

Monthly Economic Update

**JULY 2022, FEATURING JUNE NEWS RELEASES
WISCONSIN DEPARTMENT OF REVENUE**

Based in part on information and commentary supplied by Federal
and State government statistical agencies.

Wisconsin Updates

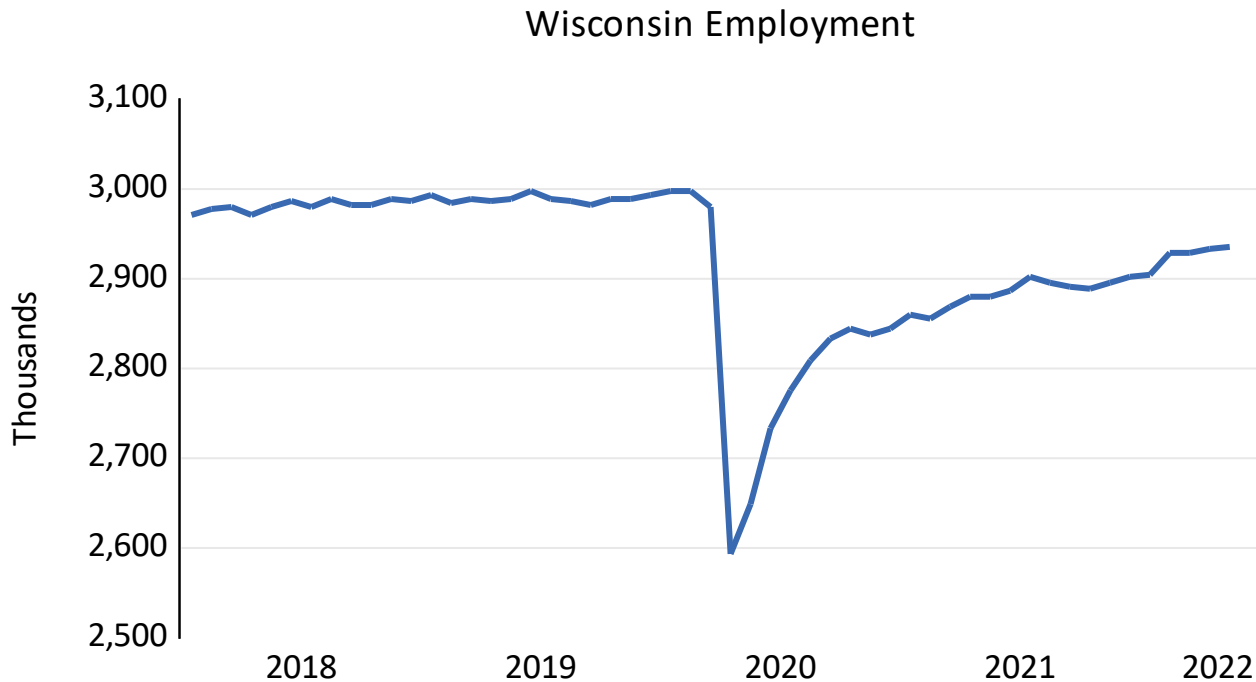
Employment

- By Sector

MSA Employment

Wisconsin Personal Income (2022Q1)

Wisconsin Employment Increased by 2,200 in May



Source: US Bureau of Labor Statistics, Current Employment Statistics

Wisconsin added 2,200 jobs in May. Private employment increased by 1,800 while government employment was up by 400 jobs.

Compared to the prior year, total employment in Wisconsin increased 1.9% while private employment increased 2.1%.

Wisconsin employment is 54,500 above this time last year but 62,500, or 2.1%, below its pre-pandemic value. U.S. employment was 0.8% below its pre-pandemic level in May.

Manufacturing employment is 0.7% below its pre-pandemic level, with a large discrepancy between non-durable (+1.6%) and durables (-2.6%).

