

WISCONSIN'S JOB PICTURE BRIGHTENS

With the addition of 16,400 jobs between March and April 2010 – the largest monthly increase in employment in more than a decade – Wisconsin's economy may have finally turned a corner. After the job devastation wrought by this recession, the robust increase in jobs is welcome news and continues an upward trend for 2010. As of April, the state has gained 32,000 jobs this year. In the broader context, however, there is a long road ahead. Wisconsin has lost over 155,000 jobs since the recession started in December 2007, and the state's job base today is still 5.4 percent below its pre-recession level.

Also encouraging, Wisconsin's unemployment rate dropped 0.3 percentage points to 8.5 percent in April 2010. Even with this improvement, however, unemployment in the state is nearly twice Wisconsin's pre-recession level (4.5 percent in December 2007). (Table 1, Figure 3 on back page)

HARD HIT SECTORS CONTINUE UPWARD TREND

The hard hit manufacturing and construction sectors both posted gains last month. Wisconsin's manufacturing sector gained 3,300 jobs in April 2010, following similar increases in January, February, and March. Four consecutive months of job growth is a positive sign, though gains continue to be small. The sector still has 69,400 fewer jobs than when the recession started, representing a 14 percent loss of manufacturing jobs and accounting for 45 percent of Wisconsin's total job loss.

The construction sector added 2,300 jobs between March and April, bringing the number of jobs gained since January to 7,200. Considering the brutal decline faced by the construction industry this recession – in January 2010 the industry had lost nearly 25 percent of its job base – the rebound these past three months provides hope for jobs this building season. But, even more so than manufacturing, there is a long way to go. The construction sector has lost 22,100 jobs this recession, and construction jobs are still down 18 percent since December 2007. (Table 1, Figure 2)

Table 1

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

	<i>December 2007</i>	<i>April 2010</i>	<i>Change</i>	<i>Percent Change</i>
Unemployment	4.5%	8.5%	4.0	
All jobs	2,885,500	2,730,400	-155,100	-5.4%
Manufacturing jobs	498,100	428,700	-69,400	-13.9%
Construction jobs	123,700	101,600	-22,100	-17.9%

Figure 1

TOTAL JOB LOSS IN WISCONSIN, DECEMBER 2007 TO APRIL 2010

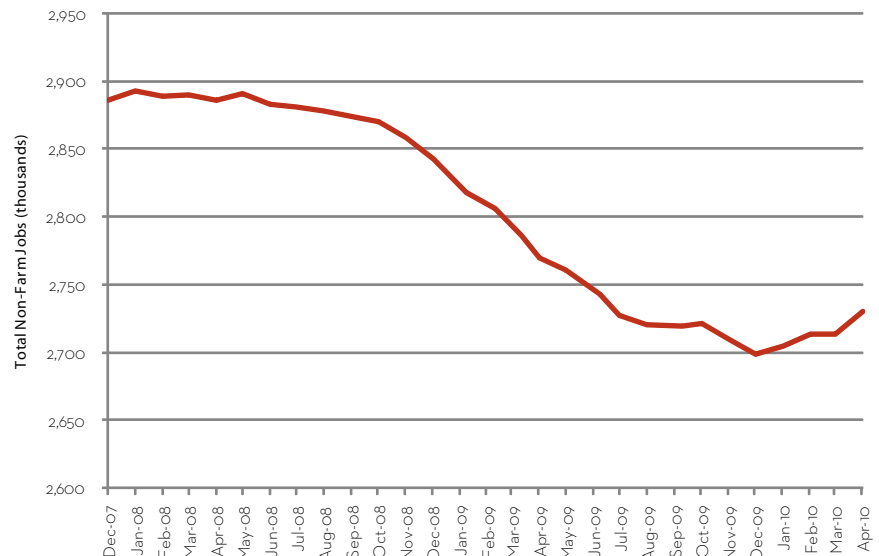
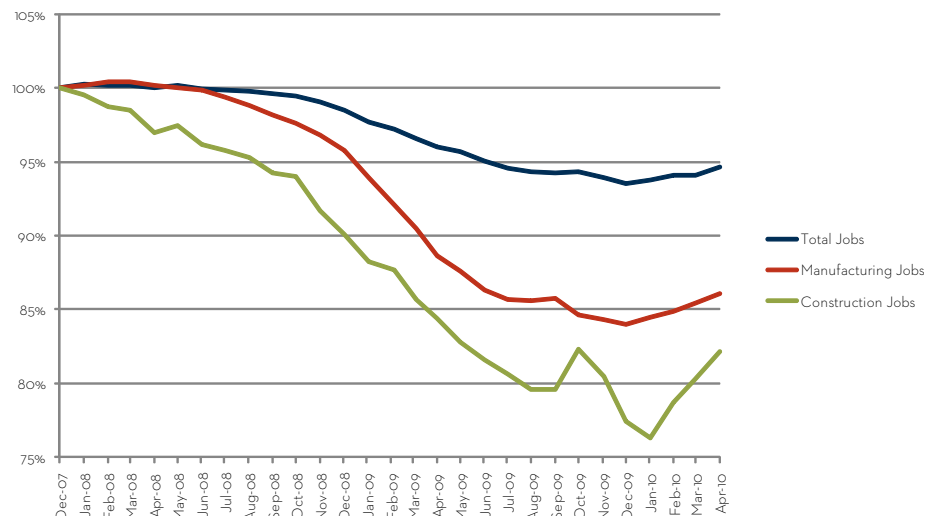


