

STATE OF IOWA LABOR MARKET REVIEW WORKFORCE DEVELOPMENT

MAY 2007
LMR MONTHLY

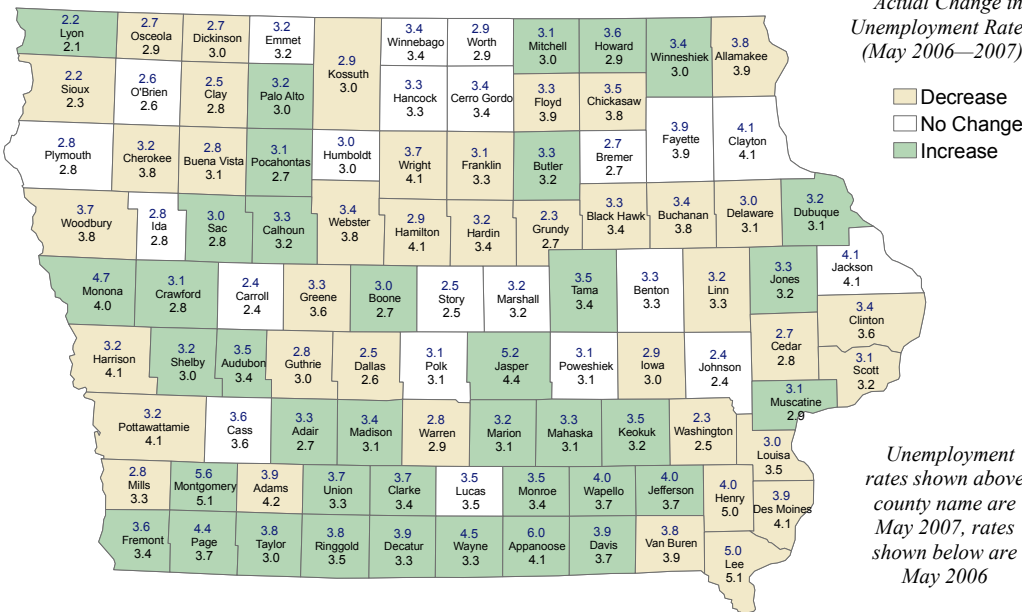
Nonfarm Employment Rebounds After April Decline

After a decline of 900 last month, nonfarm employment in Iowa increased to 1,521,800 during May, 3,400 more than in April and 19,400 more than in May 2006. Gains were widely scattered throughout the Nonfarm sector, with only Nondurable Goods Manufacturing and Federal Government showing any downward movement. The largest increases occurred in Professional and Business Services, Leisure and Hospitality, Construction, Education and Health Services, Trade and Transportation, and Local Government.

Professional and Business Services added 700 new jobs during May, the fourth straight month of growth for the sector. Leisure and Hospitality was also up by 700 over the month after dipping slightly in April. Construction increased by 600 in May following the large decline of 2,100 experienced in April, while Education and Health Services added 500 in May on the heels of a 600 gain last month.

On the national level, nonfarm employment was up by 157,000 during May, better than had been expected by most analysts.

Unemployment Rates per Iowa Counties - May 2006 and 2007



Unemployment rates shown above county name are May 2007, rates shown below are May 2006

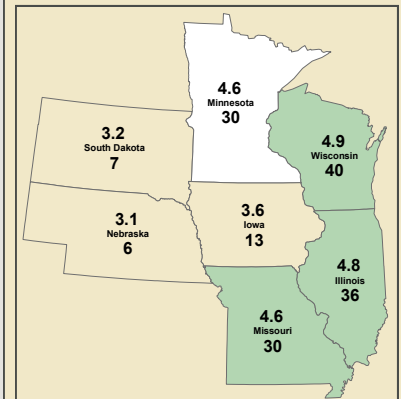
Statewide Hours & Earnings - May

Workers in Iowa's private sector earned \$504.85 a week during May, just \$1.49 a week less than in March. The average workweek was up by six minutes over the month, but average hourly earnings decreased by nine cents. The increase in weekly hours was due mainly to more overtime in the Goods Producing sector, particularly in Mining and Construction, while the drop in hourly pay stemmed from seasonal hiring of lower-paid workers in Retail Trade and other Service-providing industries. Hourly earnings in Manufacturing were also down over the month even though the average Manufacturing workweek remained unchanged over the month.

