

ANOTHER DIP IN WISCONSIN'S JOB PICTURE

Following steady gains in employment from December 2009 through April 2010, Wisconsin's job outlook worsened again last month, with 8,200 jobs lost in June. The improvement in the state's job picture in early 2010 (34,000 jobs added) had been welcome news following hemorrhaging employment in 2008 and 2009. Still, these gains were small, and the April to June decline has reversed this positive trend. Wisconsin has lost 162,000 jobs since the recession's start in December 2007, and the state's job base is 5.6 percent below its pre-recession level.

In better news for the state, Wisconsin's unemployment rate dropped 0.3 percentage points to 7.9 percent in June 2010, its lowest level since February 2009 and the third consecutive month that unemployment levels have fallen. Despite this improvement, unemployment in the state remains much higher than its December 2007 level (4.5 percent), and this recession continues to set records for long-term unemployment. (Table 1, Figure 3 on back page)

MANUFACTURING DOWN SLIGHTLY, CONSTRUCTION UP

Wisconsin's manufacturing and construction sectors have been hit hard this recession, but both industries posted gains in the early months of 2010. Wisconsin's manufacturing sector dipped slightly in June 2010 (1,400 jobs lost) following five months of small but consistent employment gains. Despite the overall gains seen in this industry since the beginning of the year, Wisconsin's manufacturing sector still has nearly 69,000 fewer jobs than when the recession started, representing a 14 percent loss of manufacturing jobs and accounting for more than 40 percent of Wisconsin's total job loss.

Wisconsin gained 500 construction jobs between May and June, continuing an overall positive trend for this industry in 2010 (6,400 jobs gained between January and June 2010). Still, even if growth in construction jobs remains consistent, there is a long road ahead to reach pre-recession levels. The construction sector has lost 22,900 jobs this recession, a 19 percent loss in the industry since December 2007. (Table 1, Figure 2)

Table 1

CHANGES IN UNEMPLOYMENT AND NUMBER OF JOBS IN WISCONSIN, DECEMBER 2007 TO JUNE 2010

	<i>December 2007</i>	<i>June 2010</i>	<i>Change</i>	<i>Percent Change</i>
Unemployment	4.5%	7.9%	3.4	
All jobs	2,885,500	2,723,800	-161,700	-5.6%
Manufacturing jobs	498,100	429,400	-68,700	-13.8%
Construction jobs	123,700	100,800	-22,900	-18.5%