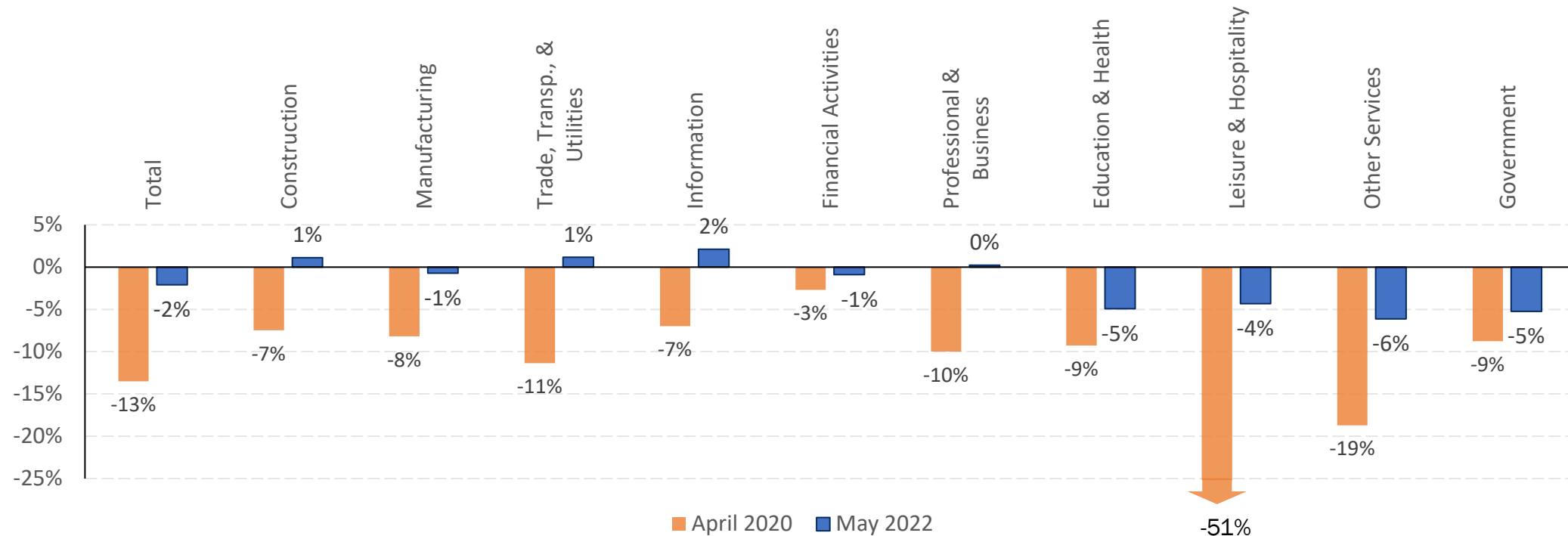
The trade, transportation and utilities sector is up 1.2% from its pre-pandemic level.

Four service sectors remain more than four percent below that benchmark: education & health (-4.9%), leisure & hospitality (-4.4%), other services (-6.1%), and government (-5.3%).

The unemployment rate remains at historical lows of 2.9%, slightly up from 2.8% in April. The labor force participation rate showed no change in May at 66.5%.

