

FOR IMMEDIATE RELEASE WEDNESDAY, OCT. 21, 2009
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Better Job Showings for Iowa Jobless Rate Still High but Stable, Payroll Jobs Improve

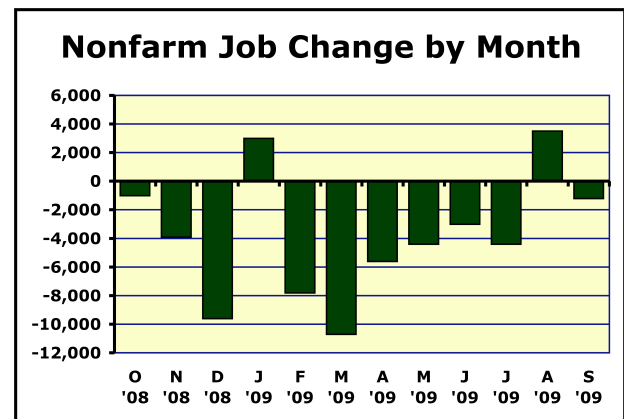
IOWA CITY, Iowa (October 21, 2009) — Revisions in month-old job numbers helped an improved Iowa job picture for September, as the jobless rate stabilized at 6.7 percent and nonfarm jobs showed a net increase over two months.

“We never want to make too much of short-term changes, but the latest numbers mask a better performance in August than had been thought,” said Christine Ralston, research associate for the nonpartisan Iowa Policy Project, which tracks state job trends.

The Iowa unemployment rate in September held at the 6.7 percent revised figure for August, earlier reported at 6.8 percent (seasonally adjusted), according to Iowa Workforce Development (IWD). Still, the jobless rate is at its highest since August 1986. It stood at 4.2 percent in September 2008.

Also changed from earlier reports for August was a 3,500-job improvement in payrolls, compared with the 200-job loss estimated last month.

Iowa’s nonfarm job level stood at 1,478,300 in September, down from 1,479,500 in August — a 1,200-job decline that is well below the monthly average loss of 3,400 in 2009. The August figure compares with the over four-year low of 1,475,800 reported earlier. Nevertheless, nonfarm jobs have declined 10 of the last 12 months, and stood 45,100 behind the level for September 2008.



IWD noted manufacturing, which is down 23,100 jobs over the year, posted a gain of 2,400 in September to lead advancing sectors. Education and health services gained 1,600 and leisure and hospitality 1,000 for the month, with “other” services and professional and business services both posting 100-job gains. Mining and construction were unchanged.

Declining sectors in the month were trade, transportation and utilities at 4,500, government at 1,200, financial activities at 600 and information at 100. IPP analysts noted government jobs are down 400 over the year, before the 10 percent across-the-board state budget cut that is expected to result in more than 1,000 state employee layoffs and more layoffs in school districts and other local settings.

“Layoffs in the public sector, just like the private sector, will affect the ability of our economy to recover from this recession,” Ralston said.

The Iowa Policy Project (IPP) is a nonpartisan, nonprofit research and policy analysis organization based in Mount Vernon, with its principal office in Iowa City. IPP reports on job trends and other public policy issues facing Iowa are at <http://www.iowapolicyproject.org> <<http://www.iowapolicyproject.org>>.

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