Figure 1

TOTAL JOB LOSS IN WISCONSIN, DECEMBER 2007 TO JUNE 2010

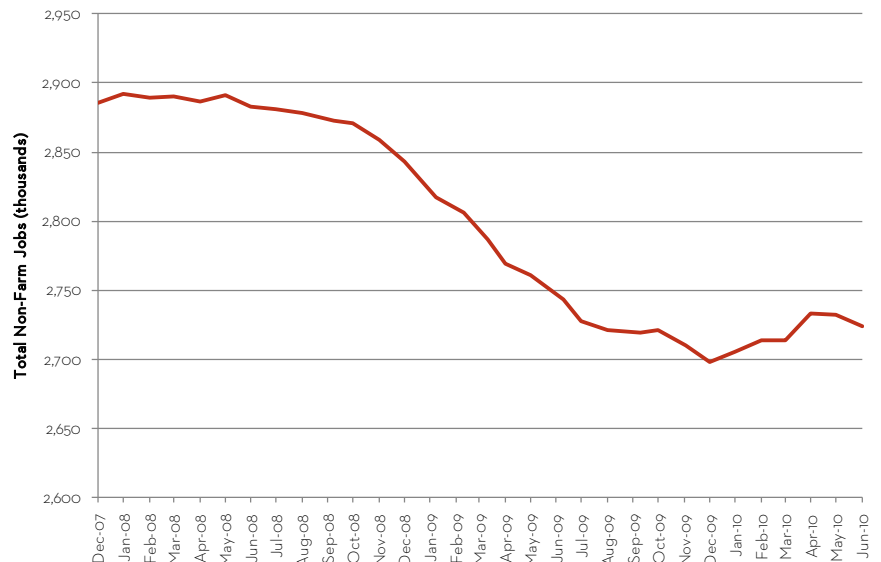
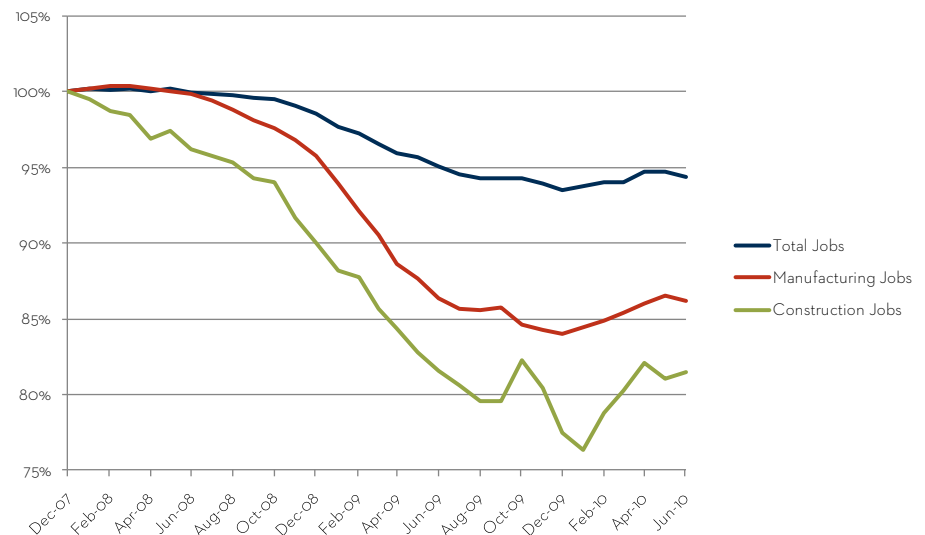


Figure 2

PERCENT CHANGE IN MANUFACTURING, CONSTRUCTION, AND TOTAL JOBS IN WISCONSIN, DECEMBER 2007 TO JUNE 2010



JOB LOSS CONTINUES TO OUTPACE RECENT RECESSIONS

The severity of this recession stands out when compared to the three most recent downturns of 2001, 1990, and even that of 1981. Wisconsin has lost 5.6 percent of its pre-recession job base, a substantially larger deficit than has been seen in generations. Despite the increase in jobs starting at the beginning of this year, jobs fell yet again in June 2010, and we have a long way to climb to reach pre-recession levels. Moreover, despite the drop in Wisconsin's unemployment rate between March and June of this year, unemployment in the state remains stubbornly high and parallels levels from the early 1980s. (Figures 3 and 4)