For additional information, contact Bill Voyce (515-281-3895 or 800-532-9793)

www.iowaworkforce.org/trends

Unemployment Rates - May_p



Unemployment rates shown above state name, national rankings shown below

Country	Rate
United States	4.5
Canada	6.1

Consumer Price Index

CPI -U (06-07 May _p)	OTY Change
United States	2.7%
Midwest	2.9%

Iowa's Hours & Earnings

Avg Weekly Earnings	\$504.85
Avg Hourly Earnings	\$15.07
Avg Weekly Hours	33.5

Total Private in May 07_p

Visit Online at:
www.iowaworkforce.org/trends

p - preliminary data

**Ames MSA
Employment, May 2007_p**

Total Nonfarm 07	47,500
Total Nonfarm 06	47,400
% Change 1 Yr	0.20%
Noteworthy Expanding and Contracting Industries (1yr)	
Local Government	4.30%
Goods producing	0.00%

**Cedar Rapids MSA
Employment, May 2007_p**

Total Nonfarm 07	137,300
Total Nonfarm 06	135,400
% Change 1 Yr	1.40%
Noteworthy Expanding and Contracting Industries (1 yr)	
Natural Res & Const	7.70%
Admin & Support	-11.30%

**Des Moines MSA
Employment, May 2007_p**

Total Nonfarm 07	320,300
Total Nonfarm 06	315,400
% Change 1 Yr	1.60%
Noteworthy Expanding and Contracting Industries (1 yr)	
Admin & Support	8.30%
Non-durable mfg	-4.10%

**Dubuque MSA
Employment, May 2007_p**

Total Nonfarm 07	58,200
Total Nonfarm 06	56,100
% Change 1 Yr	3.70%
Noteworthy Expanding and Contracting Industries (1 yr)	
Goods producing	4.10%
Retail Trade	-4.10%

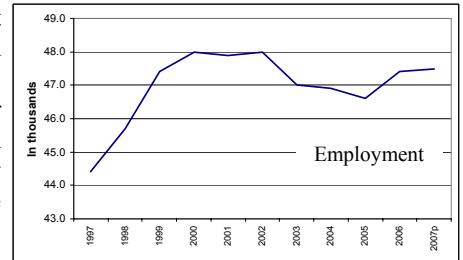
p - preliminary data

Data is not seasonally adjusted

Ames MSA

Nonfarm employment in the Ames MSA totaled 47,500 during May, 500 less than in April but 100 more than in May 2006. All of the decrease over the month occurred in Government, where a decline of 800 at the state level more than offset an increase of 200 in Local Government. The Goods Producing sector added 100 new jobs over the month, while Service-providing industries remained unchanged from April.

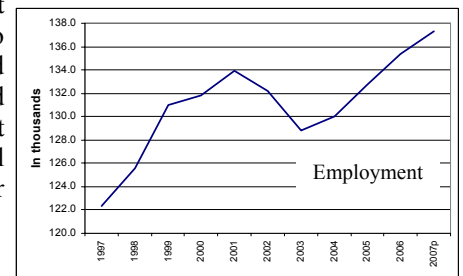
Compared to May 2006, nonfarm employment is just 100 higher, due to an increase of 100 in the Private Service-providing sector. Employment in the Goods Producing sector remained unchanged over the year, while an increase of 200 in Local Government exactly offset declines of 100 each in Federal and State employment.



Cedar Rapids MSA

Total nonfarm employment in the Cedar Rapids MSA continued to climb during May 2007. The MSA reported a total of 137,300 jobs, which is 700 more than one month ago. Employment remains 1.4 percent higher than one year ago (1,900 jobs) and is at an all-time historical high. Almost all sectors experienced small movements during the month.

The goods-producing sector reported the largest gain, 300 jobs, which is due primarily to seasonal increases in construction. For the third month in a row, the construction sector reported the largest over-the-year gain in the MSA, at 7.7 percent. Employment in the financial activities and other services sectors are at their highest levels since 1990.

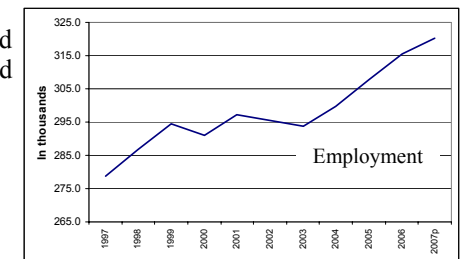


Des Moines MSA

In May, total nonfarm employment increased .9 percent or 2,700 jobs in the Des Moines/West Des Moines MSA. The over-the-year increase, at 4,900, is just below the historical average of 5,000, although it is the lowest April to May over-the-year change since 2003.

