

Monthly Economic Update

**DECEMBER 2022, FEATURING NOVEMBER NEWS RELEASES
WISCONSIN DEPARTMENT OF REVENUE**

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

Wisconsin Updates

Employment

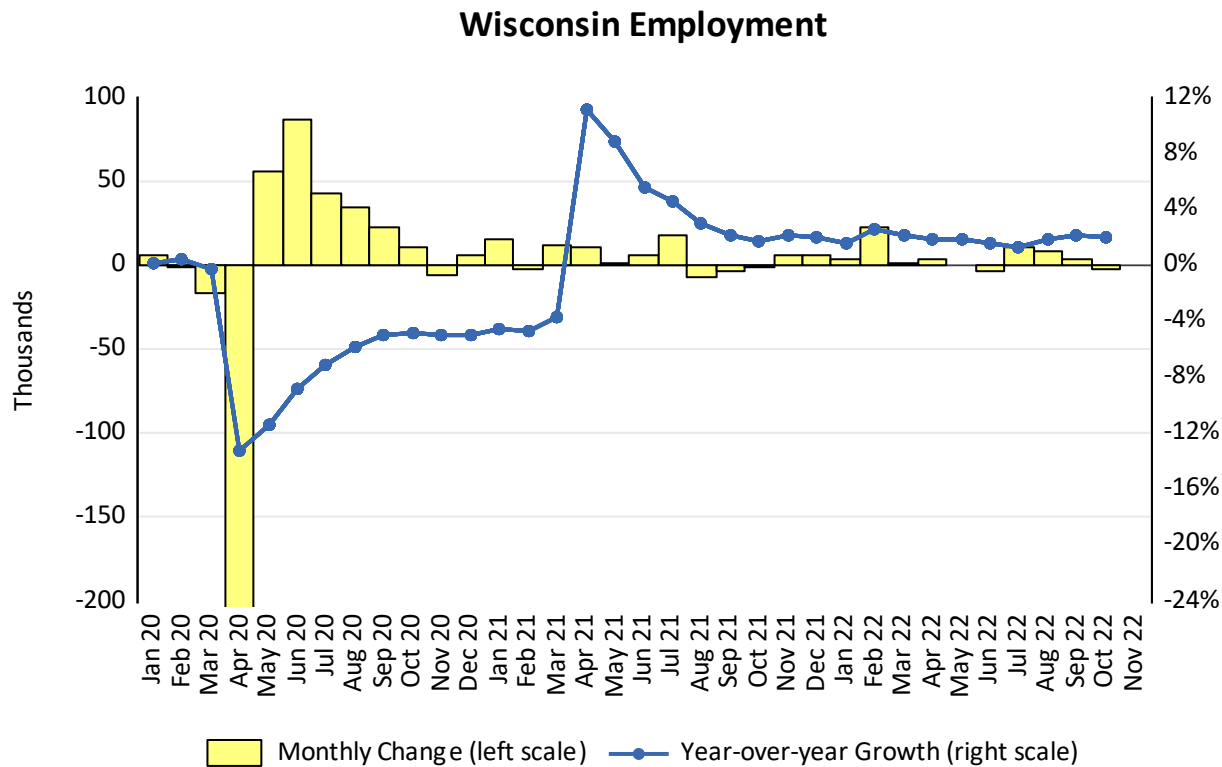
- By Sector

Revenue Forecasts, FY23-FY25

Housing Permits

Exports

October Jobs Report Shows 2,200 Jobs Lost in Wisconsin



Source: U.S. Bureau of Labor Statistics, Current Employment Statistics

Wisconsin lost 2,200 jobs in October, and September employment was revised down by 3,200 (currently showing an increase of 3,800). Over the past three months, employment has increased by 9,200.

The goods-producing sector added 3,600 jobs, including 1,800 new jobs in both construction and manufacturing (mostly durable goods manufacturing).

Meanwhile service-providing jobs declined overall by 5,800. Employment in the trade, transportation and utilities sector increased (+1,400). Employment in the detailed sector administrative/support/waste mediation lost 3,200 while employment in health services declined by 4,200 jobs.

Government employment declined by 600.

