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RELEASE: Iowa Business Council Economic Outlook Wanes with Uncertain Trade and Political Environment

DES MOINES – Iowa Business Council today released its Q3 2019 Economic Outlook Survey – a composite of members expectations for sales, capital spending and employment for the next six months. Confidence weakened among Iowa business leaders, likely due to political and global market uncertainty and a disruptive regulatory climate.

While over 75 percent of Iowa Business Council members expect higher sales in the upcoming six months, capital spending and employment expectations are mixed. The survey's overall index number is down from last quarter (*from 63.75 to 62.5*), its lowest point since Q4 of 2016. The index number is a numeric measure that gauges business sentiment with any number over 50 indicating a positive perspective of the economy.

"Our members cite the trade war and an uncertain geopolitical climate as the leading major disruptors for their growth," Georgia Van Gundy, executive director of the Iowa Business Council, explained. "Iowa Business Council members have been working for the past several months to urge Congress to pass the US-Mexico-Canada Trade Agreement to provide market stability."

While the Survey looks at expectations for the next six months, the Iowa Business Council asked members to provide key job positions they are unable or struggling to fill. Positions in information technology, skilled trades and health care continue to top this list. In terms of members' current primary business challenges, 83 percent cite attracting, developing or retaining quality workforce as constraining growth.

"The Iowa Business Council is committed to working with key stakeholders to develop, attract and retain talent," Mary Andringa, chair of the Iowa Business Council noted. "As a way to address our talent needs, over the past several months IBC members have been participating in meetings around the state to share best practices on upskilling their current labor force, contributed projects to Future Ready Iowa's work-based learning portal and developed a road map to align businesses with students throughout their academic careers."

Ms. Andringa concluded, "We know upskilling Iowa's current population will not be enough. To meet workforce demands, the Iowa Business Council will be unveiling plans to increase, diversify and retain more Iowans in the coming months."

The Economic Outlook Survey has been completed by the council members on a quarterly basis since 2004. The survey provides insight regarding the projected trends for the state of Iowa, which can be used for business and economic planning. The reported trends have a state-wide impact, especially when considering that IBC companies have a presence in all 99 counties.

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About the Iowa Business Council

The Iowa Business Council (IBC) is a nonpartisan, nonprofit organization whose 23 members are the chief decision makers of major Iowa employers. One in six jobs in Iowa are tied to an IBC company. IBC member companies have invested billions of dollars of capital in Iowa's commercial infrastructure; lead the way in technology innovation, R&D, and grants procured; and are often the driving financial and volunteer forces behind philanthropic efforts all over the state.

IBC member companies include: Alliant Energy; Casey's General Stores, Inc.; Collins Aerospace; Corteva Agriscience; Deere & Company; Fareway; FBL Financial Group, Inc.; HNI Corporation; Hy-Vee, Inc., Iowa Bankers Association; Kent Corporation; MercyOne; Meredith Corporation; MidAmerican Energy Company; Pella Corporation; Principal; Ruan Transportation Management Systems; The Weitz Company; The University of Iowa Health Care; UnityPoint Health; Vermeer Corporation; Wellmark Blue Cross Blue Shield of Iowa; and Wells Enterprises, Inc.