The State of Working Wisconsin 2010 was produced by the Center on Wisconsin Strategy (COWS).

The Center on Wisconsin Strategy is a nonprofit, nonpartisan "think-and-do tank" dedicated to improving economic performance and living standards in the state of Wisconsin and nationally. Based at the University of Wisconsin-Madison, COWS works to promote "high road" strategies that support living wages, environmental sustainability, strong communities, and public accountability.

The State of Working Wisconsin 2010 relies on a wide range of data sources. For more information, see the full report.

KEY WISCONSIN STRENGTHS, NOW AND INTO THE FUTURE

Economic news for workers in Wisconsin and the nation is dispiriting. But Wisconsin brings key strengths to face the challenges.

- With Indiana, Wisconsin has the highest concentration of workers in the manufacturing sector in the nation. The manufacturing sector has been hard hit by trends in the last decade, and Wisconsin has suffered losses with the rest of the nation. Our manufacturing base remains substantial, however, providing jobs for 15 percent of the workforce and accounting for some one-fifth of the total state economy. Only Indiana has as high a share of its workforce in manufacturing.

- The Wisconsin workforce maintains a strong work ethic. Wisconsin adults are more likely to work than many states. This is especially true of women in the state, whose rate of labor force participation (66 percent) substantially exceeds the national rate (59 percent).

- Wisconsin technical colleges deliver graduates and wages. Wisconsin’s technical college system pays off for employers and workers in the state. Our adult workforce has nearly twice the share of workers with vocational associate degrees, and those workers earn higher wages than their national counterparts.

MOVING TO A STRONGER ECONOMY FOR WORKING WISCONSIN

- Boost family income by cutting energy and transportation costs.

- Build Wisconsin’s green future, and make our existing economy greener.

- Build the skills of workers to keep Wisconsin competitive.

- Make high job quality essential to state economic development.

- Raise and strengthen the wage floor.

- Embrace the opportunity provided by federal health care reform.

- Expand foreclosure mitigation programs.

- Maintain and improve the state retirement system.

**KEY CHALLENGES: ECONOMIC NEWS FOR WORKERS IN WISCONSIN AND THE NATION IS DISPIRITING.**

**FACTS AND FINDINGS**

**Change in non-farm employment in Wisconsin, by decade**

<table>
<thead>
<tr>
<th>Decade</th>
<th>Wisconsin</th>
<th>United States</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980s</td>
<td>-14,366</td>
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</tr>
<tr>
<td>2010</td>
<td>-16,000</td>
<td>-16,000</td>
</tr>
</tbody>
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**Change in real four-person family income, Wisconsin and U.S., by decade**

<table>
<thead>
<tr>
<th>Decade</th>
<th>Wisconsin</th>
<th>United States</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980s</td>
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<td>$39,000</td>
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<td>1990s</td>
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<tr>
<td>2000s</td>
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<td>$36,000</td>
</tr>
<tr>
<td>2010</td>
<td>$39,000</td>
<td>$39,000</td>
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</table>

**EXECUTIVE SUMMARY**

**A LOST DECADE? DISMAL TRENDS FOR JOBS AND INCOME IN THE 2000s**

Families were already in a weak position at the start of the recession in December 2007. At that point, neither the labor market nor family income had fully recovered from the 2001 recession. Then the Great Recession started. By early 2010, some summarized the 2000s as a "lost decade." The U.S. economy has not produced such weak results since the Great Depression. The two recessions in this decade took their toll, leaving the state (like the nation) with fewer jobs in 2010 than in 2000. Family income also fell over the decade, an anomaly in the last thirty years.

**THE STATE OF WORKING WISCONSIN 2010**

**2010**

The most brutal economic decline since the Great Depression grinds on, bringing working people little to celebrate this Labor Day, 2010. Since its start in December 2007, the Great Recession has pummelled working people with job losses, long-term unemployment, and housing foreclosures. Banks, saved just two years ago by the American taxpayer, are now turning handsome profits (and paying big bonuses on them); and other corporate reports show a return to profitability as well. But on the indicators that matter most to this nation’s workers, the recession goes on, unrelenting. The nation has lost more than 77 million jobs and job growth is glacial. Unemployment hovers at 9.5 percent and underemployment at 15 percent, as high as many workers have ever seen it.

**Wisconsin is reeling along with the rest of the nation.** Our economic outlook two years ago was weak: construction and manufacturing were already on the decline, the job market was shrinking, and family incomes were falling. Then, in September 2008 the financial crisis sent markets into a tailspin and Wisconsin’s economy lost an average of 16,000 jobs per month for the next half year. Manufacturing and construction plummeted. State government receipts dropped. Communities experienced layoffs, downsizing, and complete shut-downs. Unemployment in the state nearly doubled.