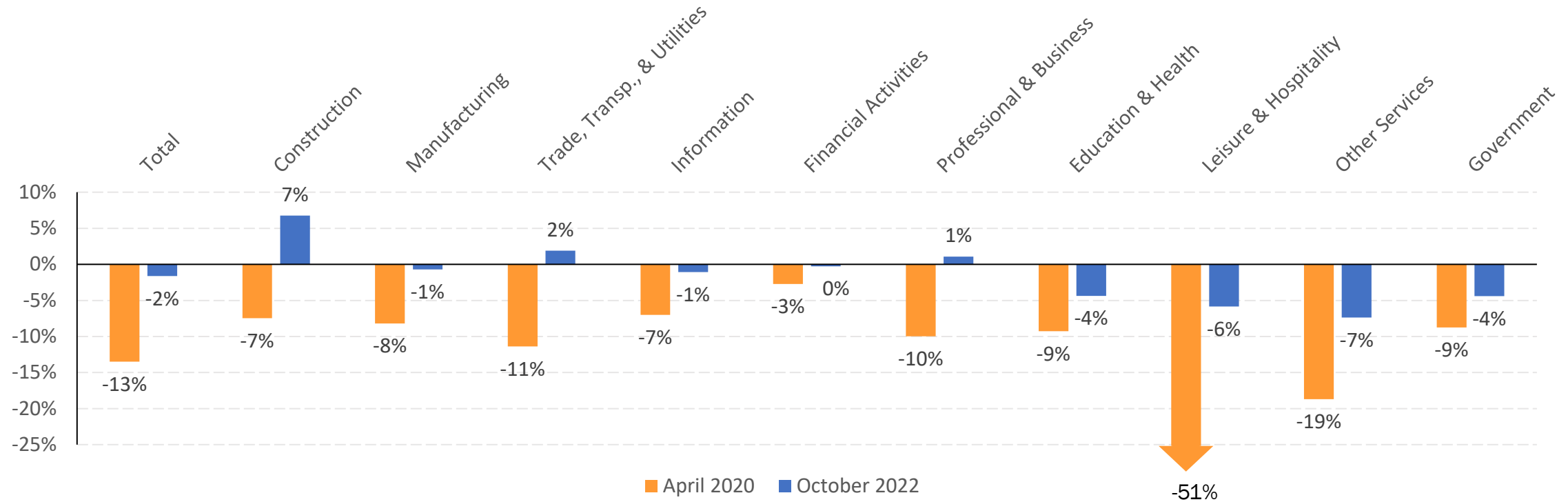
Employment in October was 1.6% (48,800 jobs) below its pre-pandemic level.

Over the past year, Wisconsin employment increased by 58,800, a 2.0% increase.

The unemployment rate increased to 3.3% on a rise in the number of unemployed and a decline in the number of employed. The labor force participation rate fell 0.3 percentage point to 65.3%.

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

Percent Change in Wisconsin Employment Since February 2020

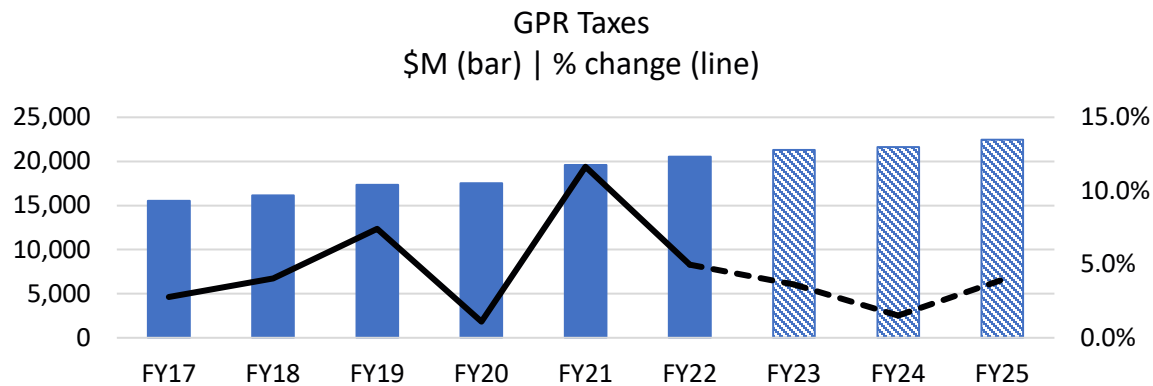


Source: U.S. Bureau of Labor Statistics, Current Employment Statistics

Updated Revenue Forecasts Expect Continued Growth

General Purpose Revenue (GPR) Forecast

	FY22	FY23	FY24	FY25
Amount (\$M)	20,548.4	21,292.6	21,616.5	22,471.6
Change	975.6	744.2	323.8	855.1
% Change	5.0%	3.6%	1.5%	4.0%



