**Fiscal Facts: An Uneven Recovery for Wisconsin Jobs**

As Wisconsin continues its economic recovery from the pandemic, total employment in the state has nearly returned to pre-pandemic levels. This pace of recovery is encouraging but the way in which jobs have rebounded is deeply uneven – and in many industries, employers are struggling to find workers.

Total employment in Wisconsin was down by 69,428 jobs, or 2.4%, in December 2021 relative to December 2019. The pace of recovery is noteworthy considering that in April 2020, Wisconsin’s total employment fell to its lowest level (2.49 million jobs) in more than 20 years.

Our state now could potentially recover all the jobs it lost as soon as this year or early next year. For context, this is a benchmark it took more than six years to reach after our last major economic downturn, the Great Recession.

Yet the recovery has been far from uniform, as the national economy have undergone a major shift due to shifts in consumer and workplace behavior. Some sectors are seeing jobs well above pre-pandemic levels, while others remain far short.

One example is that jobs in transportation and warehousing are above their pre-pandemic baseline (+6.3%) due to increased online commerce. But notably, healthcare and social assistance jobs -- which fared relatively well early in the pandemic -- showed jobs declines in late 2021 (-3.9%) that raise concerns moving forward.

Less surprisingly, jobs are also down in accommodation and food service (-9.5%) and arts, entertainment and recreation (-14.4%) relative to pre-COVID levels.

Overall, the pace of our overall jobs recovery is encouraging. But the shakeup our economy has undergone has resulted in disproportionate employment impacts in specific sectors. In addition, mounting inflation could slow growth in overall employment even if does not lead to an outright recession.

Looking ahead, Wisconsin faces long-term workforce challenges, some of the biggest of which are an aging population and shrinking labor pool. These pose challenges to the state’s economy and quality of life and could require attention and action from policymakers.

There are many possible policy responses, and a broader discussion of them is warranted. A few options could include bolstered and targeted education and worker training, heightened efforts to lure workers from other states and countries, and enhanced efforts to identify and reduce other barriers to employment.

*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/)*.*