

A WEAK JOBS PICTURE

Wisconsin jobs declined slightly from February to March, offering continuing evidence of weakness in the labor market. The state lost 2,200 jobs, bringing the total number of jobs lost since the recession's start in December 2007 to 173,800. Wisconsin's job base now stands fully 6.0 percent below the pre-recession level. Jobs rose between December 2009 and February 2010, fueling hopes that the state was moving towards economic recovery. The continued stagnation this month, however, suggests that recovery in the labor market remains elusive. The hemorrhaging of jobs slowed considerably starting in August 2009 but improvements since then have been neither steady nor robust.

Wisconsin's unemployment rate increased to 8.8 percent in March 2010, nearly twice its pre-recession level (4.5 percent in December 2007). Many predict that unemployment levels will continue to climb in months to come as those who exited the labor force (and are therefore not counted among the unemployed) begin to search for jobs again. (Table 1, Figure 3 on back page)

MANUFACTURING AND CONSTRUCTION: TURNING THE CORNER?

One brighter spot in 2010 has been Wisconsin's beleaguered manufacturing sector, which gained 2,500 jobs in March, following similar increases in both January and February of this year. Three consecutive months of job growth is a positive sign, even though gains continue to be small. Wisconsin's manufacturing sector still has 72,800 fewer jobs than when the recession started, representing a 15 percent loss within the industry and accounting for more than 40 percent of Wisconsin's total job loss.

The construction sector added 500 jobs between February and March, following an increase of 3,000 jobs between January and February. This is the first time this recession that construction jobs have increased two months in a row, and as in manufacturing, is a positive sign. Still, the construction sector has shrunk dramatically over the course of the recession, with jobs down over 20 percent since December 2007. (Table 1, Figure 2)

Table 1

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

	<i>December 2007</i>	<i>March 2010</i>	<i>Change</i>	<i>Percent Change</i>
Unemployment	4.5%	8.8%	4.3	
All jobs	2,885,500	2,711,700	-173,800	-6.0%
Manufacturing jobs	498,100	425,300	-72,800	-14.6%
Construction jobs	123,700	97,900	-25,800	-20.9%

Figure 1

TOTAL JOB LOSS IN WISCONSIN, DECEMBER 2007 TO MARCH 2010

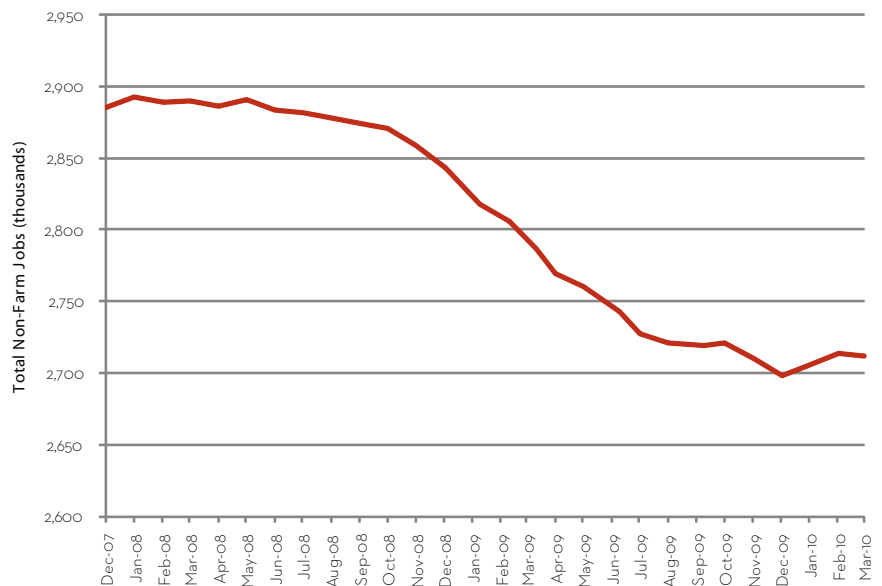
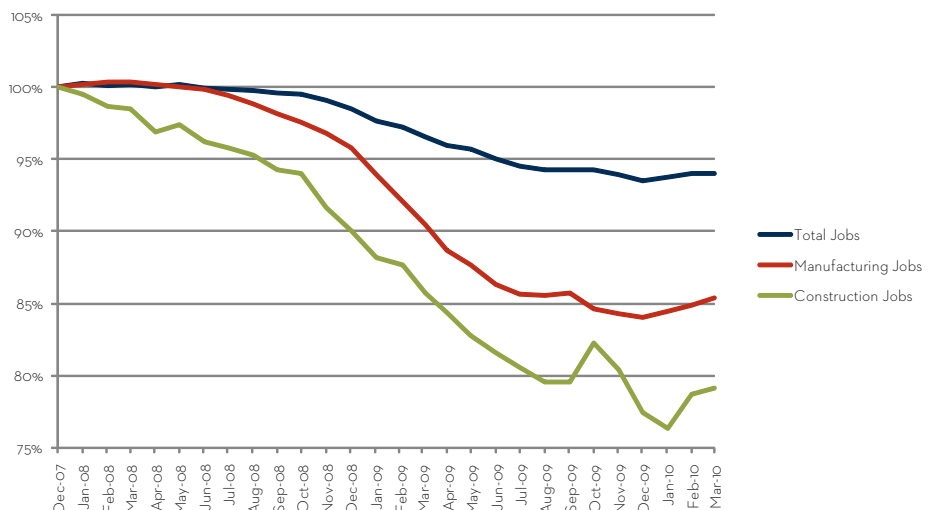


