



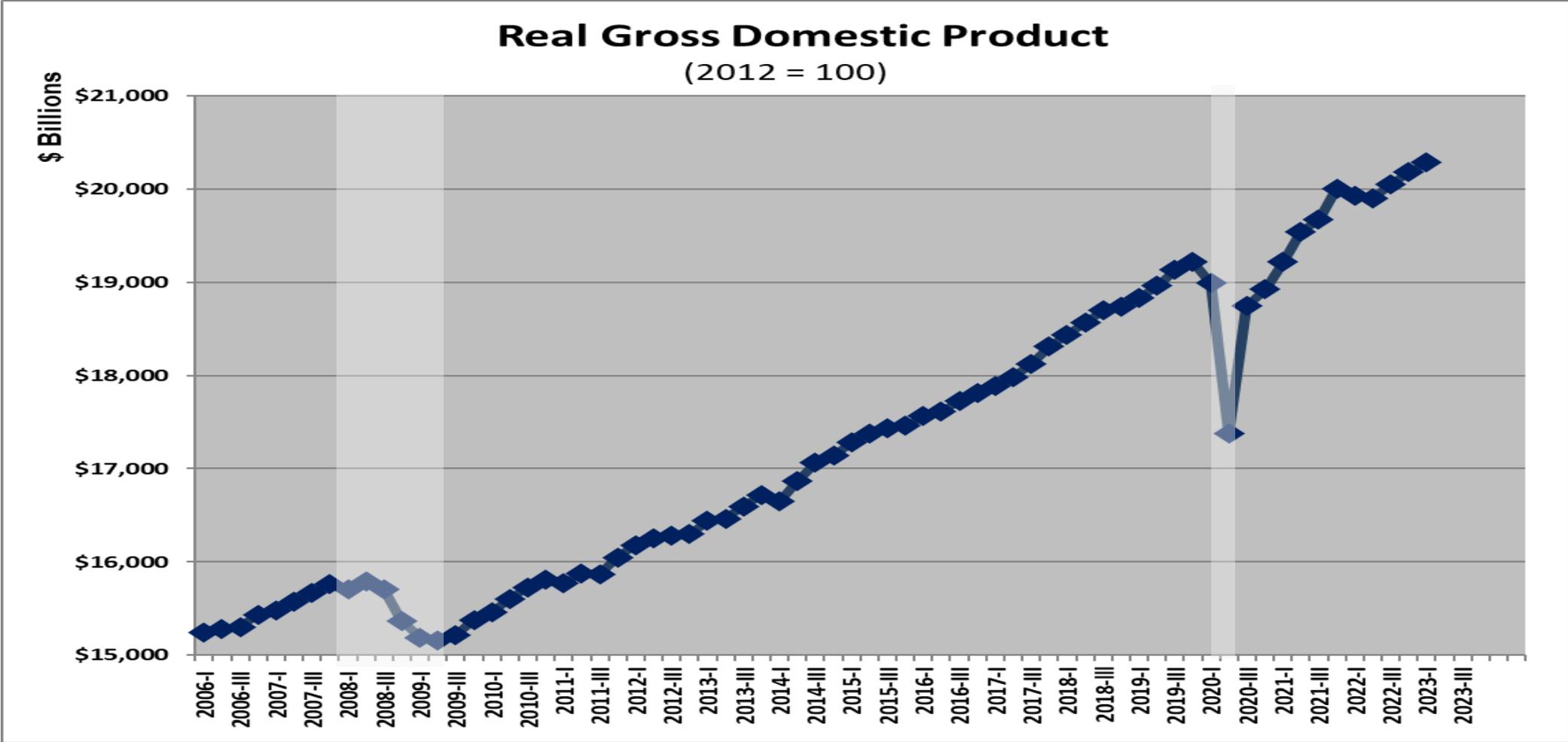
Wisconsin's Labor Market Economy

Dennis K. Winters | Chief Economist
Wisconsin Department of Workforce Development

