



# Economic Stimulus and the Workforce

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Elisabeth Buck

Iowa Workforce Development

# SMART Conference

## May 5, 2009

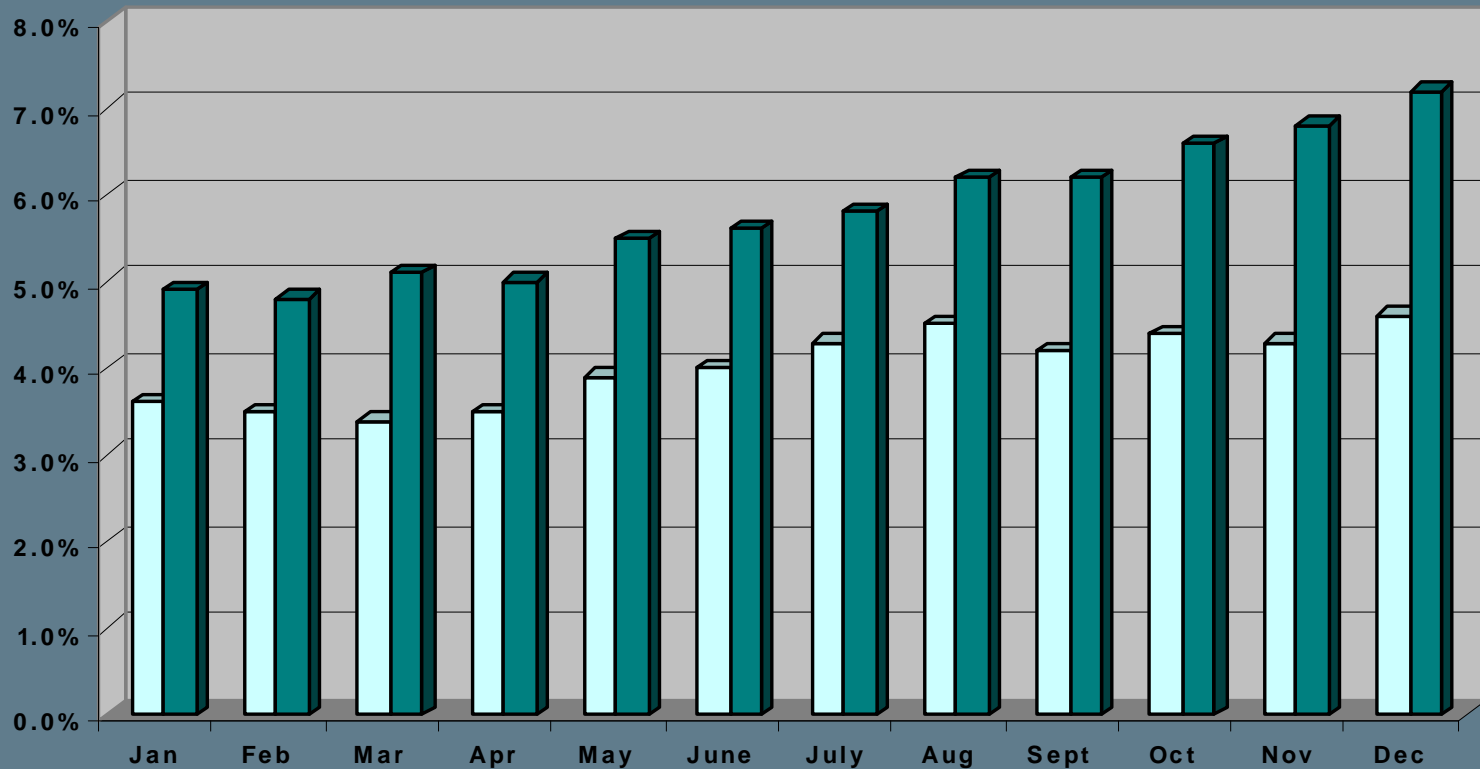
Elisabeth Buck, Director  
2009

# Iowa's Economic Condition

- The U.S. economy entered into a recession in December 2007.
- For Iowa, the current recession is expected to be the longest and most severe since the early 1980's.
- Iowa's job growth slowed, and unemployment began to increase during second quarter 2008 (April – June).

