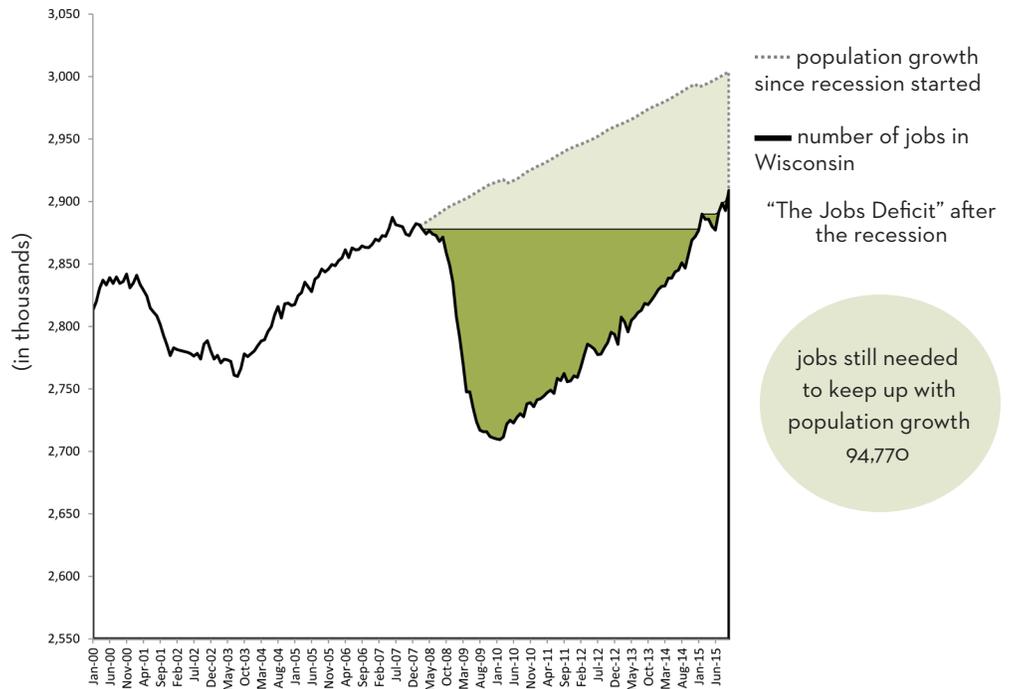


Strong Gains in October Bring New Job High Best month in 2015

WISCONSIN'S JOBS DEFICIT



Jobs data from the Bureau of Labor Statistics show an increase of 16,000 jobs in Wisconsin this past month. While statistics are subject to monthly revisions, and the exact figure might change, this substantial increase is significant and likely to remain the best month for job growth of 2015. This increase in jobs is very good news for the Badger State which has been on a weak trajectory since the recovery began. Wisconsin now is firmly and consistently posting a job count well in excess of the number of jobs the state had on the eve of the Great Recession (December 2007).

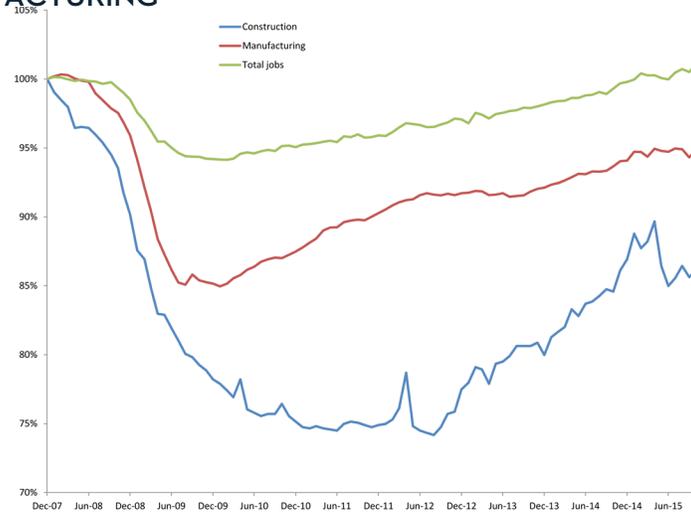
Because the population has grown since the Great Recession, just getting back to the 2007 job base doesn't provide the same sense of opportunity, however. For the labor market to provide the same level of opportunity for our current population, the state job market is still 95,000 jobs short. In fact, even if this strong rate of job growth were maintained – a difficult feat in itself – the state is still half a year from recovering to the level of opportunity in 2007.