Ideas Forum

October 18, 2023

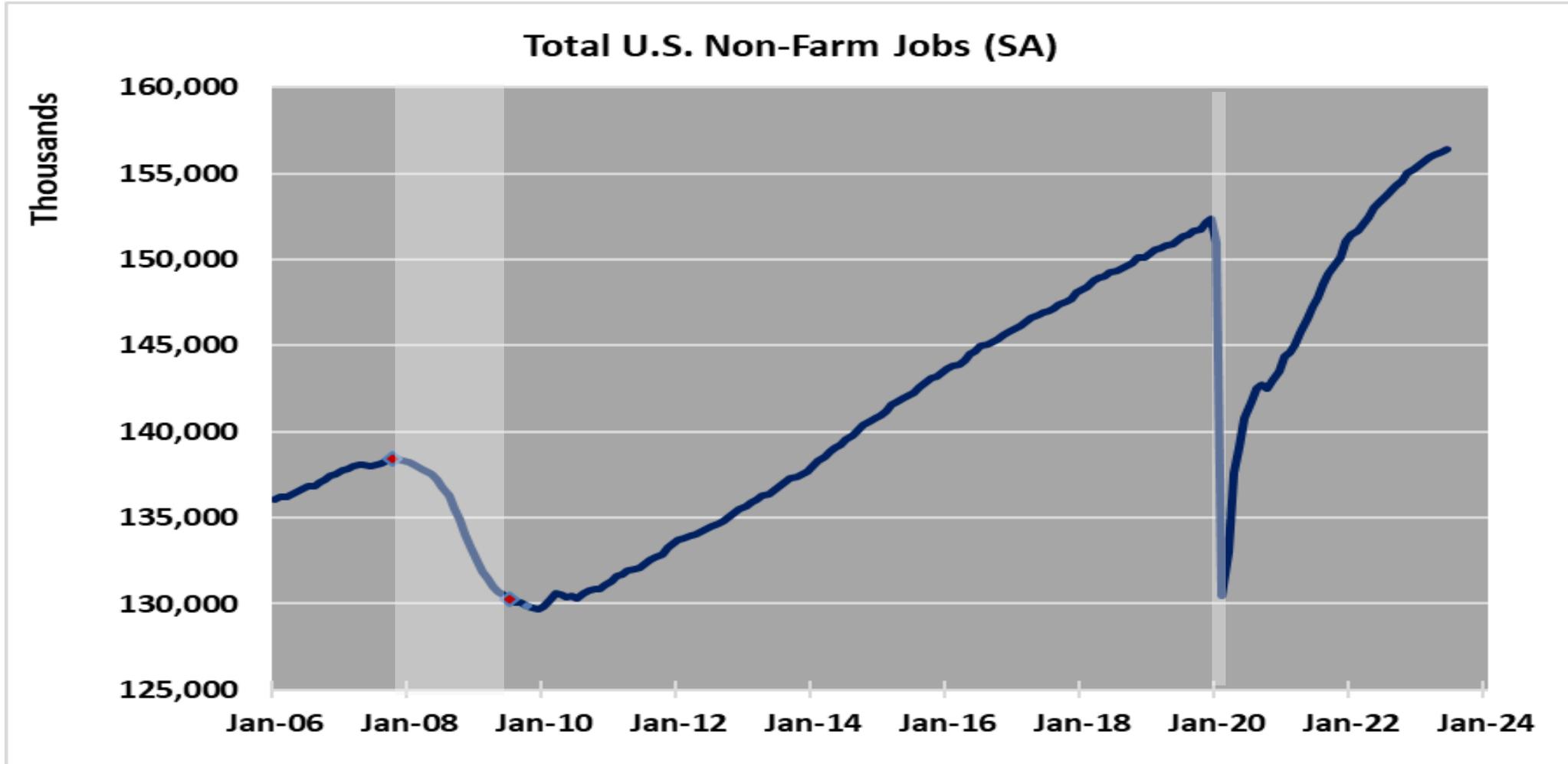
Gross Domestic Product



Source: BEA



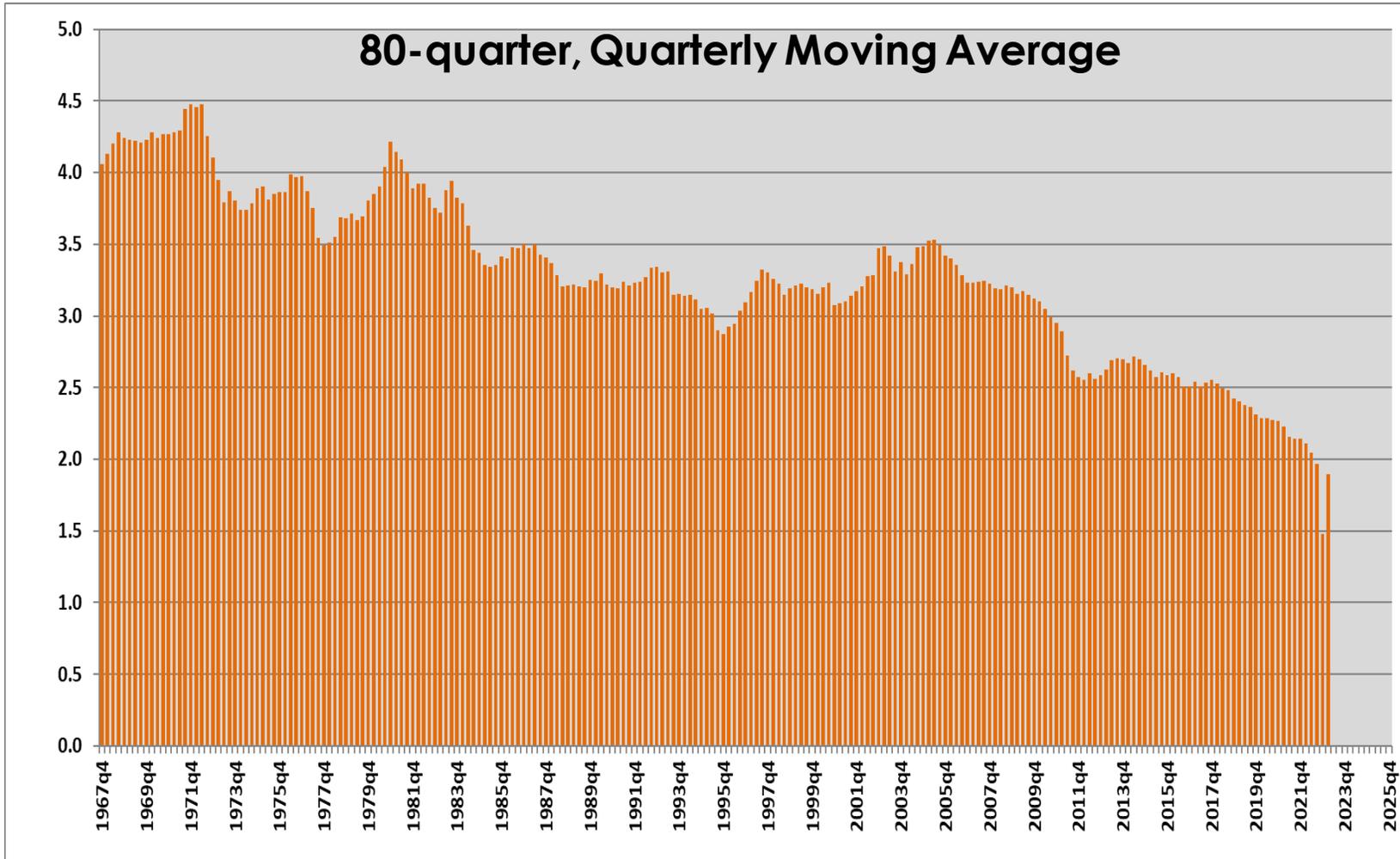
U.S. Jobs



Source: BLS



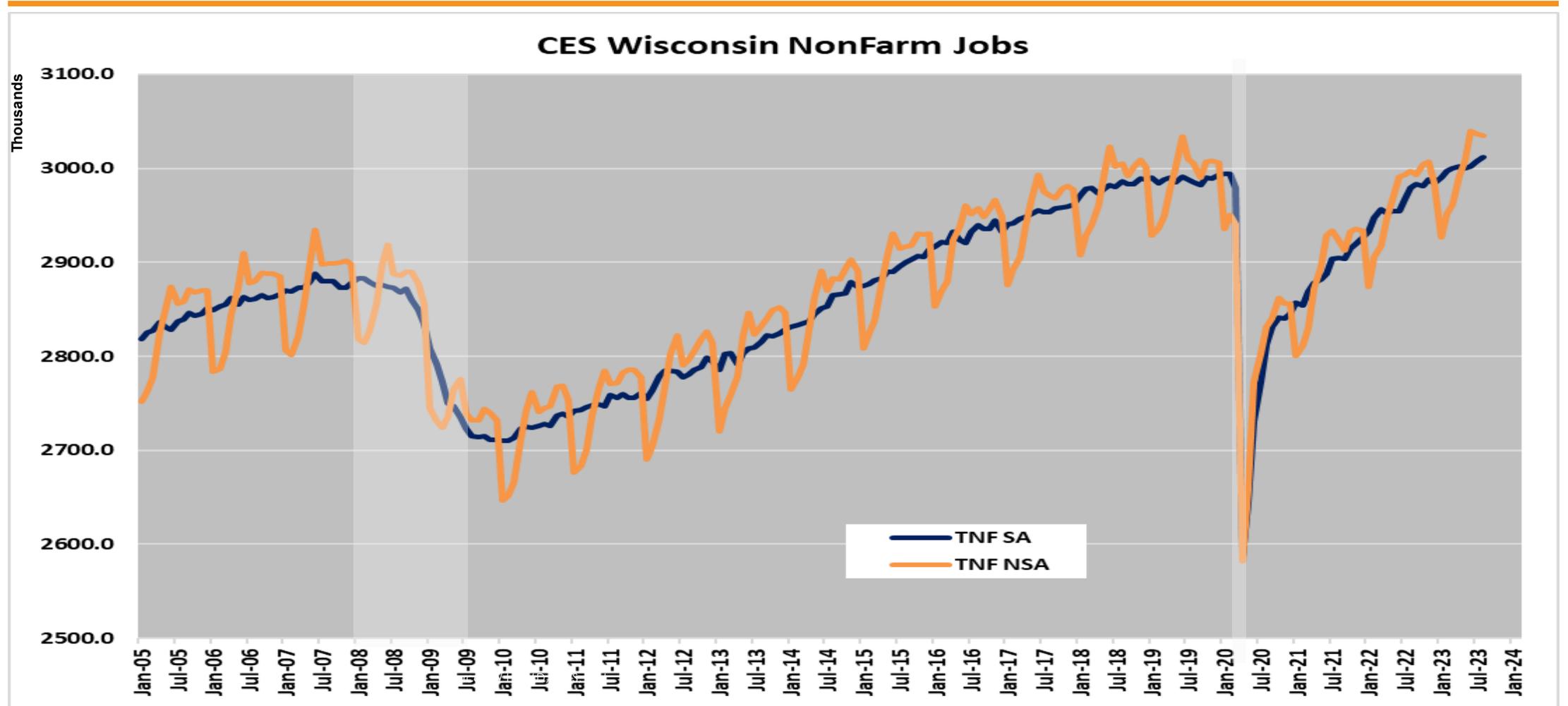
GDP Growth Trends



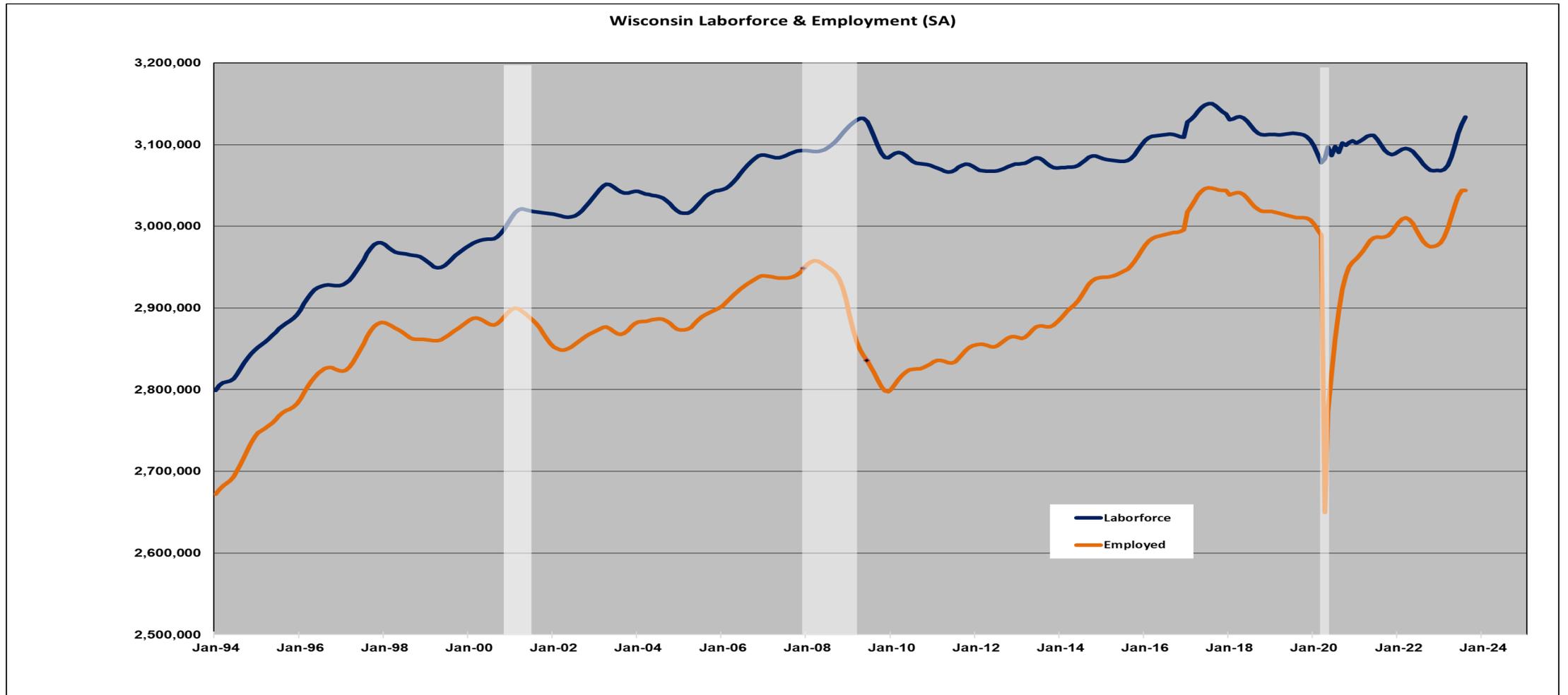
Source: BEA



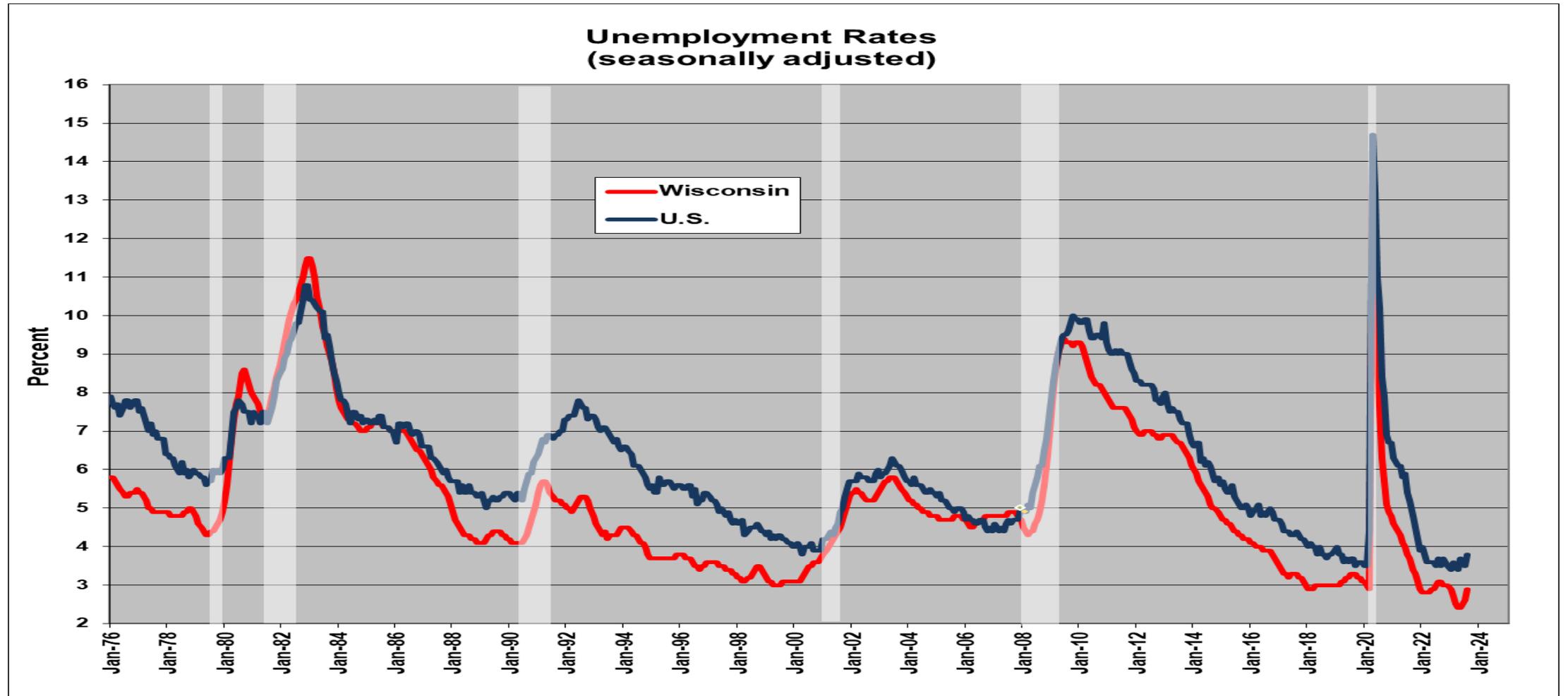
Wisconsin Jobs



Employment

