

Monthly Economic Update

SEPTEMBER 2025, FEATURING AUGUST NEWS RELEASES
WISCONSIN DEPARTMENT OF REVENUE

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

Wisconsin Updates

Employment

- Sectors

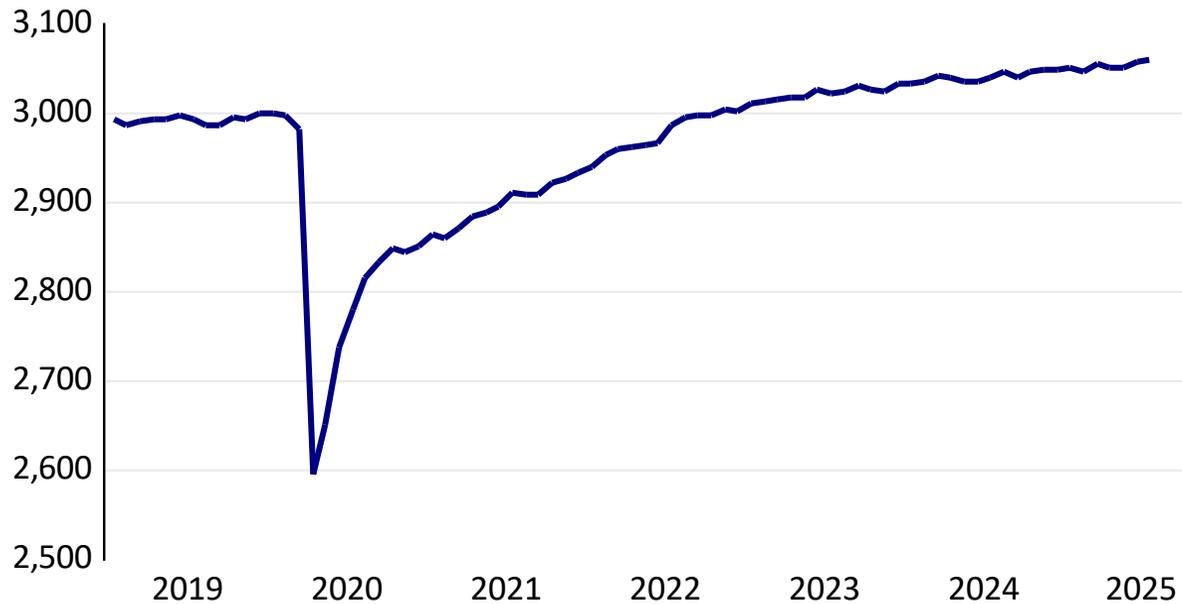
FY25 Year-end Revenues

Housing Permits

Wisconsin Employment Up by 1,800 in July

Unemployment rate fell to 3.1%

Wisconsin Total Nonfarm Employment



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

Wisconsin added 1,800 jobs in July. These preliminary employment estimates show that all the job growth was in the public sector, which increased by 5,600. The estimates of private employment decreased by 3,800.

The average 3-month change in employment, which is a more stable measure, was 2,700, 500 of which were in the private sector.

Compared to the prior year, employment in Wisconsin increased by 20,200, or 0.7%. Nationally, employment increased 1.0% over the past 12 months.

