

The State of Working Wisconsin

Update 2007

The *State of Working Wisconsin*, produced by the Center on Wisconsin Strategy (COWS), provides a thorough review of jobs, wages, poverty, income, and job quality in the state on a bi-annual basis. Our 2006 report is available at www.cows.org.

This *Update 2007* provides new data and identifies key emerging trends. It relies on data provided by the Economic Policy Institute (EPI), a non-partisan research institute in Washington, D.C. We thank EPI for their generous support of this project.

Introduction

Labor Day 2007. Once again, COWS uses this day to paint a more complete picture of our state's economy and the status of Wisconsin workers in it. Though less comprehensive than our bi-annual *State of Working Wisconsin*, this *Update 2007* provides new data on poverty, income, jobs, wages, and health insurance in the state.

The most recent data on Wisconsin's economy offers, as usual, good and bad news. On the positive side, Wisconsin continues to be among the leaders in the region in terms of economic recovery following the most recent recession. Our state's job base has continued to grow, with manufacturing jobs holding relatively steady since early 2004. We continue to be a relatively low poverty state, and have relatively high rates of health insurance coverage for our population.

On the negative side, real wages dropped between 2005 and 2006, with working men bearing the brunt of this decrease. And Wisconsin's unemployment rate, which rose slightly between 2005 and 2006, is now higher than the national unemployment rate. Further, though poverty is relatively low, our racial disparity in poverty is very high. And while Wisconsin still has relatively high levels of health insurance coverage, the private provision of health insurance by employers is in decline here as in the rest of the United States.

Income, Poverty, and Health Insurance Coverage

The federal government released new income, poverty, and health insurance data on Tuesday, August 28. These data show no great shifts from the last year: our median four-person family income remains just above the national average (owing much to high levels of women's work in the state) and our poverty rate remains relatively low. But, compared to 2000 levels for Wisconsin, both income and poverty are worse.

Four-person family income still below 2000 level

The median income for a four-person family in Wisconsin was \$72,495 in 2006. Table I shows how that income compares to the past and to neighboring states. Family income posted strong growth in the late 1990s, reaching a high of \$78,123 in 2000. The recession that began in 2001 reversed the trend, and income has fallen slightly in the new century. These trends roughly mirror national and regional trends, leaving Wisconsin slightly above the national income benchmark for four-person families.

Table 1

Median Income for Four-Person Families, Wisconsin, U.S., and Peer States, 1990–2006

(2006 dollars)

	1990	1995	2000	2001	2002	2003	2004	2005	2006
Wisconsin	64,577	66,508	78,123	74,527	75,076	75,653	76,071	73,394	72,495
United States	61,988	65,272	72,858	72,064	70,306	71,359	70,568	69,216	70,354
Illinois	66,129	70,684	79,753	75,741	77,519	79,334	75,314	74,741	75,484
Indiana	59,370	62,353	72,683	72,400	70,631	71,267	69,877	66,681	67,787
Iowa	56,962	62,155	67,815	70,217	68,632	70,535	70,951	67,725	67,792
Michigan	65,120	69,565	80,482	77,825	76,205	75,206	76,132	73,888	72,591
Minnesota	64,351	71,458	82,605	82,720	81,118	84,119	84,143	79,933	81,477
Ohio	64,037	66,856	72,885	73,207	71,654	72,426	72,145	68,922	68,579

Average Annual Growth Rate

	1990–2000	1995–2000	2000–2006	2005–2006
Wisconsin	1.9 %	3.3 %	-1.2 %	-1.2 %
United States	1.6	2.2	-0.6	1.6
Illinois	1.9	2.4	-0.9	1.0
Indiana	2.0	3.1	-1.2	1.7
Iowa	1.8	1.8	0.0	0.1
Michigan	2.1	3.0	-1.7	-1.8
Minnesota	2.5	2.9	-0.2	1.9
Ohio	1.3	1.7	-1.0	-0.5

Note: The source from 2004–2005 changes from CPS to ACS.