# Iowa's Employment Statistics

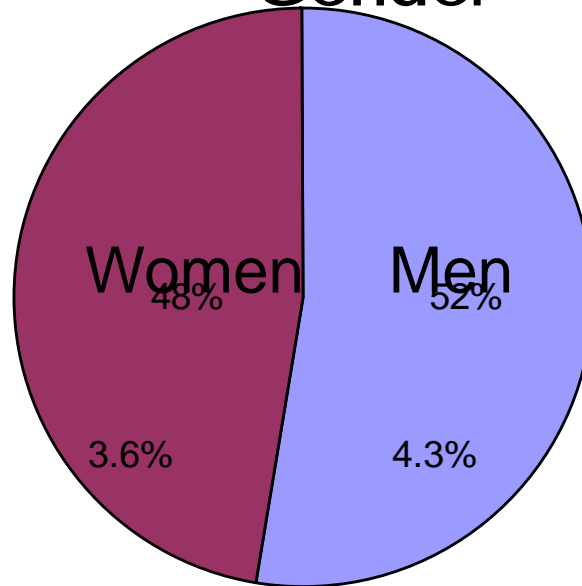
Iowa and U.S. Unemployment Rates  
2008



Iowa U.S.

# Iowa's Employment Statistics

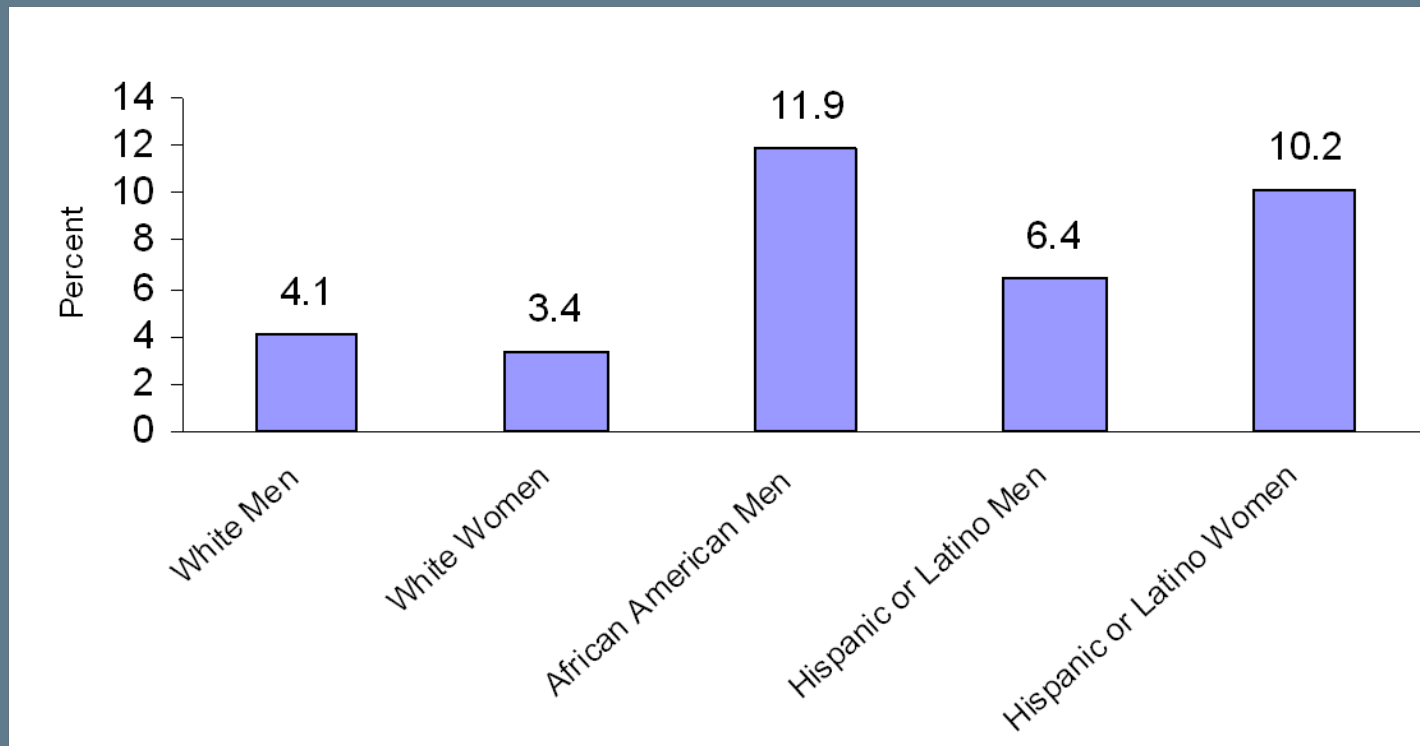
## Civilian Labor Force and Unemployment Rate by Gender