The Wisconsin Department of Administration released the Agency Budget Requests and Revenue Estimates for FY2024 and FY2025. This report includes updated DOR forecasts for the current fiscal year (FY23) and is due on November 20th of each even-numbered calendar year.

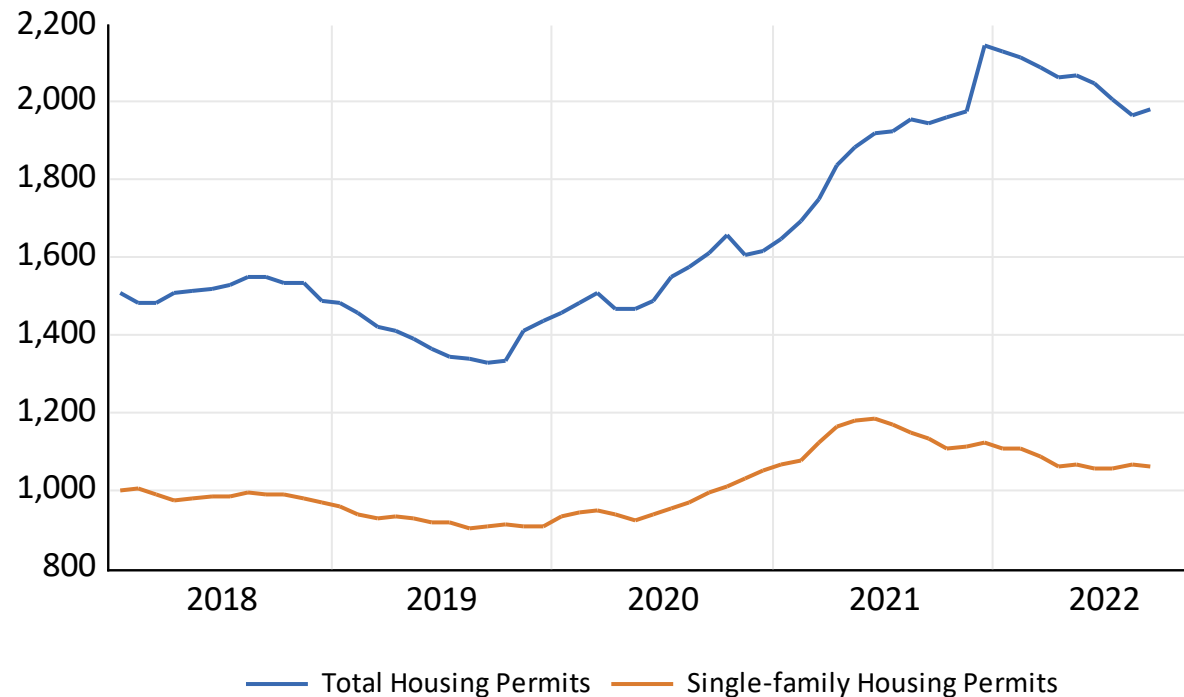
This is the first time the state has produced revenue estimates for the upcoming biennium.

The forecast expects revenue growth to slow to 3.6% in FY23 and 1.5% in FY24 before increasing 4.0% in FY25.

More info can be found in the [2023-25 Agency Budget Requests and Revenue Estimates.pdf \(wi.gov\)](#)

Housing Permits Decline in 2022

**Wisconsin Housing Permits
12-Month Moving Average**



Source: U.S. Census Bureau

Housing permits in Wisconsin have fallen during the first nine months of 2022. Total permits have declined 10.8% year-over-year (y/y).

Single-family permits are down 7.7% y/y while multi-family permits, the more volatile sector, are down 14.6% y/y.

Single-family permits peaked during the first half of 2021 while multi family permits rose through the end of 2021.

