

UNEMPLOYMENT DROPS, JOBS HOLD STEADY

Wisconsin's job picture held constant between April and May 2010, following small but steady gains in employment since December 2009. As of May, the state has gained over 34,000 jobs in 2010, welcome news following the massive losses of 2008 and 2009. The stagnation in job growth between April and May 2010 interrupts the year's upward trend, but the longer-term economic picture is more worrisome still. Wisconsin has lost 153,000 jobs since the recession's start in December 2007, and the state's job base is still 5.3 percent below its pre-recession level.

In good news for the state, Wisconsin's unemployment rate dropped 0.3 percentage points to 8.2 percent in May 2010, its lowest level since March 2009. 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 across the nation for long-term unemployment. (Table 1, Figure 3 on back page)

MANUFACTURING CONTINUES CLIMB, CONSTRUCTION FALLS

Manufacturing and construction – two of the hardest hit sectors this recession – both posted gains in early 2010. Wisconsin's manufacturing sector continued this upward trend in May with the addition of 2,000 jobs, representing the fifth month of consecutive job growth in this sector. However, these gains have been small, and Wisconsin's manufacturing sector still has 67,500 fewer jobs than when the recession started, representing a 14 percent loss of manufacturing jobs and accounting for almost half of Wisconsin's total job loss.

Wisconsin's construction sector lost 3,500 jobs between April and May, reversing a promising upward trend in construction jobs seen early this year. Even if the industry resumes positive growth in the months to come, there is a long way to climb to reach pre-recession levels. The construction sector has lost 25,600 jobs this recession, a 21 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 MAY 2010

	<i>December 2007</i>	<i>May 2010</i>	<i>Change</i>	<i>Percent Change</i>
Unemployment	4.5%	8.2%	3.7	
All jobs	2,885,500	2,732,700	-152,800	-5.3%
Manufacturing jobs	498,100	430,600	-67,500	-13.6%
Construction jobs	123,700	98,100	-25,600	-20.7%

Figure 1

TOTAL JOB LOSS IN WISCONSIN, DECEMBER 2007 TO MAY 2010

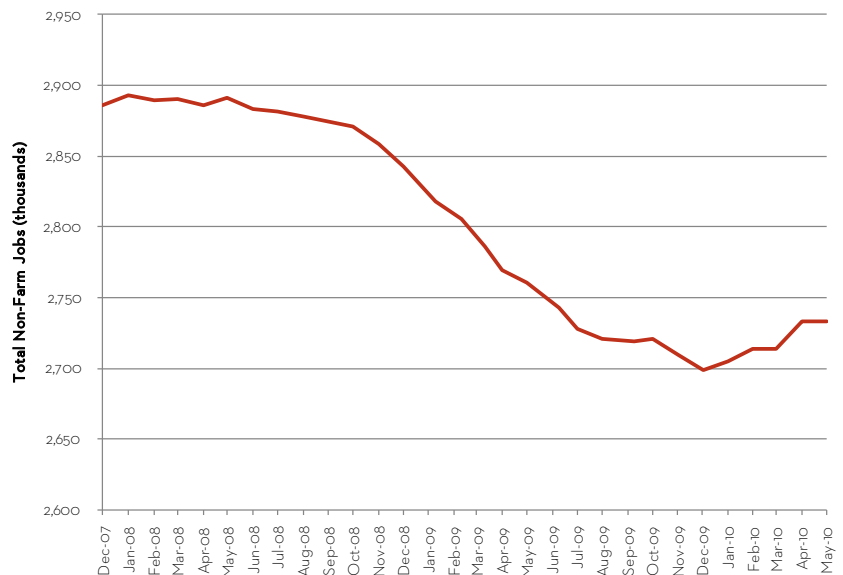
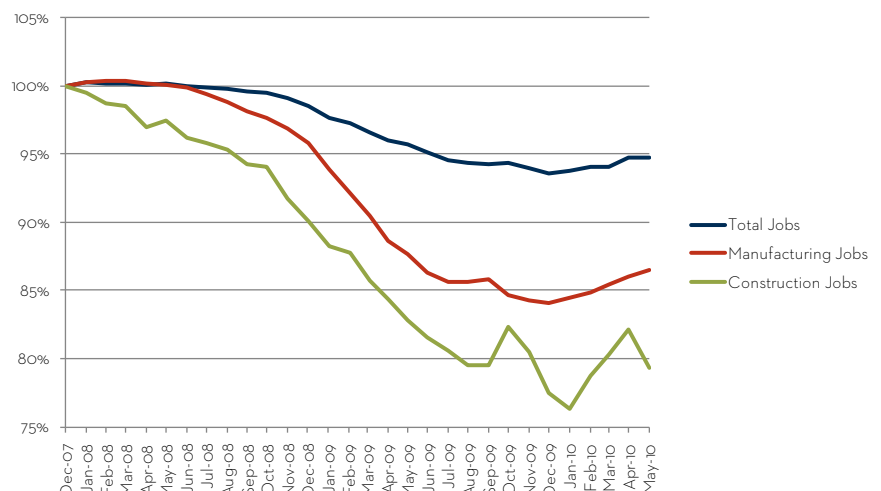