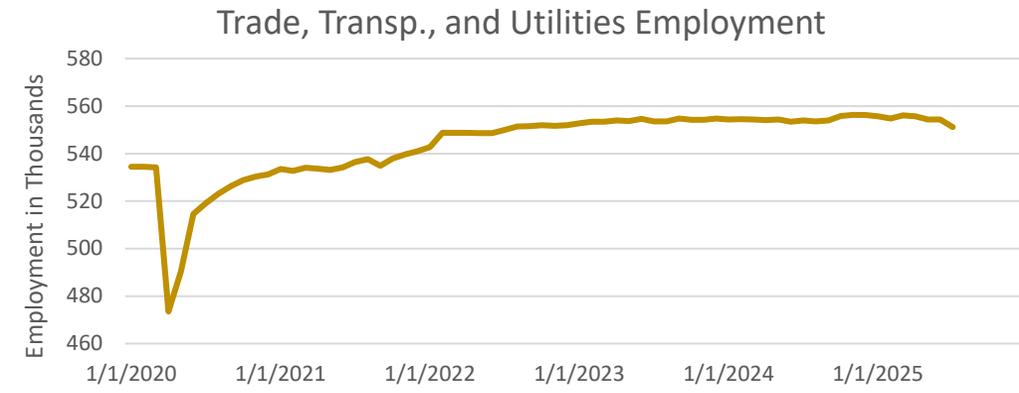
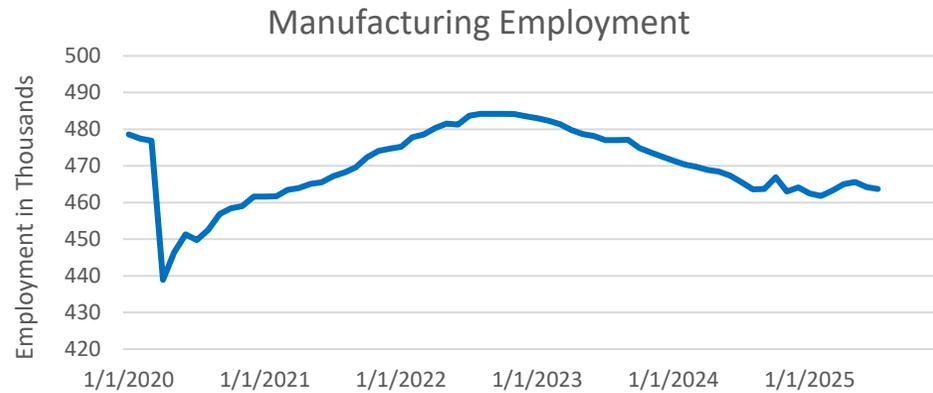
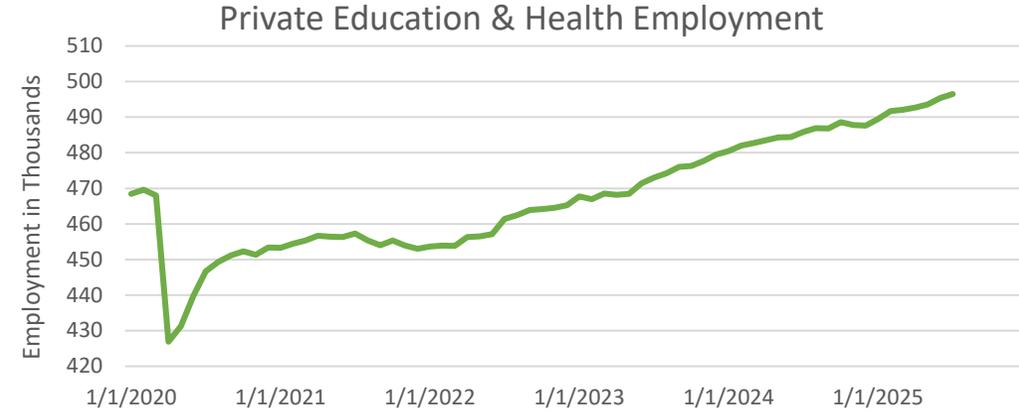
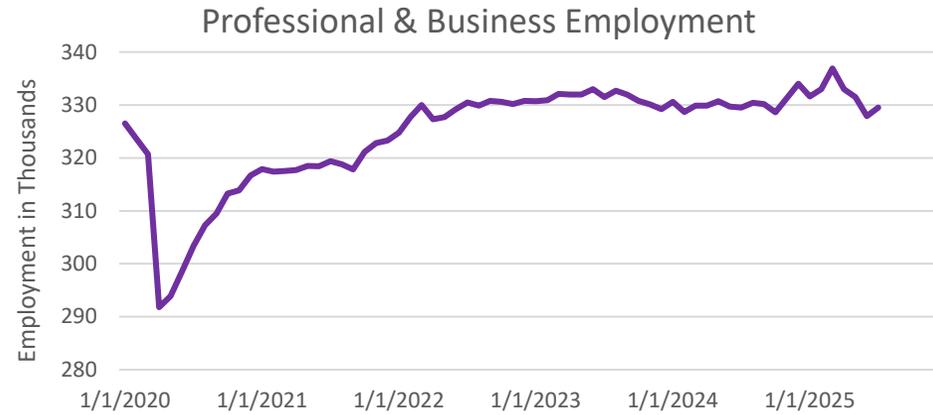
Over the past year, private employment in Wisconsin has increased by 15,100. More than two-thirds of those jobs, or 10,700, are from private education and health services; 7,600 of those are from private healthcare and social assistance.