Nationally, housing permits are also declining as higher mortgage rates make monthly mortgage payments unaffordable for many prospective buyers.

Exports from Wisconsin Slow in Third Quarter



Growth in exports of goods from Wisconsin slowed in the third quarter of 2022, increasing only 4.3% over the same quarter in 2021. This follows growth in exports from Wisconsin of 17.8% year-over-year (y/y) in the first quarter and 19.1% y/y in the second quarter.

Taken together, exports during the first nine months of 2022 increased 13.3% compared to the same period of the prior year. This is down from the 2021 increase of 21.1%.

Exports from the U.S. have nearly maintained their rapid pace, increasing 21.0% y/y in the first nine months of 2022 versus growth of 22.8% y/y in 2021.

Source: U.S. Census Bureau

U.S. Updates

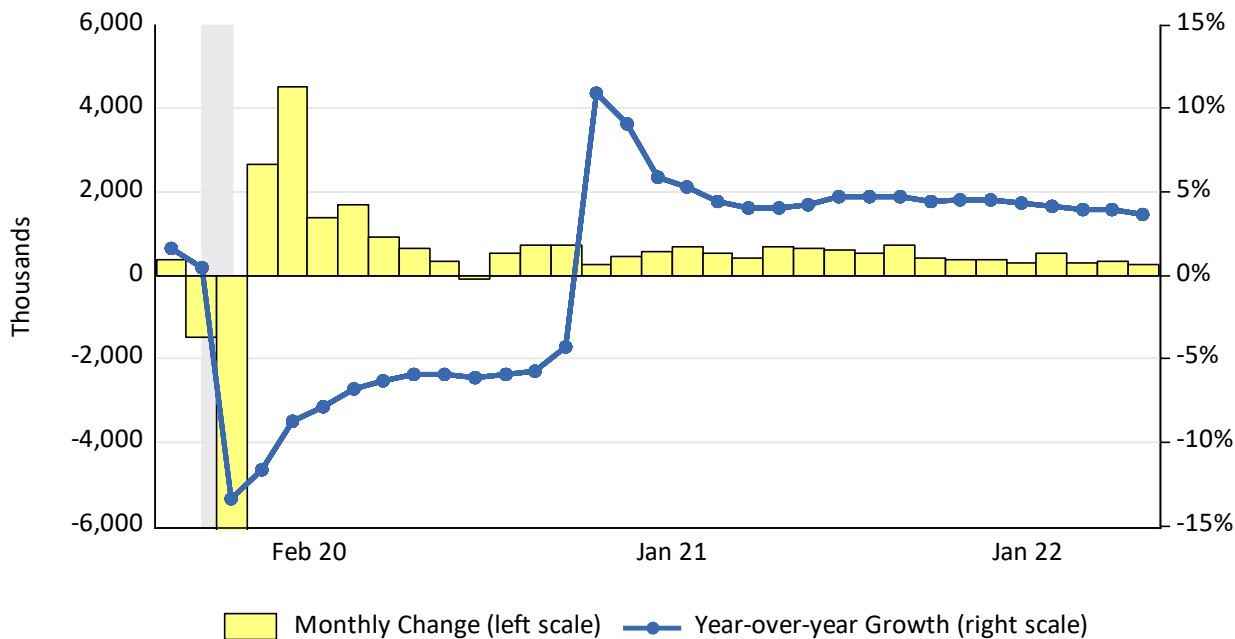
Employment

Inflation (CPI)

Housing Prices (Case-Shiller)

U.S. Employment Increased by 261,000 in October

National Employment



Source: U.S. Bureau of Labor Statistics, Monthly Employment Report

Total nonfarm payroll employment in the U.S. increased by 261,000 in October, above expectations. Notable job gains occurred in health care, professional and technical services, and manufacturing.

The unemployment rate increased by 0.2 percentage point (ppt) to 3.7% in October, and the number of unemployed persons rose by 306,000 to 6.1 million. The unemployment rate has been in a narrow range of 3.5% to 3.7% since March.

The labor force participation rate, at 62.2%, and the employment-population ratio, at 60.0%, were about unchanged in October and have shown little net change since early this year. These measures are 1.2 pts. below their pre-pandemic levels.