	Wisconsin	U.S.
Start of the recession	Dec. 2007	Dec. 2007
Number of jobs	2,878,000	138,350,000
Labor market trough	Feb. 2010	Feb. 2010
Number of jobs	2,709,400	129,649,000
Peak-to-trough shortfall	-168,600	-8,701,000
Current month	Oct. 2015	Oct. 2015
Number of jobs	2,908,900	142,654,000
Change from previous month	16,100	271,000
Jobs above pre-recession level (Dec. 2007)	30,900	4,304,000
Population growth since the recession began	4.4%	7.9%
Jobs Deficit	94,770	6,605,283

Wisconsin’s strong job growth was driven by the private sector with its increase of 15,100 jobs. The public sector grew but only moderately, adding 1,000 jobs. Private sector growth was strongest outside of construction and manufacturing. Construction accounted for 600 of the private sector job gains and manufacturing contributed another 2,500 to the increase. To put these changes in perspective, construction generated dramatic ups and downs this year and despite this month’s increase remains 3,300 jobs below the level of the beginning of the 2015. Likewise, 2015 has produced very few jobs in manufacturing: in October, the manufacturing job base is just 500 above the level at the start of the year.

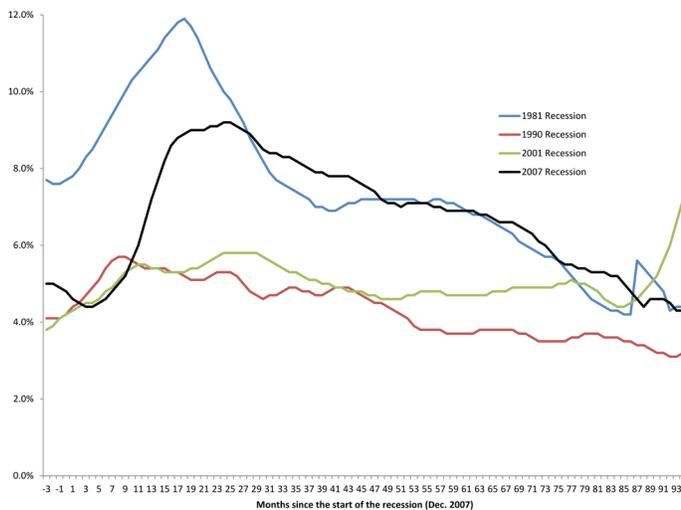
GAINS IN CONSTRUCTION AND MANUFACTURING

Manufacturing	
October 2015 employment	472,800
Change from previous month	2500
Percent change this recession	-5.2%
Construction	
October 2015 employment	106,700
Change from previous month	600
Percent change this recession	-13.9%



The unemployment rate in Wisconsin held steady at 4.3 percent, down slightly from 4.5 percent in August. This too is generally good news. Figure 2 puts this numbers in historical perspective and shows that the effects of this past recession and the slow recovery that came after are associated with higher levels of unemployment compared to previous recessions. The steady decline in the unemployment rate in Wisconsin since last year is a good thing, but, once again, as we have pointed out in the past, the rate of unemployment is not entirely a good indicator of the state of the economy. There are several reasons that can explain the rate of unemployment. When jobs are created and more people are employed, unemployment goes down. But also, when a large number of individuals leave the labor force (because they retire, they give up their job search, they move to a different state, etc.), unemployment goes down as well. The slack in the economy in the state is now much more evident in our documented job deficit than in unemployment data. But the slack is also evident in weak income and wage trends.

UNEMPLOYMENT RATE STILL LOW



Unemployment	
October 2015 unemployment rate	4.3%
Change since last month	0.0%
Change since start of recession	-0.5%
Peak unemployment rate during recession	9.2%
Unemployment rate before recession	4.8%

Wisconsin Job Watch, a monthly publication of COWS, provides a snapshot of Wisconsin’s job picture and reports on key 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).

Based at the University of Wisconsin-Madison, COWS is a national think-and-do tank that promotes “high road” solutions to social problems. These treat shared growth and opportunity, environmental sustainability, and resilient democratic institutions as necessary and achievable complements in human development. COWS is nonpartisan but values-based. We seek a world of equal opportunity and security for all.