Economic Overview and Outlook

Portage County Jobs Club

Tom Walsh
Economist, Office of Economic Advisors
Department of Workforce Development
June 12, 2013
What is your generic term for a sweetened, carbonated beverage?

Map by Joshua Katz, Department of Statistics, NC State University
Based on survey data from Bert Vaux, Department of Linguistics, University of Cambridge
What do you call the thing from which you might drink water in a school?

water fountain
drinking fountain
bubbler

Joshua Katz, Department of Statistics, NC State University
Contents

• Past
• Present
• Future
• Conclusions and “Advice”
Past
Great Recession: Things that Never Happened Before

• Four negative U.S. GDP quarters in a row
• Global GDP declined
• The U.S. and Japan were in recession at the same time
• Personal consumption expenditures were down 3 out of four quarters, with the one registering just +0.1%
• Longest downturn since Great Depression
• Twice as long as post-war average recession
Past GDP Loss

Source: U.S. Bureau of Economic Analysis
Past
Sharp Decline, Slow Recovery (National Job Loss)
Past
WI Employment Change Relative the US

Indexed Employment Change (December 2007 = 1)

Source: BLS, CES, Seasonally Adjusted Total Non Farm Employment
Past
WI vs. Tri-county Region

Employment Change from Same Month of 2007

Source: U.S. BLS, QCEW
Past

Industry Employment Mix

Share of Total Covered Employment

Source: WI WORKnet, QCEW
Past Manufacturing Employment

Employment Change from Same Month of 2007

Source: U.S. BLS, QCEW
Past

Manufacturing Sector Industry Mix

Source: U.S Census Bureau, 2012 Q3 QWI
Present

Initial UI Claims Near Pre-Recession Levels

![Bar Chart]

- 2006: 44256
- 2007: 40922
- 2008: 49763
- 2009: 79245
- 2010: 61417
- 2011: 51793
- 2012: 44700

DWD, Unemployment Insurance Division, Custom Report
Present
Steady Job Growth (Statewide)

Total Covered Employment (Wisconsin)

Source: U.S. BLS, QCEW, WI OEA Unofficial Seasonal Adjustment
Present
Steady Job Growth (Regional)

Total Covered Employment (Tri-County)

Source: U.S. BLS, QCEW, WI OEA Unofficial Seasonal Adjustment
### Present “Uneven” Manufacturing Growth

<table>
<thead>
<tr>
<th>Industry</th>
<th>2011</th>
<th>2012</th>
<th>Change</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>24,317</td>
<td>24,402</td>
<td>85</td>
<td>0.3%</td>
</tr>
<tr>
<td>Paper Mfg</td>
<td>4,797</td>
<td>4,521</td>
<td>-276</td>
<td>-6.1%</td>
</tr>
<tr>
<td>Wood Product Mfg</td>
<td>3,310</td>
<td>2,930</td>
<td>-380</td>
<td>-13.0%</td>
</tr>
<tr>
<td>Fabricated Metal Product Mfg</td>
<td>3,546</td>
<td>3,866</td>
<td>320</td>
<td>8.3%</td>
</tr>
<tr>
<td>Machinery Mfg</td>
<td>3,471</td>
<td>3,591</td>
<td>120</td>
<td>3.3%</td>
</tr>
</tbody>
</table>

*Source: U.S. BLS, QCEW, WI OEA Seasonal Adjustment*
Present
Unemployment Rates Still High, but Declining

Source: WI DWD, LAUS
Present
Housing Starts Low, but Improving

Source: U.S Census Bureau, New Residential Construction, Annual Rate (Seasonally Adjusted)
## Future
### Fastest Growing Occupations

