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Wisconsin's Unemployment Rate Drops to 5.0 Percent

BLS' monthly job estimates show Wisconsin added over 40,000 private sector jobs since January 2014

MADISON – The Department of Workforce Development (DWD) today released the U.S. Bureau of Labor Statistics' (BLS) preliminary state employment and unemployment estimates for January 2015, showing Wisconsin's unemployment rate dropped to 5.0 percent, its lowest point since August 2008.

DWD today also released BLS' revised employment estimates for each month in 2014 and previous years showing Wisconsin added 139,000 private sector jobs since December 2010. BLS adjusted the monthly job estimates through an annual process called "benchmarking" to bring the sample-based series into closer alignment with actual job counts from the Quarterly Census of Employment and Wages.

Highlights of today's release of BLS estimates include:

- **A preliminary seasonally adjusted unemployment rate of 5.0 percent in January**, down from 5.2 percent in December and 6.0 percent in January 2014. The 5.0 percent January 2015 rate is the lowest since August 2008, and remains below the national rate of 5.7 percent.
- **A preliminary seasonally adjusted total nonfarm gain of 43,300 jobs in January 2015** from January 2014, including significant increases in manufacturing, construction and other sectors for a total of 136,800 nonfarm jobs gained since December 2010.
- **Wisconsin added an estimated 40,800 private sector jobs from January 2014 to January 2015**, for a total of 139,000 private sector jobs added since December 2010.
- **Manufacturing gained an estimated 11,600 jobs over the year** and 35,800 manufacturing jobs since December 2010.
- **Construction gained an estimated 9,300 jobs over the year** and 16,900 construction jobs since December 2010.

Secretary Newson issued the following statement in response to the latest job numbers:

"The numbers released today show that Wisconsin's economy continues to add good-paying, middle-class jobs. It is evident that the investments we are making to develop the workforce and grow the state's economy are creating opportunities and moving our state in the right direction."

(more)

The BLS uses three data sets to measure employment and unemployment:

- **Current Employment Statistics (CES):** compiled from a monthly survey sent to about 5,500 employers (3.5% of Wisconsin employers). CES data has been shown to be subject to significant revision.
- **Local Area Unemployment Statistics (LAUS):** compiled from a monthly survey of 985 households and unemployment insurance claims. Measures the labor force, employment, unemployment, and the unemployment rate.
- **Quarterly Census of Employment and Wages (QCEW):** compiled on a quarterly basis from Unemployment Insurance records from some 96 percent of Wisconsin business establishments. Considered by most economists to be the most accurate measure of jobs, the QCEW includes data from almost all employers in Wisconsin.

The benchmarked jobs data historically have been more consistent with actual job counts from the QCEW than preliminary and revised estimates. Wisconsin QCEW data shows that Wisconsin added almost 27,500 private-sector jobs between September 2013 and September 2014, including the strongest two-year gain in construction jobs in over a decade.

Additional highlights from the benchmarked data include:

- The benchmarked December 2013 – December 2014 gain of 44,900 private-sector jobs is the highest December year-over-year increase since 1999.
- The October 2014 month-over-month gain of 11,100 private-sector jobs is the highest single-month gain since 2003 and the eighth highest single-month gain since 1990.

Other indicators that help illustrate the state of Wisconsin's economy include:

- Average Initial Unemployment Insurance (UI) claims for the first 9 weeks of 2015 dropped to the lowest point since 1995.
- Average Initial UI claims for all of 2014 are the lowest since 1999.
- [Department of Financial Institutions](#) new business formations: up 6.1% in 2014 compared to the same period in 2013 and as of January, the total in 2015 is running 3.2% higher than 2014.
- According to Gallup's annual rankings, Wisconsin's job market is tied for second best in the nation with Texas and Nebraska, behind only North Dakota.

Attached to this report are tables that show the (1) December-January LAUS and CES revisions; (2) preliminary January estimates and benchmarked December estimates for CES and LAUS; (3) the CES revision history for calendar year 2014; and (4) QCEW data for the third quarter of 2014, which is the most recent data available.

Benchmarked CES and LAUS estimates for 2014 and earlier will be accessible at [WORKnet](#).