Source: Current Population Survey  
2008 Annual Averages (preliminary)

# Iowa's Employment Statistics

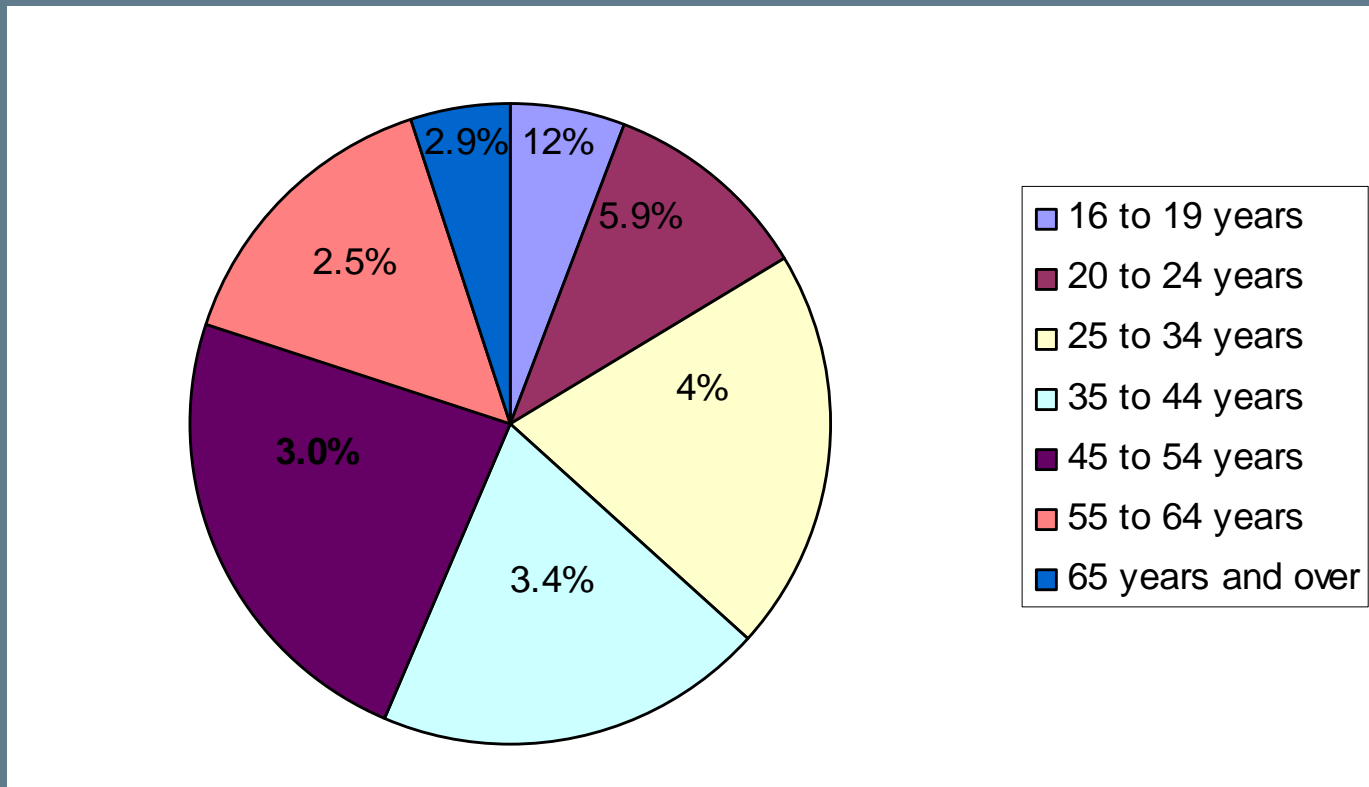
## Unemployment Rate by Minority Group



Source: Current Population Survey  
2008 Annual Averages (preliminary)