Figure 3
WISCONSIN UNEMPLOYMENT RATE IN CURRENT RECESSION, COMPARED WITH 1981, 1990, AND 2001 RECESSIONS

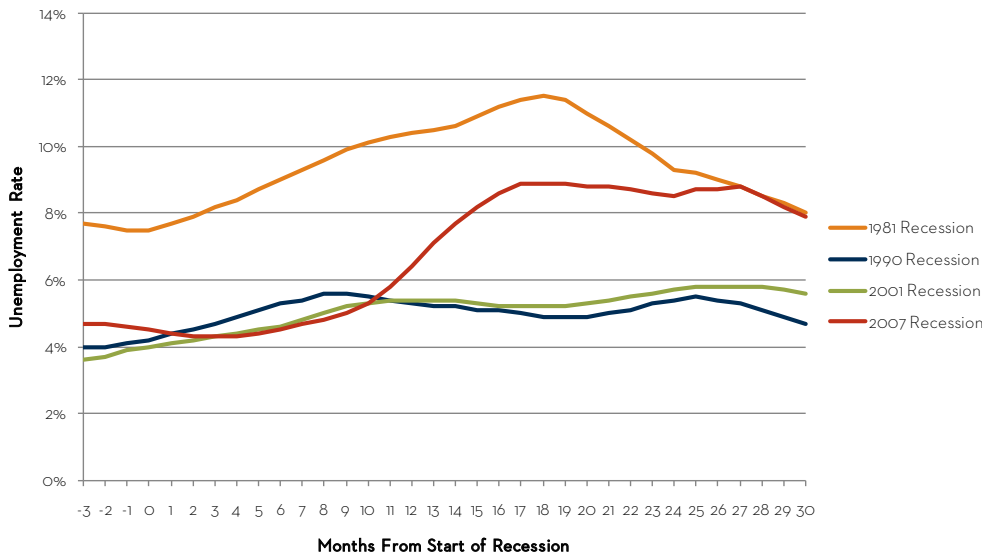
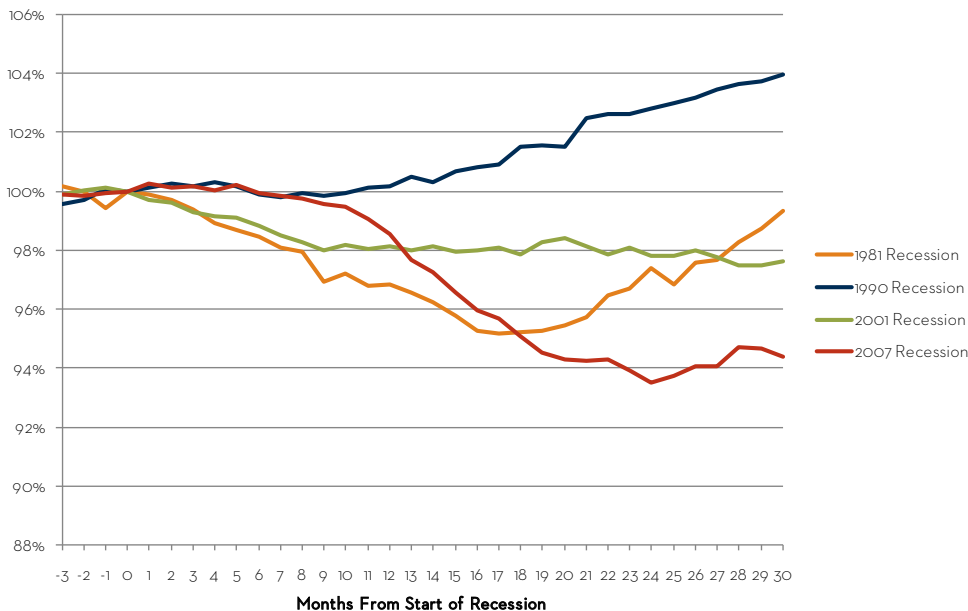


Figure 4
PERCENT CHANGE IN WISCONSIN JOBS IN CURRENT RECESSION, COMPARED WITH 1981, 1990, AND 2001 RECESSIONS



Wisconsin Job Watch, a monthly publication of the Center on Wisconsin Strategy (COWS), provides a snapshot of Wisconsin's job picture and reports on key recession trends. The numbers provided in this report are based on seasonally-adjusted Bureau of Labor Statistics data compiled by the Economic Policy Institute (www.epi.org).

The Center on Wisconsin Strategy (COWS) is a policy center and field laboratory for high road economic development – a competitive market economy of shared prosperity, environmental sustainability, and capable democratic government. Housed at University of Wisconsin-Madison, COWS has been supporting progressive policy innovation since 1991. For more information, visit www.cows.org.

C O W S
 center on wisconsin strategy

1180 Observatory Drive • Madison, WI
 608.263.3889 • www.cows.org