

NEWS RELEASE

For Statewide Distribution



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Iowa Unemployment Rate at 6.6 Percent

DES MOINES, IOWA – Iowa’s seasonally adjusted unemployment rate declined slightly to 6.6 percent in December from 6.7 percent in November, continuing a five-month streak of relatively stable unemployment. One year ago, the state’s jobless rate was reported at 4.4 percent. The U.S. unemployment rate remained at 10.0 percent in December.

“The state’s deep cuts in nonfarm employment in December sent a signal that the long-awaited economic recovery remains elusive,” said Elisabeth Buck, director of Iowa Workforce Development. “Companies are still reluctant to hire, making it increasingly difficult for unemployed workers to find jobs.”

The statewide estimate of unemployed workers edged down to 110,800 in December from 111,900 in November, but was 37,100 higher than the December 2008 level of 73,700.

The total number of working Iowans rose slightly to 1,573,000 in December from 1,570,300 in November. One year ago, total employment was 29,900 higher at 1,602,900.

Seasonally Adjusted Nonfarm Employment

Total nonfarm employment in Iowa decreased by 13,200 in December, bringing the total to 1,468,800. The drop was significantly more than expected, and followed two consecutive months of increases. The losses were attributable to the extremely harsh weather that occurred during December, coupled with the prolonged weakness in the Iowa economy. All major sectors contracted in December with the exception of finance, up 600; and government, which remained unchanged.

Trade and transportation declined the most in December, down 4,200 jobs. The majority of the losses were concentrated in retail trade, which reflected a weak hiring pattern for this year’s holiday season. Wholesale trade shed 1,100 jobs; many were related to farm supply and equipment merchants. Elsewhere, leisure and hospitality dropped 3,300 jobs. Restaurants accounted for the largest portion of the drop, down 2,000 jobs. Weather also curtailed many construction projects, causing a drop of 1,900 in the construction sector. Both durable and nondurable goods manufacturing experienced job cuts, resulting in a loss of 1,800 for overall manufacturing. Other services, health services and professional and business services posted drops of less than 1,000.

Compared to last December, the Iowa economy has lost 40,100 jobs. Manufacturing still leads all sectors in terms of losses, down 19,900 over the year. Trade and transportation and construction followed with losses of 7,900 and 7,700, respectively. Education and health services remained the most resilient sector, adding 2,600 jobs since December 2008.

MEDIA ALERT: An audio cut of comments about Iowa’s labor market situation is available by calling (515) 281-6057. Local data for December can be accessed from the Web on Tuesday, January 26, 2010. State and local data for January 2010 will be released on March 10, 2010.

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Employment and Unemployment in Iowa, Seasonally Adjusted Data

	Dec. 2009	Nov. 2009	Dec. 2008	Change from	
				Nov. 2009	Dec. 2008
Civilian labor force	1,683,800	1,682,200	1,676,500	1,600	7,300
Unemployment	110,800	111,900	73,700	-1,100	37,100
Unemployment rate	6.6%	6.7%	4.4%	-0.1	2.2
Employment	1,573,000	1,570,300	1,602,900	2,700	-29,900
U.S. unemployment rate	10.0%	10.0%	7.4%	0.0	2.6

Nonfarm Employment in Iowa, Seasonally Adjusted Data

Total Nonfarm Employment	1,468,800	1,482,000	1,508,900	-13,200	-40,100
Mining	2,000	2,100	2,100	-100	-100
Construction	62,800	64,700	70,500	-1,900	-7,700
Manufacturing	202,400	204,200	222,300	-1,800	-19,900
Trade, transportation and utilities	300,100	304,300	308,000	-4,200	-7,900
Information	32,100	32,300	33,000	-200	-900
Financial activities	104,100	103,500	103,200	600	900
Professional and business services	114,700	115,400	113,500	-700	1,200
Education and health services	211,700	212,500	209,100	-800	2,600
Leisure and hospitality	130,600	133,900	135,100	-3,300	-4,500
Other services	55,700	56,500	57,800	-800	-2,100
Government	252,600	252,600	254,300	0	-1,700

Unemployment Insurance Claims for Iowa

	Dec. 2009	Nov. 2009	Dec. 2008	% Change from	
				Nov. 2009	Dec. 2008
Initial claims	45,805	24,851	51,841	84.3%	-11.6%
Continued claims					
Number of claimants	71,253	53,475	66,757	33.3%	6.7%
Weeks paid	249,048	163,726	213,125	52.1%	16.9%
Amount paid	\$73,652,781	\$47,158,615	\$62,246,467	56.2%	18.3%

Visit www.iowaworkforce.org/lmi/laborforce/locallaborforce.html for county unemployment rates, www.iowaworkforce.org/lmi/laborforce/index.html for current and historical labor force data and www.iowawokforce.org/lmi/empstat/msanonag.htm for detailed information on nonfarm employment.

Visit www.iowaworkforce.org/trends/wages.html for information on hours and earnings and www.iowaworkforce.org/trends/uiclaimscomo.html to obtain a breakout of jobless benefits by county.

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