ratios of all employers. A rate rank is assigned on the basis of this comparison. Previously, the ratio was applied directly to the rate table in effect.

Taxable Wage Base—Changed from \$6,000 for each employee to a flexible base: 66-2/3% of the average annual wage of Iowa workers covered by Job Insurance or the base for federal unemployment tax, whichever is greater. This flexible tax base provides for increasing income as the maximum benefit amount also increases. For 1978, the base is \$6,500.

Elimination Of Reduced Rate On First \$10,000 Of Quarterly Taxable Wages For Employers With Rates Exceeding 2.70%—The provision that no employer's rate could exceed 2.70% on the first \$10,000 of quarterly taxable wages was removed.

Voluntary Contributions—The deadline for voluntary contributions was changed from March 15 to December 15 after the computation date of July 1. In addition, a voluntary contribution was limited to an amount sufficient to lower an employer's rate by one rank, but not to "zero" percent regardless of the rate table in effect.

Rates For Employers Not Eligible For Computed Rates—The beginning rate for newly covered employers was changed from 1.50% for nonconstruction employers and 4.0% for construction employers to Rank 9 (but not less than 1.8%) of the table in effect for non-construction employers and Rank 21 for construction employers (see below).

During 1978, tax rate table two will be in effect:

Tax Contribution Rank	Table 2	Tax Contribution Rank	Table 2
1	.6 %	12	2.9%
2	.7	13	3.3
3	.8	14	3.7
4	1.0	15	4.1
5	1.2	16	4.5
6	1.4	17	5.0
7	1.6	18	5.5
8	1.8	19	6.0
9	2.0	20	6.0
10	2.3	21	6.0
11	2.6		

Iowa employers interested in additional information on the recent legislative changes in the taxing provisions of the Iowa Employment Security Law should contact David Beard, Actuary, Research & Statistics, Iowa Department of Job Service, 1000 East Grand Avenue, Des Moines, Iowa 50319. Telephone: 515/281-5401.

Table I - Civilian Labor Force by Place of Residence

	Resident Civilian Labor Force 1/	Resident Unemployed	Seasonally Adjusted Rate	Percent Unemployed	Resident Total Employment 2/	Nonagricultural Wage and Salary 3/	Self-employed, Unpaid Family & Domestic Workers 4/	Agriculture
October 1977								
Iowa.....	1,370,600	31,100	2.9	2.3	1,339,500	1,031,400	143,300	164,800
Cedar Rapids.....	79,600	1,600	*	2.1	78,000	69,800	5,600	2,600
Council Bluffs 5/.....	41,300	1,200	*	3.0	40,100	33,800	3,500	2,800
Davenport 5/.....	72,200	1,900	*	2.6	70,300	63,100	5,400	1,700
Des Moines.....	165,800	4,000	*	2.4	161,800	145,700	12,900	3,200
Dubuque.....	42,100	1,300	*	3.2	40,800	35,300	3,000	2,500
Sioux City.....	56,300	1,500	*	2.6	54,800	46,500	5,700	2,600
Waterloo.....	62,100	1,600	*	2.7	60,400	53,700	4,900	1,800
September 1977								
Iowa.....	1,362,900	31,100	2.9	2.3	1,331,800	1,027,700	144,100	160,000
Cedar Rapids.....	79,100	1,900	*	2.4	77,200	69,100	5,600	2,500
Council Bluffs 5/.....	41,300	1,200	*	3.0	40,100	33,800	3,600	2,700
Davenport 5/.....	71,700	2,000	*	2.8	69,700	62,600	5,400	1,700
Des Moines.....	165,200	4,100	*	2.5	161,100	145,100	13,000	3,100
Dubuque.....	42,100	1,400	*	3.4	40,700	35,300	3,000	2,400
Sioux City.....	55,600	1,400	*	2.5	54,200	46,000	5,700	2,500
Waterloo.....	61,400	1,700	*	2.7	59,800	53,100	4,900	1,800
October 1976								
Iowa.....	1,357,000	42,700	4.1	3.1	1,314,300	1,007,500	138,500	168,300
Cedar Rapids.....	78,500	2,400	*	3.1	76,100	68,000	5,400	2,700
Council Bluffs 5/.....	41,500	1,500	*	3.6	39,900	33,600	3,500	2,800
Davenport 5/.....	70,500	2,400	*	3.5	68,100	61,200	5,100	1,800
Des Moines.....	163,300	6,000	*	3.7	157,300	141,700	12,400	3,200
Dubuque.....	41,500	1,900	*	4.6	39,600	34,500	2,500	2,500
Sioux City.....	57,600	1,900	*	3.3	55,800	47,400	5,700	2,600
Waterloo.....	62,300	2,900	*	4.7	59,400	52,800	4,800	1,900

Latest month's data is preliminary. Detail may not add up to total due to rounding. Council Bluffs and Davenport areas include Iowa portions only.
 *Data not available in time of publication. (March, 1975 benchmark levels)

- 1/ Includes unemployed and employed individuals. Establishment employment data is adjusted to commuting, multiple job holding, and unpaid absence patterns.
- 2/ Includes nonagricultural wage and salary, self-employed, unpaid family, and domestic workers; and agriculture.
- 3/ Includes all full and part-time wage and salary workers, excluding domestics, who were employed or involved in a labor-management dispute during the week including the 12th of the month.
- 4/ Includes nonagricultural self-employed persons, unpaid family workers, and domestic workers in private households.
- 5/ Data for CETA programs in these areas are based on a "BLS census share" method and are not technically comparable to figures published here.