In October, employment in health care rose by 53,000, while professional and technical services added 43,000 jobs in October.

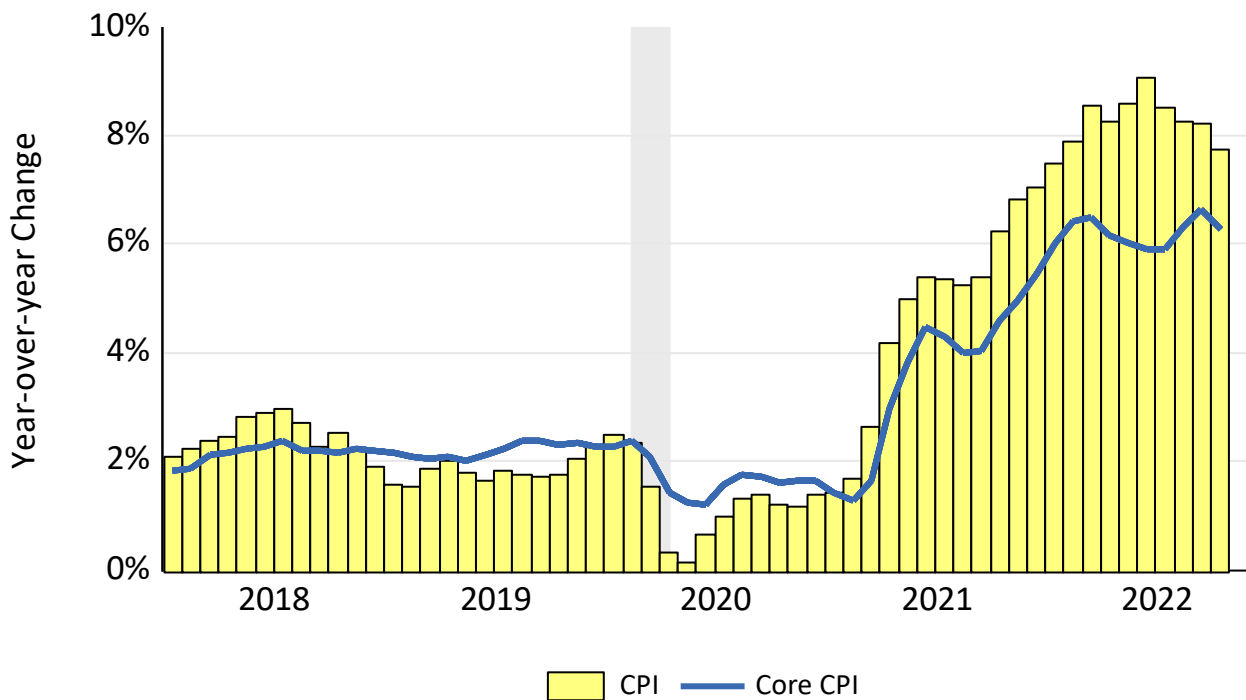
Manufacturing added 32,000 jobs in October, mostly in durable goods industries (+23,000). Manufacturing employment has increased by an average of 37,000 per month in 2022, compared with 30,000 per month in 2021.

Employment in leisure and hospitality continued to trend up in October (+35,000), with accommodation adding 20,000 jobs.

In October, average hourly earnings for all private employees rose by 12 cents, or 0.4%, to \$32.58. Over the past 12 months, average hourly earnings have increased by 4.7%.

Consumer Prices Increased 7.7% in October

Consumer Price Index (CPI)



Source: U.S. Bureau of Labor Statistics, Consumer Price Index

The Consumer Price Index rose 0.4% in October on a seasonally adjusted basis, the same increase as in September.

The index for shelter contributed over half of the monthly all items increase, with the indexes for gasoline and food also increasing.