Source (1974–2002): <http://www.census.gov/hhes/www/income/4person.html>

Source (2003–2004): <http://www.gpoaccess.gov/fr/index.html>

Source (2005+): ACS Table B19119

Adjusted by CPI-U-RS

Wisconsin Poverty and Income, 2006

Poverty line (family of 4) **\$20,615**

Individuals in poverty
 WI **591,850**
 US **38,757,253**

Children in poverty
 WI **191,952**
 US **13,285,569**

Poverty rates, WI
 white **8.5%**
 black **34.9%**
 Latino **26.8%**

Median household income, WI
 white **\$50,794**
 black **\$26,161**
 Latino **\$34,332**

Poverty rate stabilizes

Wisconsin has historically posted relatively low poverty rates, compared both to the national rate and to the average rate for the Midwest. From 1994 to 2003, Wisconsin's poverty rate remained consistently below 10 percent, while the national rate ranged from 11 percent to nearly 15 percent and the Midwest as a whole had poverty rates as high as 13 percent. In 2004 Wisconsin's poverty rate jumped to 12.4%, surpassing the average Midwest poverty rate for the first time since 1984 (though still not exceeding the national rate).

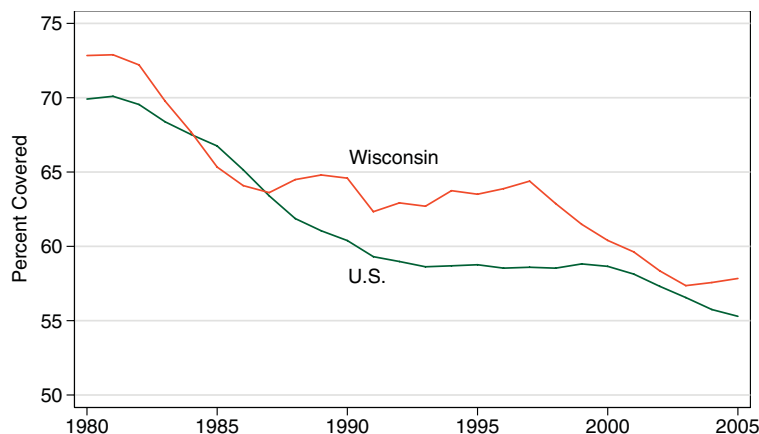
The poverty rate in Wisconsin has stabilized again since the 2004 jump, hovering at just above 10 percent. While we are again performing better on this measure compared to our regional and national counterparts, it remains a sobering fact that one out of every ten Wisconsinites, and more than one out of every six children, lived in poverty in 2006. Moreover, one-quarter of Wisconsinites and one-third of Wisconsin's children lived below 200% of the poverty threshold in the same year.

Health insurance coverage

Wisconsin continues to perform relatively well in terms of health insurance coverage of the population. This owes to high private sector insurance coverage rates and to a relatively strong system of public health care coverage as well. In fact, Wisconsin had the third highest rate of private insurance coverage (77.1%), trailing only Minnesota and New Hampshire. The national measure for private insurance coverage in 2006 was 67.9%, a full ten percent lower than Wisconsin's rate. Wisconsin also ranked third best in the nation in terms of uninsured rates, following Rhode Island and Hawaii. Wisconsin's uninsured rate dropped consistently between 2003 (10.5%) and 2006 (8.8%). Likewise Wisconsin is third best in the nation in terms of uninsured children (4.9% in WI, 11.7% in US, in 2006).

Figure 1

Private Sector Employer-Provided Health Insurance Coverage, WI and U.S., 1980-2005



Note: Figures plotted are three-year moving averages

Source: EPI analysis of Current Population Survey March supplement.

Even so, both at the national level and in the state, the private insurance system continues its precipitous decline. Figure 1 shows employer-based health care coverage for private sector workers from 1979 to 2005. In 1979, nearly three-quarters of private sector workers obtained health insurance through their jobs. By 2005, only 58% of these workers received employer-provided coverage. With these trends, health insurance will continue to be a central concern and priority of state residents.

