

WISCONSIN ADDS JOBS FOR SECOND STRAIGHT MONTH, UNEMPLOYMENT STEADY

Fueling hopes that Wisconsin is moving towards economic recovery, the state gained 5,200 jobs in February 2010. This increase comes on top of a 6,700 gain between December 2009 and January 2010, resulting in the first consecutive month-to-month increase in employment since the recession's start in December 2007. Despite this positive trend, these recent gains do little to offset the precipitous decline in the state job market. Since December 2007, Wisconsin has lost 175,200 jobs – 6.1 percent of the pre-recession job base.

Wisconsin's unemployment rate held steady at 8.7 percent in February. Still, the unemployment rate is nearly twice its pre-recession level (4.5 percent in December 2007). Wisconsin's unemployment rate had been declining slowly but steadily between a May/June/July peak (8.9 percent) and December 2009 (8.5 percent), despite net job loss over those months. It remains to be seen whether or not unemployment levels will climb again in months to come. (Table 1, Figure 3 on back page)

MANUFACTURING AND CONSTRUCTION UP

Manufacturing gained 2,200 jobs in February, following a similar increase between December 2009 and January 2010. This two-month consecutive gain is a positive sign that this industry might be stabilizing. Nevertheless, Wisconsin's manufacturing sector has 75,200 fewer jobs than when the recession started, representing more than a 15 percent loss within the industry and accounting for more than 40 percent of Wisconsin's total job loss.

The construction sector added 2,800 jobs between January and February 2010. This is only the third time construction jobs have increased since the recession's start; the two previous month-to-month increases (in May 2008 and October 2009) were both followed by sharp declines. The construction industry has seen its job numbers shrink 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 FEBRUARY 2010

	<i>December 2007</i>	<i>February 2010</i>	<i>Change</i>	<i>Percent Change</i>
Unemployment	4.5%	8.7%	4.2	
All jobs	2,885,500	2,710,300	-175,200	-6.1%
Manufacturing jobs	498,100	422,900	-75,200	-15.1%
Construction jobs	123,700	97,200	-26,500	-21.4%

Figure 1
TOTAL JOB LOSS IN WISCONSIN, DECEMBER 2007 TO FEBRUARY 2010

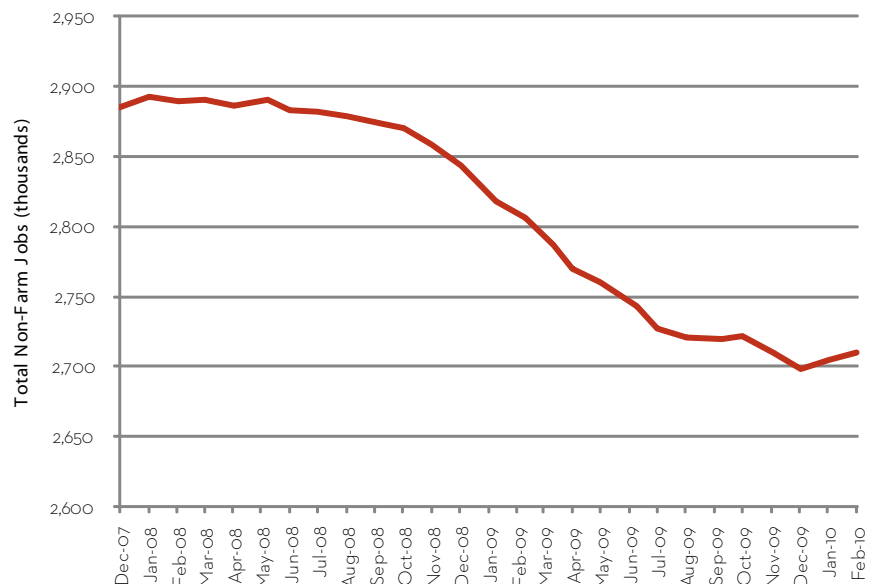
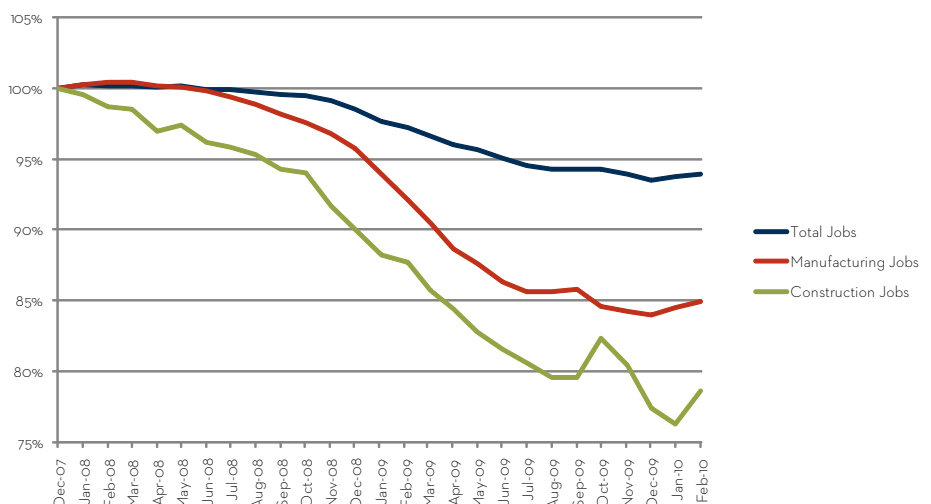