Four Sectors in Wisconsin are Above Their Pre-pandemic Employment Level

Percent Change in Wisconsin Employment Since February 2020

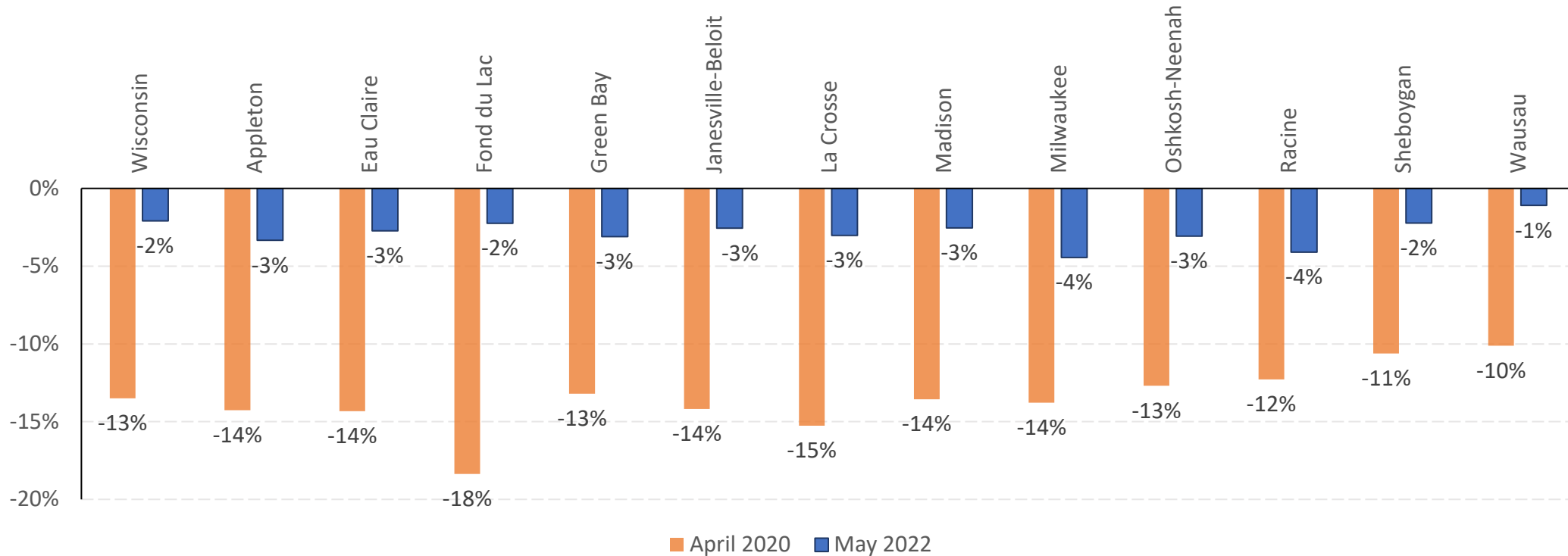


Source: US Bureau of Labor Statistics, Current Employment Statistics

MSAs Inch Closer to Their Pre-Pandemic Employment Levels

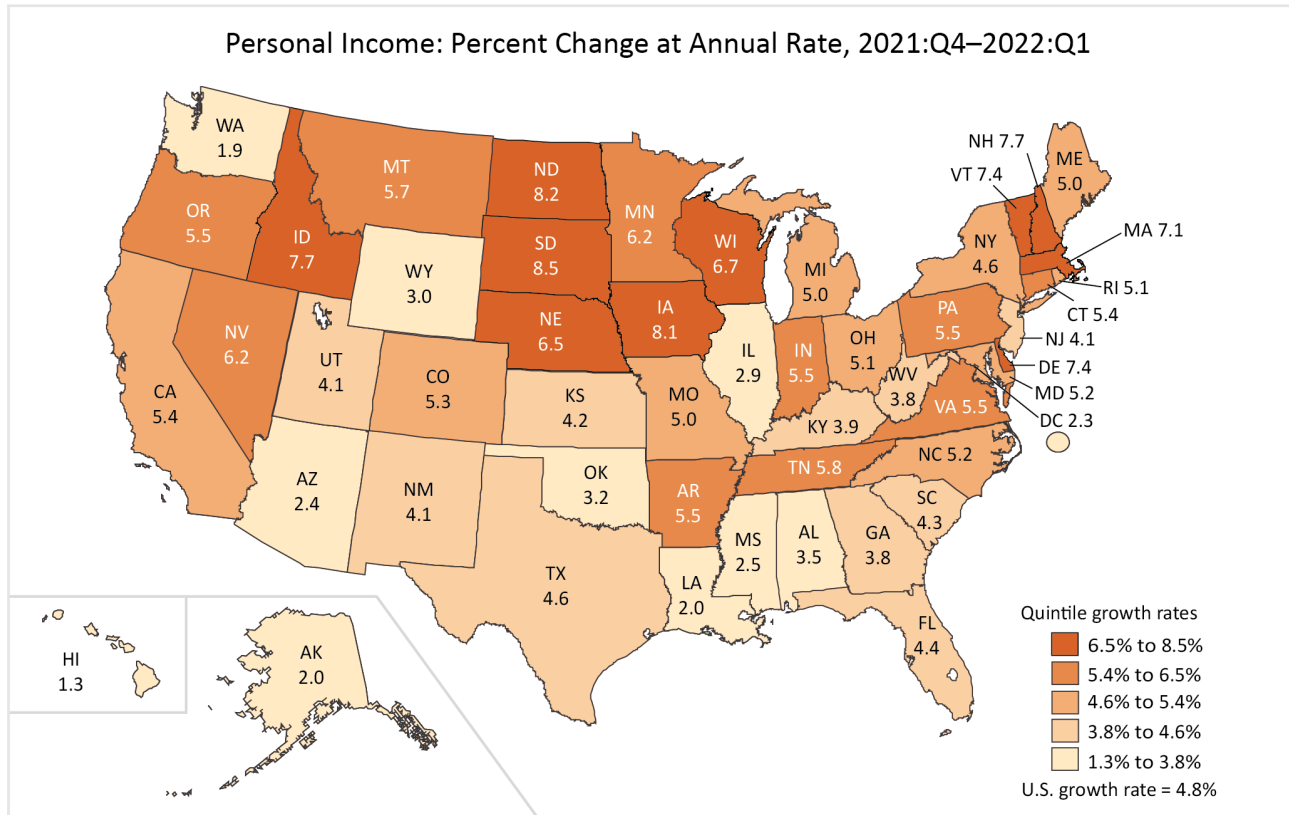
Milwaukee and Racine Lag at 4% Below

Percent Change in Total Employment Since February 2020



Source: US Bureau of Labor Statistics, Current Employment Statistics

Wisconsin Personal Income Growth Ranked 9th



Wisconsin personal income increased at the seasonally adjusted annual rate (SAAR) of 6.7% in the first quarter of 2022, relative to the fourth quarter of 2021. Wages and salaries, the largest component of personal income, increased at the SAAR of 10.4%.