Racial and geographic disparity in income and poverty

On most measures of economic well-being, Wisconsin's African American and Latino populations are much worse off than the state's white residents. In 2006, 34.9 percent of blacks in Wisconsin lived in poverty—a rate more than four times greater than that of whites (8.5 percent). The poverty rate for Wisconsin's fast-growing Latino population (26.8 percent) was three times that of whites.

Poverty in the city of Milwaukee is also especially pronounced. More than one-in-four (26 percent) of the city's residents live below the poverty threshold. In 2006, 38 percent of Milwaukee's African Americans lived in poverty, as did 34 percent of its Latino population. Racial disparity is also reflected in measures of income. For example, the median household income of whites in Wisconsin, \$50,794, was almost twice that of African Americans in 2006 (\$26,161). The prosperity of our state and the well-being of our communities are threatened by the racial disparity plaguing Wisconsin.

Jobs Growing Slowly, Wisconsin Among Regional Leaders

The 2001 recession hit the Midwest hard. Wisconsin and neighboring states suffered significant job declines in the years immediately following the recession. Although the recession officially ended in November 2001, job creation in the state only really picked up in early 2004. Table 2 displays the evolution of non-farm employment in Wisconsin since 1997. It shows, first, the strong job growth in the late 1990s. Second, it shows how the 2001 recession badly damaged the state's job base—total employment plummeted during 2001 and then stagnated over 2002-04. Finally, in 2004 the job base began to expand, finally recovering to surpass its 2000 level in 2005, and continuing to grow in 2006.

Table 3 puts these job trends in a regional perspective. In the 1990s, jobs grew rapidly in all Midwestern states, especially Wisconsin and Minnesota. In fact, from 1990–2000 Wisconsin added over five hundred thousand jobs, for an average annual growth in total employment of 2.1 percent over the decade. Only Minnesota added jobs at a faster rate. Things slowed substantially in the new century. From 2000–06, Wisconsin gained twenty-seven thousand jobs, for an average annual growth of 0.2 percent. Ohio, Indiana, Illinois and Michigan posted job losses. Wisconsin has done well given the regional context, with only Minnesota and Iowa generating jobs at a higher rate than Wisconsin over 2000–2006.

Table 2

Total Nonfarm Employment in Wisconsin, 1997–2006

(numbers in thousands, not seasonally adjusted)

Year	Total	Annual % Change
1997	2,655.8	
1998	2,718.0	2.3 %
1999	2,784.0	2.4
2000	2,833.8	1.8
2001	2,813.9	-0.7
2002	2,782.4	-1.1
2003	2,775.3	-0.3
2004	2,807.1	1.1
2005	2,842.1	1.2
2006	2,860.7	0.7

Source: Economic Policy Institute analysis of Current Employment Statistics survey data

Table 3

Total Nonfarm Employment in Wisconsin and Neighboring States, 1990–2006

(numbers in thousands, not seasonally adjusted)

						Annual Average % Change	
	1990	1995	2000	2005	2006	1990-2000	2000-2006
Wisconsin	2,291.5	2,558.6	2,833.8	2,842.1	2,860.7	2.1 %	0.2 %
United States	109,487	117,298	131,785	133,703	136,174	1.9	0.5
Illinois	5,287.6	5,593.2	6,044.8	5,861.9	5,934.7	1.3	-0.3
Indiana	2,521.9	2,786.5	3,000.0	2,955.2	2,973.4	1.8	-0.1
Iowa	1,226.3	1,358.0	1,478.4	1,480.5	1,503.0	1.9	0.3
Michigan	3,946.5	4,268.8	4,676.7	4,390.3	4,341.1	1.7	-1.2
Minnesota	2,135.9	2,387.8	2,684.9	2,723.3	2,760.7	2.3	0.5
Ohio	4,882.3	5,221.0	5,624.6	5,486.7	5,441.3	1.4	-0.6