Table II - Hours and Earnings for Manufacturing Production Workers in Selected Iowa Areas 1/

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Oct. 1977	Sept. 1977	Oct. 1976	Oct. 1977	Sept. 1977	Oct. 1976	Oct. 1977	Sept. 1977	Oct. 1976
Cedar Rapids.....	\$257.11	\$256.21	\$243.41	39.8	39.6	40.1	\$6.46	\$6.47	\$6.07
Council Bluffs.....	*	*	*	*	*	*	*	*	*
Davenport.....	328.45	326.42	291.46	40.6	40.6	39.6	8.09	8.04	7.36
Des Moines.....	269.35	268.50	255.12	38.7	38.8	39.8	6.96	6.92	6.41
Dubuque.....	328.99	317.88	253.05	39.4	39.1	37.6	8.35	8.13	6.73
Sioux City.....	210.36	209.03	217.48	37.1	37.8	40.2	5.67	5.53	5.41
Waterloo.....	395.08	345.77	246.44	45.1	42.9	40.6	8.76	8.06	6.07

1/ See footnote - Table V *Data not available.

Table III - Hours and Earnings of Iowa Production or Nonsupervisory Workers 1/

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings			Average Weekly Overtime Hours 1/		
	Oct. 1977	Sept. 1977	Oct. 1976	Oct. 1977	Sept. 1977	Oct. 1976	Oct. 1977	Sept. 1977	Oct. 1976	Oct. 1977	Sept. 1977	Oct. 1976
TOTAL PRIVATE.....	\$191.35	\$188.31	\$170.52	35.9	35.8	35.6	\$5.33	\$5.26	\$4.79	*	*	*
MANUFACTURING.....	272.02	263.31	232.93	40.6	40.2	40.3	6.70	6.55	5.78	4.3	3.6	3.5
Durable Goods.....	283.87	271.47	223.60	41.2	40.7	40.0	6.89	6.67	5.59	4.7	3.7	2.6
Lumber & furniture.....	211.14	215.61	188.96	39.1	40.3	38.8	5.40	5.35	4.87	2.6	3.3	2.0
Stone, clay & glass products.....	271.78	270.04	262.68	42.8	43.0	44.0	6.35	6.28	5.97	6.9	6.8	7.5
Primary metal industries.....	313.11	313.72	275.60	42.6	42.8	42.4	7.35	7.33	6.50	5.1	4.9	4.4
Fabricated metal products.....	227.86	225.68	212.91	40.4	40.3	40.4	5.64	5.60	5.27	3.1	3.1	2.5
Machinery except electrical.....	359.39	329.80	248.75	43.3	41.8	39.8	8.30	7.89	6.25	7.1	4.4	1.9
Farm machinery.....	396.43	348.98	245.23	45.1	42.3	39.3	8.79	8.25	6.24	11.9	6.4	2.1
Construction & related machinery.....	356.49	339.08	278.14	41.5	41.2	38.9	8.59	8.23	7.15	2.7	2.5	1.4
Electrical equipment & supplies.....	206.80	211.80	205.28	37.6	38.3	39.1	5.50	5.53	5.25	1.4	2.0	2.4
Transportation equipment.....	188.16	184.80	173.31	39.2	38.5	39.3	4.80	4.80	4.41	1.5	1.5	2.0
Other durable goods.....	192.76	190.02	172.52	39.1	38.7	38.0	4.93	4.91	4.54	2.0	1.9	1.4
Nondurable Goods.....	254.08	250.19	243.79	39.7	39.4	40.7	6.40	6.35	5.99	3.7	3.5	4.6
Food & kindred products.....	280.40	280.89	271.51	40.0	40.3	41.9	7.01	6.97	6.48	3.9	4.2	5.4
Meat products.....	302.64	302.62	293.15	38.9	39.2	41.7	7.78	7.72	7.03	3.5	3.9	5.7
Grain mill products.....	287.58	294.42	284.00	41.2	42.0	42.9	6.98	7.01	6.62	4.5	4.9	5.6
Apparel & other textile products.....	133.04	130.76	115.92	38.9	38.8	36.0	3.42	3.37	3.22	1.4	1.4	1.0
Paper & allied products.....	222.98	221.84	206.17	41.6	41.7	41.4	5.36	5.32	4.98	4.2	4.2	4.9
Printing & publishing.....	234.39	216.53	228.23	39.0	36.7	39.9	6.01	5.90	5.72	4.0	2.9	4.8
Newspapers.....	188.27	179.15	172.90	34.8	33.3	32.5	5.41	5.38	5.32	2.3	1.9	2.1
Chemicals & allied products.....	271.15	259.15	246.74	42.7	41.2	41.4	6.35	6.29	5.96	4.6	2.6	2.5
Rubber & plastics products, nec.....	234.87	234.87	230.66	37.4	37.7	38.0	6.28	6.23	6.07	3.0	3.1	3.9
Other nondurable goods.....	133.95	132.70	136.19	36.8	35.2	38.8	3.64	3.77	3.51	1.1	1.2	2.4
NONMANUFACTURING.....	166.98	165.95	153.66	34.5	34.5	34.3	4.84	4.81	4.48	*	*	*
Mining.....	263.04	255.89	249.32	48.0	47.3	48.6	5.48	5.41	5.13	*	*	*
Contract construction.....	336.10	336.01	318.63	38.9	38.8	39.0	8.64	8.66	8.17	*	*	*
Transportation & public utilities.....	278.60	272.23	247.78	39.8	39.8	39.9	7.00	6.84	6.21	*	*	*
Wholesale & retail trade.....	144.08	143.40	132.60	33.9	33.9	33.4	4.25	4.23	3.97	*	*	*
Finance, insurance & real estate.....	139.49	137.27	129.50	37.0	37.1	38.2	3.77	3.70	3.39	*	*	*
Services.....	128.96	128.64	117.55	32.0	32.0	31.6	4.03	4.02	3.72	*	*	*