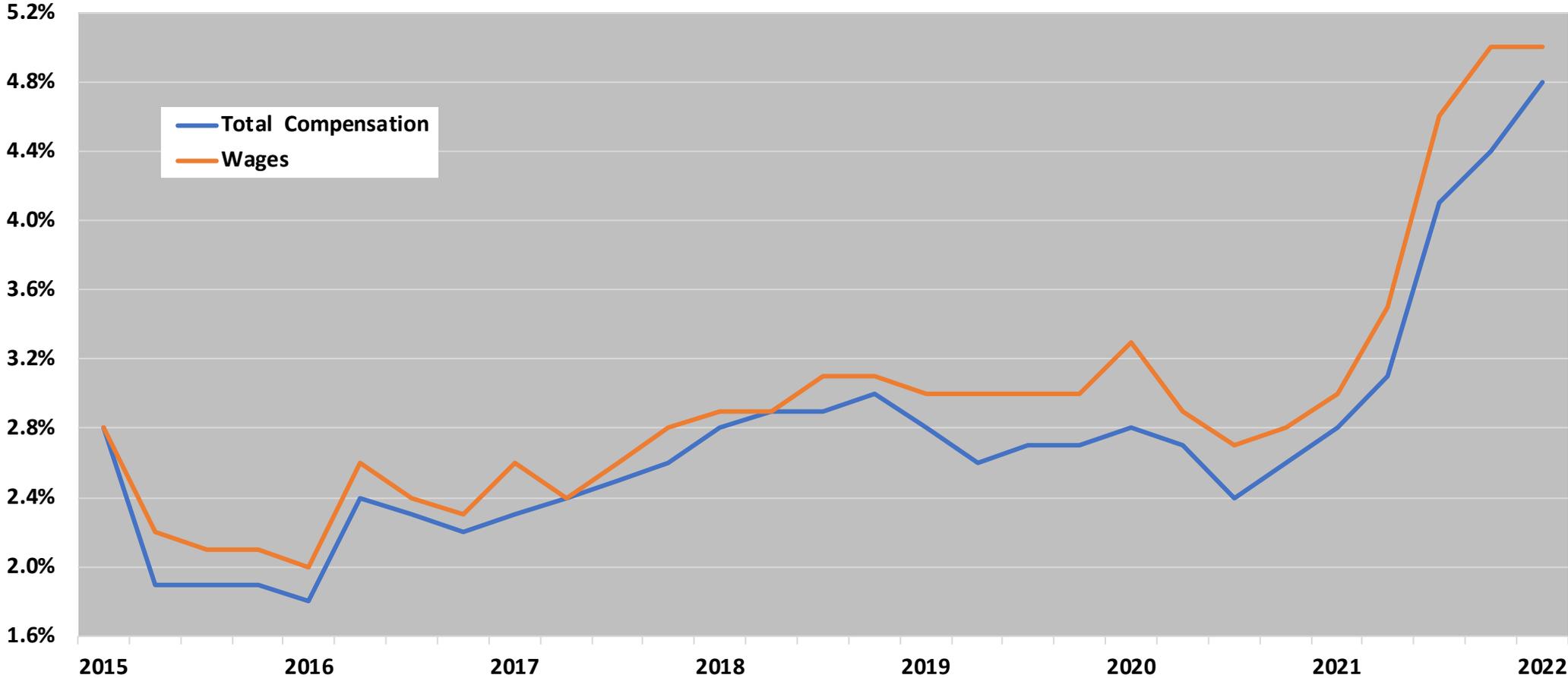


Unemployment Rate



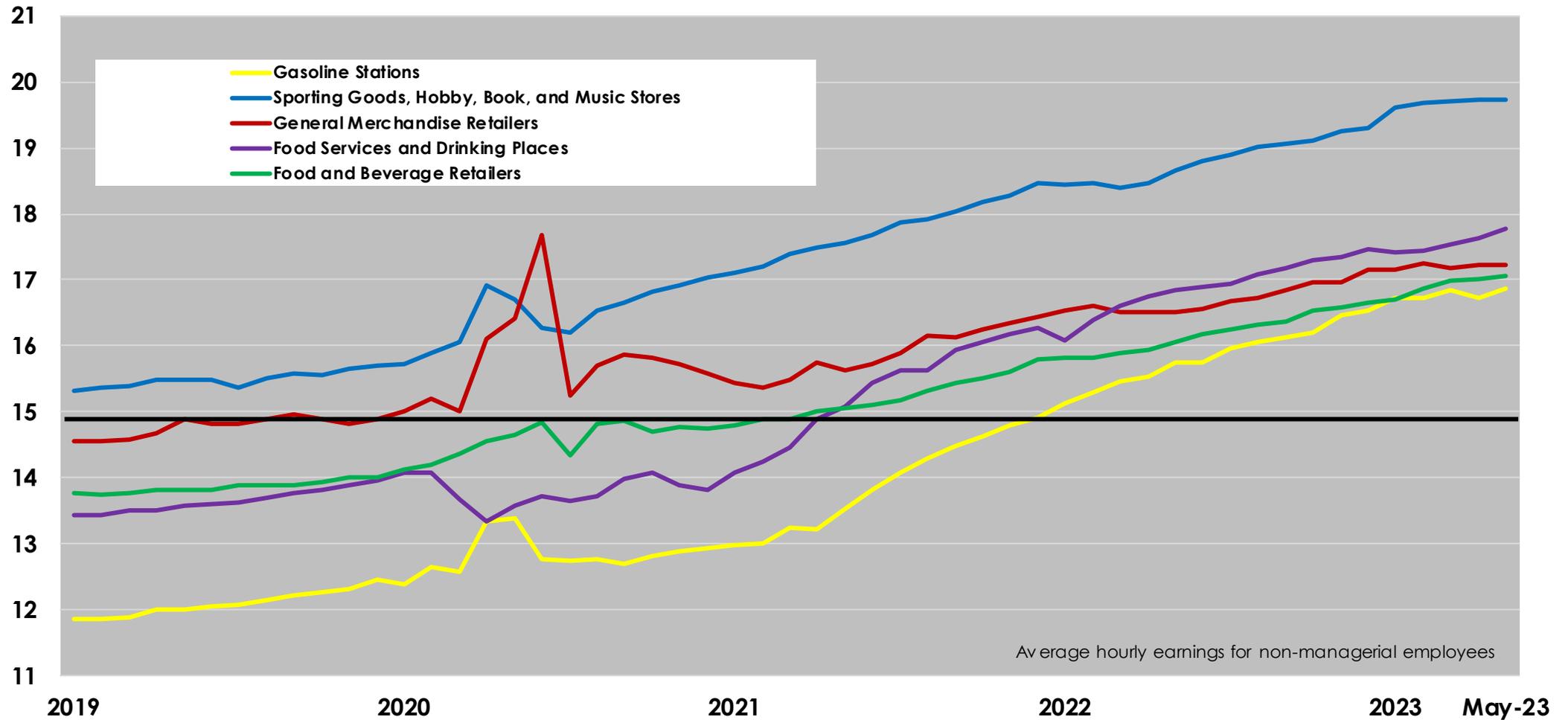
Industry Costs

Employment Cost Index: Private Industry



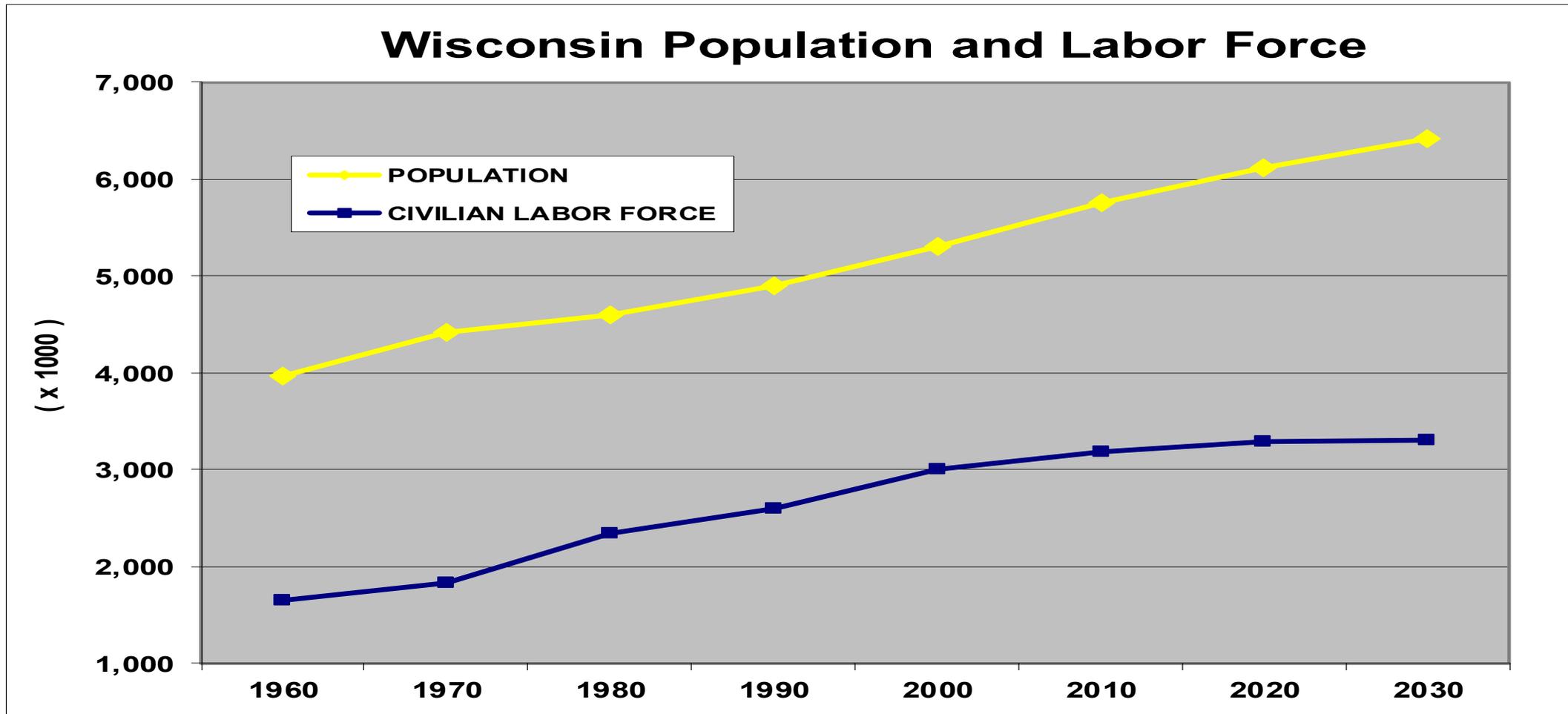
Note: Not Seasonally Adjusted
Source: Bureau of Labor Statistics (BLS)

Wages

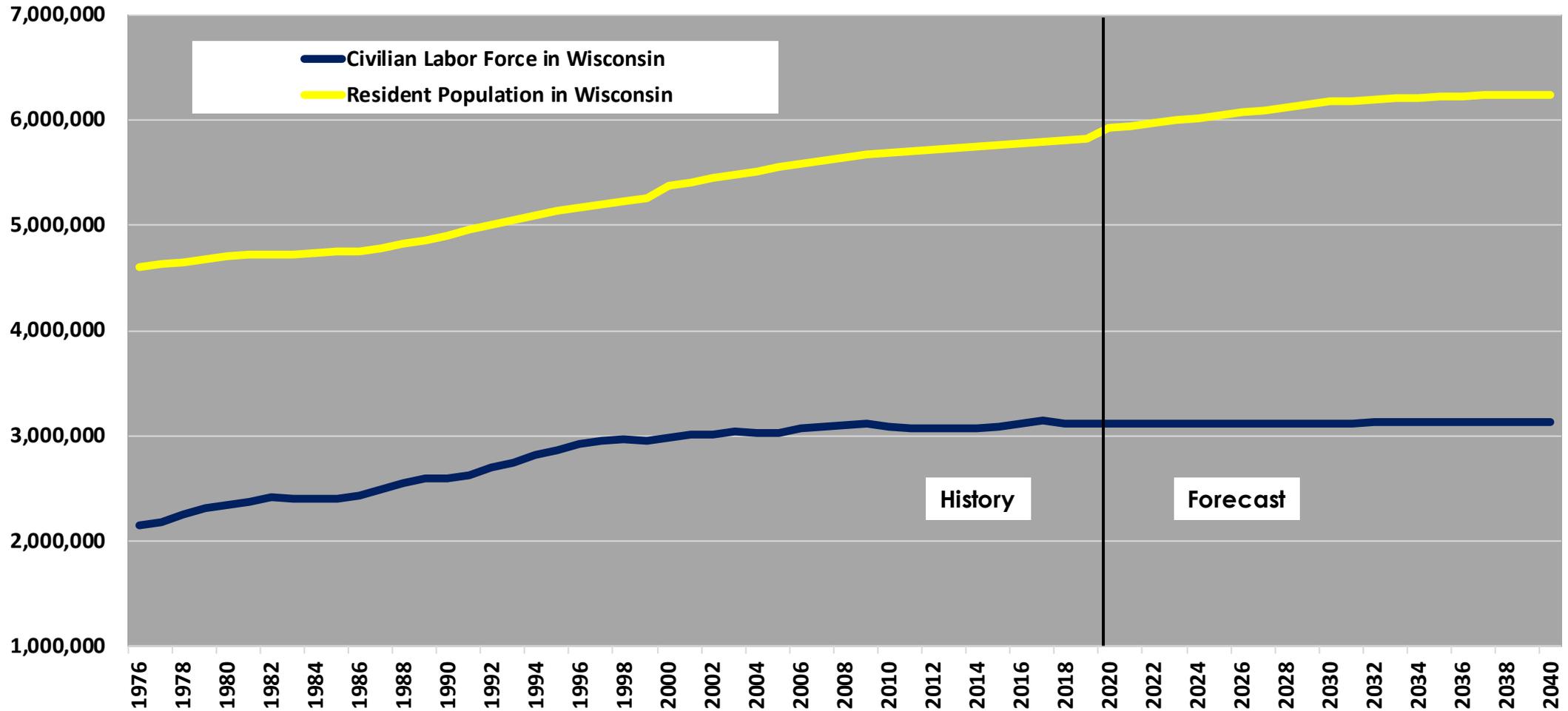


Note: Seasonally Adjusted
Source: Bureau of Labor Statistics (BLS)