Leisure and hospitality experienced a seasonal increase of 1,300 making four consecutive months of increases in this industry and breaking the previous record high, set in August of 2006. Trade and transportation also increased with nearly all of the gain of 500 occurring in retail trade. Mining and construction had a seasonal gain of just 300, well below the average April to May change.

Health care and social assistance and professional and business services each had small declines in employment.



Dubuque MSA

May nonfarm employment for the Dubuque area stands at 58,200 and is unchanged from April. Employment in the area remains 2,100 (3.7%) above the May 2006 level.

As the lack of change in the total nonfarm figure would suggest, there was minimal activity in May. Retail trade decreased 100 but was offset by a seasonal gain of 100 in local government. Goods-producing also experienced a seasonal gain of 100 but that gain

For additional information, please call 800-532-9793 or visit the website below

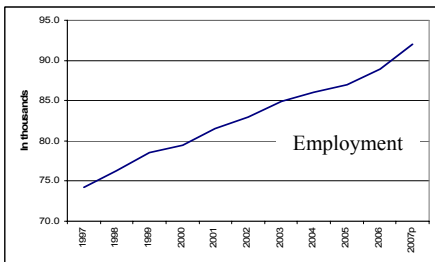
IOWA MSA EMPLOYMENT SITUATION



was offset by a decline of 100 in service-providing.

Dubuque (cont)

Total nonfarm employment for May 2007 in the Iowa City MSA edged up by 300 jobs from last month, reporting 92,000. Employment in the Iowa City area for the month is 3,100 jobs higher than one year ago (3.5% increase), and is at the highest point since 1990. The retail trade sector experienced the largest decline (200 jobs) this month, however this loss was offset by increases in goods producing (200) and government (100) sectors. All sectors, except retail trade, reported gains from one year ago, with leisure and hospitality showing the largest gain – 12.8 percent.

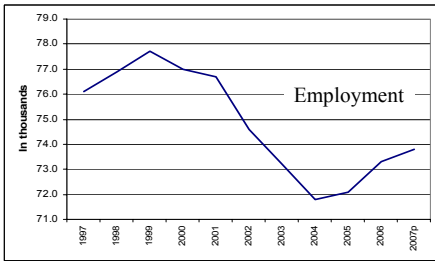


Iowa City MSA

Iowa City MSA Employment, May 2007_p	
Total Nonfarm 07	92,000
Total Nonfarm 06	88,900
% Change 1 Yr	3.50%
Noteworthy Expanding and Contracting Industries	
Accom & Food	13.90%
Retail Trade	-2.10%

Sioux City nonfarm employment rose for the fourth consecutive month, posting a gain of 0.7 percent or 500 jobs. Over-the-year, employment is up 3 percent and is 0.7 percent above May 2006.

The goods producing sector remained unchanged for the month. Employment losses in manufacturing, down 200, were offset by increases in construction and natural resources.

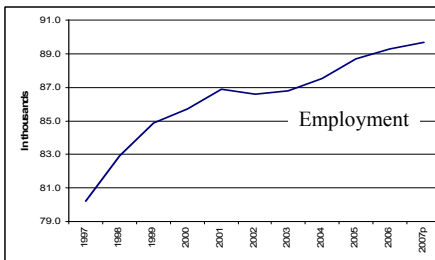


Sioux City MSA

Sioux City MSA Employment, May 2007_p	
Total Nonfarm 07	73,800
Total Nonfarm 06	73,300
% Change 1 Yr	0.70%
Noteworthy Expanding and Contracting Industries	
Retail Trade	1.10%
Non-durable mfg	-8.60%

Nonfarm employment in the Waterloo/Cedar Falls metropolitan statistical area is at 89,700. This level represents an increase of 500 from April and is 400 above May 2006.

Government employment held steady as a small seasonal decrease in state government was offset by a seasonal increase in local government.



Waterloo/Cedar Falls MSA

Waterloo/Cedar Falls MSA Employment, May 2007_p	
Total Nonfarm 07	89,700
Total Nonfarm 06	89,300
% Change 1 Yr	0.40%
Noteworthy Expanding and Contracting Industries	
Durable goods mfg	5.30%
Non-durable mfg	-9.80%

Leisure and hospitality and trade and transportation each experienced a seasonal gain of 200 while educational and health services decreased 200. Manufacturing increased 100, all of which occurred in non-durable goods manufacturing.

Professional and business services and financial activities each dropped 100.

p - preliminary data

For additional information, please call 800-532-9793 or visit the website below

**Top 5 Counties
Unemployment Insurance
Benefit Payments, May**

Polk	\$3,672,692
Linn	\$1,840,300
Woodbury	\$ 999,691
Scott	\$ 959,427
Black Hawk	\$ 941,652

**Mass Layoff
Statistics—May_p**

US Layoff Events	930*
Iowa Layoff Events	5*
Iowa Initial Claimants	481*

*Preliminary data. Includes seasonal events.