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. (March, 1975 benchmark levels) *Data not available

Table IV - Iowans Receiving Job Insurance 1/

	Total			Women			Unemployed 5 Weeks or Longer		
	Oct. 1977	Sept. 1977	Oct. 1976	Oct. 1977	Sept. 1977	Oct. 1976	Oct. 1977	Sept. 1977	Oct. 1976
Total.....	13,498	13,115	15,489	5,908	5,835	6,314	7,732	8,384	9,116
Contract Construction.....	1,302	1,387	1,895	84*	100*	84*	636	744	800
Manufacturing.....	4,882	4,520	5,514	1,975	1,862	1,988	2,735	2,913	3,394
Durable Goods.....	3,169	2,949	3,832	1,208	1,135	1,265	1,780	1,946	2,329
Nondurable Goods.....	1,713	1,571	1,683	767	727	723	955	967	1,066
Trade.....	3,822	3,728	4,015	1,854	1,817	1,988	2,234	2,415	2,374
Services.....	2,180	2,250	2,505	1,379	1,474	1,538	1,359	1,491	1,645
All Other Industries.....	1,312	1,229	1,559	616*	582*	716*	767	823	903

1/ The insured unemployed are counted during the week including the 12th and are based on a survey of claims filed during the week including the 19th. *Less than 5 per cent of total insured unemployed.

Table V - Iowa Labor Force Summary
October 1977

County - Labor Area	1/Labor Force	Unemployed	Unadjusted Rate	2/Employment	3/Nonag Wage and Salary	4/Self-Employed, Unpaid Family, Domestic	Agriculture
Iowa - Statewide	1,370,600	31,100	2.3	1,339,500	1,031,400	143,300	164,800
Cedar Rapids SMSA	79,600	1,600	2.1	78,000	69,800	5,600	2,600
Davenport - RI - Moline SMSA							
Des Moines SMSA	165,800	4,000	2.4	161,800	145,700	12,900	3,200
Dubuque SMSA	42,100	1,300	3.2	40,800	35,300	3,000	2,500
Omaha - Council Bluffs SMSA							
Sioux City SMSA	56,300	1,500	2.6	54,800	46,500	5,700	2,600
Waterloo - Cedar Falls SMSA	62,100	1,600	2.7	60,400	53,700	4,900	1,800
Adair - Greenfield	4,720	70	1.4	4,650	2,280	550	1,830
Adams - Corning	2,670	50	2.0	2,620	1,320	400	910
Allamakee - Waukon	7,170	160	2.3	7,010	4,060	1,110	1,840
Appanoose - Centerville	6,040	290	4.8	5,750	3,880	950	910
Audubon - Audubon	4,160	50	1.2	4,110	2,090	620	1,400
Benton - Vinton	11,000	220	2.0	10,780	7,200	1,340	2,240
Black Hawk							
(Waterloo - Cedar Falls SMSA)	62,100	1,600	2.7	60,400	53,700	4,900	1,800
Boone - Boone	12,350	210	1.7	12,140	9,360	1,290	1,490
Bremer - Waverly	10,360	200	1.9	10,160	7,470	1,030	1,670
Buchanan - Independence	10,080	190	1.9	9,890	6,800	1,090	2,000
Buena Vista - Storm Lake	10,260	170	1.6	10,090	7,170	1,160	1,760
Butler - Allison	7,760	150	1.9	7,610	4,720	1,070	1,830
Calhoun - Rockwell City	6,230	90	1.4	6,150	3,830	870	1,450
Carroll - Carroll	10,610	190	1.8	10,420	6,380	1,880	2,160
Cass - Atlantic	8,610	110	1.3	8,500	5,250	1,330	1,930
Cedar - Tipton	8,230	110	1.3	8,120	5,050	1,130	1,940
Cerro Gordo - Mason City	23,420	700	3.0	22,730	19,330	2,070	1,320
Cherokee - Cherokee	7,940	140	1.7	7,810	5,140	990	1,680
Chickasaw - New Hampton	6,980	210	3.1	6,770	4,090	1,000	1,680
Clarke - Osceola	4,390	100	2.2	4,290	2,560	550	1,180
Clay - Spencer	9,380	130	1.4	9,250	6,620	1,130	1,500
Clayton - Guttenberg	10,140	210	2.1	9,920	5,450	1,690	2,790
Clinton - Clinton	26,570	620	2.3	25,950	21,110	2,440	2,400
Crawford - Denison	9,630	140	1.4	9,490	6,000	1,200	2,290
Dallas - Perry	13,940	290	2.1	13,640	10,550	1,430	1,670
Davis - Bloomfield	3,660	100	2.8	3,560	2,080	620	850
Decatur - Leon	4,410	80	1.8	4,330	2,830	560	950
Delaware - Manchester	8,540	180	2.1	8,360	4,750	1,350	2,260
Des Moines - Burlington	19,750	590	3.0	19,160	16,650	1,520	990
Dickinson - Spirit Lake	6,910	130	1.9	6,790	4,530	1,100	1,160
Dubuque - Dubuque SMSA	42,100	1,300	3.2	40,800	35,300	3,000	2,500
Emmet - Estherville	6,540	120	1.8	6,420	4,740	770	900
Fayette - Oelwein	11,820	280	2.4	11,540	7,650	1,500	2,390
Floyd - Charles City	8,410	360	4.2	8,060	5,800	990	1,270
Franklin - Hampton	6,510	110	1.7	6,400	3,470	920	2,020
Fremont - Sidney	5,000	90	1.8	4,910	2,840	650	1,420
Greene - Jefferson	5,630	130	2.3	5,500	3,210	830	1,470
Grundy - Grundy Center	6,470	70	1.1	6,400	4,020	610	1,770
Guthrie - Guthrie Center	5,720	100	1.8	5,620	3,150	850	1,610
Hamilton - Webster City	9,000	150	1.7	8,850	5,910	1,290	1,650
Hancock - Garner	6,460	160	2.4	6,300	3,890	770	1,640
Hardin - Iowa Falls	10,690	120	1.1	10,570	7,420	1,410	1,740
Harrison - Missouri Valley	7,000	130	1.9	6,870	4,100	1,050	1,720
Henry - Mount Pleasant	10,140	160	1.6	9,980	7,570	1,220	1,190
Howard - Cresco	5,320	150	2.8	5,170	2,780	850	1,540
Humboldt - Humboldt	6,110	110	1.8	5,990	3,880	890	1,230