Professional and business services has seen no change in employment over the year, and leisure and hospitality has increased by 1,900. Retail trade has declined by 1,900 jobs.

From the goods producing sectors, manufacturing employment has declined by 1,800 over the past year, while construction has added 3,100.

The state's unemployment rate declined to 3.1% in July, down from 3.2% in June. Nationally, the unemployment rate is at 4.2%. Wisconsin's labor force participation rate dipped to 65.0% in July, versus a rate of 62.2% nationally.

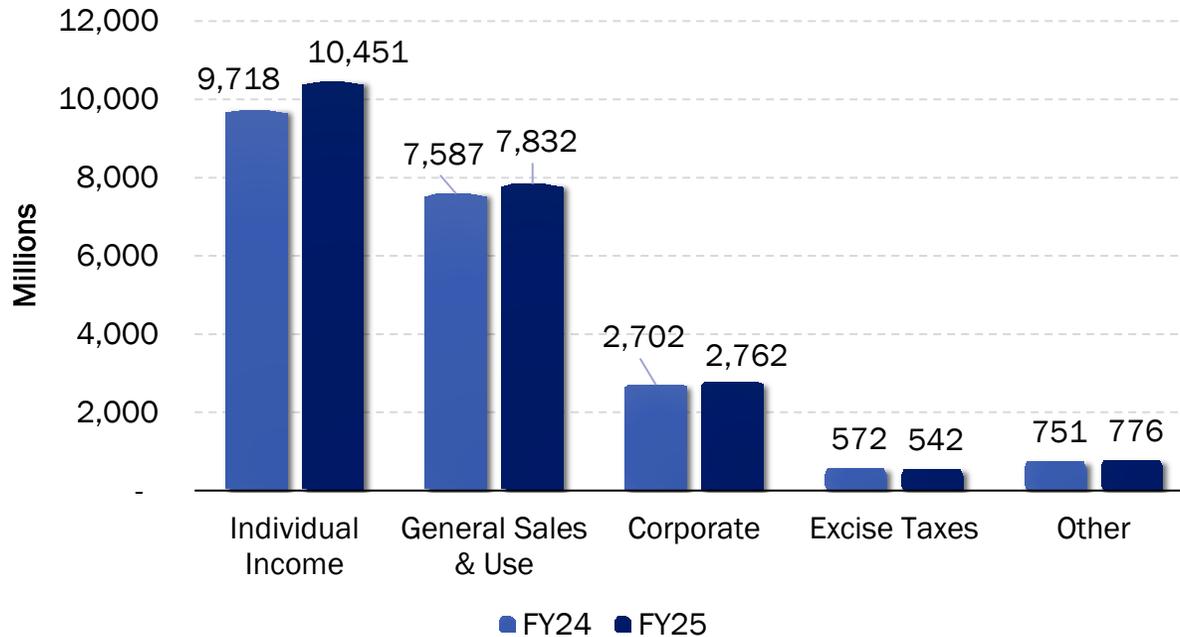
Wisconsin Employment by Sector



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

FY25 General Purpose Revenues Totaled \$22.3 Billion

General Purpose Revenues (GPR)



Source: Wisconsin Department of Revenue

Wisconsin's General Purpose Revenues (GPR) totaled \$22.3 billion in fiscal year 2025 (FY25), according to preliminary figures from the Wisconsin Department of Revenue.