# Iowa Employment Statistics

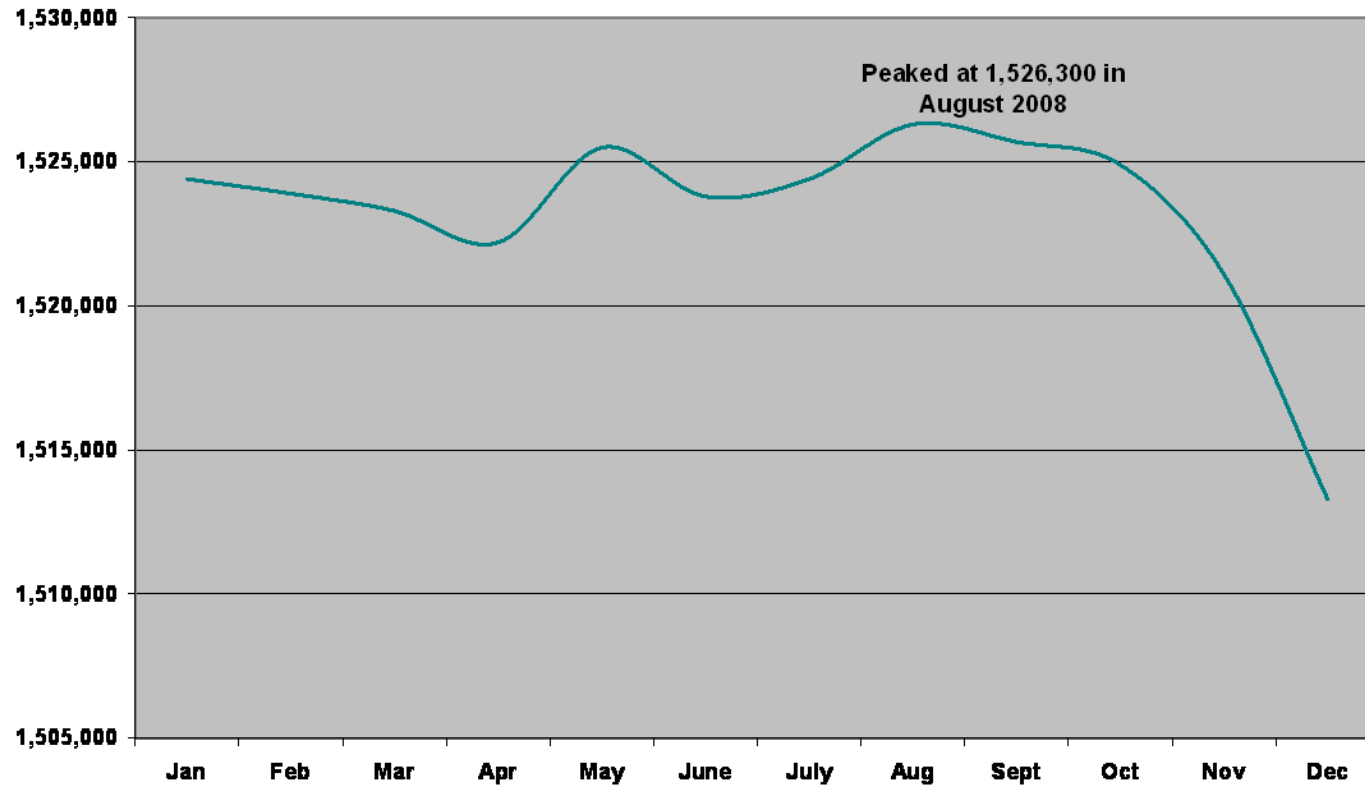
## Civilian Labor Force and Unemployment Rate