Note: Footnotes identical to Table I.

Note: All data based on place of residence.

Iowa's Adjusted Rate - 2.9

Table V Continued

County - Labor Area	1/Labor Force	Unemployed	Unadjusted Rate	2/Employment	3/Nonag Wage and Salary	4/Self-Employed, Unpaid Family, Domestic	Agriculture
Ida - Ida Grove	4,370	40	1.0	4,320	2,170	760	1,400
Iowa - Marengo	9,230	90	1.0	9,140	6,050	1,210	1,880
Jackson - Maquoketa	10,440	320	3.1	10,110	6,610	1,320	2,180
Jasper - Newton	16,630	460	2.8	16,170	12,160	1,860	2,140
Jefferson - Fairfield	7,070	110	1.5	6,960	5,020	930	1,010
Johnson - Iowa City	41,520	540	1.3	40,980	35,760	3,120	2,100
Jones - Anamosa	9,540	190	2.0	9,350	6,160	1,210	1,980
Keokuk - Sigourney	5,500	150	2.6	5,350	2,850	730	1,780
Kossuth - Algona	11,040	210	1.9	10,820	6,200	1,740	2,880
Lee - Ft. Madison - Keokuk	20,530	550	2.7	19,980	16,800	2,100	1,090
Linn - Cedar Rapids SMSA	79,600	1,600	2.1	78,000	69,800	5,600	2,600
Louisa - Wapello	5,040	70	1.4	4,970	3,720	500	750
Lucas - Chariton	4,480	140	3.1	4,340	2,960	520	870
Lyon - Rock Rapids	6,290	100	1.6	6,190	3,350	940	1,900
Madison - Winterset	5,960	100	1.7	5,860	3,810	690	1,360
Mahaska - Oskaloosa	9,480	200	2.1	9,280	6,430	1,240	1,610
Marion - Knoxville	14,520	200	1.4	14,310	11,370	1,550	1,390
Marshall - Marshalltown	19,670	380	2.0	19,290	15,220	2,150	1,920
Mills - Glenwood	6,100	80	1.3	6,030	4,310	560	1,160
Mitchell - Osage	5,870	210	3.5	5,670	3,150	910	1,600
Monona - Onawa	5,450	110	1.9	5,340	3,070	860	1,410
Monroe - Albia	5,170	80	1.5	5,090	3,800	670	630
Montgomery - Red Oak	6,610	70	1.0	6,540	4,420	860	1,270
Muscatine - Muscatine	18,810	610	3.2	18,200	15,140	1,690	1,360
O'Brien - Sheldon	7,710	160	2.0	7,550	4,580	1,270	1,710
Osceola - Sibley	3,670	90	2.6	3,570	1,940	560	1,080
Page - Shenandoah	9,720	190	2.0	9,530	6,450	1,110	1,970
Palo Alto - Emmetsburg	5,400	100	1.8	5,300	3,150	850	1,310
Plymouth - Le Mars	11,110	230	2.1	10,880	6,980	1,120	2,780
Pocahontas - Pocahontas	5,190	70	1.4	5,120	2,850	740	1,520
Polk - (Part of Des Moines SMSA)	152,500	3,800	2.5	148,700			
Pottawattamie - (Part - Omaha SMSA)5/	41,300	1,200	3.0	40,100	33,800	3,500	2,800
Poweshiek - Grinnell	10,290	150	1.4	10,150	7,110	1,120	1,910
Ringgold - Mount Ayr	3,080	80	2.6	3,000	1,540	520	950
Sac - Sac City	7,230	150	2.1	7,080	3,910	1,070	2,090
Scott - (Part of DRIM SMSA)	72,200	1,900	2.6	70,300	63,100	5,400	1,700
Shelby - Harlan	6,540	130	1.9	6,420	3,630	950	1,840
Sioux - Orange City	14,080	240	1.7	13,850	8,600	2,010	3,230
Story - Ames	37,200	390	1.0	36,820	30,910	3,370	2,530
Tama - Tama-Toledo	9,930	130	1.3	9,800	6,110	1,340	2,340
Taylor - Bedford	3,810	90	2.3	3,720	1,680	610	1,440
Union - Creston	6,720	130	1.9	6,590	4,750	910	930
Van Buren - Keosauqua	3,940	90	2.3	3,850	2,460	560	820
Wapello - Ottumwa	16,350	600	3.7	15,750	13,160	1,760	830
Warren - (Part of Des Moines SMSA)	13,300	200	1.8	13,100			
Washington - Washington	9,920	140	1.4	9,780	6,680	1,460	1,640
Wayne - Corydon	3,810	110	2.8	3,710	2,000	510	1,190
Webster - Fort Dodge	22,160	540	2.5	21,610	17,770	2,130	1,720
Winnebago - Forest City	7,040	150	2.2	6,890	4,810	1,030	1,050
Winneshiek - Decorah	11,420	270	2.3	11,150	6,890	1,470	2,800
Woodbury - (Part of Sioux City SMSA)	50,000	1,400	2.8	48,600			
Worth - Northwood	4,030	120	3.0	3,910	2,400	420	1,080
Wright - Clarion	7,500	120	1.6	7,380	4,740	990	1,650