Wisconsin's Workforce Growth

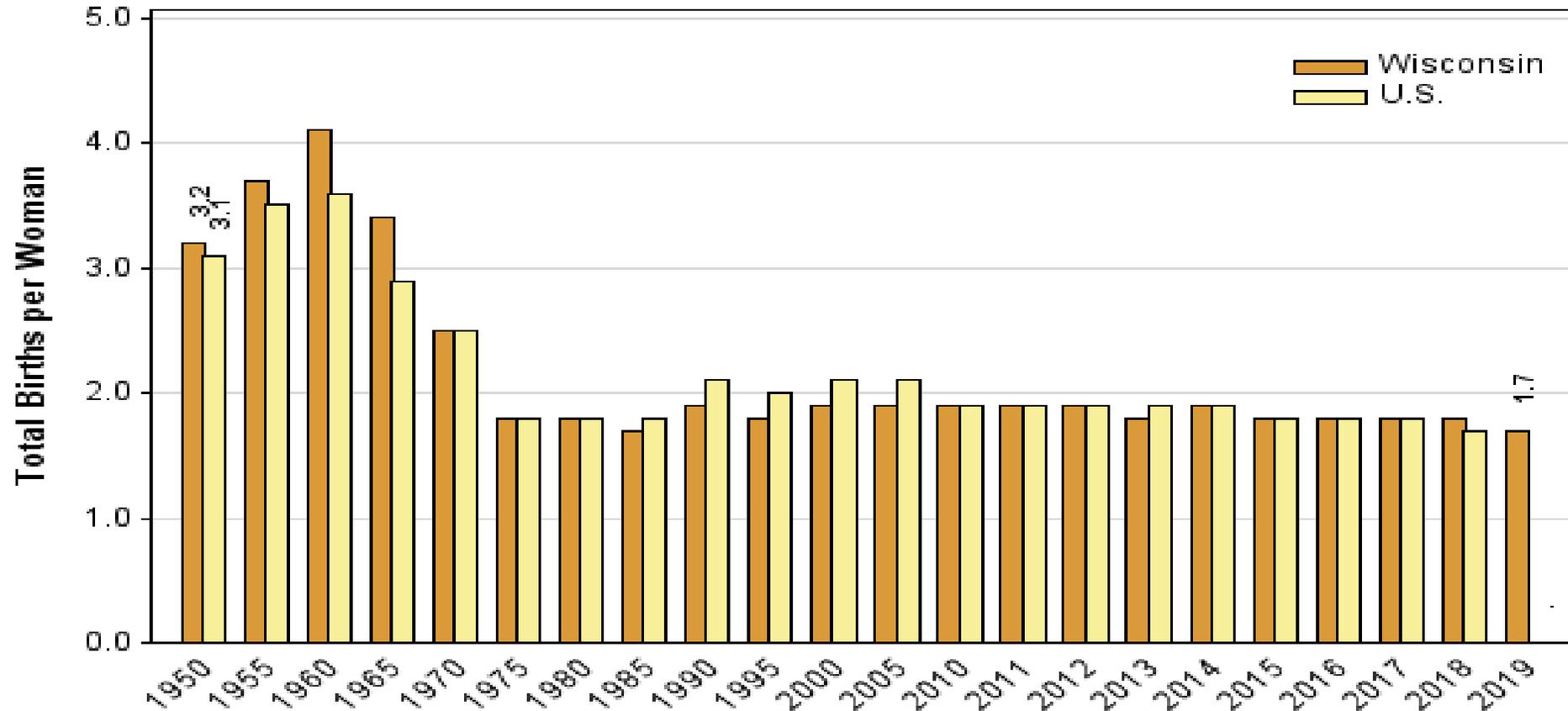


Wisconsin's Workforce Growth

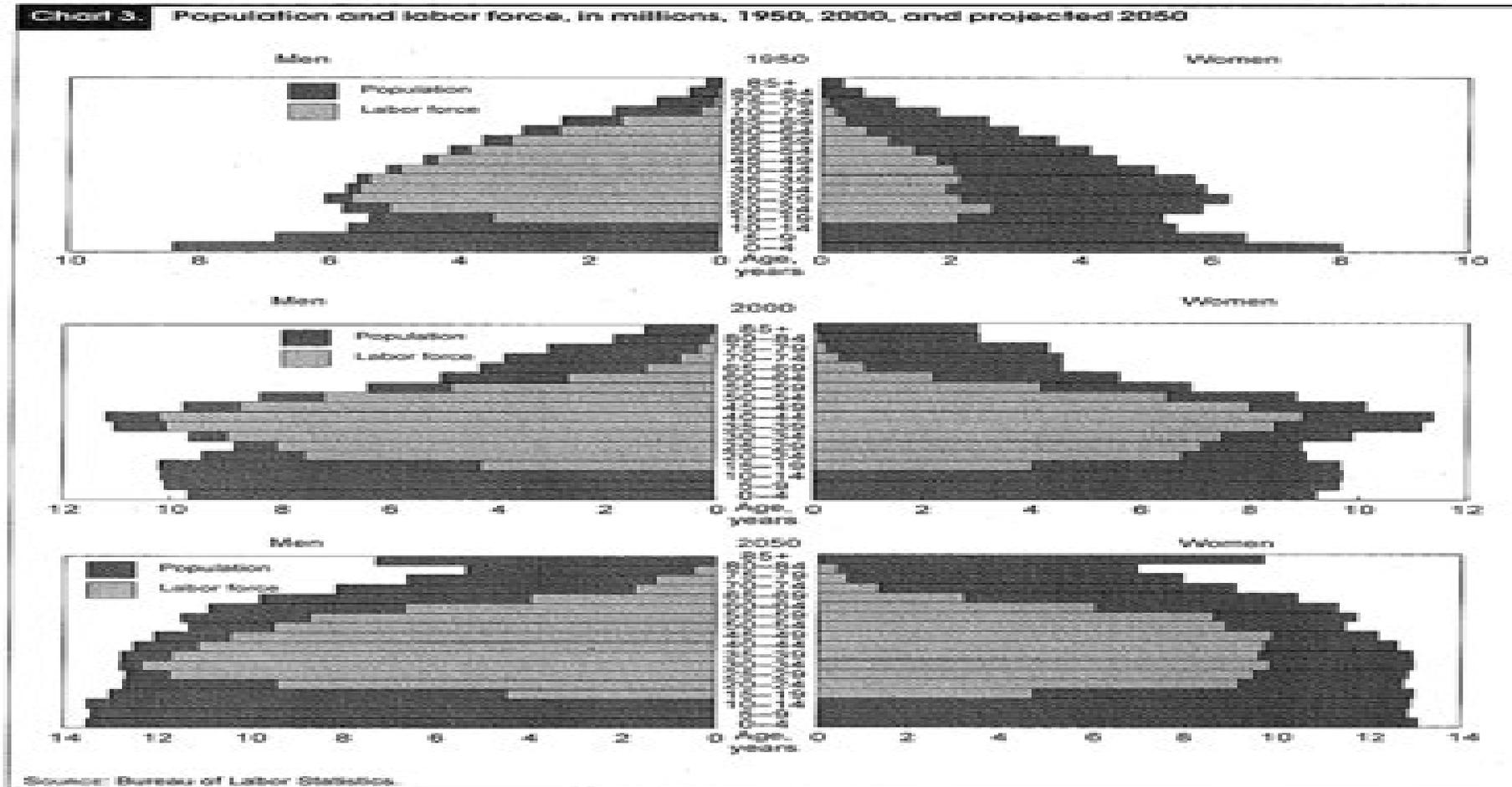


Fertility Rates

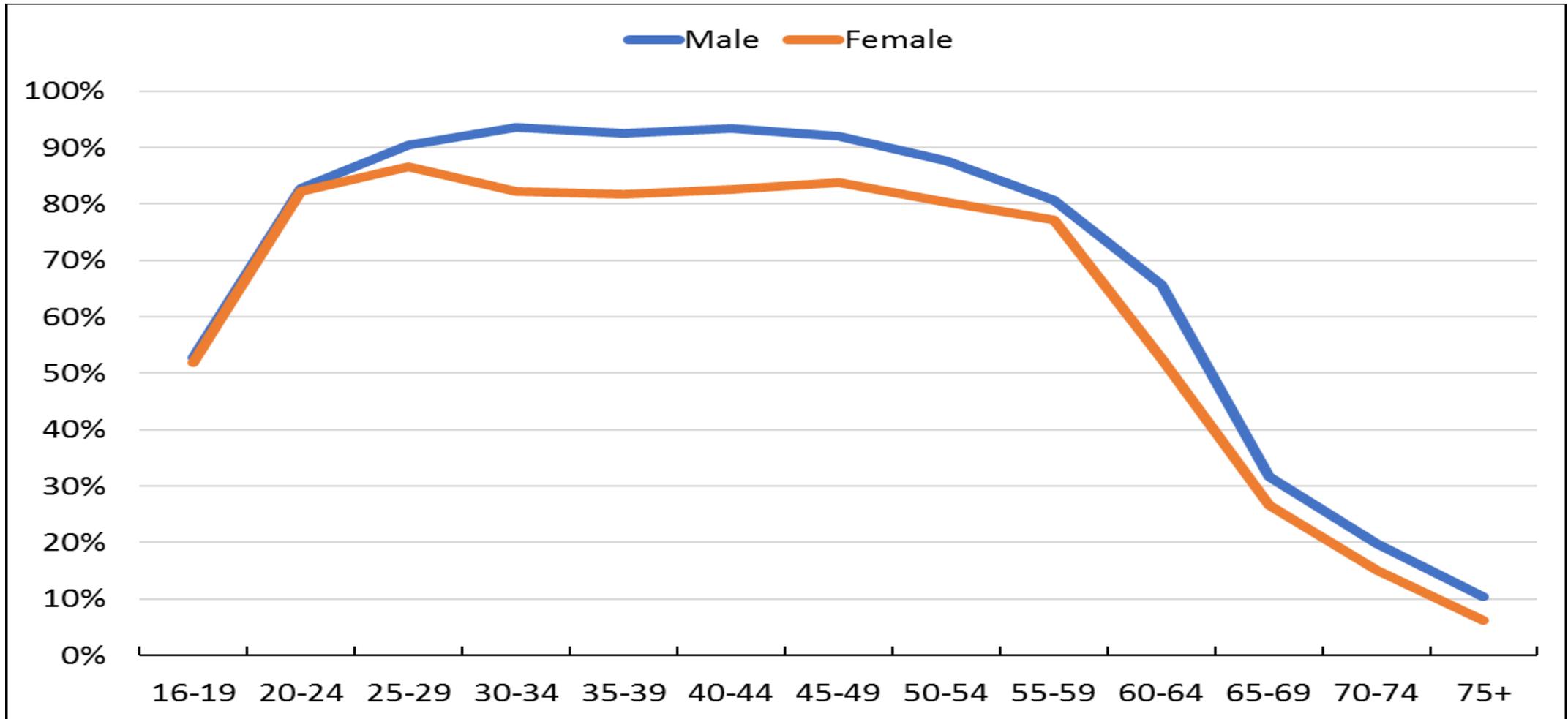
**Total Fertility Rate, Wisconsin and U.S.,
Selected Years 1950-2019**