This is a 4.8% increase from the \$21.3 billion collected in FY24, and \$88.3 million higher than the forecast.

The fastest growth of the major tax types was in individual income tax revenues, which saw an increase of 7.5%. They reached \$10.5 billion, or 46.7% of total GPR. Withholding tax revenues, the largest component of individual income tax revenues, increased 5.6%.

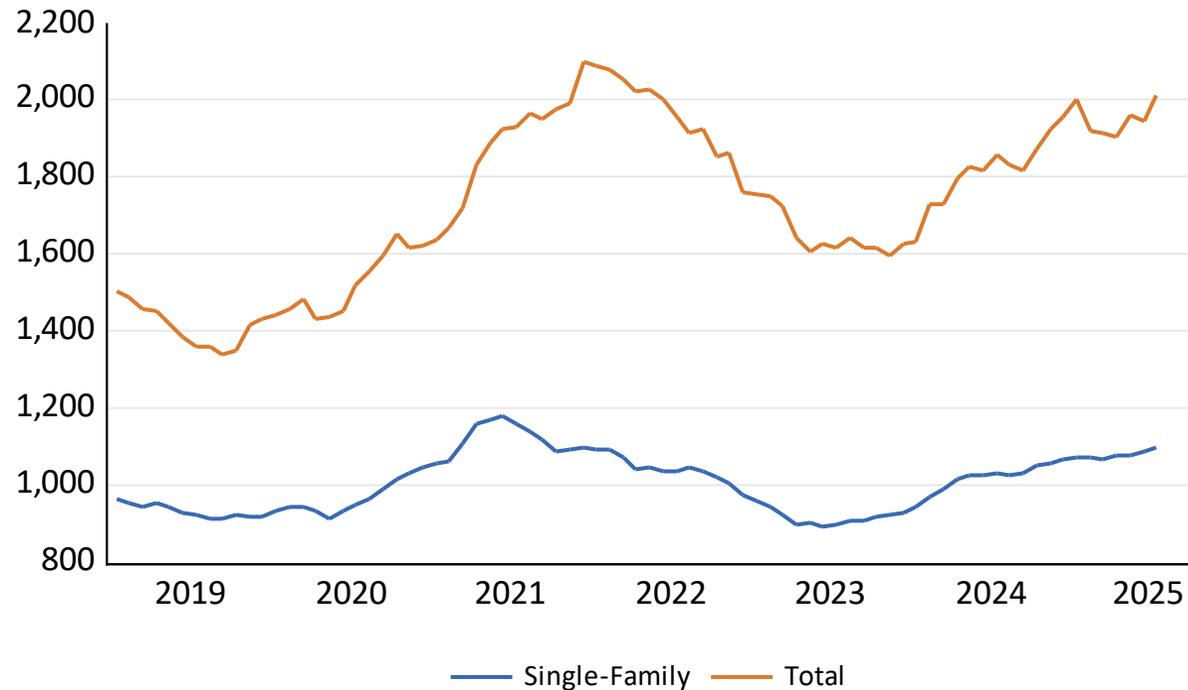
Sales tax revenues were the second-largest source of revenues at 35.0% of the total. They increased 3.2% to \$7.8 billion in FY25.

Corporate income tax revenues were 12.3% of total GPR. They increased 2.2% and brought in \$2.7 billion.

Excise tax revenues fell 5.2%, led by an 8.2% decline in cigarette tax revenues

Wisconsin Housing Permits Rise in First Seven Months of 2025

Wisconsin Housing Permits, 12-month Moving Average



Source: U.S. Census Bureau, New Private Housing Units Authorized by Building Permits.

Building permits for new housing units in Wisconsin rose 5.1% during the first seven months of 2025.