Data for CETA programs in these areas is based on a "BLS census share" method and is not technically comparable to figures published here.

Note: All data based on place of residence.

Table VI Selected Characteristics of the Insured Unemployed by Industry and Occupation in Iowa 1/

October 1977

Industry and Occupation	Total	Nonwhite	Male	Age Group		Weeks Claimed	
				Under 25	Over 54	Under 5	Over 15
Industry							
Total.....	10,337	218	5,860	3,147	1,344	1,127	3,217
Mining.....	26	0	23	4	8	0	13
Contract Construction.....	1,003	12	944	266	155	125	375
Manufacturing.....	4,059	91	2,321	1,272	467	413	1,145
Durable Goods.....	2,851	62	1,665	900	292	275	815
Nondurable Goods.....	1,208	29	656	372	175	138	330
Public Utilities.....	355	5	270	88	29	42	122
Wholesale and Retail Trade.....	2,647	38	1,351	866	372	307	797
Finance, Insurance and Real Estate.....	269	5	88	79	27	31	93
Services.....	1,421	53	542	379	231	144	491
State and Local Government.....	227	20	85	35	29	26	73
Information Not Available.....	330	0	236	158	26	39	108
Occupation							
Prof./Tech./Managerial.....	264	4	152	41	27	30	84
Clerical/Sales.....	550	12	133	164	92	60	174
Service.....	245	8	72	72	52	18	83
Farming/Fishing/Forestry.....	29	1	22	20	3	9	6
Industrial Categories:							
By Type of Work							
Processing.....	99	8	62	31	12	11	28
Machine Trades.....	201	3	169	62	23	17	57
Bench Work.....	228	6	73	63	26	26	70
Structural Work.....	275	4	262	85	24	45	64
Miscellaneous.....	349	4	295	142	31	32	94
By Complexity							
High.....	106	0	100	25	11	13	17
Medium.....	107	5	90	33	10	15	29
Low.....	938	20	671	325	96	103	266
Information Not Available.....	8,097	168	4,620	2,467	1,054	879	2,557

1/ Data is on individuals claiming benefits for the week including the 12th of the month. Data was compiled as part of a cooperative program with the Employment and Training Administration, U.S. Department of Labor.

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

	Gross Average Weekly Earnings			Spendable Average Weekly Earnings					
				Worker With No Dependents			Married Worker With Three Dependents		
	Oct. 1977	Sept. 1977	Oct. 1976	Oct. 1977	Sept. 1977	Oct. 1976	Oct. 1977	Sept. 1977	Oct. 1976
TOTAL PRIVATE.....	\$191.35	\$188.31	\$170.52	\$151.75	\$149.68	\$135.60	\$166.48	\$164.27	\$147.94
MANUFACTURING.....	272.02	263.31	232.93	204.15	198.75	178.43	223.11	216.90	191.87
Durable Goods.....	283.87	271.47	223.60	211.50	203.81	172.11	231.26	222.72	185.39
Nondurable Goods.....	254.08	250.19	243.79	193.02	190.61	185.77	210.31	207.60	199.62
NONMANUFACTURING.....	166.98	165.95	153.66	135.04	134.30	123.77	148.67	147.91	135.67
Mining.....	263.04	255.89	249.32	198.58	194.14	189.47	216.70	211.60	203.56
Contract Construction.....	336.10	336.01	318.63	243.92	243.86	234.96	267.35	267.28	253.87
Transportation & Public Utilities	278.60	272.23	247.78	208.23	204.28	188.45	227.65	223.26	202.47
Wholesale & Retail Trade.....	144.08	143.40	132.60	118.66	118.18	108.72	132.47	131.86	122.08
Finance & Real Estate.....	139.49	137.27	129.50	115.38	113.79	106.50	128.32	126.33	119.45
Services.....	128.96	128.64	117.55	107.77	107.53	97.83	118.88	118.60	108.66

Table VIII Iowa Nonagricultural Employment 1/

(By Place of Work)