Source: Economic Policy Institute analysis of Current Employment Statistics survey data

Manufacturing Jobs Holding Steady, Education and Health Services Employment Growing Rapidly

Table 4 shows job trends by industry for Wisconsin between 2000 and 2006. It shows that total nonfarm employment contracted greatly with the 2001 recession, but turned a corner in 2004 and has been growing slowly but steadily since that year. Between 2004 and 2006, especially strong growth has been posted in professional and business services (6.4%), wholesale trade (5.5%), and education and health services (4.4%). Together these sectors have added some 39 thousand jobs in the last two years.

The 2001 recession spurred a major restructuring of American manufacturing. Midwestern states, home to much of the nation's manufacturing strength, suffered severely in this decline. Between 2000 and 2003 Wisconsin hemorrhaged 90,000 manufacturing jobs. In January 2004, the manufacturing sector started to recover, and manufacturing jobs have held at relatively steady levels through the present, though there has been a slight decline in the last eight to ten months. Durable manufacturing jobs climbed slowly from 2004-06.

The manufacturing decline that characterized the start of the century is unfortunate, especially given the sector's strong contribution to state living standards. However, it compares favorably with regional trends in the sector. Table 5 shows manufacturing employment in the Midwest over the last 17 years. Wisconsin gained manufacturing jobs in the 1990s, but lost them in the 2000s. As a result Wisconsin has fewer manufacturing jobs today than it did in 1990. Manufacturing employment has grown slightly in Iowa and Minnesota over the same period. For other states in the region, however, total manufacturing employment is down.

Table 4

Employment by Industry in Wisconsin, 2000–2006

(numbers in thousands, not seasonally adjusted)

	2000	2001	2004	2005	2006	Percent Change	
						2000–2006	2004–2006
Construction & Mining	128.8	129.3	130.6	131.5	130.9	1.6 %	0.2 %
Construction	124.8	125.4	126.8	127.5	127.0	1.8	0.2
Natural Resources & Mining	4.0	3.9	3.8	4.0	3.9	-2.5	2.6
Manufacturing	594.1	560.3	502.7	504.9	505.0	-15.0	0.5
Manuf Durable Goods	373.6	347.5	312.0	317.0	319.1	-14.6	2.3
Manuf Non Durable Goods	220.6	212.8	190.7	187.9	185.8	-15.8	-2.6
Trade Transportation and Utilities	552.9	547.7	538.9	543.2	544.0	-1.6	0.9
Wholesale Trade	116.0	115.8	114.6	117.9	120.9	4.2	5.5
Retail Trade	331.2	323.7	317.4	316.9	313.5	-5.3	-1.2
Transportation and Utilities	105.6	108.1	107.0	108.4	109.6	3.8	2.4
Information	53.6	53.3	49.9	49.7	49.2	-8.2	-1.4
Financial Activities	149.1	151.8	158.8	159.8	161.1	8.0	1.4
Professional and Business Services	247.0	238.5	253.0	263.1	269.2	9.0	6.4
Education and Health Services	339.6	349.6	374.9	383.3	391.5	15.3	4.4
Leisure and Hospitality	236.7	238.6	250.8	255.2	258.0	9.0	2.9
Other Services	126.3	131.3	135.3	136.0	136.2	7.8	0.7
Government	405.6	413.7	412.2	415.3	415.6	2.5	0.8
Total Nonfarm	2833.8	2813.9	2807.1	2842.1	2860.7	0.9	1.9

Source: Economic Policy Institute analysis of Current Employment Statistics survey data

Table 5

Manufacturing Employment, Wisconsin and Peer States, 1990–2006

(numbers in thousands, not seasonally adjusted)