**Worker Adjustment and
Retraining Notifications,
May**

Business	Location
N/A	

Contact Information

Iowa Workforce Development
Workforce Data & Business
Development Bureau
1000 East Grand Avenue
Des Moines, IA 50319-0209
Tel: 515-281-8515
Tel: 800-532-9793
Fax: 515-281-8195
Email: trends@iowa.gov
www.iowaworkforce.org

Equal opportunity employer/program.
Auxiliary aids and services are
available upon request to individuals
with disabilities.

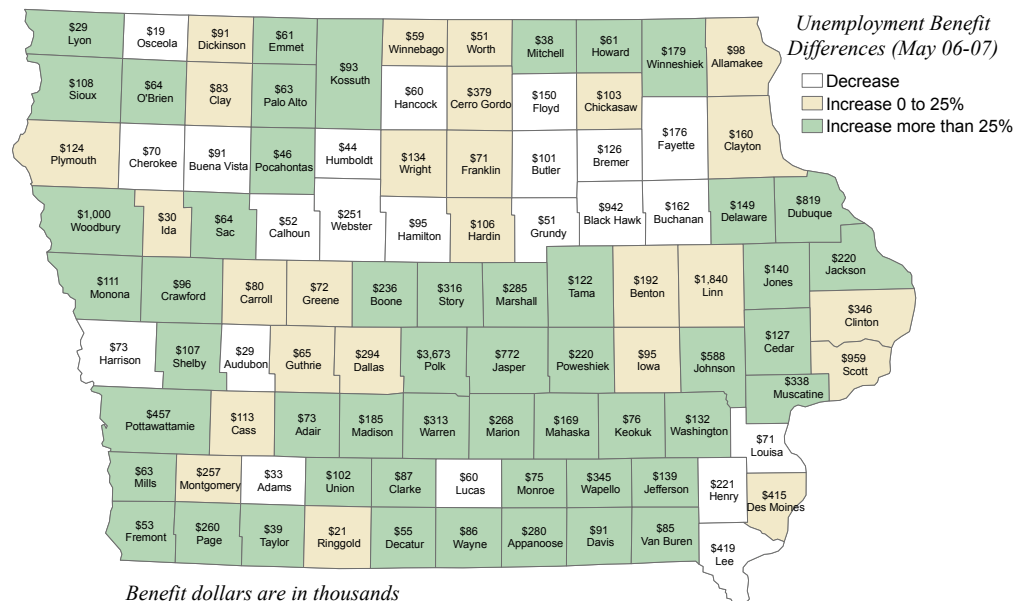
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Relay 711

Unemployment Insurance Benefit Payments - May

Iowa unemployment insurance benefit payments decreased from \$28.6 million in April to \$25.3 million in May. In addition, the total number of unemployment insurance claimants decreased from 34,781 in April to 27,787 in May. Decreases in benefits and claimants from April to May were most significantly impacted by the construction sector. When compared to last year, the benefit payments in May 2007

increased from \$19.9 million in May 2006. Similarly, the number of claimants in May 2007 increased from 26,127 in May 2006. Increases in benefits and claimants over the year primarily resulted from claims from the manufacturing and construction sectors.

Unemployment Insurance Benefit Paid by County - May



Happenings Around the State

Featherlite Inc. — Cresco

Featherlite Inc., which makes trailers, has announced plans to lay off 29 workers at its plant in Howard County.

An economic downturn is being blamed for the job reductions, company officials said.

Its the latest reduction or closing for the Iowa-based company. Last month, the company eliminated about 20 positions at its Cresco headquarters and announced plans to close its steel manufacturing plant in Shenandoah, eliminating 100 workers.

The latest layoffs involve management, support and office staff, the company said.

Victor Plastics/EPC — Kalona

After announcing that it would close its Kalona plant, Victor Plastics has sold the facility to

another injection molding production company, Engineered Plastic Components. Reza Kargazadeh, president of Grinnell-based Engineered Plastic Components, said he plans to have about 120 employees at the Kalona plant although some of the details still remain to be worked out.

The company, which makes injection molding products for services, such as automotive, appliances and consumer products, also has operations in the United Kingdom.

Victor Plastics Chief Financial Officer Charles Brown said that of the 209 employees at the Kalona plant, 115 were offered transfers to other Victor Plastics locations. Of those, about two thirds have accepted transfers, Brown said.