*Fiscal Facts by Wisconsin Policy Forum*

**Wisconsin shed fewer jobs than neighbors in pandemic’s wake**

A little more than six months into the COVID-19 pandemic, Wisconsin had lost more than 150,000 jobs from the same point a year earlier. Businesses that depend on face-to-face interaction with customers, such as entertainment, recreation, accommodation, and food service sectors, were especially hard-hit.

Yet there are signs that this sizable blow to employment in Wisconsin was less severe than in neighboring states and the nation as a whole.

In a recent report, the Forum sought to better understand and contextualize how Wisconsin’s economy was affected during the early months of the pandemic. Using the most recent employment census from the Bureau of Labor Statistics — which runs through the third quarter of 2020 — we analyzed how Wisconsin compared to neighboring states and the rest of the nation.

Employment cratered in Wisconsin and nationally from March to April 2020, then climbed in the spring and summer months. Yet notably, total year-over-year employment losses in Wisconsin from September 2019 to September 2020 were smaller, on a percentage basis, than nationally or in the neighboring states of Illinois, Iowa, Michigan, and Minnesota.

A look at the jobs picture broken down by super-sector (a classification that groups employment into 12 broad categories) provides additional context. In the 10 super-sectors for which data is available for all states, Wisconsin’s year-over-year decline in employment on a percentage basis through September was smaller than the national decline in all 10.

In the five-state region that includes Wisconsin and its four neighboring states, Wisconsin’s employment loss percentage was lower than the combined loss of the other four states across nearly all super-sectors.

Employment is just one measure of the state’s economic position. Still, these findings underscore one metric that puts Wisconsin on better footing than some other states from which to continue to rebuild its economy.

An additional boost may come from the American Rescue Plan Act, which will provide a massive infusion of federal funds to states and localities. Wisconsin Gov. Tony Evers is pledging to use much of the state’s share of federal relief funds to aid businesses, boost the tourism industry, and improve the state’s infrastructure — all of which have the potential to preserve or create jobs.

In considering uses for these dollars, state and local governments may wish to consider the disparate impact this downturn has had on certain economic sectors, particularly leisure and hospitality.

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