Wisconsin's quarterly growth rate ranked 9th in the nation and was above the national rate of 4.8%. Growth in the Great Lakes Region (IL, IN, MI, OH, and WI) increased 4.6%.

Compared to the prior year, total personal income in Wisconsin fell 3.4% in the first quarter, due to a decline in government transfer payments (such as unemployment benefits and stimulus payments).

Wages and salaries increased 10.4% in the first quarter, compared to the prior year, after increasing 7.8% in the fourth quarter of 2021.

Please note that these growth rates are in nominal terms and are not adjusted for inflation.

U.S. Bureau of Economic Analysis

Source: US Bureau of Economic Analysis, Personal Income by State, 1st Quarter 2022

U.S. Updates

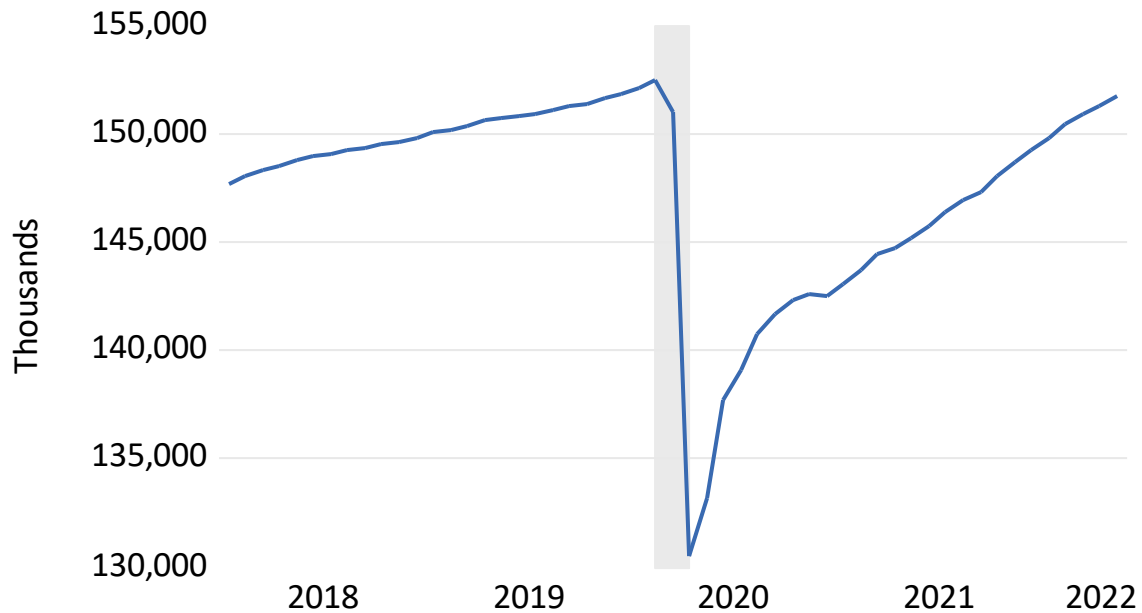
Employment

Inflation (CPI)