	Oct. 1977	Sept. 1977	Oct. 1976	Change From:	
				Sept. 1977 to Oct. 1977	Oct. 1976 to Oct. 1977
TOTAL NONAGRICULTURAL	1,058,800	1,053,900	1,014,500	4,900	44,300
MANUFACTURING	240,400	239,400	219,000	1,000	21,400
DURABLE GOODS	147,000	146,600	125,700	400	21,300
Lumber & furniture.....	9,000	8,800*	8,700	200	300
Stone, clay & glass products.....	6,100	6,200	6,400	- 100	- 300
Primary metal industries.....	8,000	7,900	7,500	100	500
Fabricated metal products.....	17,800*	17,600*	17,000	200	800
Machinery except electrical.....	60,400	60,400*	42,200*	0	18,200
Farm machinery.....	26,500*	26,800*	16,500*	- 300	10,000
Construction & related machinery.....	20,700	20,700	13,600*	0	7,100
Electrical equipment & supplies.....	25,900	26,100	24,300*	- 200	1,600
Transportation equipment.....	8,800*	8,700*	9,200*	100	- 400
Other durable goods 2/.....	10,900	10,900	10,300*	0	600
NONDURABLE GOODS	93,400	92,800	93,200	600	200
Food & kindred products.....	49,700	49,300	50,400	400	- 700
Meat products.....	26,200*	26,000*	26,600	200	- 400
Grain mill products.....	10,800	10,500*	11,100	300	- 300
Bakery products.....	2,900	2,900	3,000	0	- 100
Apparel & other textile products.....	4,300	4,300	4,500	0	- 200
Paper & allied products.....	3,900	3,900	3,900	0	0
Printing & publishing.....	15,600*	15,500*	15,300*	100	300
Newspapers.....	6,600	6,600	6,400	0	200
Chemicals & allied products.....	6,900	6,900	6,700*	0	200
Rubber & plastics products, nec.....	11,300	11,100	10,500	200	800
Other nondurable goods 3/.....	1,700	1,800	1,900	- 100	- 200
NONMANUFACTURING	818,500	814,500	795,600	4,000	22,900
Nonmetallic mining.....	2,900	2,900	2,800	0	100
Contract construction.....	52,100	52,700	50,800	- 600	1,300
Transportation & public utilities.....	55,200	55,200	55,000*	0	200
Railroad transportation.....	9,000	9,000	9,100	0	- 100
Communication.....	13,000	12,900	12,900	100	100
Electric, gas & sanitary services.....	10,900	10,900	10,800	0	100
Wholesale & retail trade.....	263,000	262,300	256,300	700	6,700
Wholesale trade.....	53,700*	53,200	52,700*	500	1,000
Retail trade.....	209,300	209,100	203,600	200	5,700
Retail, general merchandise.....	30,500	28,800	29,800	1,700	700
Finance, insurance & real estate.....	49,300	49,400	47,600	- 100	1,700
Banking.....	16,800	16,800	16,300	0	500
Insurance carriers & agents.....	19,100	19,100	18,300	0	800
Services.....	191,100	192,300	185,700	- 1,200	5,400
Medical & other health services.....	63,400	63,200	60,500	200	2,900
Government.....	204,900	199,500	197,300	5,400	7,600
Federal government.....	19,400	19,300	19,000	100	400
State government.....	52,300	51,400	49,400	900	2,900
Local government.....	133,200	128,800	128,900	4,400	4,300
Persons Involved in					
Labor-Management Disputes.....	1,700	2,200	20,900	- 500	- 19,200

1/ Revised to most current information available at publication. Data include all full and part-time wage and salary workers employed during the week containing the 12th of the month. Proprietors, self-employed, domestic workers and the armed forces are excluded. Detail may not add up to total due to rounding. (March, 1975 benchmark levels)

2/ Includes ordnance & accessories, instruments & related products and miscellaneous manufacturing.

3/ Includes textile mill products, petroleum & coal products and leather & leather products.

*Strike

Tables in this publication prepared in cooperation with U.S. Department of Labor

Table IX - Job Service of Iowa Activities

	October 1977		September 1977		October 1976	
	Total	Women	Total	Women	Total	Women
JOB PLACEMENT						
New applicants.....	13,966	*	19,170	*	12,727	*
Total placements.....	11,324	3,870	15,963	6,340	7,593	2,709
Nonagricultural.....	11,035	3,854	15,630	6,256	7,288	2,646
Agricultural.....	289	16	333**	84	305	63
New job openings 1/.....	14,485	*	22,264	*	9,912	*
Active applicants.....	71,053	38,228	66,608	36,208	69,717	36,280
JOB INSURANCE						
Initial claims.....	10,104	4,477	7,379	3,135	11,013	4,049
Continued claims.....	52,325	23,183	48,225	20,489	54,396	25,050
First payments issued.....	3,836	1,655	3,451	1,278	4,080	1,610
Total weeks paid.....	50,166	22,226	49,832	21,172	51,555	22,764
Total payments.....	\$4,603,900	\$1,737,411	\$4,591,912	\$1,652,740	\$4,496,742	\$1,478,189
Average weekly payment.....	\$91.77	\$78.17	\$92.15	\$78.06	\$87.22	\$71.98
Average weekly payment - total unemployment.....	\$94.13	\$80.31	\$94.50	\$80.14	\$89.26	\$73.83

1/ Limited to nonagricultural activities.

*Data not available.