### 2010-2020 Employment Projections: Ten Fastest Growing Occupations

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Base Employment</th>
<th>Projection Employment</th>
<th>Numeric Change</th>
<th>Percent Change</th>
<th>Growth Openings</th>
<th>Replacement Openings</th>
<th>Total Openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Helpers--carpenters</td>
<td>600</td>
<td>880</td>
<td>280</td>
<td>46.7%</td>
<td>280</td>
<td>160</td>
<td>440</td>
</tr>
<tr>
<td>Bicycle repairers</td>
<td>450</td>
<td>660</td>
<td>210</td>
<td>46.7%</td>
<td>210</td>
<td>120</td>
<td>330</td>
</tr>
<tr>
<td>Helpers--brickmasons, blockmasons, stonemasons, and tile and marble setters</td>
<td>310</td>
<td>450</td>
<td>140</td>
<td>45.2%</td>
<td>140</td>
<td>80</td>
<td>220</td>
</tr>
<tr>
<td>Cargo and freight agents</td>
<td>640</td>
<td>910</td>
<td>270</td>
<td>42.2%</td>
<td>270</td>
<td>160</td>
<td>430</td>
</tr>
<tr>
<td>Glaziers</td>
<td>530</td>
<td>750</td>
<td>220</td>
<td>41.5%</td>
<td>220</td>
<td>200</td>
<td>420</td>
</tr>
<tr>
<td>Reinforcing iron and rebar workers</td>
<td>420</td>
<td>590</td>
<td>170</td>
<td>40.5%</td>
<td>170</td>
<td>90</td>
<td>260</td>
</tr>
<tr>
<td>Meeting and convention planners</td>
<td>1,510</td>
<td>2,120</td>
<td>610</td>
<td>40.4%</td>
<td>610</td>
<td>290</td>
<td>900</td>
</tr>
<tr>
<td>Interpreters and translators</td>
<td>1,540</td>
<td>2,150</td>
<td>610</td>
<td>39.6%</td>
<td>610</td>
<td>410</td>
<td>1,020</td>
</tr>
<tr>
<td>Diagnostic medical sonographers</td>
<td>1,070</td>
<td>1,490</td>
<td>420</td>
<td>39.3%</td>
<td>420</td>
<td>170</td>
<td>590</td>
</tr>
<tr>
<td>Helpers--pipelayers, plumbers, pipefitters, and steamfitters</td>
<td>360</td>
<td>500</td>
<td>140</td>
<td>38.9%</td>
<td>140</td>
<td>90</td>
<td>230</td>
</tr>
</tbody>
</table>

Source: WI OEA, Long-term Employment Projections 2010-2020
### Future Replacements Openings

- **Example: Secondary Teacher**

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<tr>
<th>Occupation</th>
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<th>Growth Openings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secondary School Teachers, except special and vocational education</td>
<td>20,410</td>
<td>20,270</td>
<td>-140</td>
<td>-0.7</td>
<td>0</td>
</tr>
</tbody>
</table>

Source: WI OEA, Long-term Employment Projections 2010-2020
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<td>0</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5,580</td>
</tr>
</tbody>
</table>

Source: WI OEA, Long-term Employment Projections 2010-2020
Future Aging Population

Projected Share of Total Population by Age

Source: WI DOA, Population Projections 2010-2040
Future Aging Population

Share of Population by Age Group

Source: U.S. Census Bureau, 2011 ACS
Future
Flat Labor Force Growth

Wisconsin Population and Labor Force

Source: U.S Census Bureau, DWD LAUS, WI OEA
CRUISING WITH MR. STATUS QUO...

AS FAR AS I CAN SEE, EVERYTHING LOOKS JUST FINE.
Future Technology and Innovation
Future
Increased Training Needs

Summary

<table>
<thead>
<tr>
<th>Quick facts: Welders, Cutters, Solderers, and Brazers</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010 Median Pay</td>
</tr>
<tr>
<td>$35,450 per year</td>
</tr>
<tr>
<td>$17.04 per hour</td>
</tr>
<tr>
<td>Entry-Level Education</td>
</tr>
<tr>
<td>High school diploma or equivalent</td>
</tr>
<tr>
<td>Work Experience in a Related Occupation</td>
</tr>
<tr>
<td>Less than 1 year</td>
</tr>
<tr>
<td>On-the-job Training</td>
</tr>
<tr>
<td>Moderate-term on-the-job training</td>
</tr>
<tr>
<td>Number of Jobs, 2010</td>
</tr>
<tr>
<td>337,300</td>
</tr>
<tr>
<td>Job Outlook, 2010-20</td>
</tr>
<tr>
<td>15% (About as fast as average)</td>
</tr>
<tr>
<td>Employment Change, 2010-20</td>
</tr>
<tr>
<td>50,700</td>
</tr>
</tbody>
</table>
Conclusion

• The recovery is sustainable
• Prospects for job seekers are improving
• Expect increased use of technology and increased need for training
“Advice”

• Communicate
• Network
• Qualifications vs. requirements
• Show interest in specific job and employer
• Focus on reasons you would make an excellent employee
• Always have sights set on “next step”
Contact Information

The Wisconsin Department of Workforce Development’s Office of Economic Advisors (OEA) is charged with assisting all interested parties in better understanding their local economies. OEA has labor economists positioned throughout Wisconsin to help those involved in economic and workforce Development.

For more information about this region please contact:

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