This is a slowdown from the 20.3% increase in permits in Wisconsin in 2024.

Single-family permits increased 5.5% through July of 2025, versus an increase of 14.8% in 2024.

Multi-family housing permits are up 4.6% through July, down from a 27.5% increase last year.

Nationally, total permits are down 2.8% through July of 2025, compared to the same period last year, while single-family permits are up 6.2%. Total and single-family permits both declined at the national level in 2024.

U.S. Updates

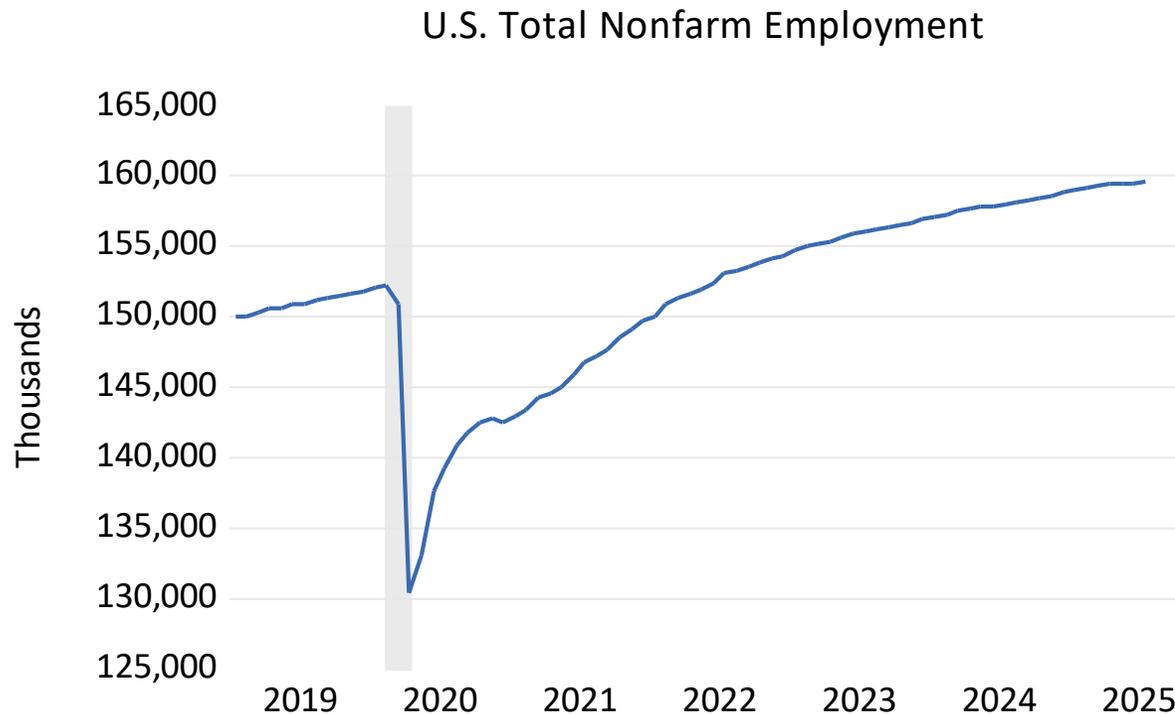
Employment

Inflation (CPI)

Mortgage Rates

U.S. Added 73,000 Jobs in July

Large downward revisions to May and June



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

Total nonfarm payroll employment increased by 73,000 in July. Employment estimates for May and June were revised down a combined 258,000, leaving job gains in the two months at less than 20,000 each, which is basically flat.

The unemployment rate in July inched up to 4.2%, from 4.1% in June. The unemployment rate has remained in a narrow range of 4.0% to 4.2% since May 2024. The labor force participation rate, at 62.2%, changed little in July but has declined by 0.5 percentage point over the year.

In July, health care added 55,000 jobs, with job gains in ambulatory health care services (+34,000) and hospitals (+16,000).