Consumer Sentiment

U.S. Added 390,000 Jobs in May

U.S. Total Nonfarm Employment



U.S. nonfarm payroll employment rose 390,000 in May, above the consensus expectation. The unemployment rate remained at 3.6% and average hourly earnings for all employees on private nonfarm payrolls rose by 0.3% in May. After revisions, employment in March and April combined is 22,000 lower than previously reported.

Leisure and hospitality, professional & business services, and education & health services showed the strongest gains. Those three sectors accounted for 70% of private employment gains, while employment in trade, transportation & warehousing was flat in May.

Nonfarm employment is down by 822,000, or 0.5%, from its pre-pandemic level in February 2020.

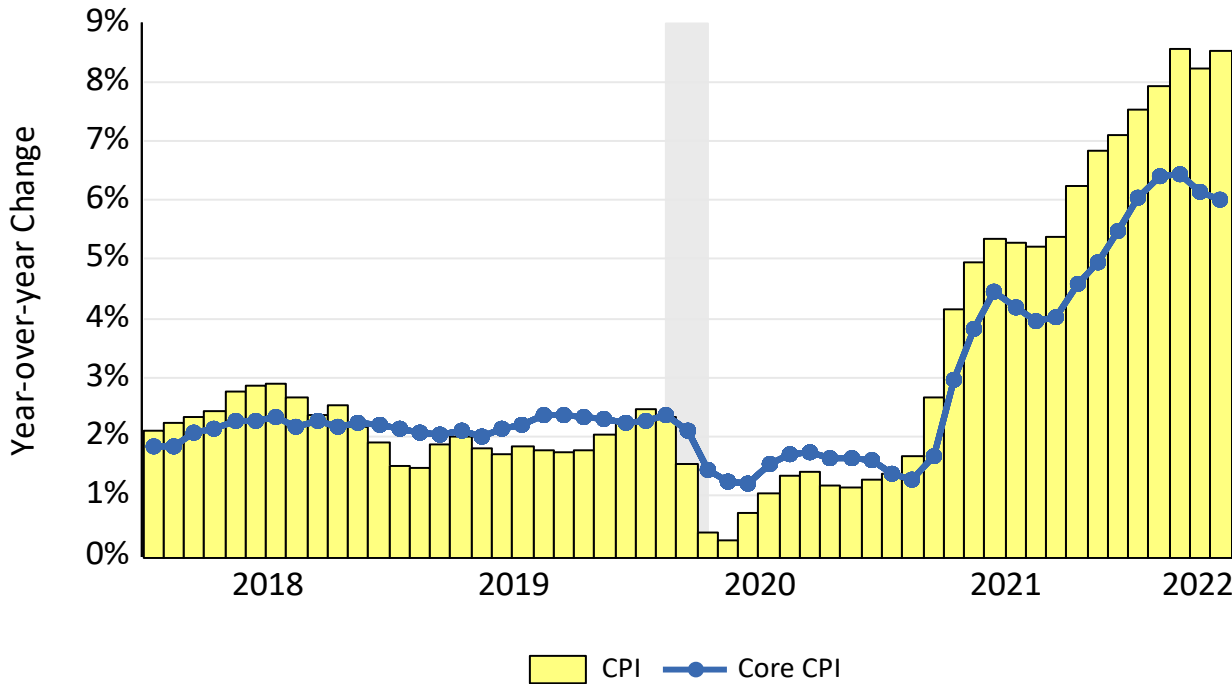
Over the past 12 months, average hourly earnings have increased by 5.2 percent.

The average workweek for all employees on private nonfarm payrolls was 34.6 hours for the third month in a row.

Source: US Bureau of Labor Statistics, Monthly Employment Report.

Consumer Prices Up 8.6% Over Past 12 Months

Consumer Price Index (CPI)



Source: US Bureau of Labor Statistics, Consumer Price Index

The Consumer Price Index (CPI) increased 1.0% in May. The headline CPI was boosted by price increases for food (1.2%) and energy (3.9%). The core CPI, which omits food and energy prices, rose 0.6%.

