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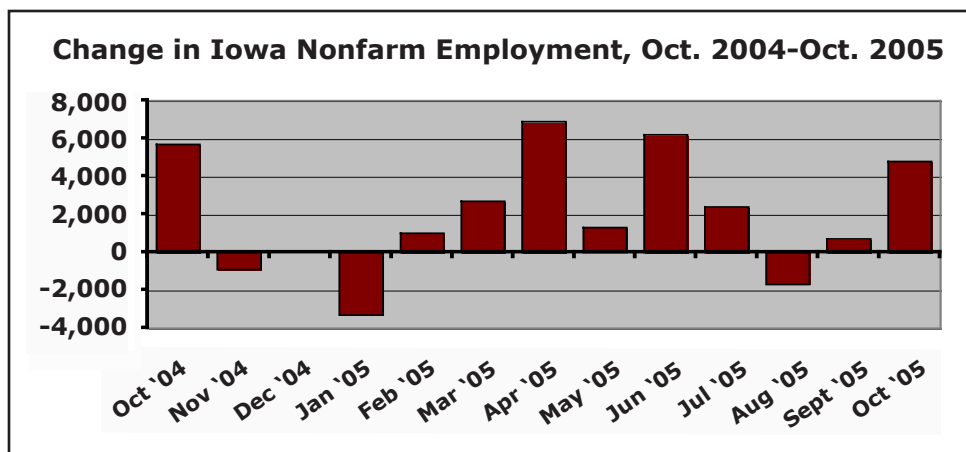
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Iowa Nonfarm Jobs Hit 5-Year High in October Good Signs in Latest Iowa Job Trends; Jobless Rate at 4.5 Percent

MOUNT VERNON, Iowa (Nov. 17, 2005) – The number of Iowans on payrolls reached its highest level in more than five years in October as the state’s nonfarm job market posted its eighth increase in nine months.

Payroll, or non-farm, employment rose by 4,800 jobs to 1,482,800 during the month.

That is 20,100 ahead of a year earlier, and 8,800 ahead of the the start of the 2001 recession. It was the highest nonfarm job level for the state since the all-time high of 1,484,500 recorded in March 2000, according to Iowa Workforce Development (IWD).

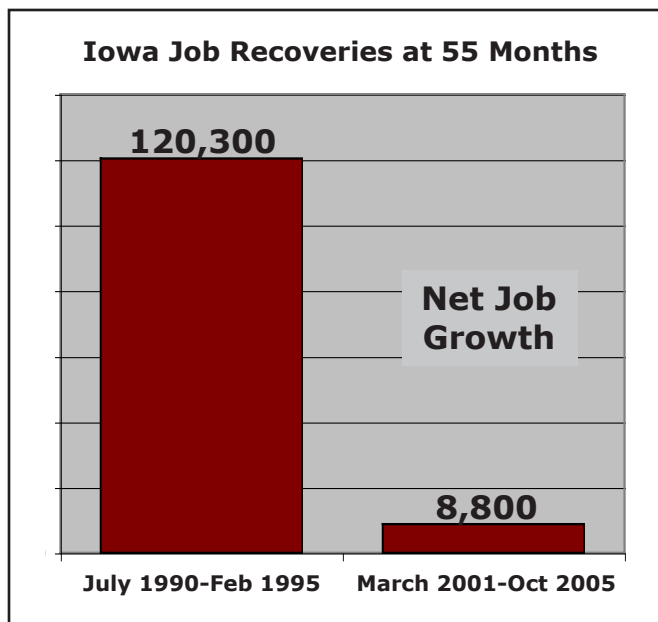


Source: Iowa Workforce Development

The state’s unemployment rate fell by one-tenth of a percentage point during the month, to 4.5 percent, though that might not sound new because the September rate had been reported at 4.5 percent as well but was revised upward.

The labor force, which includes people both working and looking for work, rose by 300, to 1,651,800. While that number stayed fairly stable, enough of those people found jobs to cause a drop in the jobless rate.

“We’re increasing jobs fairly consistently and we’re getting back to levels of 2000,” said Elaine Ditsler, research associate for the nonpartisan Iowa Policy Project (IPP). “That’s an important trend. As always, we stress the long-term perspective of these monthly reports from the state.



“Part of that equation, however, also means we need long-term growth in quality jobs that offer opportunities for young people to pursue careers here.”

IWD noted the increase in October pushed Iowa’s nonfarm jobs past the 1,481,800 level recorded in July 2000, from which a fairly steady decline began leading up to the 2001 national recession.

IWD is right to be looking at the numbers in comparison with job levels before the recession, IPP Executive Director David Osterberg said. He added that it also helps to compare this recovery with the previous one to better understand its strength.

Fifty-five months after the start of the 2001 recession, Iowa’s nonfarm jobs were up 8,800 in October. At the same point following the start of the 1990 recession, Iowa’s nonfarm-job growth was nearly 14 times greater, at 120,300.

“While this job recovery remains very slow in comparison with the 1990s recovery, all signs look good for this month,” Osterberg said.

Iowa’s October nonfarm job figures, seasonally adjusted, included increases of 2,200 jobs in trade and transportation, 900 in manufacturing and 800 in government. Professional and business services declined 200 in October.

Over the year, manufacturing is up 4,400 and financial activities jobs are up 3,600, with gains also for education and health, 2,800, and trade and transportation, 2,000. Construction and professional and business services showed declines of 200 and 400 over the year, respectively.

Key numbers following Thursday’s release from the state:

- Total nonfarm employment rose to 1,482,800 in October from a revised 1,478,000 for September, an increase of 4,800 jobs. The October figure is 20,100 higher than in October 2004. The revised September figure was down 500 from what was reported last month.

- Over the past five months, nonfarm jobs have held roughly 20,000 ahead of their level for the same month a year before.

- The unemployment rate fell to 4.5 percent from 4.6 percent in September (revised from the previously reported 4.5 percent). October marked the seventh-straight month for the unemployment rate to stay below 5 percent. The rate stood at 5 percent in October 2004.

- The labor force rose slightly during the month by 300, to 1,651,800 people working or looking for work.

The Iowa Policy Project (IPP) is a nonprofit, nonpartisan research organization based in Mount Vernon. IPP reports about job and income trends are on the web at www.iowapolicyproject.org.

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