	1990	1995	2000	2006	Annual Average % Change	
					1990–2006	2000–2006
Wisconsin	523.0	566.6	594.1	505.0	-0.2 %	-2.7 %
United States	17,695.0	17,241.0	17,263.0	14,197.0	-1.4	-3.2
Illinois	914.6	893.5	870.5	683.0	-1.8	-4.0
Indiana	605.9	652.9	664.5	565.9	-0.4	-2.6
Iowa	218.9	236.5	251.4	231.1	0.3	-1.4
Michigan	836.8	871.4	894.9	648.4	-1.6	-5.2
Minnesota	341.5	374.8	396.6	347.4	0.1	-2.2
Ohio	1,059.5	1,036.9	1,021.0	796.8	-1.8	-4.0

Source: Economic Policy Institute analysis of Current Employment Statistics survey data

Unemployment rates count the share of the labor force that is not currently working but is actively seeking employment. More precisely, the unemployed must meet all of the following criteria: they had no employment during a given week; they were available for work at that time; and they made specific efforts to find employment sometime during the four-week period ending with the week in question. Persons laid off from a job and expecting recall need not be looking for work to be counted as unemployed. The unemployment data derived from the household survey in no way depend upon eligibility for or receipt of unemployment insurance benefits.

Underemployment rates include four groups: (1) the unemployed, (2) discouraged workers (folks who have given up looking for work in the last year), (3) part-time workers who would prefer full-time work, and (4) those who face a substantial barrier to work, such as lack of transportation or child care (this last group tends to be very small).

Wisconsin Unemployment Above National Rate

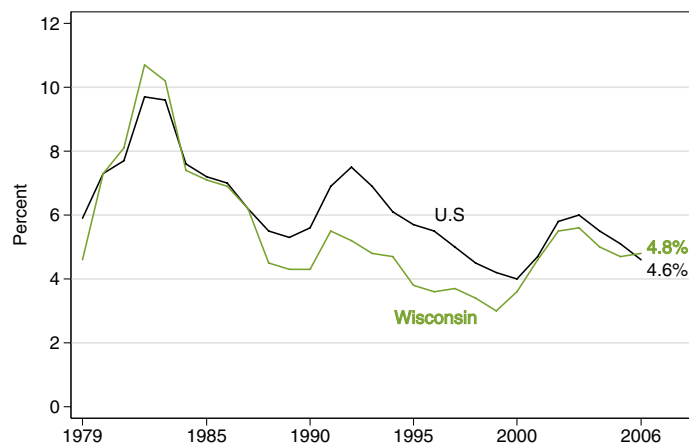
Wisconsin's unemployment rate roughly follows trends in total employment: when employment stagnates, unemployment rises, and when employment picks up, unemployment falls. As Figure 2 shows, the state's average annual unemployment rate rose from 3.0 percent in 1999 to 5.6 percent in 2003. Since 2003, the unemployment rate has fallen slightly, to 4.8 percent in 2006. National unemployment rates followed a similar pattern, closing the period at 4.6 percent, just below Wisconsin. From 1988–2000, Wisconsin posted unemployment rates well below the national average. The 2001 recession closed that gap, and 2006 was the first year Wisconsin's unemployment rate has exceeded the national average since 1983.

Table 6 shows unemployment rates for different demographic groups in Wisconsin and the Midwest region. While unemployment was similar for Wisconsin men and women in 2000 and 2005, in 2006 male unemployment rose as female unemployment declined, resulting in a slight difference between the sexes. Other clear disparities also emerge. For example, the unemployment rate of African Americans in the state was 12.3 percent in 2006, almost three times the rate for whites (4.2 percent). Young workers (11.2 percent unemployed) and workers without high school degrees (14.6 percent) also post much higher unemployment rates than their older and better-educated counterparts both in Wisconsin and throughout the Midwest region.

We turn our attention now to the 'underemployed'. This group includes individuals who are unemployed, discouraged workers who have stopped looking for jobs, workers who hold part-time jobs but who are seeking full-time work, and workers reporting a specific barrier to getting a job. Wisconsin's underemployment rate in 2006 was 8.1%, up from 6.4% in 2000 (see Table 7). Compared to the Midwest region, Wisconsin has had relatively lower underemployment rates across most demographic groups in the last several years. In 2006, however, Wisconsin's underemployment rate for Hispanics and for individuals without high school crept above regional levels.