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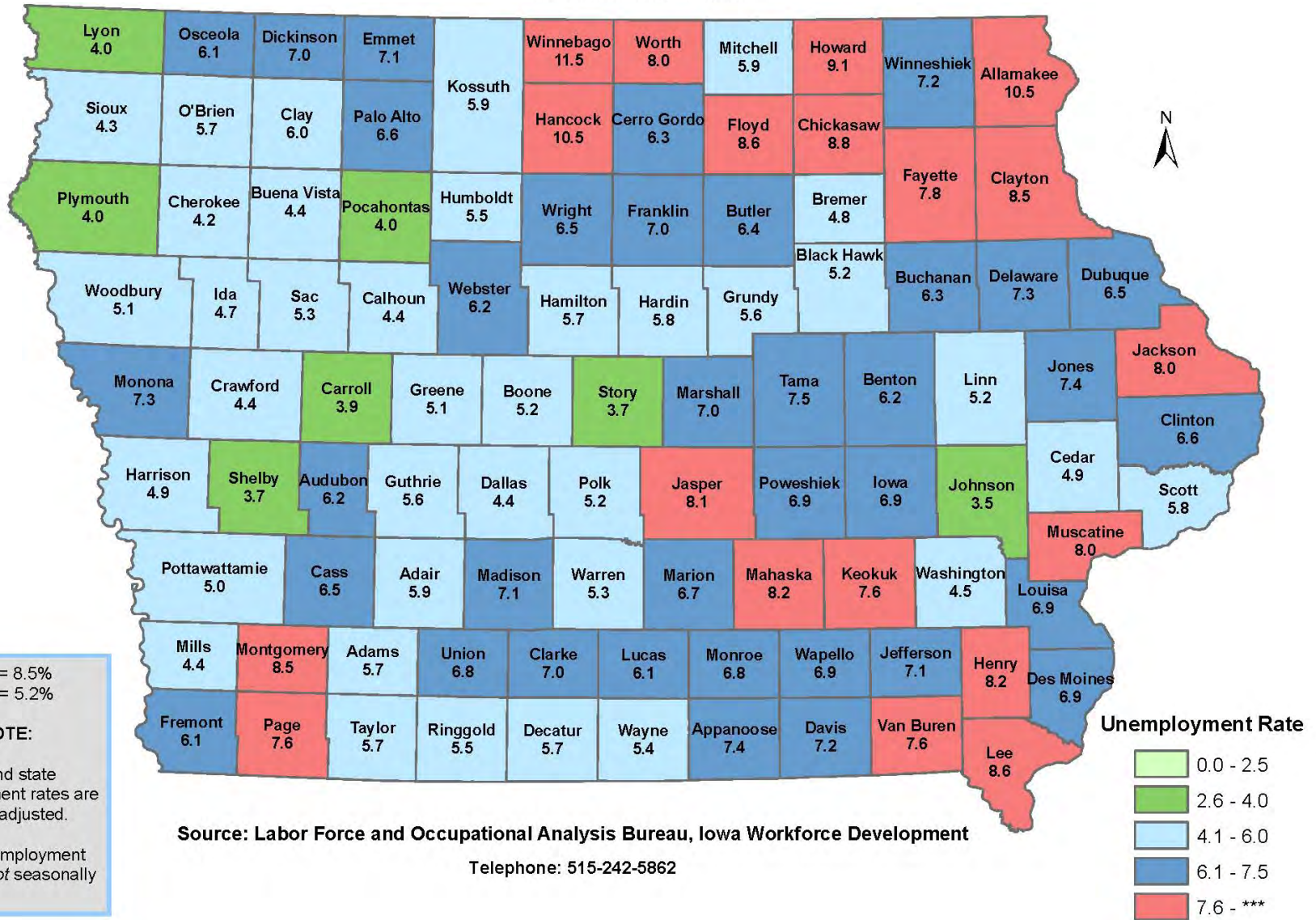
# Iowa's Employment Statistics

Iowa's Nonfarm Employment  
2008



# Iowa Unemployment Rates by County

## March 2009



# Iowa's Employment Statistics

*Unemployment Insurance Benefits Paid by County  
Iowa Intrastate Regular UI Benefits  
Sorted By Descending Percent Change  
Top Ten Percent Change in Benefits Paid*