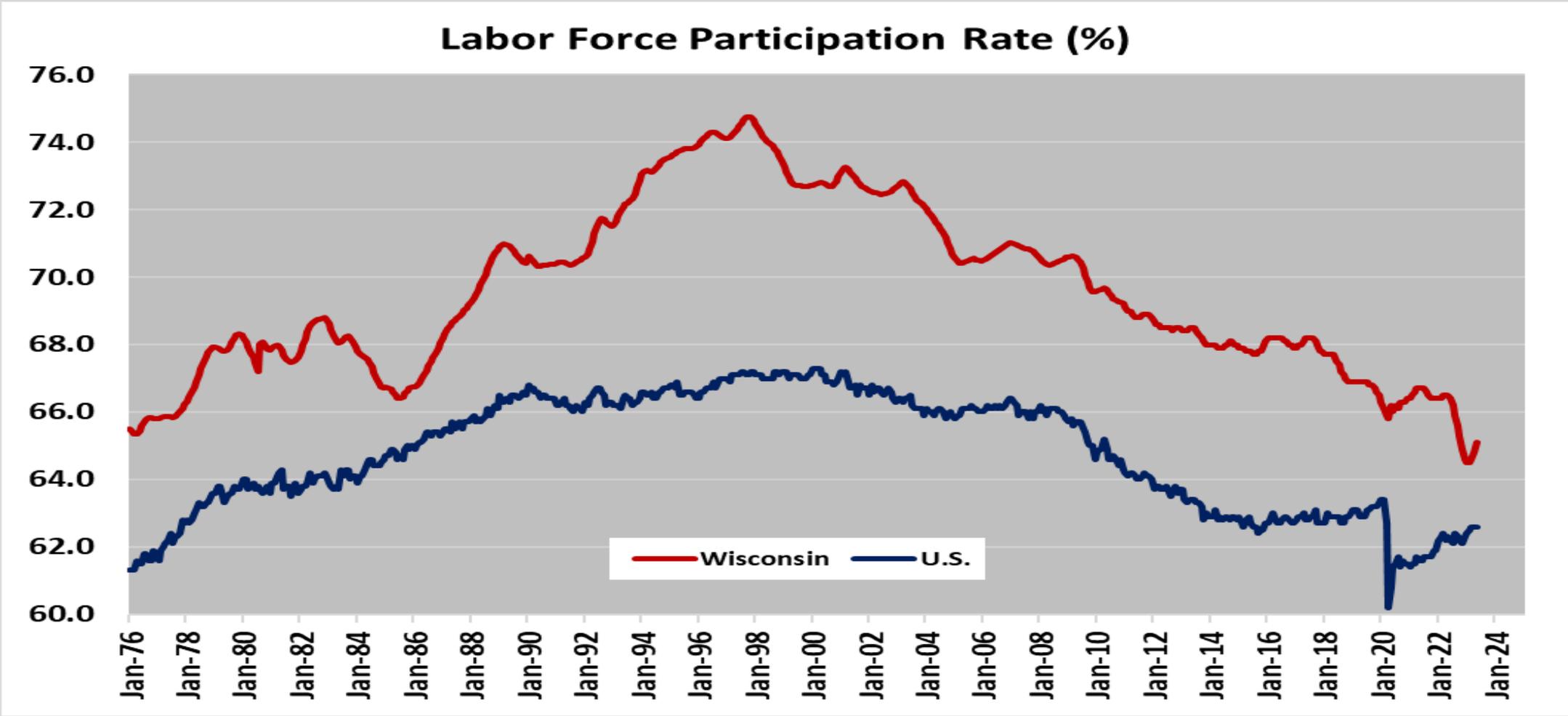
Generational Changes



Labor Force Participation Rate by Age



Labor Force Participation Rate

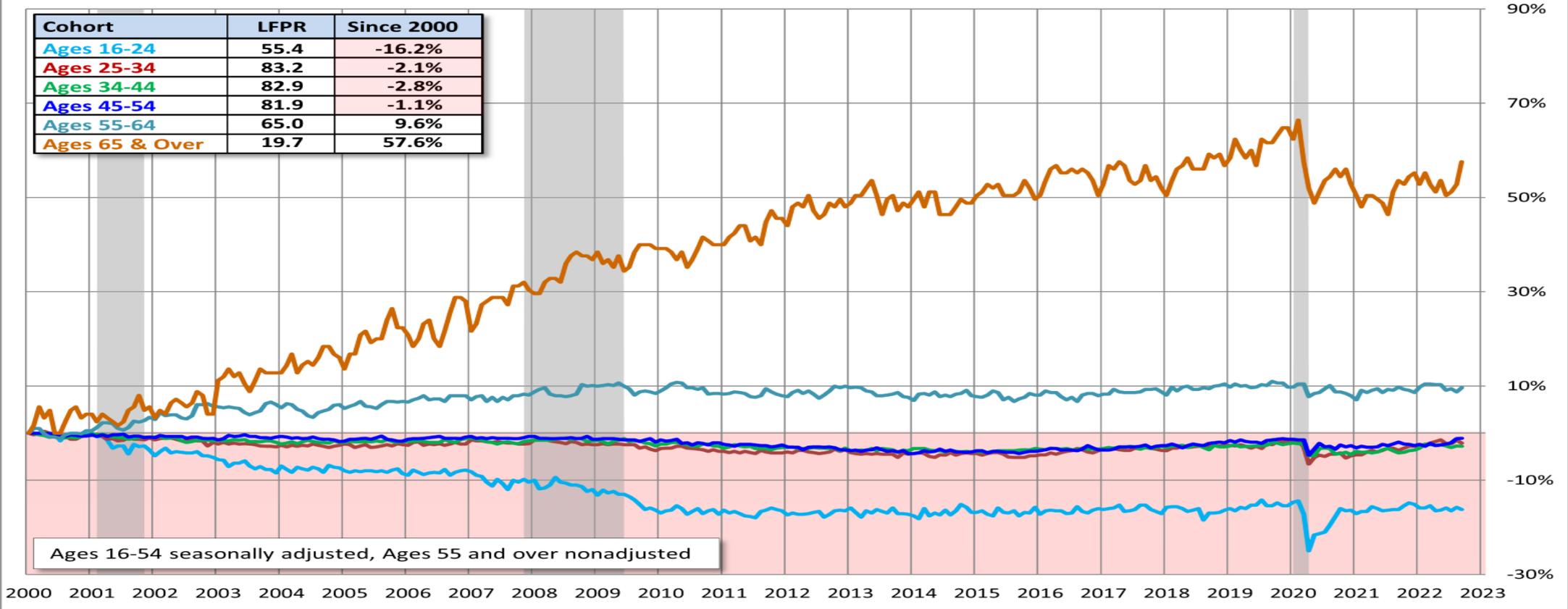


Labor Force Participation Rate by Age

Labor Force Participation Rate Growth Since 2000

Recessions Ages 16-24 Ages 25-34 Ages 35-44 Ages 45-54 Ages 55-64 Ages 65 and Over

Cohort	LFPR	Since 2000
Ages 16-24	55.4	-16.2%
Ages 25-34	83.2	-2.1%
Ages 34-44	82.9	-2.8%
Ages 45-54	81.9	-1.1%
Ages 55-64	65.0	9.6%
Ages 65 & Over	19.7	57.6%



Labor Force Participation Rate by Age

VettaFi Advisor Perspectives

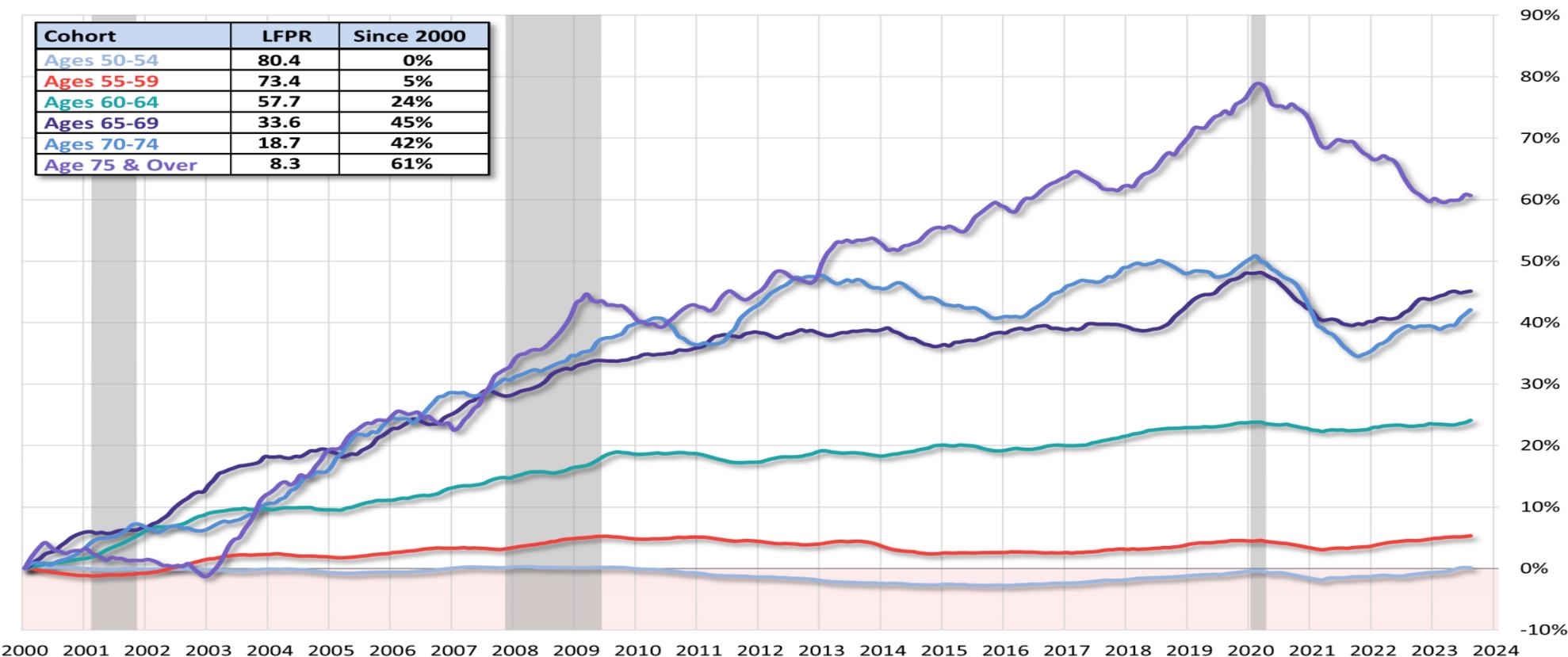
advisorperspectives.com
As of August

Labor Force Participation Rate Growth Since 2000

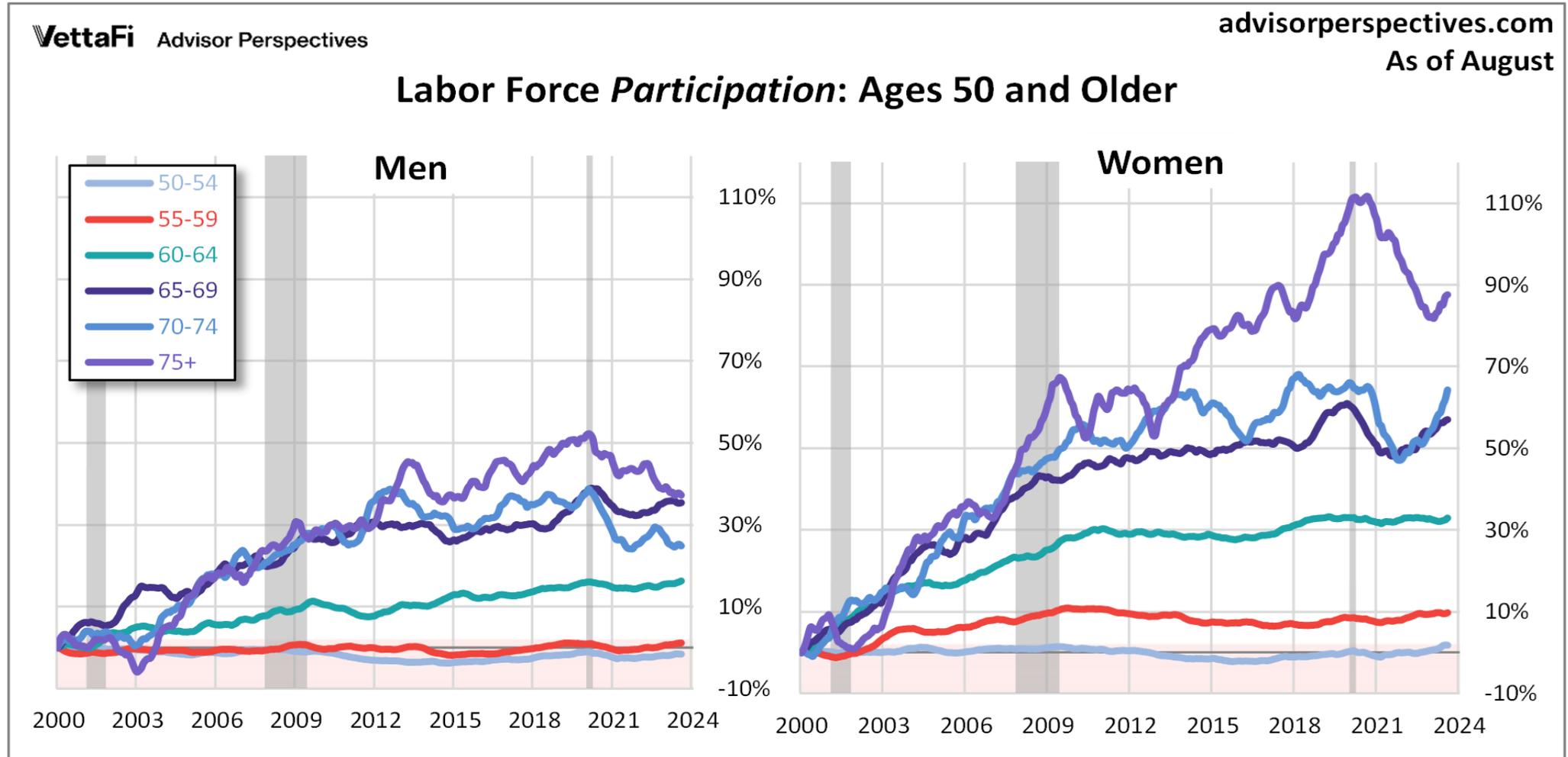
12-Month Moving Averages of Non-Seasonally Adjusted Monthly Data

Recessions Ages 50-54 Ages 55-59 Ages 60-64 Ages 65-69 Ages 70-74 Ages 75 and Over

