

Economy a Challenge for Most of Wisconsin

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Measures of the economy are split, with some booming counties and others struggling. We need to use our funds wisely when we invest in schools, roads and economic development.

MADISON - Wisconsin's economy is recovering in some factors, but in general the measures are split and the divide between the economy of booming counties and struggling counties continues to grow. What does that mean and how can we fix it? That just means that the State of Wisconsin needs to use our funds wisely when we invest in schools, roads and economic development.

The unemployment rate in Wisconsin remains at the low rate of 3% according to December 2017 data. That low number is largely driven by a few high population areas in the state that have the lowest rate of unemployment like the Madison area which is as low as 2.1% unemployment. Whether unemployment rate is a good measure of the economy is certainly an open topic for debate, but it is a fact that Wisconsin's unemployment rate has consistently trended below the national rate for 30 years. While there are more people working in Wisconsin, more people in the workforce is a reflection of more people in the state, it is that simple.

Our neighbors, Minnesota created new private sector jobs at a faster rate than Wisconsin in 22

of 24 quarters since the 2011 state budget. And over six years, Minnesota added 10.8% new private sector jobs, 23rd in the nation where Wisconsin only created 8.5%, 34th in the nation.

Another measure of the state economy is our poverty rate. Unlike unemployment that simply measures if people are working, the poverty rate measures people that are living below the Federal poverty rate, even if they are working. In 2016, the percentage of people living below the Federal poverty line, less than \$24,250 for a family of four, was 11.8% that is 683,867 people. The rate of children living in poverty is higher at 16%. This is just another example of why our investments in education and other supports for children in poverty are essential. Wisconsin deserves equal opportunity for our children regardless of where they live or family income.

School spending is certainly a driving factor behind equal opportunity in Wisconsin and after historic cuts of \$1.1 billion in public education funding under the current Governor and majority, the slow crawl to increase funding should be faster. School aids in Wisconsin remain \$175 million dollars below even inflationary costs since 2010-2011. That is why we must invest our additional education dollars fairly. This past budget gave a bump to every student in the state, but all schools are simply not funded the same because of the value of local property. Wisconsin deserves schools that are funded fairly regardless of where you live and how expensive the houses in your community are.

There is always room to improve our overall economy for the people of Wisconsin. Focusing across the state whether you live in a rural, urban or suburban economy is essential because wasted human potential is wasted opportunity for our state.

For more information on state support for working families and the state economy call 608-266-6670 or 888-549-0027 or sen.erpenbach@legis.wi.gov

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