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CONTACT: Mike Owen (319) 338-0773, ipp@Lcom.net

EDITORS: *We are revising the format for our monthly commentary on job numbers provided by Iowa Workforce Development. Instead of a full news release in story form, we will provide a statement from a staff analyst. We welcome inquiries and will make our analyst available for interviews. Christine Ralston is available for interviews today. We hope you find this to be a useful format.*

Iowa JobWatch

Despite Boost in January, Numbers Lower Than Thought

IOWA CITY, Iowa (March 10, 2010) — The Iowa Policy Project (IPP) today released the following statement from IPP research associate Christine Ralston regarding the latest Iowa job numbers and unemployment figures provided by Iowa Workforce Development:

“Iowa nonfarm jobs grew in January, but revised December numbers are far below previous estimates. Nonfarm, or payroll, jobs rose by 4,600 in January to 1,463,400. Though a clear gain, it shows the number of jobs for December was vastly overstated. The January number is 5,400 jobs below the level that had been previously estimated for December.

“The unemployment rate showed a slight increase following annual government revisions of employment data, to 6.6 percent from 6.5 percent in December. That December number had previously been reported at 6.6 percent.

“The new numbers are the best numbers available, and they do present some reason for hope in what has been a very difficult period for job-seekers.

“Over the year, from January to January, we see pretty similar trends to what we’d seen earlier. Iowa lost nearly 40,000 jobs in one year (38,200), and over 40 percent of the loss (16,600) came in manufacturing. These are jobs that traditionally pay better than most and offer health benefits.”

Ralston cautioned against making too broad a conclusion from the monthly changes.

“It’s always best not to get too swept up in the monthly numbers because they are subject to revision. It’s better to take a step back and view them over time.

“What the numbers do illustrate, however, is that Iowa jobs are falling short of demand for work. This yet again emphasizes the need for an extension of unemployment insurance benefits by Congress — both to help families make ends meet when jobs aren’t available and to bolster the economy. Unemployment benefits are spent in local economies, and that helps to create jobs.”

The Iowa Policy Project is a nonpartisan, nonprofit research and policy analysis organization in Iowa City. Find IPP reports on job trends and other public policy issues at <http://www.iowapolicyproject.org>.

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