The State of Working Wisconsin 2010 uses the best and most recent data available to help refine our understanding of exactly how Wisconsin is doing in this recession economy and in the longer term. COWS has released The State of Working Wisconsin biennially since 1988. In this, our eighth edition, the economic picture for working people is as grim as we have ever reported.
Wisconsin has 155,200 fewer jobs than it did at the start of the recession. That’s a loss of five percent of the total job base — one in twenty of the state’s jobs.

The jobs deficit is even higher — 205,190 jobs — accounting for the growth of the Wisconsin workforce since the start of the recession (9.7 percent).

Jobs have grown over the past eight months, but the pace set by this weak growth will not overcome the jobs gap for years.

One in four manufacturing jobs have been lost in Wisconsin this decade.

- In 1998, Wisconsin had some 600,000 manufacturing jobs. During the 2001 recession, the manufacturing base fell to 500,000. In this recession, it fell further to under 450,000.

Wisconsin’s 2009 median wage was $15.87 per hour.

- Wages have recovered some over the past two years, but remain just at 2009 levels.
- Adjusting for inflation, the Wisconsin median wage is less than one dollar per hour higher than it was thirty years ago, in spite of substantial gains in productivity and education over those three decades.

Wisconsin women earn 10.81 for every dollar men earn in the state.

- Women’s median wage, $14.45 per hour, is 19 percent lower than men’s median hourly wage of $17.94.
- African Americans and Hispanics in the state earn significantly lower wages.
  - With a median wage of $13.50 per hour, Wisconsin’s blacks earn $3.20 per hour less than whites, for a median black/white wage gap of 20 percent.
  - The Hispanic median of $12.25 per hour is $4.05 per hour — or fully 25 percent — less than the white median.

More than one in five Wisconsin workers in poverty-wage jobs suffer low wages and weak benefits.

In 2009, 23 percent of Wisconsin workers earned less than $10.45 per hour (the hourly wage required to keep a family of four above the poverty-line, if working full-time, all year, with no time off).

- Nearly one in three black women in the state and one in four white women work in poverty-wage jobs.

Just over one in four workers in poverty-wage jobs get health insurance through work, compared to two-thirds of workers with higher wages.

Just 21 percent of poverty-wage workers participate in a pension plan in the state, while more than 60 percent of workers with higher wages do.

Wisconsin’s 2009 poverty-wage workers get few benefits.

- 33 percent of poverty-wage workers gained health insurance.
- 21 percent of poverty-wage workers had a pension plan.

Poverty-wage workers are suffering high unemployment and underemployment rates (16 and 25 percent, respectively). These rates are twice those posted by whites in the state.

Unemployment and underemployment up especially high among blacks in Wisconsin

Unemployment in Wisconsin doubled to a high of 8.9 percent over the course of the Great Recession, but decreased to 7.8 percent by July 2010.

Underemployment in the state is 15 percent. This includes unemployed workers, those who have given up looking for work, and workers who have part-time jobs but want full-time work.

Nearly one in four African American workers in Wisconsin is unemployed.

- Black unemployment — 24 percent — is more than three times the rate of whites — 7 percent — and far exceeds the national black unemployment rate.

One in three of the state’s black workers is underemployed.

Hispanic workers are suffering high unemployment and underemployment rates (16 and 25 percent, respectively). These rates are twice those posted by whites in the state.
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Just 21 percent of poverty-wage workers participate in a pension plan in the state, while more than 60 percent of workers with higher wages do.

### Median Hourly Wages, Wisconsin and U.S., 1979-2009

- **Percent Earning Poverty Wages**
  - **All Workers**: 21.0%
  - **White Man**: 16.7
  - **Black Man**: 22.4
  - **White Women**: 16.5
  - **Black Women**: 30.7

- **Poverty Wage Workers Get Few Benefits**

- **Health-care insurance**: 20%
- **Pension plan**: 16%
- **Vacation**: 8%
- **Paid holiday**: 21%
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TECHNICAL COLLEGE DEGREES DELIVER IN WISCONSIN

<table>
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<tr>
<th>Degree Type</th>
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<tr>
<td>Occupational/Vocational</td>
<td>17.24</td>
<td>16.82</td>
</tr>
<tr>
<td>Academic</td>
<td>13.81</td>
<td>13.08</td>
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SHARE OF WORKFORCE

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<tr>
<th>Degree Type</th>
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<tbody>
<tr>
<td>Associate Degree</td>
<td>8.8%</td>
<td>4.6%</td>
</tr>
<tr>
<td>Occupational/Vocational</td>
<td>4.4%</td>
<td>5.7%</td>
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</tbody>
</table>

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CHANGED IN NON-FARM EMPLOYMENT IN WISCONSIN, BY DECADE

<table>
<thead>
<tr>
<th>Year</th>
<th>Change (2008 dollars)</th>
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CHANGED IN REAL FOUR-PERSON FAMILY INCOME, WISCONSIN AND U.S., BY DECADE

<table>
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<th>Year</th>
<th>Change (2008 dollars)</th>
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C O W S

center on wisconsin strategy

Visit www.cows.org/swow to order additional copies of the executive summary or full report.