Wisconsin Employment and Unemployment Report
DECEMBER 2014 – JANUARY 2015

1. REVISIONS TO ESTIMATES FROM DECEMBER 2014

Place of Residence Data	Seasonally Adjusted			Not Seasonally Adjusted		
	Prelim	Revised	Change	Prelim	Revised	Change
CIVILIAN LABOR FORCE	3,120,000	3,113,100	-6,900	3,102,300	3,096,500	-5,800
LABOR FORCE PARTICIPATION RATE	68.6%	68.5%	-0.1%	68.2%	68.1%	-0.1%
EMPLOYMENT (1)	2,958,000	2,951,400	-6,600	2,948,500	2,950,100	1,600
UNEMPLOYMENT	162,000	161,800	-200	153,700	146,400	-7,300
UNEMPLOYMENT RATE	5.2%	5.2%	0.0%	5.0%	4.7%	-0.3%
U.S. Unemployment Rate	5.6%	5.6%	0.0%	5.4%	5.4%	0.0%
Place of Work Data						
NONFARM WAGE & SALARY	2,902,300	2,872,000	-30,300	2,905,500	2,881,600	-23,900
TOTAL PRIVATE	2,485,500	2,459,700	-25,800	2,478,800	2,459,800	-19,000
GOODS PRODUCING	588,800	581,100	-7,700	580,600	575,900	-4,700
NATURAL RESOURCES & MINING	4,200	4,300	100	3,900	4,100	200
CONSTRUCTION	109,700	107,700	-2,000	104,500	103,900	-600
MANUFACTURING	474,900	469,100	-5,800	472,200	467,900	-4,300
Durable Goods	290,500	284,400	-6,100	288,800	284,000	-4,800
Nondurable Goods	184,400	184,700	300	183,400	183,900	500
SERVICE PROVIDING	2,313,500	2,290,900	-22,600	2,324,900	2,305,700	-19,200
PRIVATE SERVICE PROVIDING	1,896,700	1,878,600	-18,100	1,898,200	1,883,900	-14,300
TRADE	426,500	425,500	-1,000	440,200	438,600	-1,600
TRANS., WAREHOUSING, & UTILITIES	102,800	102,800	0	103,800	104,500	700
INFORMATION	47,400	48,200	800	47,600	48,700	1,100
FINANCIAL ACTIVITIES	162,300	153,900	-8,400	162,100	154,200	-7,900
PROFESSIONAL & BUSINESS SERVICES	308,100	307,500	-600	305,600	306,400	800
EDUCATIONAL & HEALTH SERVICES	434,200	433,100	-1,100	435,400	435,100	-300
LEISURE & HOSPITALITY	273,200	267,900	-5,300	261,800	256,700	-5,100
OTHER SERVICES, except Public Admin.	142,200	139,700	-2,500	141,700	139,700	-2,000
GOVERNMENT	416,800	412,300	-4,500	426,700	421,800	-4,900
Federal Government	29,100	29,000	-100	29,100	29,100	0
State Government	101,200	97,700	-3,500	105,300	101,700	-3,600
Local Government	286,500	285,600	-900	292,300	291,000	-1,300

2. MONTHLY ESTIMATES FOR JANUARY 2015

Place of Residence Data	Jan-15 (P)	Dec-14 (R)	Net Change	Jan-15 (P)	Dec-14 (R)	Net Change
CIVILIAN LABOR FORCE	3,119,900	3,113,100	6,800	3,090,800	3,096,500	-5,700
LABOR FORCE PARTICIPATION RATE	68.6%	68.5%	0.1%	68.0%	68.1%	-0.1%
EMPLOYMENT (1)	2,963,500	2,951,400	12,100	2,922,400	2,950,100	-27,700
UNEMPLOYMENT	156,400	161,800	-5,400	168,400	146,400	22,000
UNEMPLOYMENT RATE	5.0%	5.2%	-0.2%	5.4%	4.7%	0.7%
U.S. Unemployment Rate	5.7%	5.6%	0.1%	6.1%	5.4%	0.7%
Place of Work Data						
NONFARM WAGE & SALARY	2,872,600	2,872,000	600	2,810,600	2,881,600	-71,000
TOTAL PRIVATE	2,460,000	2,459,700	300	2,403,500	2,459,800	-56,300
GOODS PRODUCING	586,600	581,100	5,500	566,200	575,900	-9,700
NATURAL RESOURCES & MINING	4,600	4,300	300	3,900	4,100	-200
CONSTRUCTION	110,000	107,700	2,300	93,800	103,900	-10,100
MANUFACTURING	472,000	469,100	2,900	468,500	467,900	600
Durable Goods	285,000	284,400	600	283,900	284,000	-100
Nondurable Goods	187,000	184,700	2,300	184,600	183,900	700
SERVICE PROVIDING	2,286,000	2,290,900	-4,900	2,244,400	2,305,700	-61,300
PRIVATE SERVICE PROVIDING	1,873,400	1,878,600	-5,200	1,837,300	1,883,900	-46,600
TRADE	423,600	425,500	-1,900	421,000	438,600	-17,600
TRANS., WAREHOUSING, & UTILITIES	102,000	102,800	-800	100,800	104,500	-3,700
INFORMATION	49,300	48,200	1,100	49,300	48,700	600
FINANCIAL ACTIVITIES	153,500	153,900	-400	152,700	154,200	-1,500
PROFESSIONAL & BUSINESS SERVICES	305,700	307,500	-1,800	297,500	306,400	-8,900
EDUCATIONAL & HEALTH SERVICES	432,700	433,100	-400	429,200	435,100	-5,900
LEISURE & HOSPITALITY	267,000	267,900	-900	248,600	256,700	-8,100
OTHER SERVICES, except Public Admin.	139,600	139,700	-100	138,200	139,700	-1,500
GOVERNMENT	412,600	412,300	300	407,100	421,800	-14,700
Federal Government	28,600	29,000	-400	28,700	29,100	-400
State Government	97,200	97,700	-500	93,500	101,700	-8,200
Local Government	286,800	285,600	1,200	284,900	291,000	-6,100