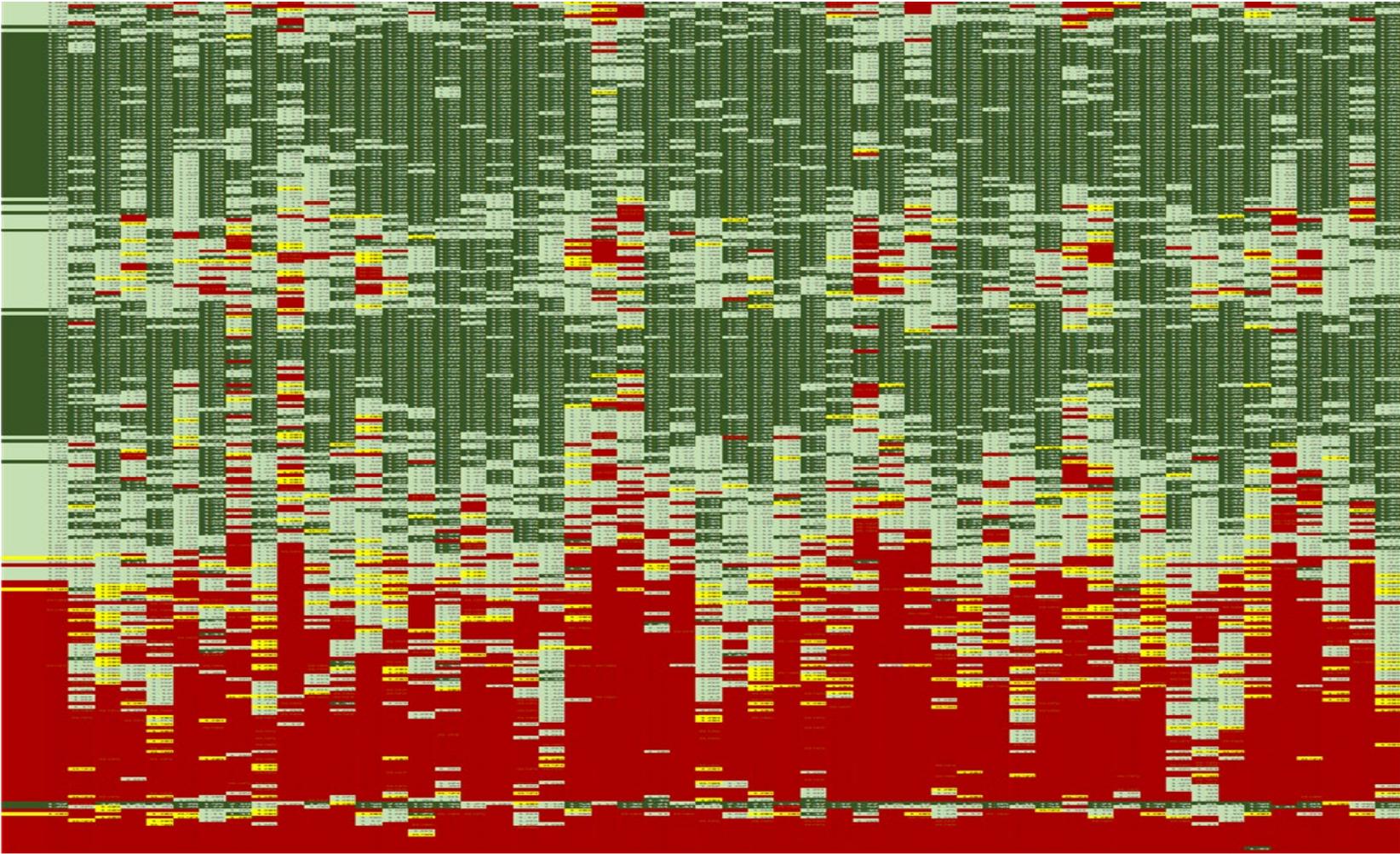
Cohort	LFPR	Since 2000
Ages 50-54	80.4	0%
Ages 55-59	73.4	5%
Ages 60-64	57.7	24%
Ages 65-69	33.6	45%
Ages 70-74	18.7	42%
Age 75 & Over	8.3	61%



Labor Force Participation Rate by Gender



Workforce/Jobs Balance



Source: CPS, 12-month average



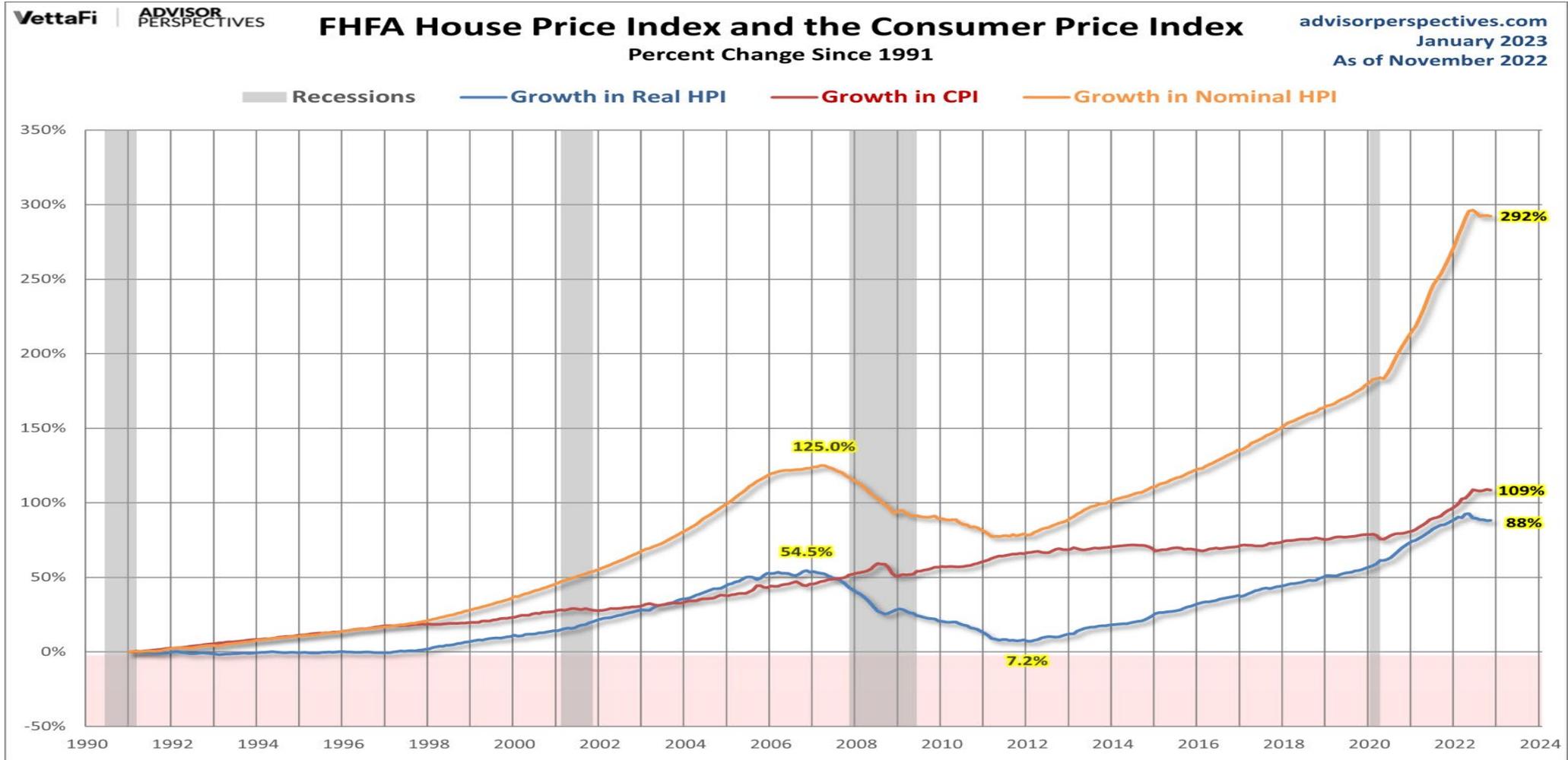
Macro v. Micro Solutions

There are two challenges:

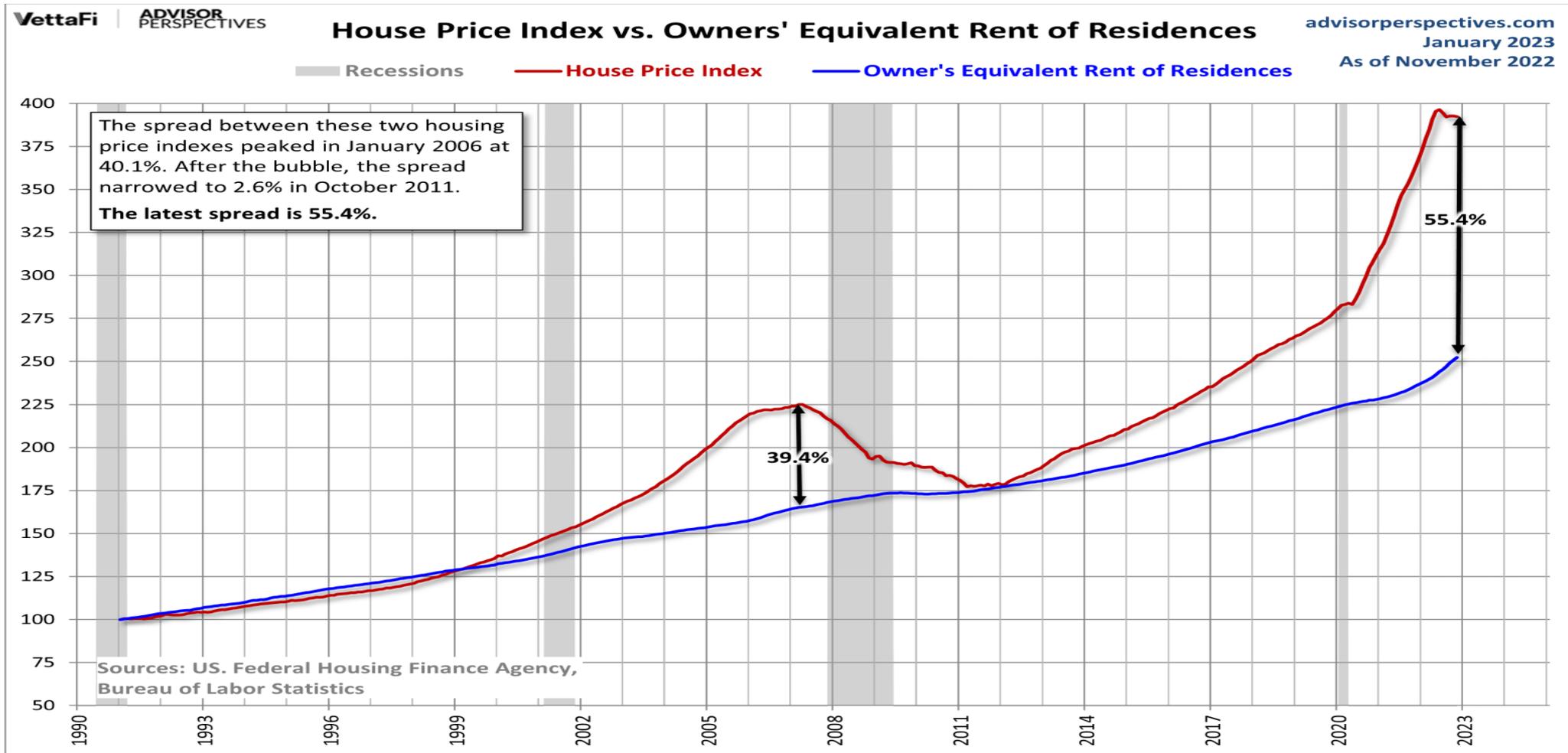
1. Finding enough workers – Macro
2. Getting the available to your firm – Micro



Housing Prices

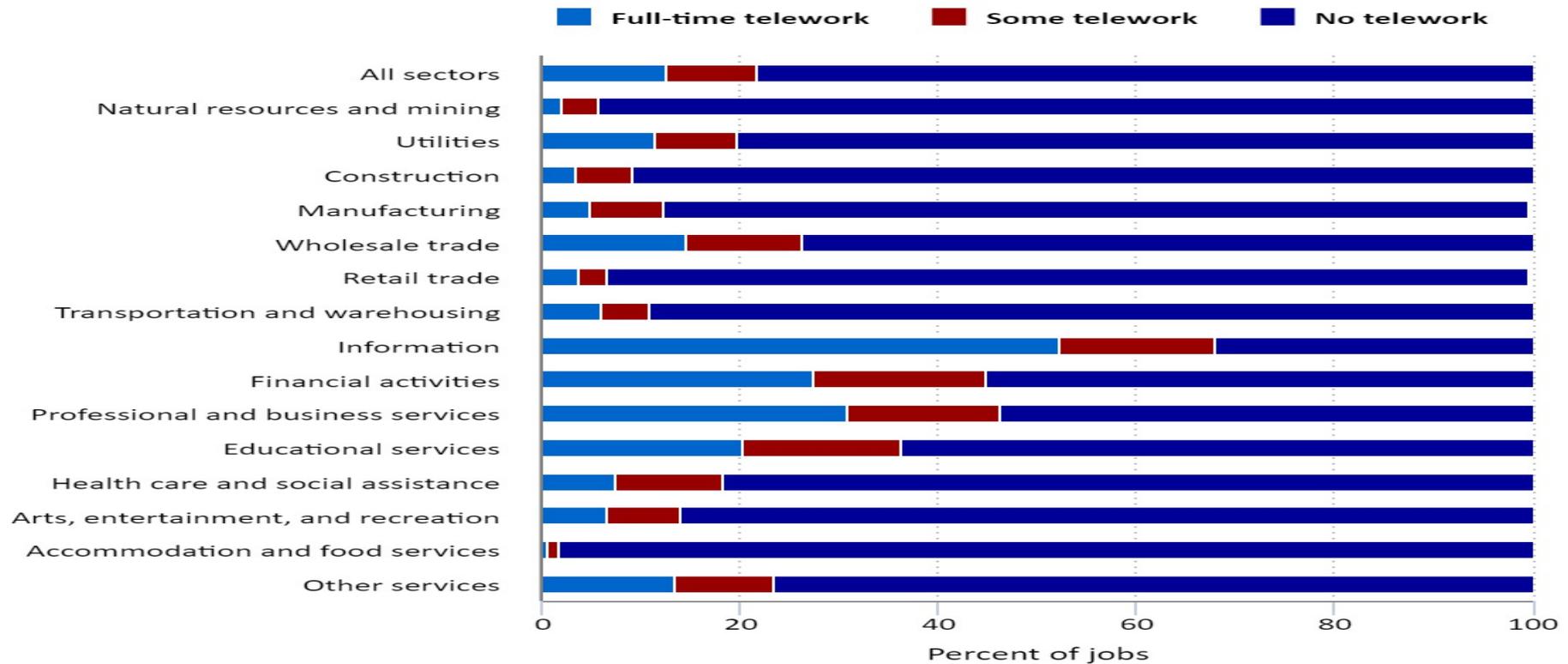


Housing Options



Telework

Chart 1. Telework patterns by industry



Click legend items to change data display. Hover over chart to view data.