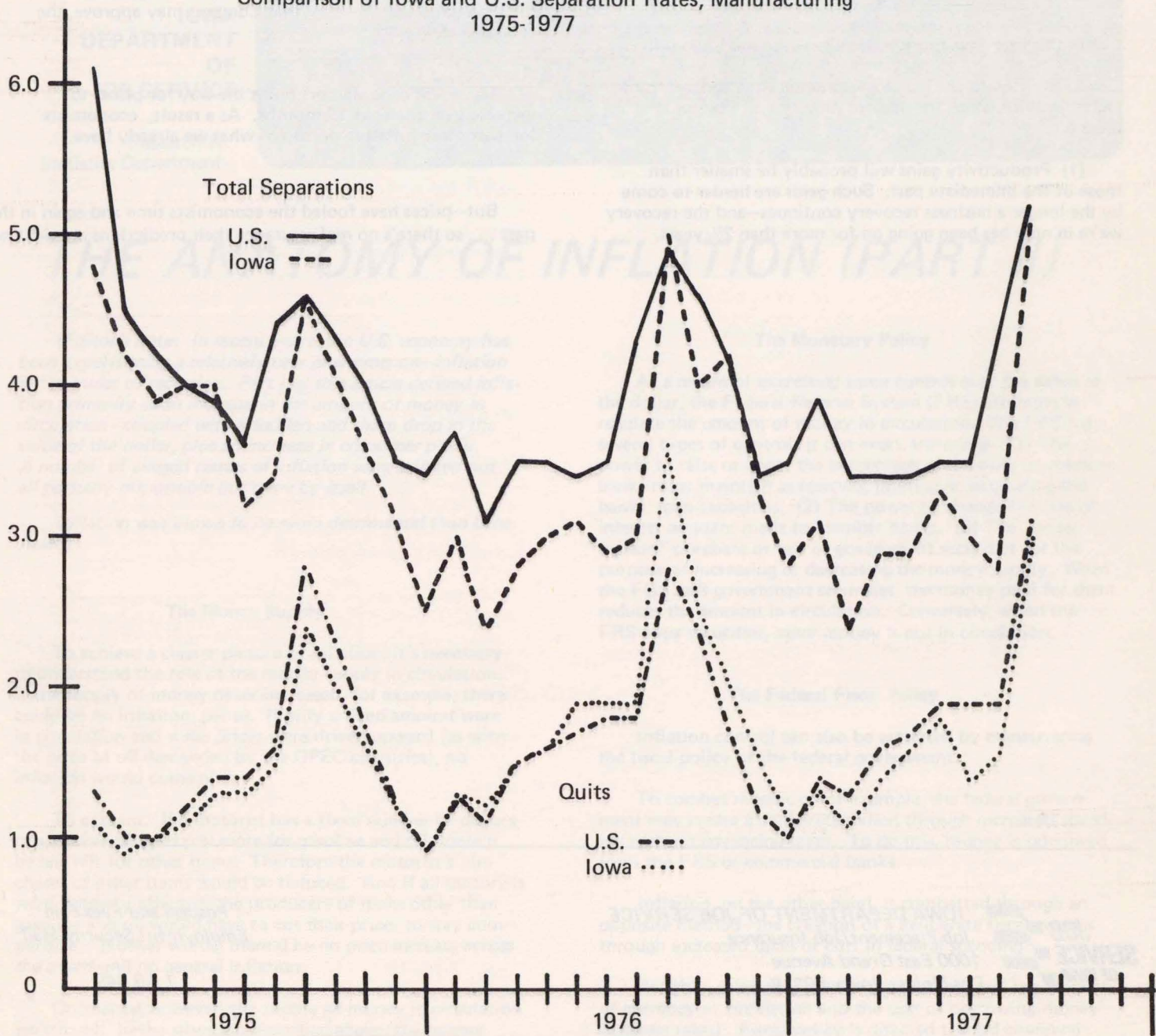
**Corrects September 1977 error

Table X - Iowa Manufacturing Labor Turnover Rates 1/

	ACCESSION RATES									SEPARATION RATES								
	Total			New Hires			Recalls			Total			Quits			Layoffs		
	Oct. 1977	Sept. 1977	Oct. 1976	Oct. 1977	Sept. 1977	Oct. 1976	Oct. 1977	Sept. 1977	Oct. 1976	Oct. 1977	Sept. 1977	Oct. 1976	Oct. 1977	Sept. 1977	Oct. 1976	Oct. 1977	Sept. 1977	Oct. 1976
MANUFACTURING.....	3.1	4.5	3.6	2.5	3.0	2.9	0.4	1.3	0.5	3.1	3.7	4.1	1.5	2.3	2.0	1.0	0.7	1.3
Durable Goods.....	2.8	4.4	3.0	2.1	2.5	2.4	0.3	1.6	0.4	2.7	3.4	4.1	1.2	2.0	1.8	0.8	0.7	1.3
Stone, clay & glass products.....	1.6	4.9	2.6	1.4	4.6	2.2	*	0.3	0.2	2.3	6.6	2.7	1.6	4.0	2.1	0.1	1.4	*
Primary metal industries.....	3.7	4.2	2.3	3.5	3.7	1.5	0.1	0.4	0.7	2.7	3.8	3.2	1.7	2.5	1.4	0.4	0.6	1.2
Fabricated metal products.....	3.6	5.8	3.4	3.1	5.4	3.2	0.3	0.3	0.1	2.5	4.1	4.6	1.8	2.9	2.0	0.1	0.4	1.6
Machinery except electrical.....	2.8	2.7	2.5	1.7	1.5	1.4	0.5	0.9	0.6	2.2	2.5	3.2	0.7	1.0	1.3	0.5	0.7	0.9
Electrical equipment & supplies.....	1.3	1.8	2.4	0.9	1.3	1.7	0.2	0.3	0.4	2.5	2.6	6.1	0.9	1.4	1.3	1.4	0.9	4.2
Other durable goods.....	3.6	9.5	4.3	3.3	3.5	3.9	0.2	5.9	0.3	4.2	4.9	4.9	2.0	3.7	2.6	1.4	0.5	0.9
Nondurable Goods.....	3.7	4.7	4.4	3.0	3.7	3.6	0.5	0.8	0.6	3.9	4.2	4.1	1.9	2.6	2.2	1.3	0.8	1.2
Food & kindred products.....	3.5	5.0	5.1	2.7	3.5	4.0	0.7	1.3	0.9	4.1	4.1	4.6	1.6	2.2	2.2	1.8	1.1	1.7
Meat products.....	4.2	5.6	7.8	2.8	3.2	5.8	1.2	2.1	1.7	4.9	4.2	5.2	1.5	1.8	2.6	2.7	1.5	1.9
Printing & publishing.....	4.4	5.1	3.5	4.0	4.8	2.9	0.2	0.2	0.3	3.2	3.9	2.8	2.4	3.1	2.0	0.1	0.3	0.2
Rubber, plastics & leather prod.....	3.9	4.6	2.9	2.8	3.6	2.4	0.4	0.3	0.3	4.9	5.2	4.0	2.0	3.2	1.7	1.6	0.9	1.3
Other nondurable goods.....	3.5	3.5	4.0	3.3	3.1	3.7	0.1	0.2	0.1	3.3	4.1	3.8	2.4	3.1	2.7	0.5	0.3	0.5

1/ Figures presented are expressed as a rate per 100 employees. * Less than .05.