Figure 2

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



JOB LOSS STILL FAR WORSE THAN RECENT RECESSIONS

The severity of this recession stands out in comparison to the three most recent downturns of 2001, 1990, and even that of 1981. With the job base at 5.4 percent below its pre-recession level, the Wisconsin economy suffers a substantially larger deficit than has been seen in generations. Despite the increase in jobs starting at the beginning of this year, we have a long way to climb to regain the jobs we've lost. Moreover, although 28 months have passed since the start of this recession, Wisconsin's unemployment rate remains stubbornly high, and now parallels early 1980s levels. (Figures 3 and 4)

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

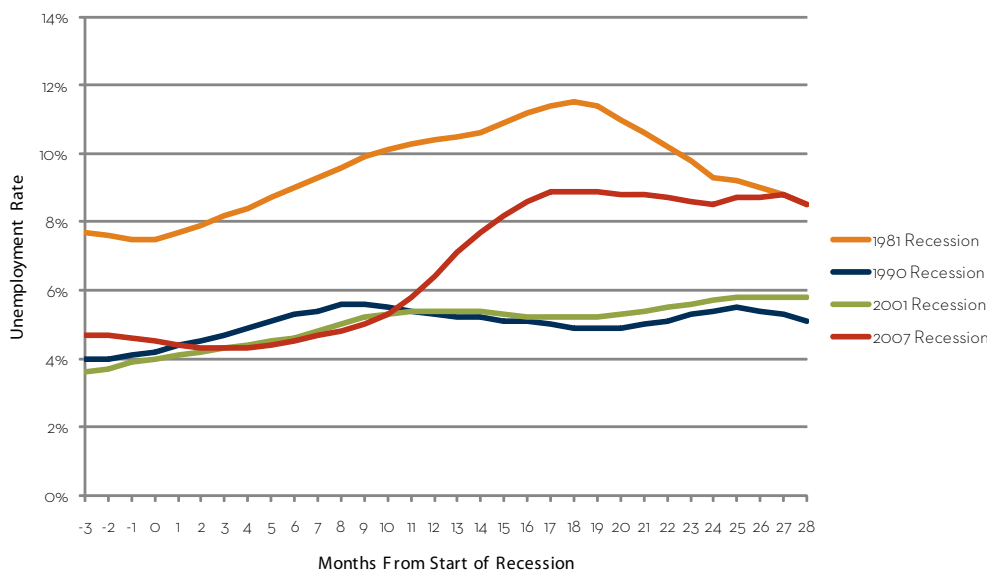
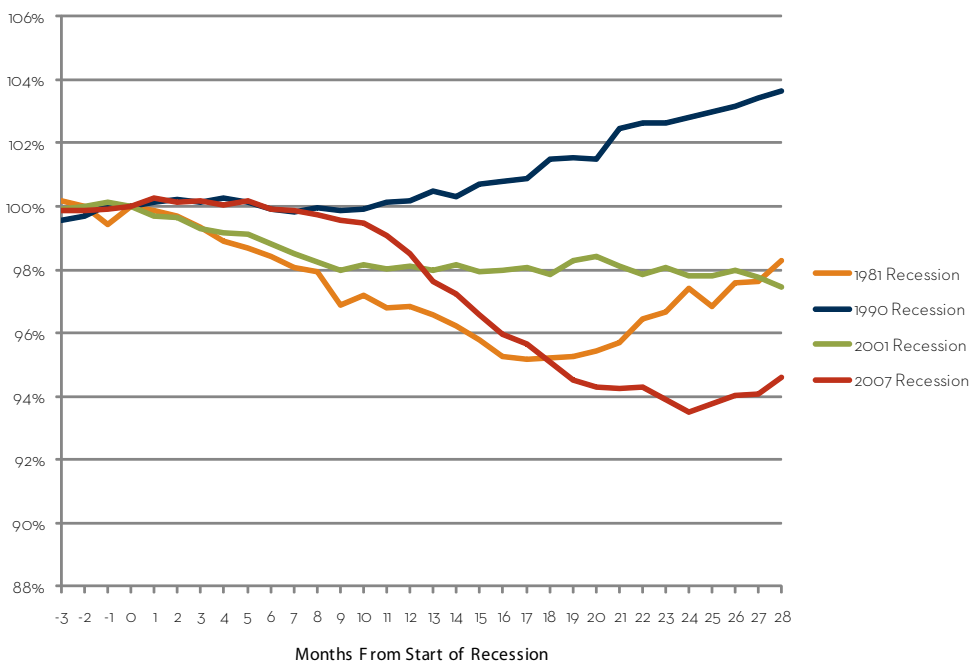


Figure 4
PERCENT CHANGE IN WISCONSIN JOBS IN CURRENT RECESSION, COMPARED WITH 1981, 1990, AND 2001 RECESSIONS



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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