*Differences in total may occur as a result of rounding. (1) Includes Labor Market Disputes (P) = Prelim; (R) = Revised Blue changes are outside margin of error.
Source: Local Area Unemployment Statistics and Current Employment Statistics programs, Bureau of Workforce Information and Technical Support.

Cautionary note to users: Revised methodological procedures mandated by the U.S. Bureau of Labor Statistics (BLS) force individual state estimates of employment into closer alignment with the national estimate. This change results in larger month-to-month employment change for the states and the information reported by DWD.

3. HISTORY OF REVISIONS OF ESTIMATES FROM PLACE OF WORK SURVEY

	TNF			Private		
	Prelim	Revised	Change	Prelim	Revised	Change
January 2014	+6,200	+6,400	+200	+0	(200)	(200)
February 2014	(9,500)	(13,000)	(3,500)	(1,600)	(5,300)	(3,700)
March 2014	+6,900	+7,300	+400	+6,400	+7,300	+900
April 2014	+8,000	+8,900	+900	+7,600	+8,800	+1,200
May 2014	(1,000)	(1,400)	(400)	(400)	(900)	(500)
June 2014	+2,400	(200)	(2,600)	(1,200)	(1,900)	(700)
July 2014	+2,900	+6,000	+3,100	+3,200	+5,300	+2,100
August 2014	+3,400	+3,200	(200)	(4,300)	(3,600)	+700
September 2014	+300	+1,700	+1,400	+8,400	+8,100	(300)
October 2014	+100	+7,100	+7,000	+4,000	+10,900	+6,900
November 2014	+20,900	+22,200	+1,300	+16,500	+18,000	+1,500
December 2014	+5,100	+3,000	(2,100)	+7,600	+5,400	(2,200)

Note: The numbers above show month over month changes. Prelim: original gain/loss. Revised: updated monthly gain/loss. The December revised number is based on a re-estimate from the new Benchmark 2014 data set.

4. LATEST QUARTERLY DATA: CENSUS OF EMPLOYMENT AND WAGES

	2013 Employment*			2014 Employment†			Sept-Sept Change	
	July	Aug	Sept	July	Aug	Sept	Number	Percent
TOTAL	2,731,504	2,742,763	2,754,031	2,764,249	2,777,436	2,783,121	29,090	1.1%
<i>Total Private</i>	2,394,480	2,405,425	2,376,933	2,425,646	2,433,650	2,404,422	27,489	1.2%
Natural Resources & Mining	29,480	29,917	30,257	30,151	30,494	31,087	830	2.7%
Construction	108,394	109,643	107,001	112,725	113,560	111,533	4,532	4.2%
Manufacturing	462,751	462,767	456,944	469,682	469,094	463,127	6,183	1.4%
Trade, Transportation, Utilities (Total)	514,117	516,003	513,025	518,463	519,122	515,171	2,146	0.4%
Information	47,407	47,637	46,786	47,954	48,316	47,294	508	1.1%
Financial Activities	150,334	150,103	148,128	146,530	146,849	145,351	-2,777	-1.9%
Professional & Business Services	302,575	304,748	303,011	307,312	310,100	308,145	5,134	1.7%
Education & Health Services	399,452	401,956	402,173	403,149	404,665	405,014	2,841	0.7%
Leisure & Hospitality	283,221	285,186	272,381	282,826	283,539	270,342	-2,039	-0.7%
Other Services	86,462	86,234	85,531	85,040	84,773	83,605	-1,926	-2.3%
Unclassified	10,287	11,231	11,696	21,814	23,138	23,753	12,057	103.1%
<i>Total Government</i>	337,024	337,338	377,098	338,603	343,786	378,699	1,601	0.4%

*Data as published by the U.S. Bureau of Labor Statistics

†Data as published at worknet.wisconsin.gov

Quarterly Census of Employment and Wages counts are published 6 months after the quarter they describe.

Data from the latest published quarter and a year prior are included here.