Figure 2

Unemployment, Wisconsin and U.S., 1979-2006



Source: EPI analysis of Current Population Survey data.

Table 6

Unemployment Rates, Wisconsin and Midwest, 2000, 2005, 2006

	Wisconsin			Midwest		
	2000	2005	2006	2000	2005	2006
All	3.6 %	4.7 %	4.8 %	3.6 %	5.4 %	5.0 %
Gender						
Male	3.6 %	4.8 %	5.2 %	3.6 %	5.6 %	5.1 %
Female	3.5	4.6	4.3	3.6	5.3	4.8
Age						
16-24 yrs	7.2 %	9.9 %	11.2 %	8.2 %	11.3 %	10.7 %
25-54 yrs	3.0	3.6	3.7	2.8	4.5	4.0
55 yrs and older	n.a.	3.6	2.9	2.3	3.5	3.2
Race/ethnicity						
White	2.9 %	4.2 %	4.2 %	3.0 %	4.5 %	4.2 %
African-American	9.8	10.9	12.3	8.8	12.6	11.7
Hispanic	a.	6.8	a.	5.3	7.0	5.8
Education						
Less than high school	9.0%	13.4%	14.6%	9.3%	13.5%	12.2%
High School	3.6	5.6	5.2	4.0	6.4	6.0
Some college	2.7	3.1	3.7	2.8	4.5	4.1
Bachelor's or higher	1.8	1.9	2.0	1.6	2.4	2.2

Source: Economic Policy Institute analysis of Current Population Survey data
(a) Does not meet standards for sample size.

Table 7

Underemployment Rates, Wisconsin and Midwest, 2000, 2005, 2006

	Wisconsin			Midwest		
	2000	2005	2006	2000	2005	2006
All	6.4%	8.3%	8.1%	6.3 %	9.4 %	8.8%
Gender						
Male	6.5 %	8.4 %	8.2 %	6.1 %	9.4 %	8.8 %
Female	6.2	8.3	8.0	6.5	9.4	8.8
Age						
16-24 yrs	12.8 %	15.5 %	17.5 %	13.0 %	18.5 %	17.7 %
25-54 yrs	5.1	6.9	6.4	5.0	7.8	7.2
55 yrs and older	4.8.	6.8	5.6	4.6	6.7	6.5
Race/ethnicity						
White	5.4 %	7.5 %	7.3 %	5.3 %	8.0 %	7.6 %
African-American	16.2	17.1	17.6	14.0	19.3	18.3
Hispanic	a.	12.8	13.5	8.7	13.4	11.2
Education						
Less than high school	15.0 %	19.9 %	21.1 %	14.9 %	21.2 %	19.4 %
High School	6.9	9.5	9.1	7.1	11.2	10.8
Some college	4.8	7.0	6.7	4.9	8.1	7.5
Bachelor's or higher	3.2	3.6	3.7	2.9	4.2	4.0

Source: Economic Policy Institute analysis of Current Population Survey data
(a) Does not meet standards for sample size.

Trends in Wages

Figure 3 displays median hourly wage trends for Wisconsin and the United States from 1979 to 2006. These wages are adjusted for inflation and expressed in 2006 dollars. In 1979, Wisconsin's median worker earned a wage well above the national median. The 1980s brought considerable real and relative decline to the workers of Wisconsin. Since 1996, however, national and Wisconsin wages have made consistent and gradual progress. In spite of the economic downturn of 2001, median wages in Wisconsin grew over 2000–06 by 2.5 percent.

Continued Wisconsin wage advances over 2000-2006 are welcome news, but the growth is weak. Despite improvements in workforce education and productivity since 1979, the current median wage exceeds the 1979 value by just 49 cents per hour. And wages fell substantially in the last year, from \$15.10 in 2005 to \$14.69 in 2006.