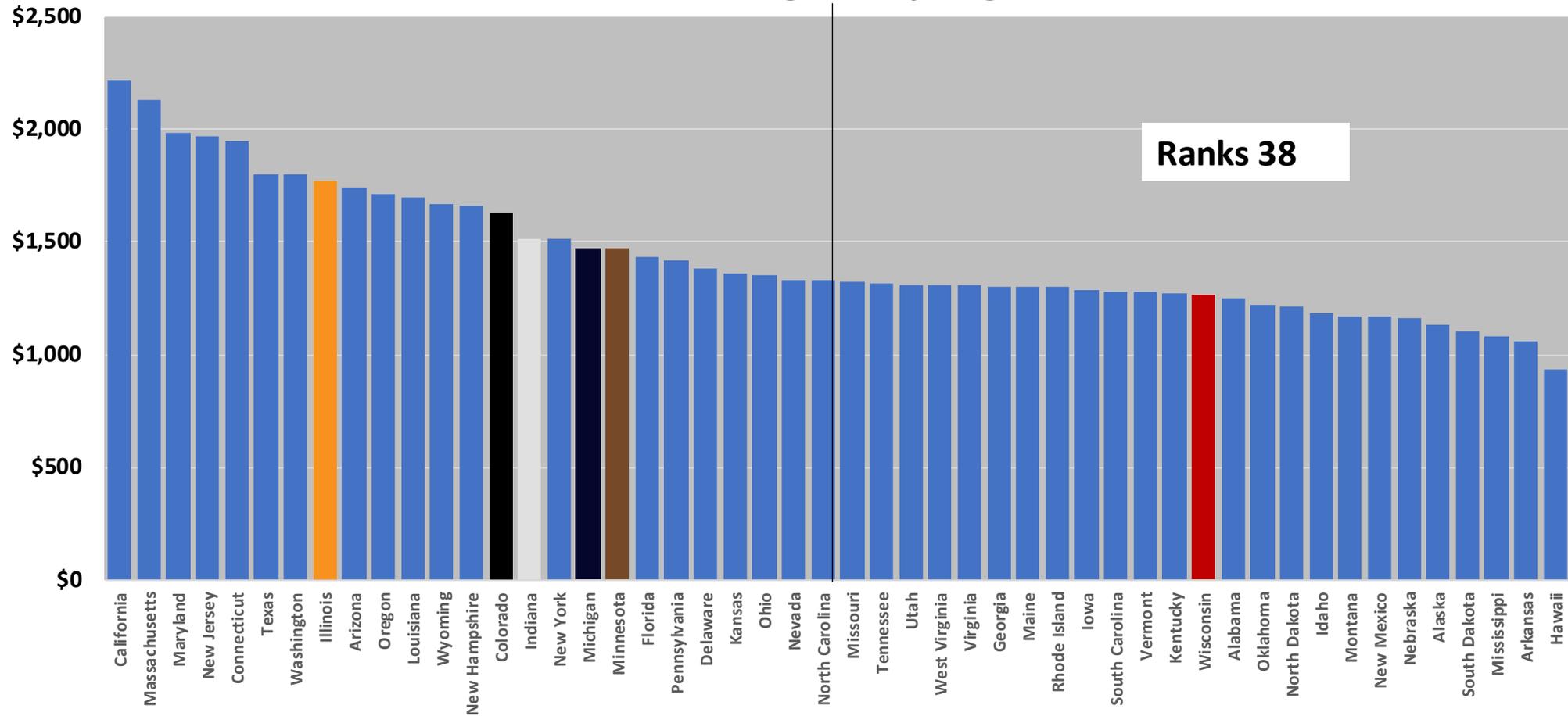
Note: Definitions of industry sectors correspond to codes from the 2017 North American Industry Classification System.

Source: U.S. Bureau of Labor Statistics, 2021 Business Response Survey to the Coronavirus Pandemic.