Comparison of Iowa and U.S. Separation Rates, Manufacturing
1975-1977



"Anatomy of Inflation . . ." continued

(CPI). The CPI reflects changes that have occurred earlier in the prices of raw materials, as reported by the Wholesale Price Index. Costs of services are also considered.

Since 1970, the rate of inflation has annually averaged an increase of over 6.0% . . . with 1972 showing a rate gain of 3.3% while in 1974 the upturn was 11.0%. For 1977, the cost of living rate is expected to rise between 5% and 6%.

1978

In the year ahead, prices are almost bound to go up.

In addition to the existing economic situation, several factors will influence the upward movement. Foremost of these are:

(1) Productivity gains will probably be smaller than those of the immediate past. Such gains are harder to come by the longer a business recovery continues—and the recovery we're in now has been going on for more than 2½ years.

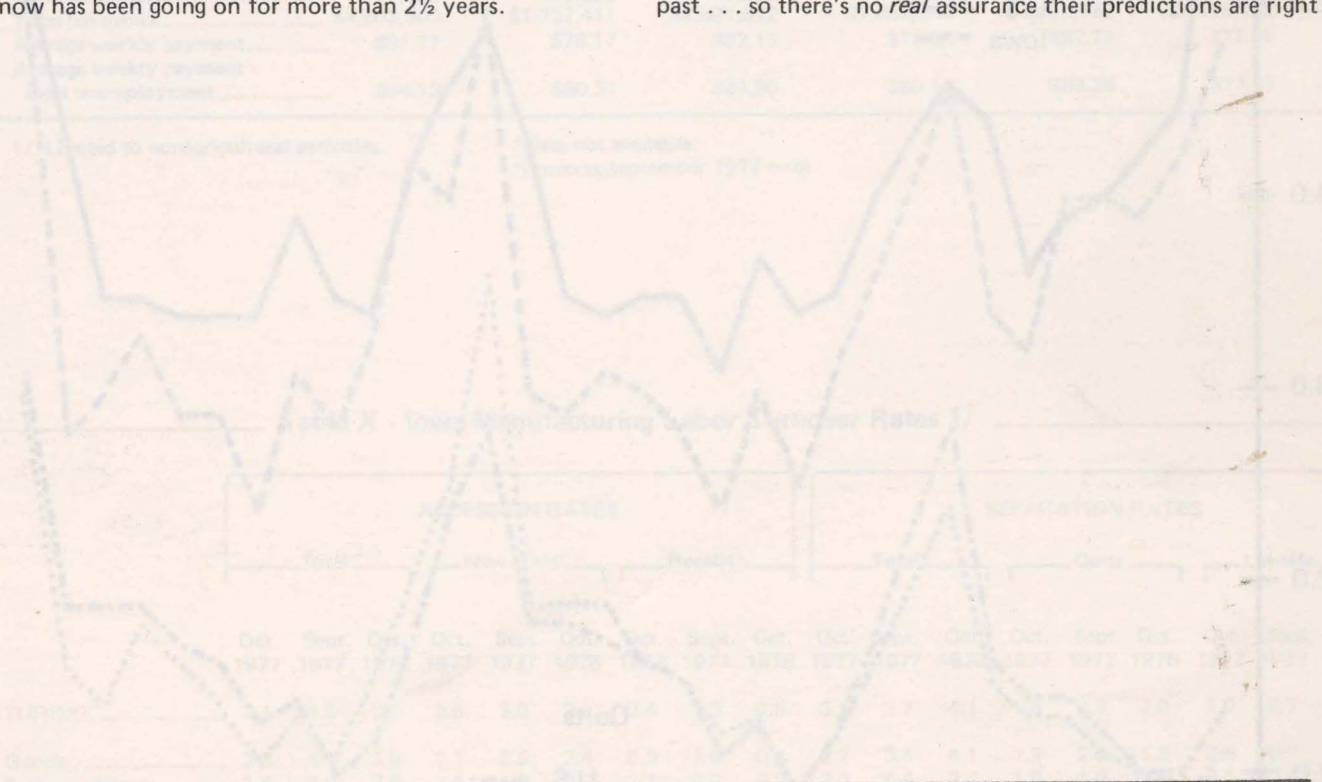
(2) Employers are scheduled to be hit by social security and unemployment insurance tax hikes the first of January—added costs that they'll try to tack onto consumer prices . . . driving them higher.

(3) The minimum wage level is almost certain to be voted higher by Congress—another cost increase that'll be added to consumer prices.

(4) Then there's the energy situation. Regardless of the plan to conserve energy that Congress may approve, the cost of fuel will rise.

These and other factors point the way for prices to increase over the next 12 months. As a result, economists forecast more inflation on top of what we already have.

But—prices have fooled the economists time and again in the past . . . so there's no *real* assurance their predictions are right now!



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