Over the last 12 months, the all items index increased 8.6%. Core CPI decreased 0.2 percentage point to 6.0% over the last 12 months.

The energy index rose 34.6% over the past 12 months. The gasoline index increased 48.7% over the span.

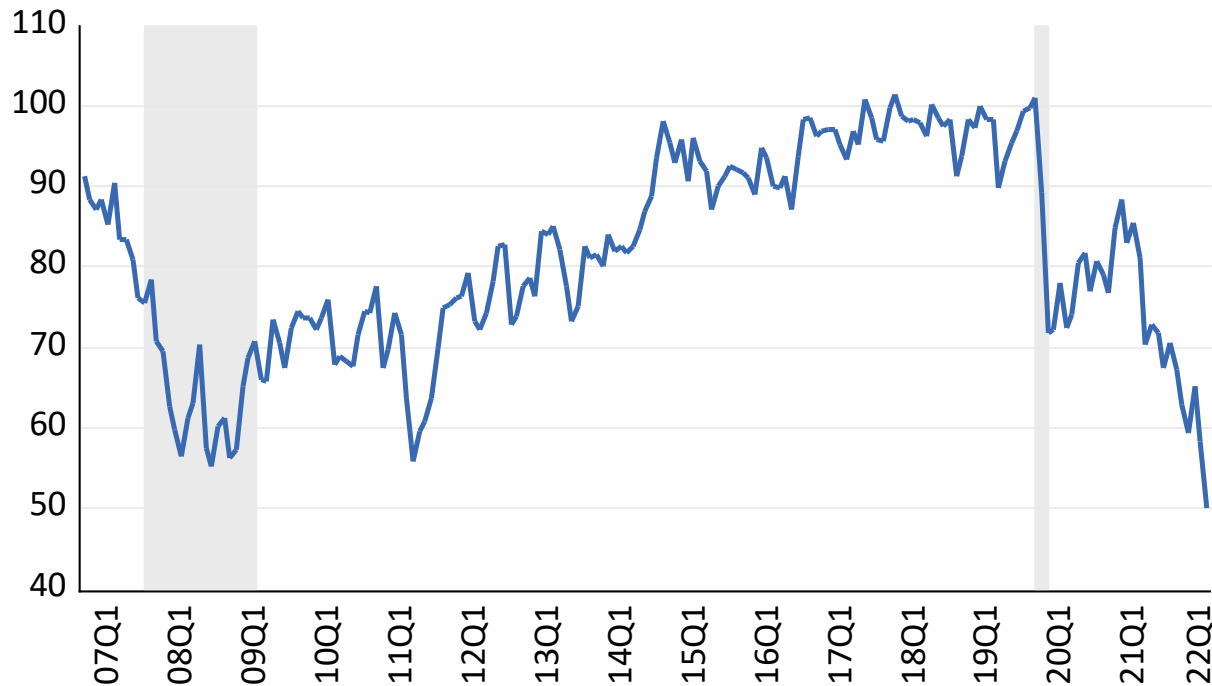
Prices for food at home have increased at or above 1.0% each month so far this year. The food at home index rose 11.9% over the last 12 months, the largest 12-month increase since the period ending April 1979.

The rise of core inflation last year initially was led by large price increases within core goods such as motor vehicles. More recently, inflation within core services has risen while core goods inflation has slowed.

The shelter index rose 5.5% over the last year, the largest 12-month increase since the period ending February 1991.

Consumer Sentiment Fell Further in June

Consumer Sentiment - Michigan Survey



The University of Michigan Consumer Sentiment Index fell 8.4 points, or 14.4%, to 50.0 in the final June reading, the lowest level on record.

The decline in June was broad-based as both the index of consumer expectations (-13.9%) and the index of the current economic situation (-15.0%) fell from May to June.

Consumers across income, age, education, geographic region, political affiliation, stockholding and homeownership status all posted large declines.