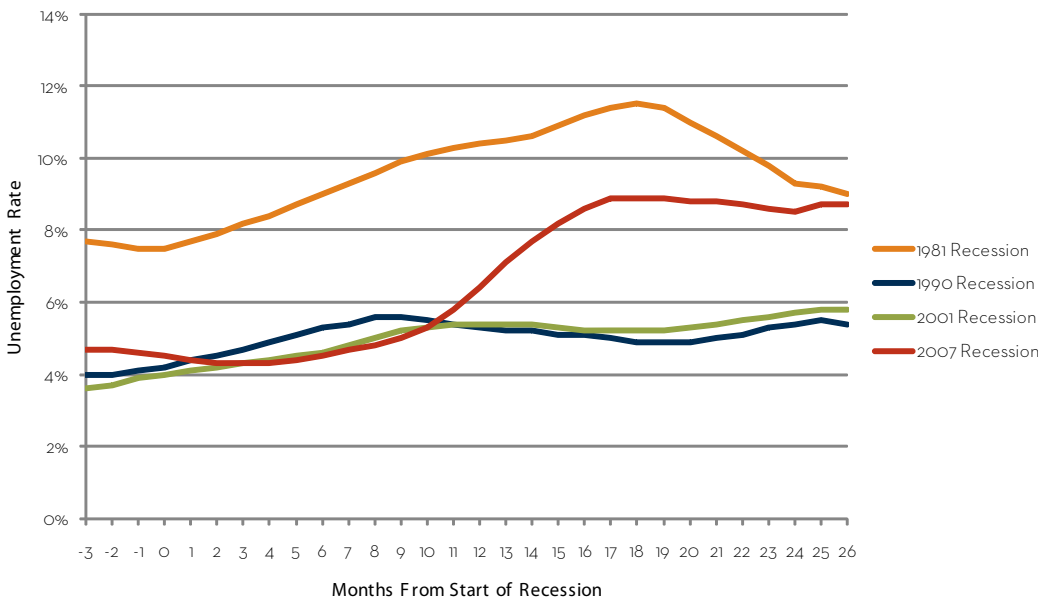
Figure 2
PERCENT CHANGE IN MANUFACTURING, CONSTRUCTION, AND TOTAL JOBS IN WISCONSIN, DECEMBER 2007 TO FEBRUARY 2010



A LONG AND BRUTAL RECESSION

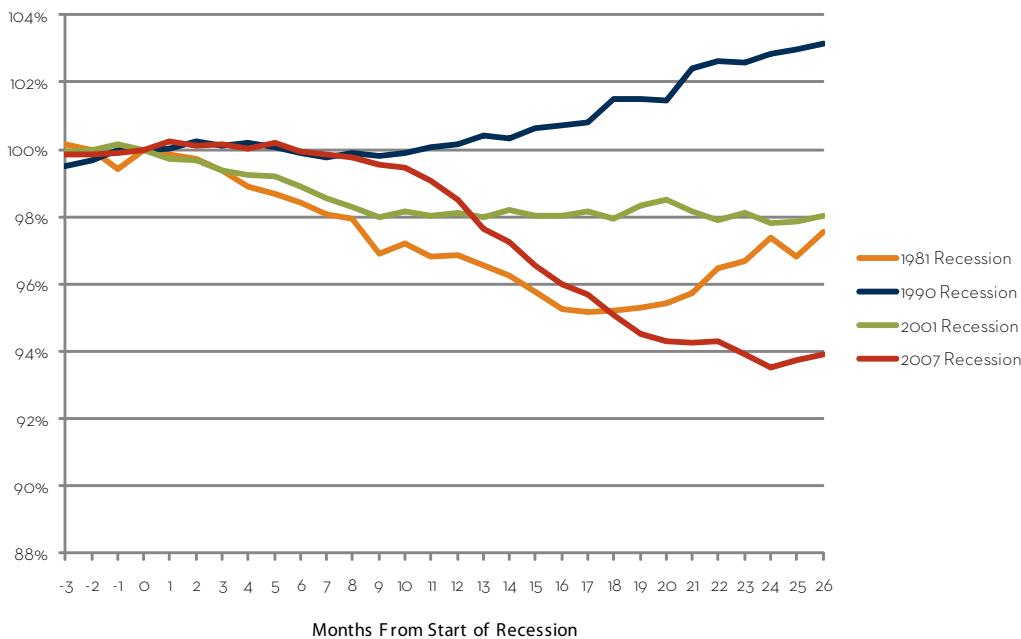
The severity of this recession stands out in comparison to the three most recent downturns of 2001, 1990, and 1981. In terms of total jobs lost – now 6.1 percent – this recession is substantially worse than the very difficult recession of 1981. Wisconsin has lost more than 175,000 jobs, and we have yet to post significant labor market gains. While there are some positive signs of growth in recent months, that growth is not yet generating significant gains in the job market. (Figures 3 and 4)

Figure 3
WISCONSIN UNEMPLOYMENT RATE 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).

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



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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