**Fiscal Facts: Wisconsin’s Public Sector Employment Continues to Fall**

In 2021, Wisconsin’s combined state and local governments counted just less than 277,800 full-time equivalent employees, the fewest relative to the state’s population in at least two decades.

Across school districts, state agencies, police departments, and more, Wisconsin’s state and local governments employ hundreds of thousands of workers. However, that number has fallen during the pandemic and has not kept pace with the state’s population for decades.

Last year, out of every 1,000 state residents, 35.6 full-time equivalent employees (FTEs) worked for a local government (including school districts) in Wisconsin and 11.5 for the state government. Those numbers are down markedly from the early 2000s and have fallen even more than the national trend, putting Wisconsin below the national average in total per-capita state and local government employment.

For state and local government, employment trends are driven by education. Three out of five local government FTEs work in education, the overwhelming majority in K-12 districts. A majority of state employees also work in education, nearly all for the University of Wisconsin System.

Since 2002, state education employment per capita in Wisconsin declined 9.9% while nationally, it stayed the same. Local education employees per capita dropped 11.1% over the same time period; at the national level, local education employees per capita declined 10.4%.

Average pay for Wisconsin public workers also has declined relative to the nation. The pandemic likely influenced these trends, as did years of tight school revenue limits and local property tax caps. Other factors may include rising healthcare costs and declining school enrollments.

In the past 20 years, Wisconsin has consistently ranked in the bottom 10 states for state workers per capita. This is in part because compared to other states, Wisconsin tends to deliver more services at the local level. However, recent decreases in our state's per-capita local employment outpaced the nation, moving Wisconsin to the middle of the pack in that category.

Now, increasingly tight labor markets add an important dimension to this issue. Going forward, policymakers will need to consider not only whether public sector employment levels are sufficient to meet the needs of citizens, but also whether government employers are able to compete with the private sector to hire capable employees.

*This information is a service of the Wisconsin Policy Forum, the state’s leading resource for nonpartisan state and local government research and civic education. Learn more at* [*wispolicyforum.org*](https://wispolicyforum.org/research/state-tax-burden-up-but-overall-burden-still-falling/)*.*