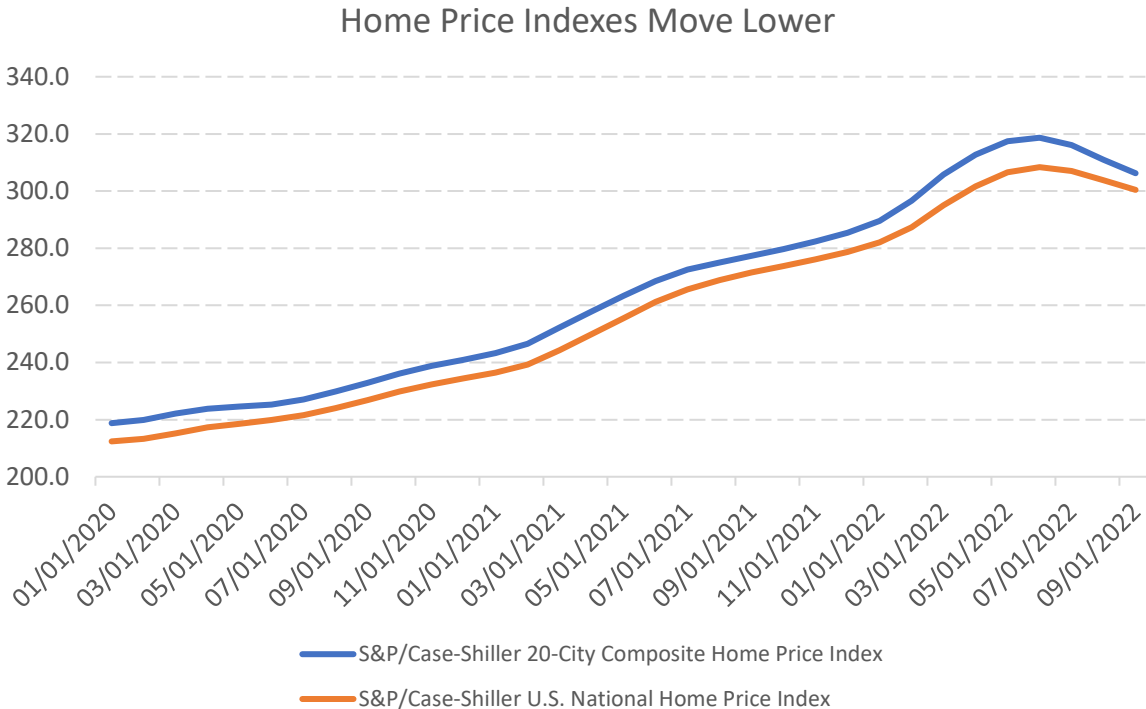
Core CPI (total less food and energy) rose 0.3% in October, after rising 0.6% in September. The October increase was the slowest since Sept 2021.

The indexes for shelter, motor vehicle insurance, recreation, new vehicles, and personal care were among those that increased over the month. Indexes which declined in October included the used cars and trucks, medical care, apparel, and airline fares indexes.

The all-items index increased 7.7% for the 12 months ending October. This was down from the 8.2% increase in September and was the smallest 12-month increase since the period ending January 2022. The all items less food and energy index rose 6.3% over the last 12 months.

The energy index increased 17.6% for the 12 months ending October, and the food index increased 10.9% over the last year; all of these increases were smaller than for the period ending September.

Home Prices Show Declines



The S&P CoreLogic Case-Shiller U.S. National Home Price NSA Index posted a -1.0% month-over-month (m/m) decrease in September, while the 10-City and 20-City Composites posted decreases of -1.4% m/m and -1.5% m/m, respectively.

In September, all 20 cities reported declines in September relative to August prices before and after seasonal adjustments.

The U.S. National Home Price NSA Index reported a 10.6% annual gain in September, down from 12.9% in the previous month.

The 10-City Composite annual increase came in at 9.7%, down from 12.1% in the previous month. The 20-City Composite posted a 10.4% year-over-year gain, down from 13.1% in the previous month.