Social assistance employment continued to trend up in July (+18,000), reflecting continued job growth in individual and family services (+21,000).

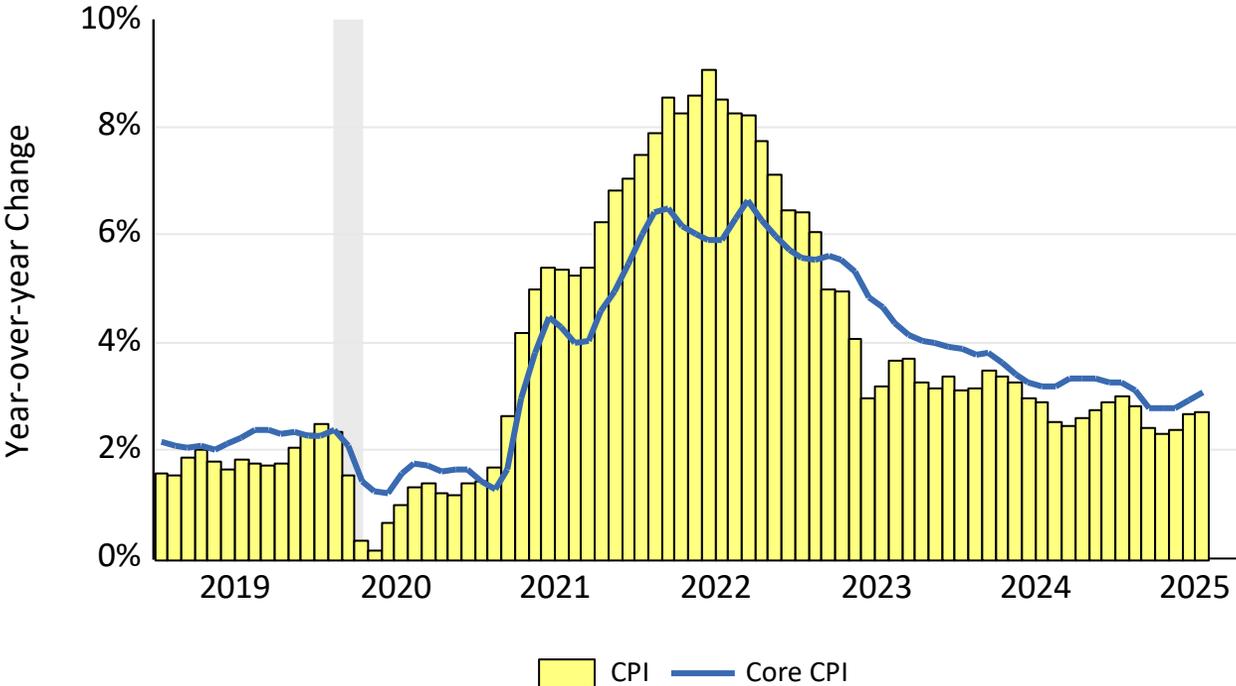
Federal government employment continued to decline in July (-12,000) and is down by 84,000 since reaching a peak in January. (Employees on paid leave or receiving ongoing severance pay are counted as employed in the establishment survey.)

Average hourly earnings for all employees on private nonfarm payrolls rose by 12 cents, or 0.3%, to \$36.44 in July. Over the past 12 months, average hourly earnings have increased by 3.9%.

August employment estimates will be released Friday, Sept 5th. Expectations are for an increase of +75,000.

Prices Increased 2.7% Over Past Year

Consumer Price Index (CPI)



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

The Consumer Price Index (CPI) for All Urban Consumers increased 0.2% on a seasonally adjusted basis in July, after rising 0.3% in June. Over the last 12 months, the CPI increased 2.7% before seasonal adjustment.