Rank	County	Benefits 2007	Benefits 2008	\$ Change	% Change
1	WINNEBAGO	1,039,058	4,037,074	2,998,016	288.5%
2	HANCOCK	1,435,682	3,946,435	2,510,753	174.9%
3	WORTH	904,619	1,897,820	993,201	109.8%
4	HOWARD	771,731	1,467,433	695,702	90.1%
5	LOUISA	1,284,282	2,254,926	970,644	75.6%
6	MITCHELL	676,541	1,187,316	510,775	75.5%
7	FLOYD	2,380,354	4,044,363	1,664,009	69.9%
8	MUSCATINE	4,085,550	6,821,847	2,736,297	67.0%
9	OSCEOLA	398,432	653,559	255,127	64.0%
10	PALO ALTO	832,366	1,363,512	531,146	63.8%

# Unemployment Insurance Claims & Benefits

<b>TYPE</b>	<b>4<sup>th</sup> Quarter 2007</b>	<b>4<sup>th</sup> Quarter 2008</b>
<b>Initial/Additional Claims</b>	<b>66,804</b>	<b>113,269</b>
<b>Continued Claims</b>	<b>296,683</b>	<b>430,053</b>
<b>Benefits Paid</b>	<b>\$68,454,166</b>	<b>\$119,718,238</b>

# Unemployment Insurance Claims & Benefits

TYPE	1 <sup>st</sup> Quarter 2008	1 <sup>st</sup> Quarter 2009
Initial/Additional Claims	55,976	117,864
Continued Claims	486,248	771,180
Benefits Paid	\$140,781,589	\$230,704,734

# Unemployment Insurance Claims & Benefits

Program	CY 2007	CY 2008
Regular UI	\$329,564,128.12	\$417,788,649.44
Trade Readjustment Act	\$5,517,203.09	\$3,829,627.92
Disaster Unemployment Assistance	\$9,536.00	\$6,626,897.47
Extended Unemployment Compensation 2008	\$0.00	\$54,533,775.33
<b>TOTAL BENEFITS PAID</b>	<b>\$340,107,869.20</b>	<b>\$487,576,169.40</b>

	Jan 09	Feb 09	Mar 09
Agriculture	391	406	384
Mining	708	517	402
Utilities	126	112	127
Construction	17,165	17,127	16,493
Manufacturing	19,684	22,386	24,094
Wholesale Trade	2,011	2,269	2,449
Retail Trade	3,540	4,039	4,077
Transp/Warehouse	1,924	2,003	2,149
Information	925	1,106	1,240
Finance/Insurance	1,087	1,136	1,200
Real Estate/Leasing	439	452	465
Profs/Scientific/Tech	1,361	1,602	1,655
Company Managmt	71	83	75
Admin/Waste Mgmt	5,349	5,640	5,487
Educational Svcs	491	496	469
Healthcare/Social Assis	1,715	1,851	1,892
Arts/Entertain/Recreation	943	853	714
Accomodations/Food Serve	2,152	2,101	2,213
Other Services	771	874	874
Public Admin	838	795	695
Info Not Available	628	632	761
	62,319	66,480	67,915