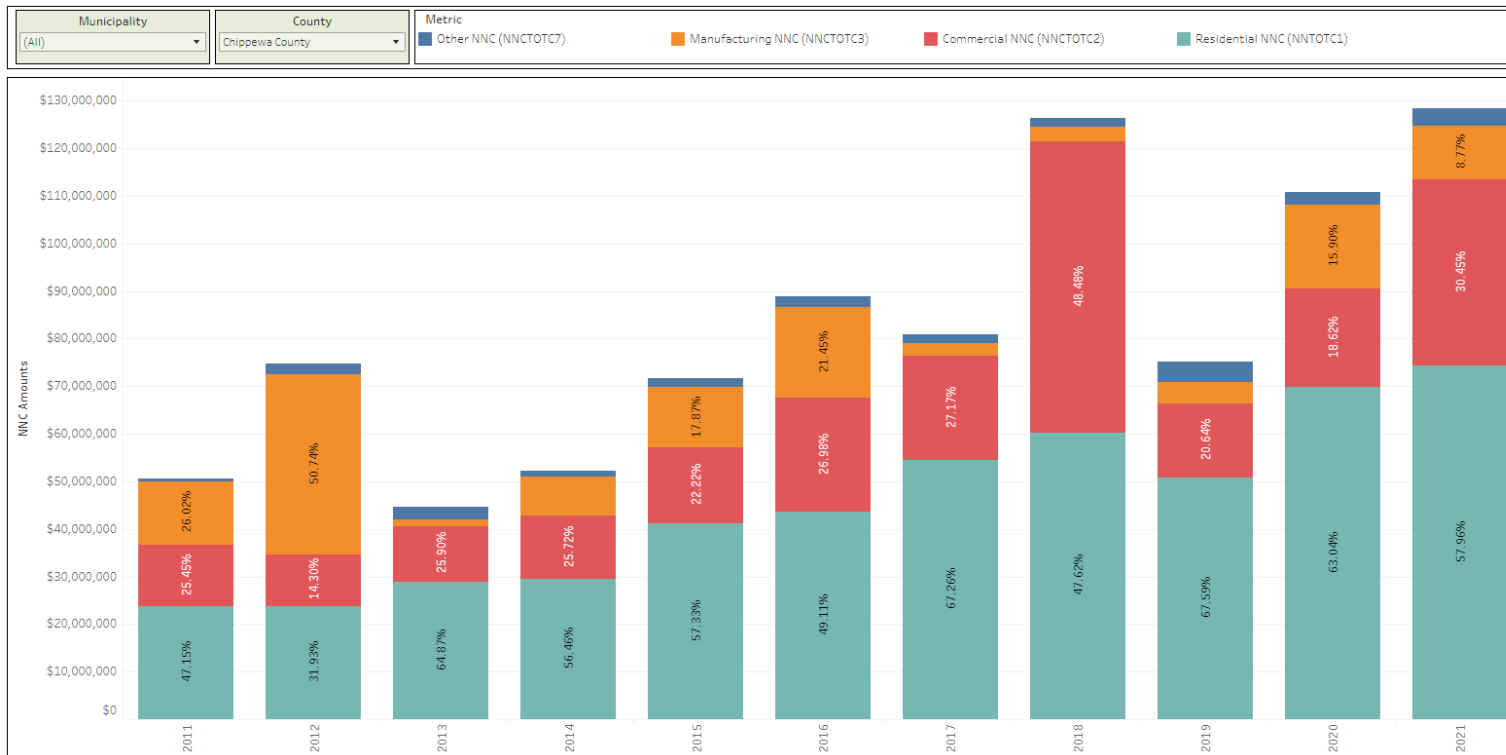
Inflation continued to be of paramount concern to consumers; 47% of consumers blamed inflation for eroding their living standards, just one point shy of the all-time high last reached during the Great Recession.

The median expected year-ahead inflation was unchanged from the preliminary reading of 5.3%, while the long-run inflation expectations declined from 3.3% to 3.1%.

Source: [University of Michigan, Surveys of Consumers](#)

Explore Our Interactive Data!

Net New Construction by Property Class



DOR's Division of Research and Policy has a data visualization on Net New Construction at the municipal and county level.

To the left is one view of the data. More detail can be found at [Detailed Net New Construction | Tableau Public](#).

You can check out our other visualizations on a range of Wisconsin tax and economic data at [DorViz.wi.gov](#).

Questions: doreconomists@wisconsin.gov

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