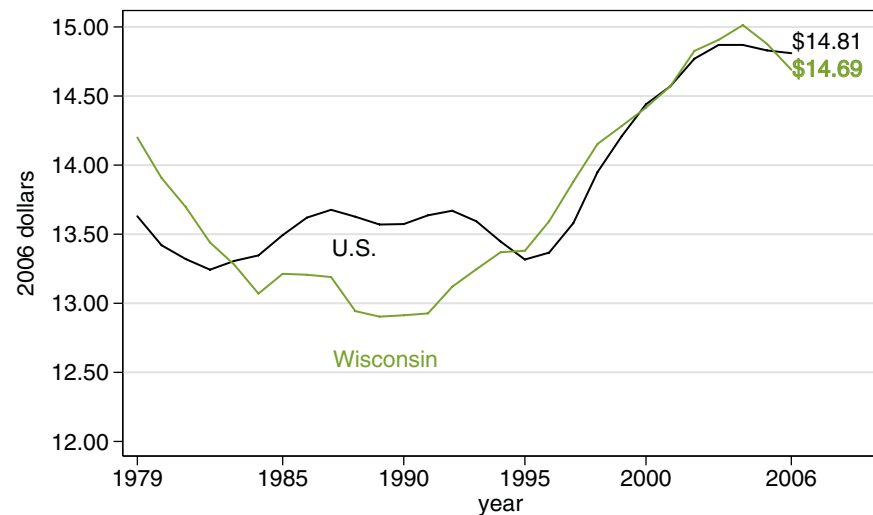
Men have faced substantially worse wage trends than women over time. In fact, Table 8 shows that the hourly median wage for men fell from \$18.23 to \$16.61 over 1979–2006, leaving Wisconsin's median male worker nearly nine percent below 1979 levels. Wisconsin's women have fared much better over time. Over 1979–2006, women's real median wage increased by better than 20 percent, from \$10.76 to \$12.96 per hour.

Despite greater relative gains for women over time, working women in Wisconsin still generally earn considerably less than men. In 2006, the median woman in Wisconsin earned 22 percent less than the median man in the state, as indicated in Table 8. Although Wisconsin's 'gender gap' in wages has closed over the past generation, the disparity between female and male wages has been consistently greater in Wisconsin compared to the gap that exists at the national level (see Figure 4).

Figure 3

Median Wages, Wisconsin & U.S., 1979-2006

(2006 dollars)



Source: EPI analysis of Current Population Survey data.

Table 8

Median Wages by Gender, Wisconsin & US, 1979-2006

(2006 dollars)

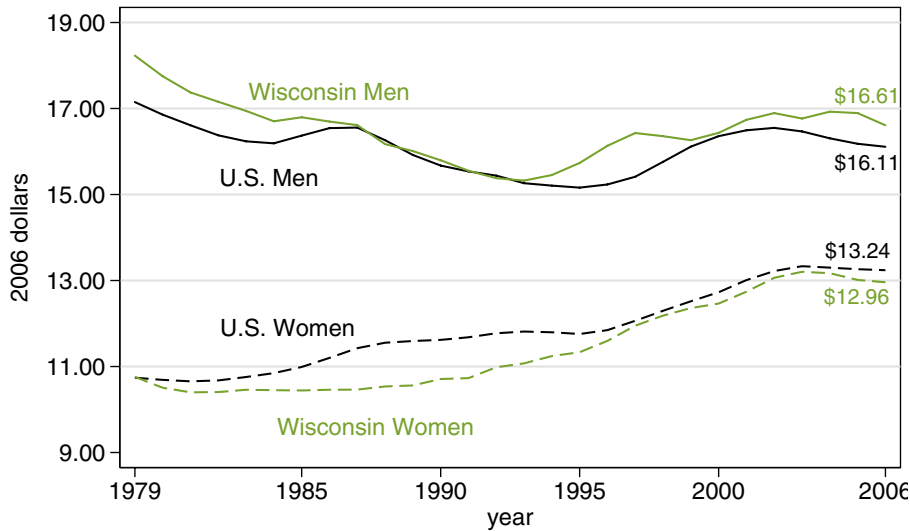
	1979	1989	1995	2000	2005	2006	% Change		
							1979-2006	1989-2006	2000-2006
Wisconsin									
All	\$14.20	\$12.93	\$13.34	\$14.33	\$15.10	\$14.69	3.5 %	13.6%	2.5%
Men	\$18.23	\$16.00	\$15.66	\$16.24	\$17.39	\$16.61	-8.9	3.8	2.3
Women	\$10.76	\$10.69	\$11.26	\$12.46	\$13.03	\$12.96	20.4	21.2	4.0
Female/Male Ratio	0.59	0.67	0.72	0.77	0.75	0.78			
United States									
All	\$13.63	\$13.55	\$13.30	\$14.33	\$14.75	\$14.81	8.7%	9.3%	3.3%
Men	\$17.15	\$15.85	\$15.27	\$16.23	\$16.14	\$16.11	-6.1	1.6	-1.3
Women	\$10.74	\$11.58	\$11.71	\$12.72	\$13.22	\$13.24	23.3	14.3	4.1
Female/Male Ratio	0.63	0.73	0.77	0.78	0.82	0.82			