Figure 2

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



UNEMPLOYMENT REMAINS HIGH

The severity of this recession stands out in comparison to the three most recent downturns of 2001, 1990, and 1981. In terms of total jobs lost – now 6.0 percent – this recession is substantially worse than even the very difficult recession of 1981. Wisconsin has lost nearly 174,000 jobs, and we have yet to post significant labor market gains. Moreover, although 27 months have passed since the start of this recession, Wisconsin’s unemployment rate remains stubbornly high, and at 8.8 percent now rivals that of early 1980s levels. (Figures 3 and 4)

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

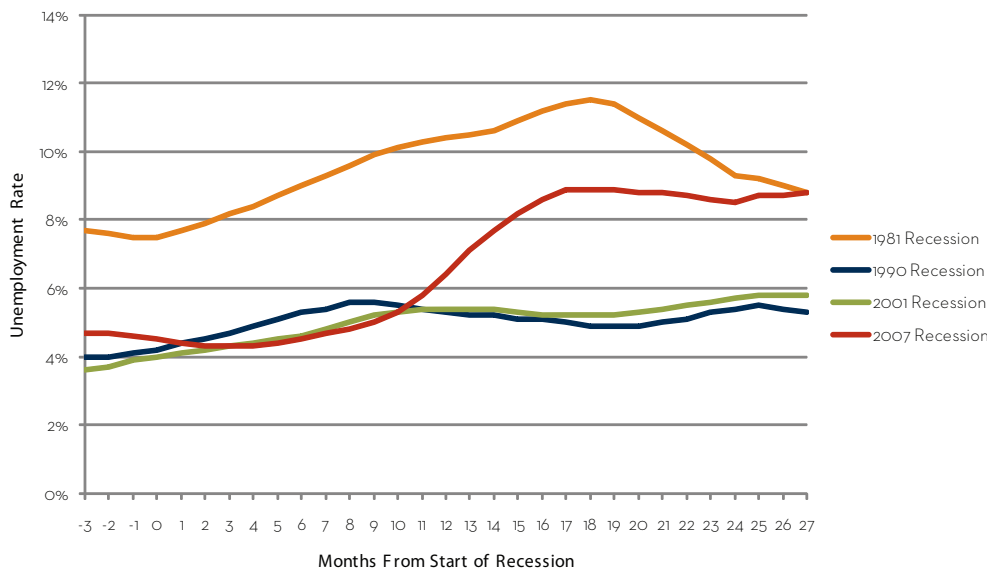
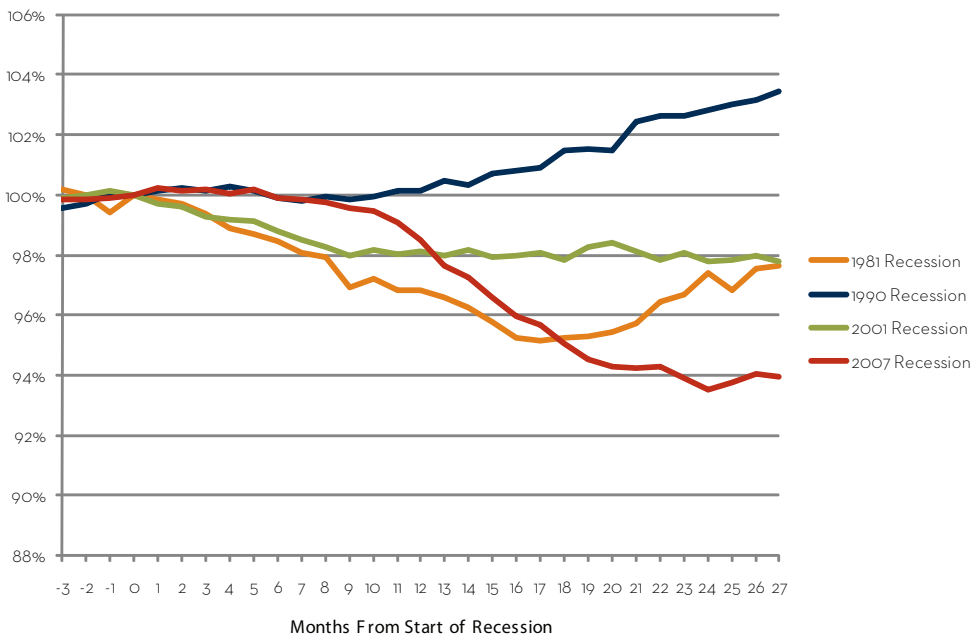


Figure 4
PERCENT CHANGE IN WISCONSIN JOBS IN CURRENT RECESSION, COMPARED WITH 1981, 1990, AND 2001 RECESSIONS



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.

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