

Job Growth, Home Sales Show Economic Recovery

In another sign of Iowa's economic recovery, Iowa's unemployment rate dropped last month and home sales surged over 20 percent.

Iowa's seasonally adjusted unemployment rate fell to 6.8% percent in May from 6.9% in April. This is the first drop in Iowa's rate since December.

Indications are that the economy has turned the corner, but Iowans have continued to seek jobs as the unemployment rate has steadily increased since December's 6.5% to April's 6.9%.

"Iowa's hiring pattern in May closely mirrored the U.S. employment situation, as the hiring of temporary census workers drove most of the gain in nonfarm employment," said Elisabeth Buck, director of Iowa Workforce Development. "However, the recovery is expected to be broader in scope in the months ahead."

According to the Workforce Development press release, May payroll data showed that there are positive signs that jobs losses and furloughs have mostly subsided.

Job Creation Levels Beat the 1990's

According to a study by the Iowa Policy Project, Iowa has gained 3,500 non-farm jobs per month. That pace of job growth in the first five months of 2010 was greater than was recorded in the early 1990's. According to Iowa Policy Project Director David Osterberg, job growth in Iowa in 1994 was about 3,000 jobs a month, so 2010 is above that pace.

May Home Sales Surge 20%

May home sales in Iowa rose 20% over a year ago and nearly 5% over April, according to the Iowa Association of Realtors. The report shows 3,460 homes were sold in May 2010, compared with 2,865 sold in May 2009. The average selling price also held steady at \$140,624, which is a slight increase from April and the first increase in 2010.