Figure 2

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



RECOVERY FAR SLOWER THAN RECENT RECESSIONS

The length and relentlessness of this recession stands out when compared to the three most recent downturns of 2001, 1990, and even that of 1981. Wisconsin has lost 5.3 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, we are still far from pre-recession levels of employment. Moreover, despite the drop in Wisconsin's unemployment rate between March and May of this year, unemployment in the state remains stubbornly high. (Figures 3 and 4)

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

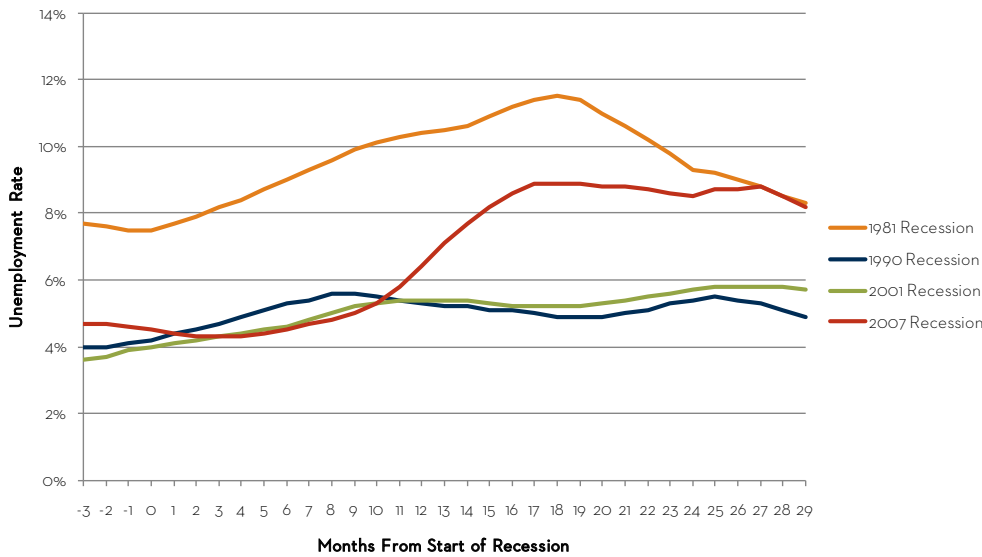
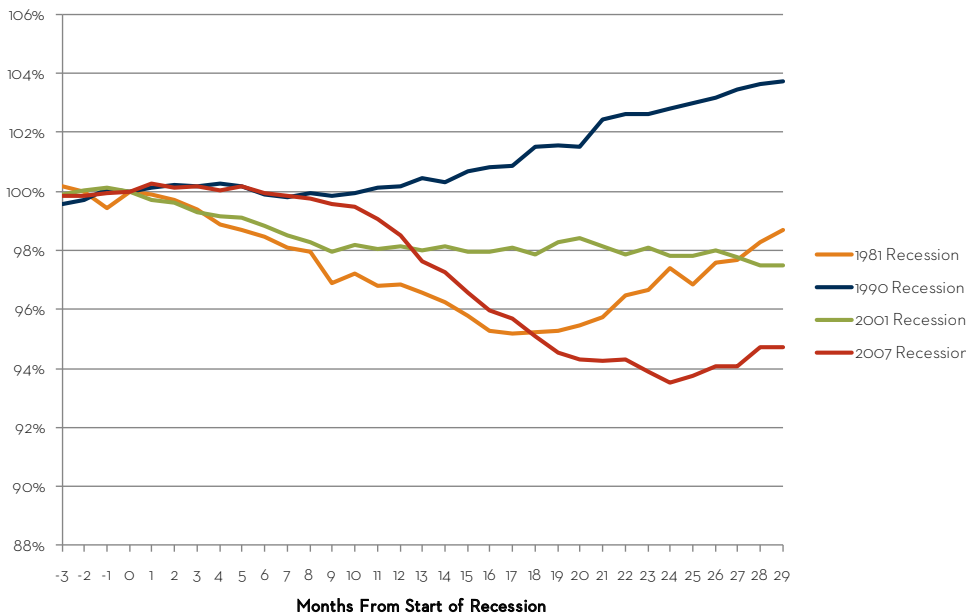


Figure 4
PERCENT CHANGE IN WISCONSIN JOBS IN CURRENT RECESSION, COMPARED WITH 1981, 1990, AND 2001 RECESSIONS



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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