Source: EPI analysis of Current Population Survey data.

Figure 4

Median Wages by Sex, Wisconsin & U.S., 1979-2006

(2006 dollars)



Source: EPI analysis of Current Population Survey data.

Defining ‘Poverty-Wage’ Jobs: We define poverty-wage jobs as those jobs paying a wage that is insufficient to lift even a full-time (40 hours a week), year-round (52 weeks a year) worker to the poverty line for a family of four with two children. In 2006 dollars, the “poverty wage” was \$9.91 an hour or less; if someone worked full time for the entire year at this wage, their annual earnings would be \$20,615.

Of course, this definition of “poverty wage” is somewhat arbitrary. We could have chosen the poverty line for a family of two, or five, or some other wage level entirely. And not all workers who earn “poverty wages” are actually living in poverty. They may be part of a household or family that has other earners on whom they can rely for support. Most important, our interest here is to track the quality of jobs being generated in Wisconsin, and no one would call less than \$9.91 per hour a “good job.”

Table 9

Percentage of Workers Earning Below Poverty Wage*, Wisconsin and Neighboring States, 1990-2006

	1990	1995	2000	2006
Wisconsin	32.3%	31.0%	19.6%	22.0%
United States	30.6	31.5	25.1	23.3
Illinois	27.6	28.2	23.9	22.5
Indiana	33.4	32.7	21.7	23.9
Iowa	35.4	35.7	23.3	25.0
Michigan	29.2	27.4	20.9	21.7
Minnesota	27.4	24.8	15.9	18.0
Ohio	30.5	31.7	23.1	22.4

Source: EPI analysis of CPS-ORG
 *Poverty wage is \$9.91 in 2006 CPI-U-RS adjusted dollars

Poverty- Wage Jobs

Table 9 shows the trend in poverty-wage employment in Wisconsin and neighboring states since 1990. Compared to nearby states, Wisconsin performed relatively well on this measure in 2006. Only Minnesota and Michigan had a lower share of workers earning below a poverty wage. Poverty-wage jobs are nevertheless an enduring reality of Wisconsin’s economic landscape, accounting for more than one out of every five workers in 2006.

Conclusion

On this Labor Day 2007, working Wisconsin can celebrate some true progress: the continued growth in jobs, the relative stability of the manufacturing sector, and a narrowing of the ‘gender gap’ in wages. However, there are negative trends as well: Wisconsin’s unemployment rate is above the national rate, extreme racial disparity continues, real wages have dropped, and poverty-wage jobs are an enduring reality of the state’s economic landscape.

Wisconsin can and should do better, and state policies can help move Wisconsin in the right direction. Continuing emphasis on growing our high-road economy will be an important priority for the future.