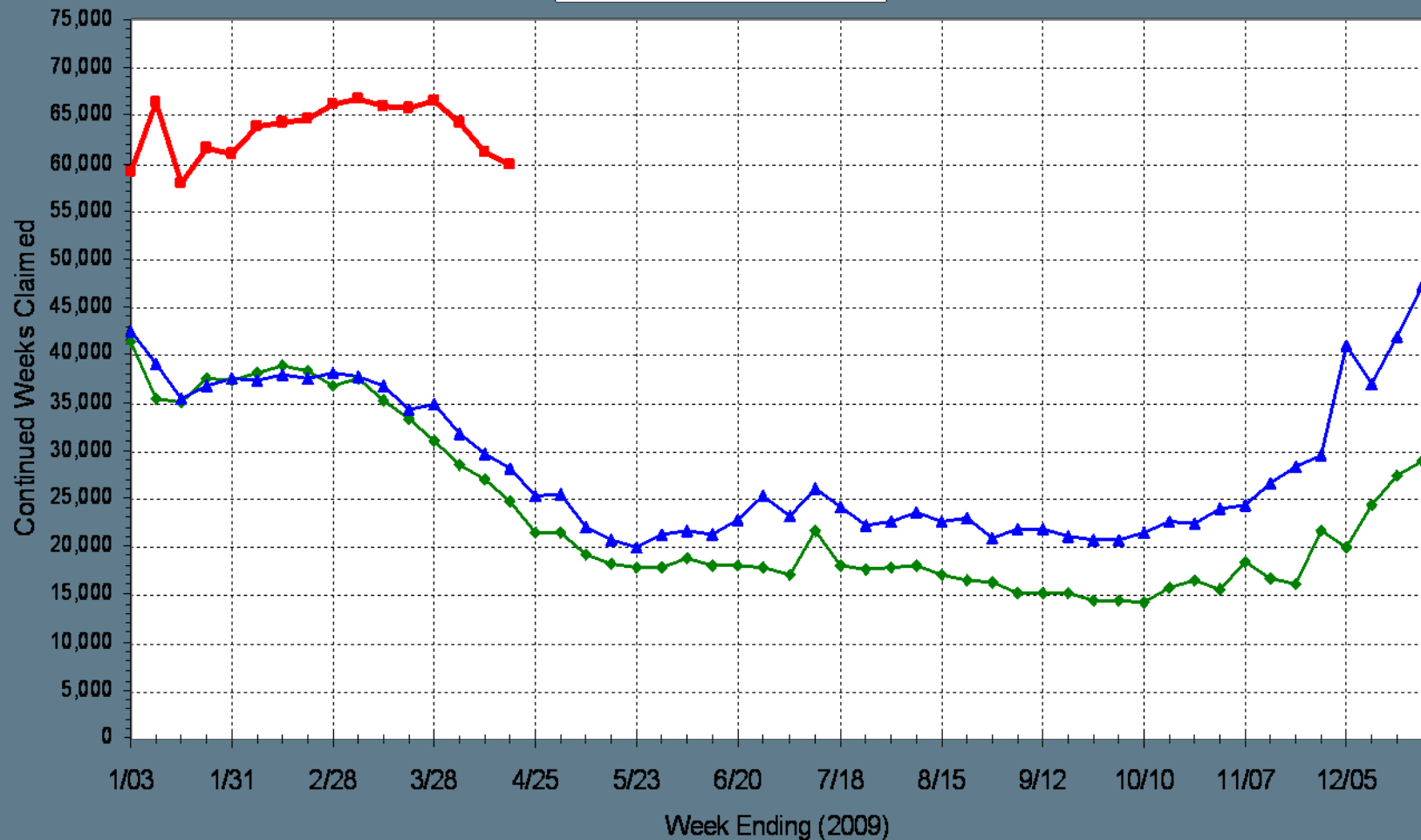
# Characteristics of the Uninsured Unemployed

# Unemployment Insurance Claims & Benefits

## Continued Claims For Unemployment Insurance

Regular State UI Program

2007 2008 2009



# ARRA Workforce Funds

## WIA - Workforce Investment Act Funds

Adult	\$1,554,835
Dislocated Workers	\$5,225,689
*Youth	\$5,172,183

\*Youth money is targeted for summer jobs for low income youth in Iowa

Website:

[www.youthforiowa.org/recovery.html](http://www.youthforiowa.org/recovery.html)

# ARRA Highlights

## UI Benefits

- **\$25 increase in weekly payout**
  - \$15M back to Iowa economy
- **Extended Benefits**
  - EUC – 20 additional weeks
  - Tier 2 – 13 additional weeks
  - Over \$100 M in federal funds to Iowa
- **UI Modernization**
  - Extend benefits while in training
  - Speeds benefits to workers w/limited work histories
  - \$71M back to UI Trust Fund

# WOTC

## Work Opportunity Tax Credit

- Added new categories that are eligible for employer tax breaks when hiring certain categories of workers
  - Military Veterans
  - Ex-Felons
  - Social Security Income recipients
  - Food Stamp/Welfare recipients
  - Voc Rehab participants
  - **Recently Released Unemployed Veterans**
  - **Disconnected Youth**