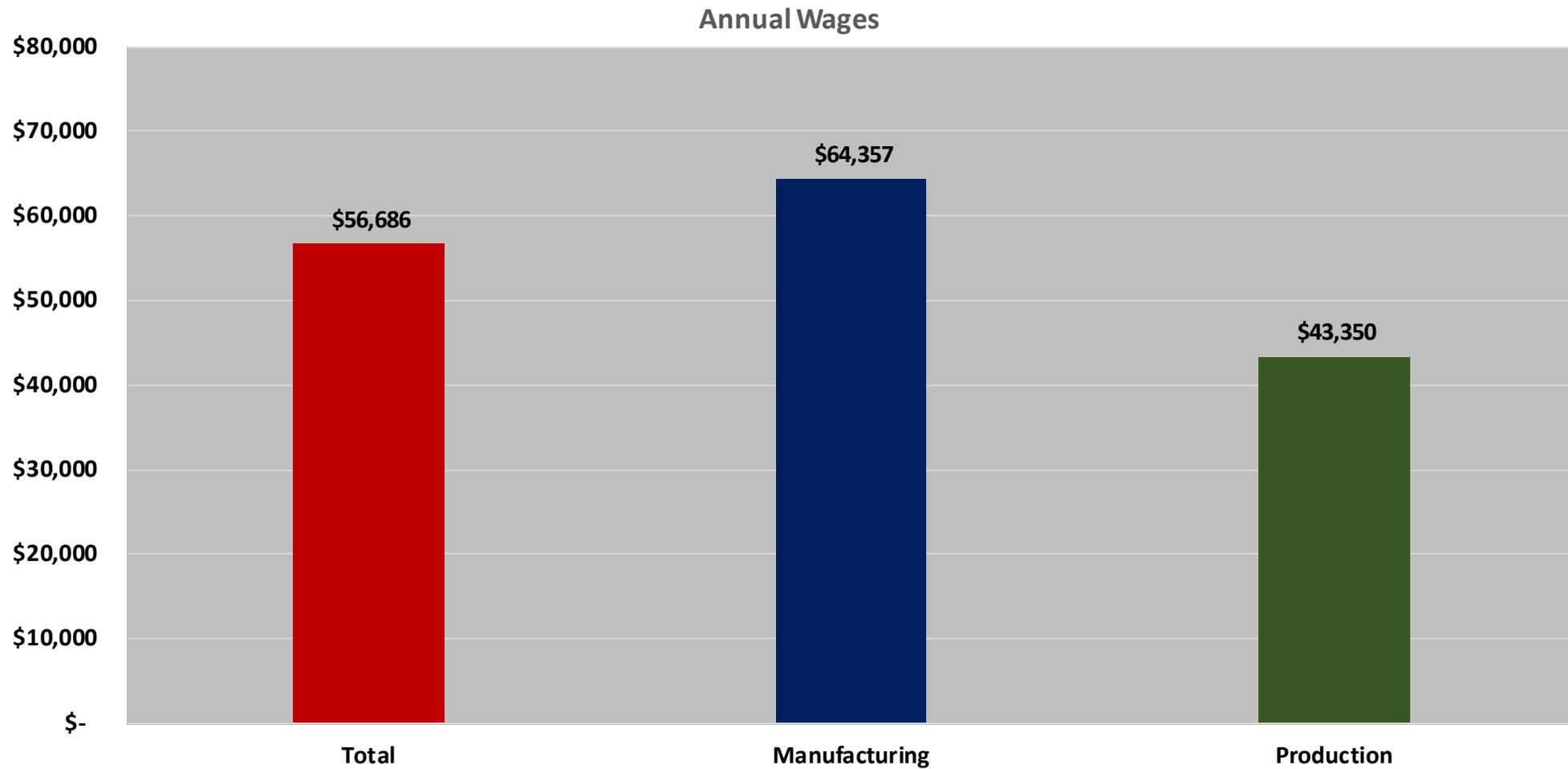


Wages

Manufacturing Weekly Wages

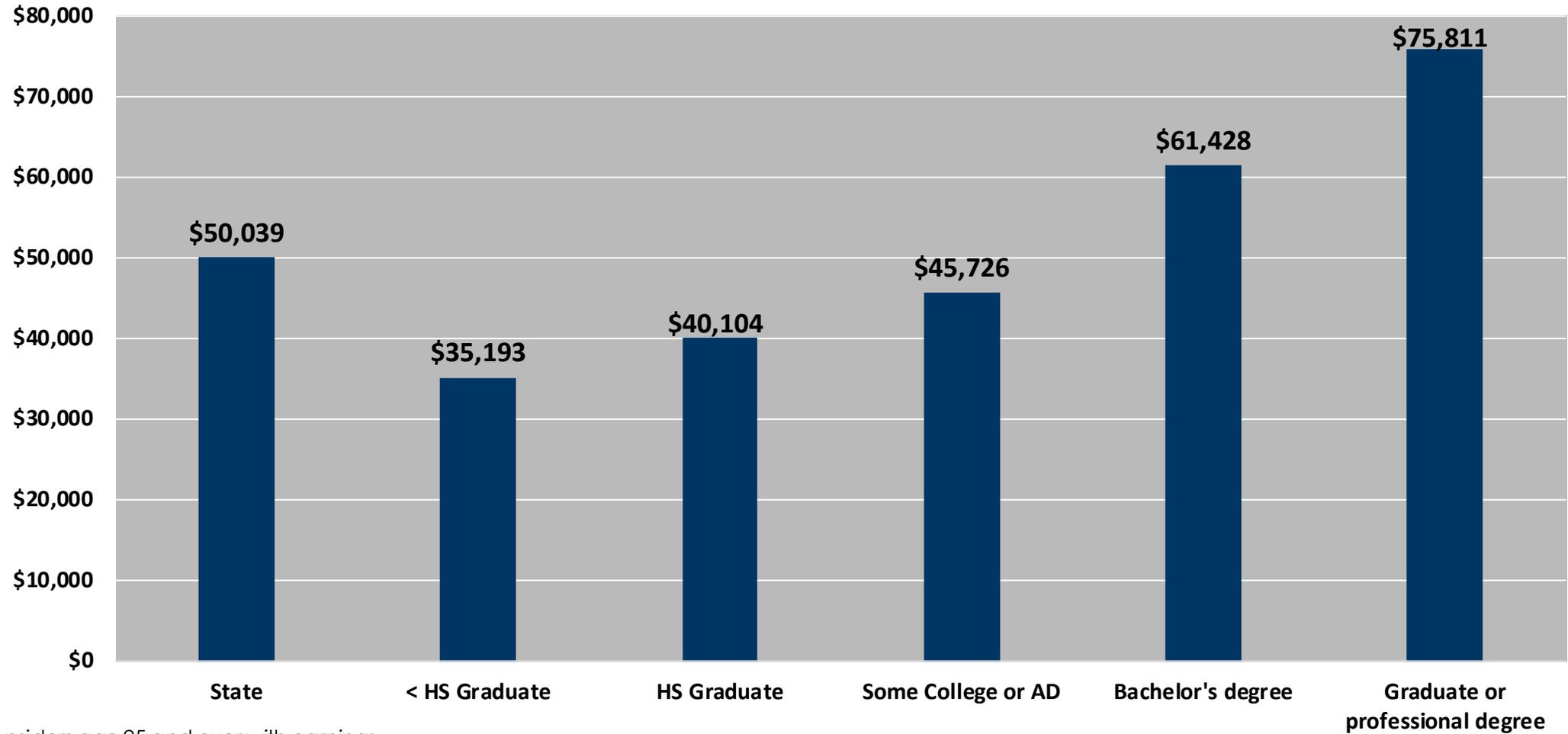


Wages

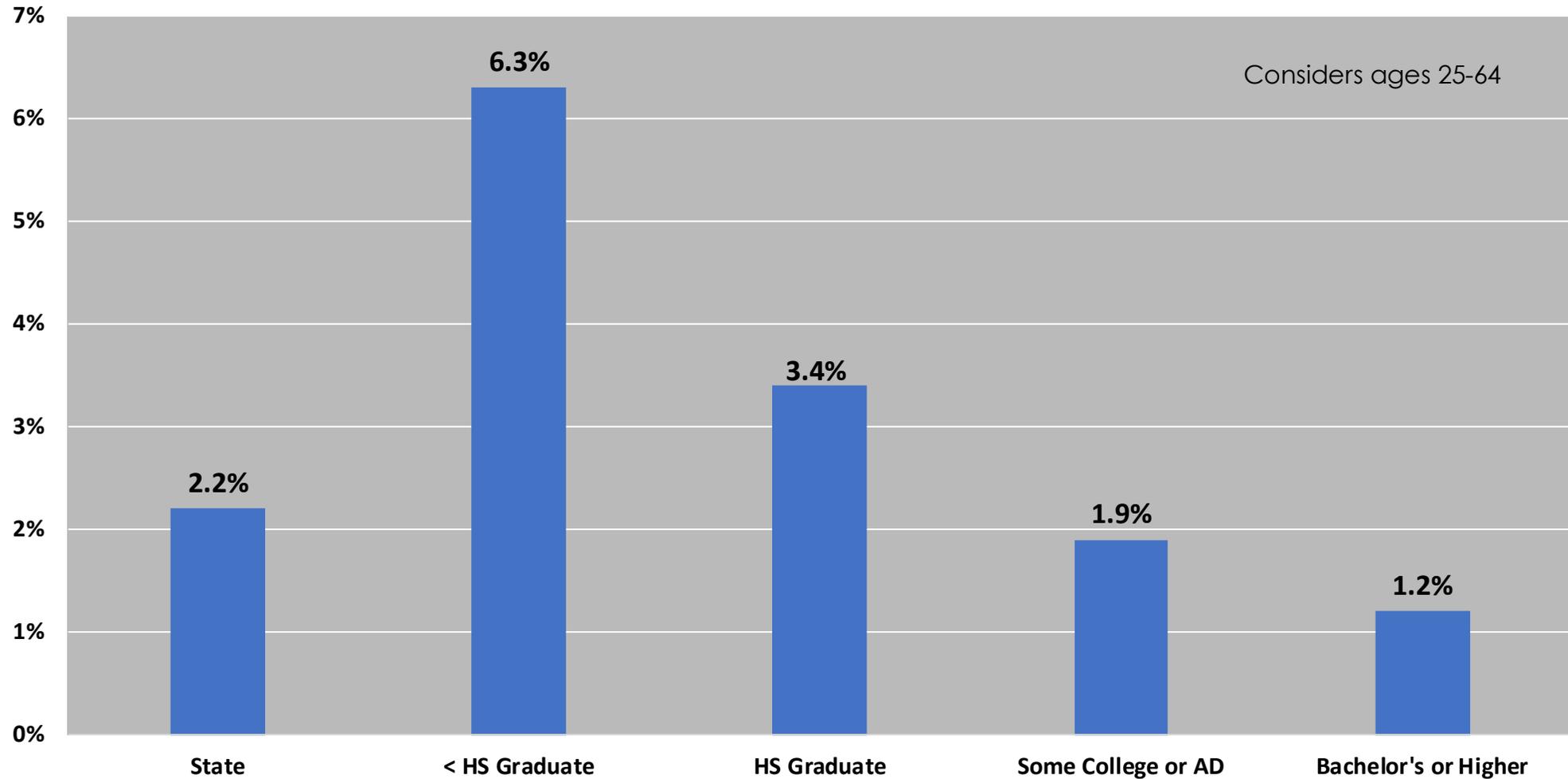


Source: : 2021 Industry and Occupational Wage data, WisConomy.com

Median Earnings by Education



WI Unemployment Rate by Education



Source: Table S2301, 2022 1-YR American Community Survey (ACS), US Census

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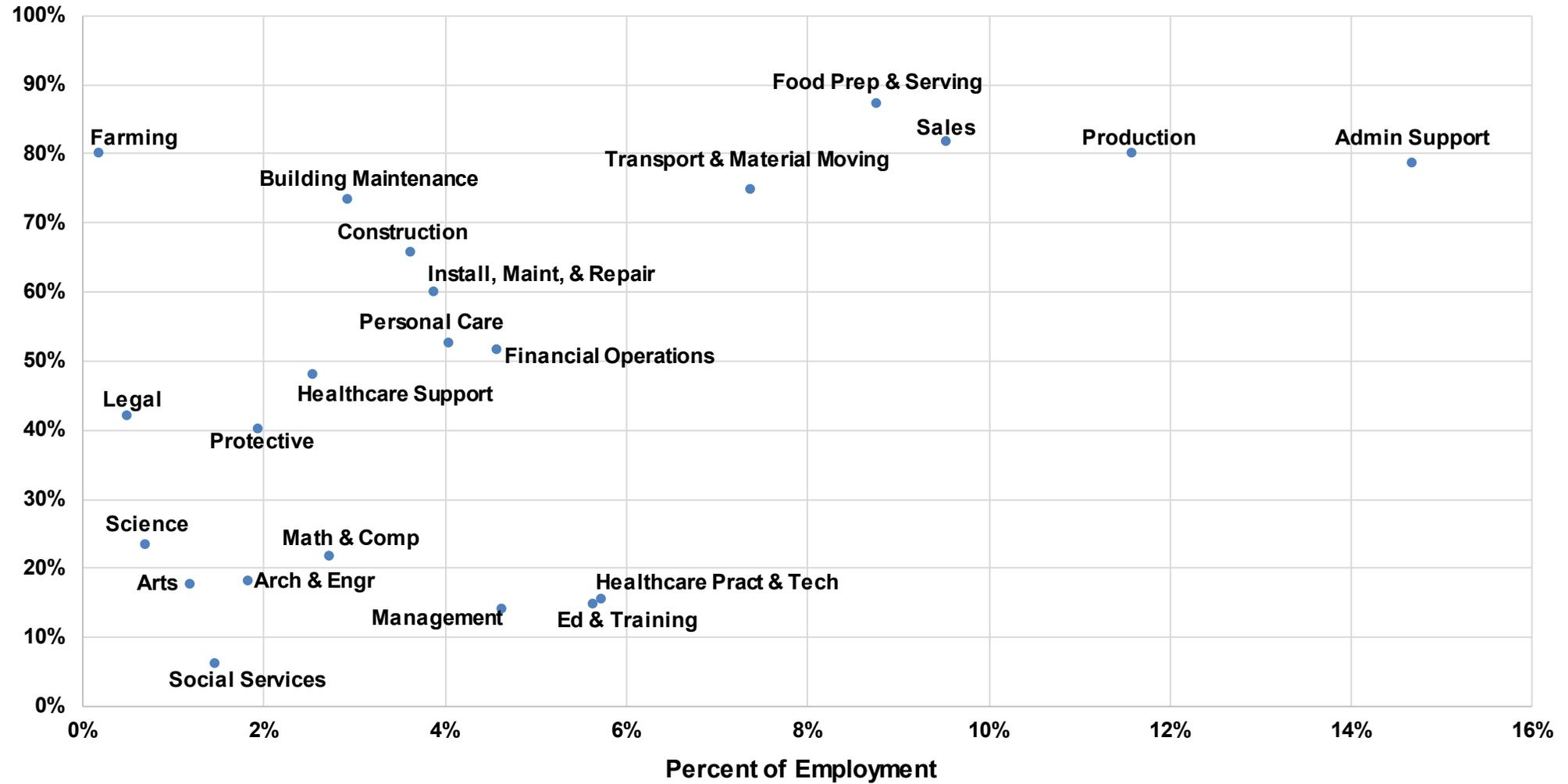
Four Solutions

- Off-shoring
- Immigration
- Eliminate barriers to employment
- Technology
 - Worker skills set must match

-
- *Buy American*
 - *Willingness to pay higher prices*



Propensity for Automation by Occupational Group



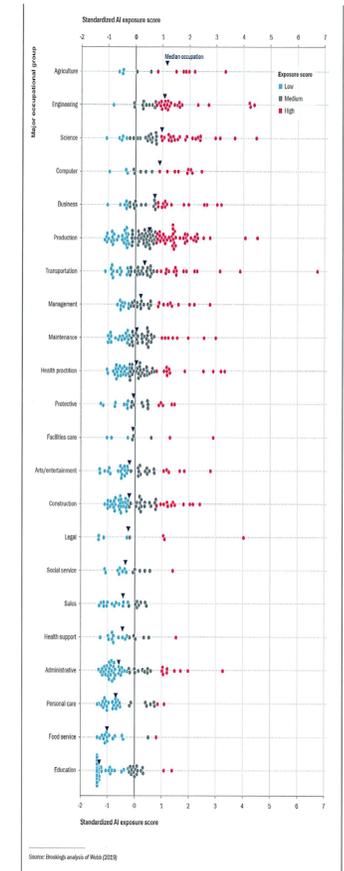
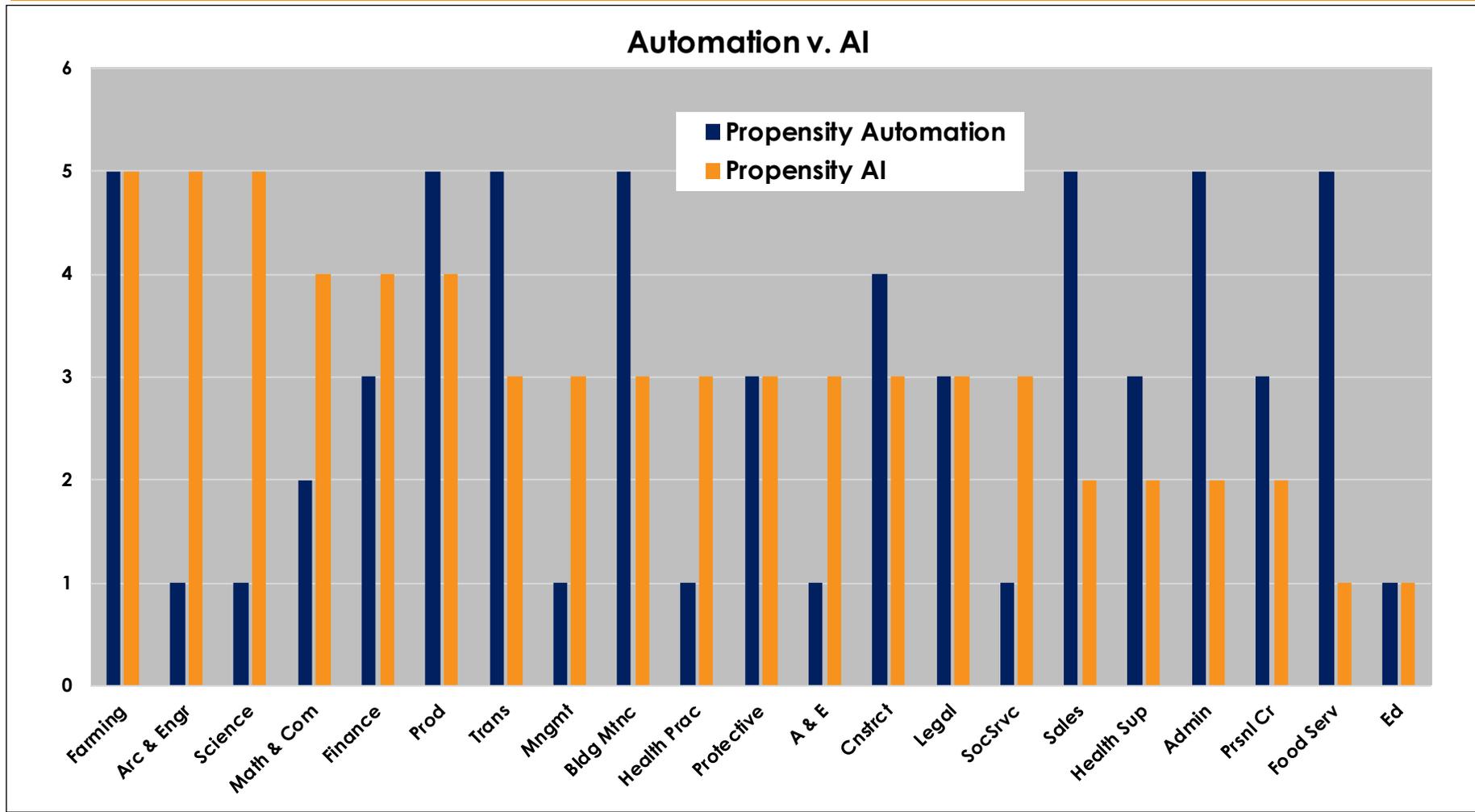
Source: The Future of Employment: How Susceptible are Jobs to Computerisation, C.B. Frey and M.A. Osborne, September 17, 2013, Oxford Martin School, University of Oxford; OES, OEA.



AI



AI Skill Exposure



Source: Brookings analysis of Webb (2019)



Takeaways

- We are facing a labor **Quantity** challenge
- Macro v. micro dichotomy
- AI effects will be significant, yet untold



Questions?

Thank You!

DENNIS K. WINTERS
Chief Economist

Dennis.Winters@dwd.Wisconsin.gov