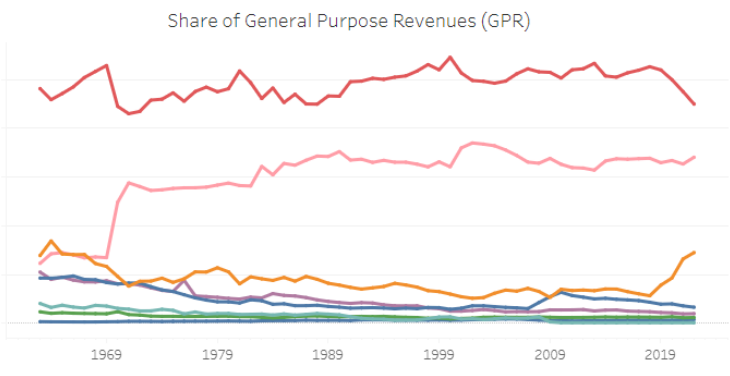
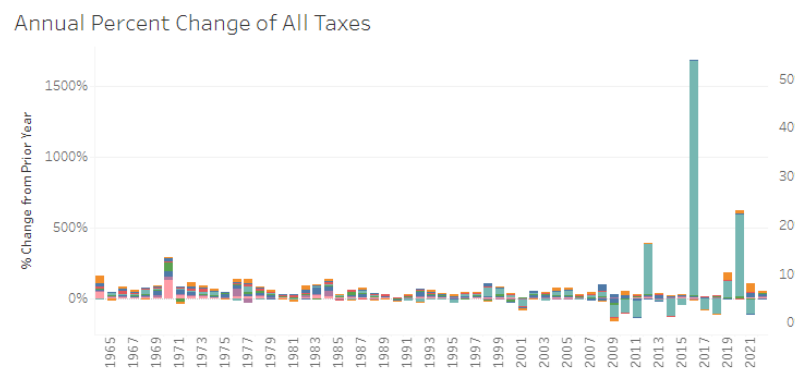
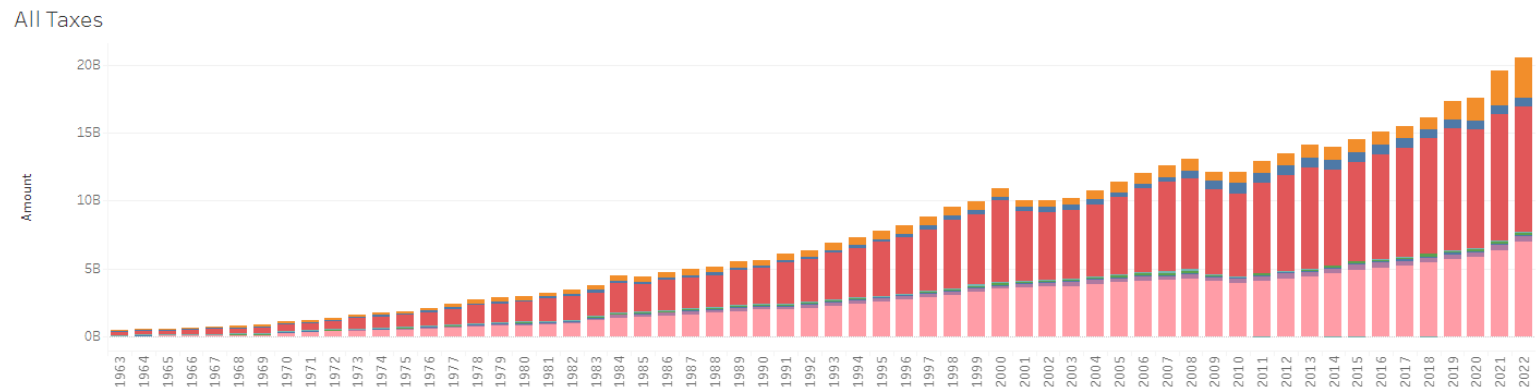
Miami, Tampa, and Charlotte reported the highest yearover-year gains among the 20 cities in September. Miami led the way with a 24.6% year-over-year price increase, followed by Tampa in second with a 23.8% increase, and Charlotte in third with a 17.8% increase.

All 20 cities reported lower price increases in the year ending September 2022 versus the year ending August 2022.

Sources: S&P Dow Jones Indices and CoreLogic

Explore Our Interactive Data!

Total General Purpose Revenues (GPR)



DOR's Division of Research and Policy's data visualization on General Purpose Revenues was recently updated with fiscal year 2022 data.

This data visualization provides historical information on tax revenues by major tax types. Additional tax types are also included, including motor fuel taxes.

To the left is one view of the data. More detail can be found at [WI Tax Collections | Tableau Public](#).

All of our data visualizations are available at [DOR Interactive Data Visualizations \(wi.gov\)](#)

Get in Touch

Check out our **data visualizations** at DorViz.wi.gov.

Anything you'd like to see that we haven't covered? **Let us know!**
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