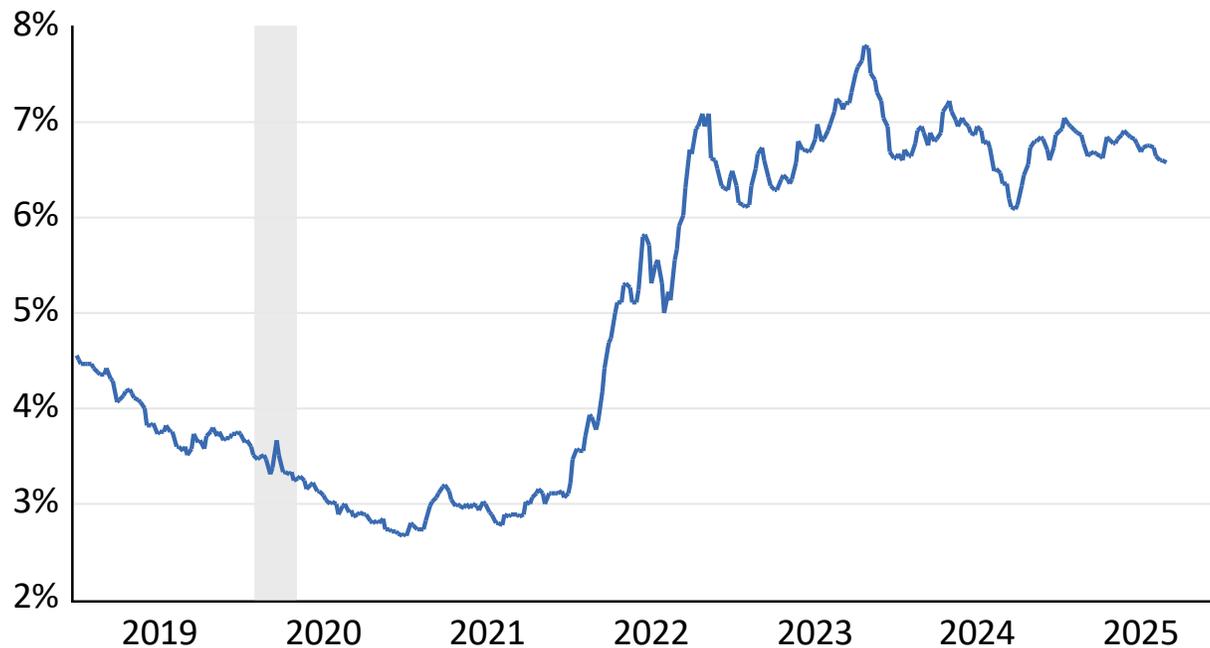
The index for shelter rose 0.2% in July and was the primary factor in the all items monthly increase. The food index was unchanged over the month as the food away from home index rose 0.3% while the food at home index fell 0.1%. In contrast, the index for energy fell 1.1% in July as the index for gasoline decreased 2.2% over the month.

The core index, which excludes food and energy, rose 0.3% in July, following a 0.2% increase in June. Indexes that increased over the month include medical care, airline fares, recreation, household furnishings and operations, and used cars and trucks. The indexes for lodging away from home and communication were among the few major indexes that decreased in July.

The all items index rose 2.7% for the 12 months ending July, the same as in the prior month but up from 2.3% in April. The core index rose 3.1% over the last 12 months. The energy index decreased 1.6% for the 12 months ending July, while the food index increased 2.9% over the last year.

30-Year Fixed Mortgage Rate Dipped to 6.56%

Average Thirty Year Fixed Rate Mortgage



Source: Freddie Mac, 30-Year Fixed Rate Mortgage Average in the United States, retrieved from FRED, Federal Reserve Bank of St. Louis, August 28, 2025.

The average 30-year fixed-rate mortgage in the U.S. was 6.56% in the last week of August. It was at 6.58% the prior two weeks.

Rates are down from the recent peak of 7.79% from October 2023, but higher than the 6.1% seen last September. And current rates are two and a half times higher than the low rate of 2.6% from Jan 2021.

Higher rates are driving up monthly mortgage payments and reducing affordability across the county.

The Federal Bank of Atlanta, which maintains the Home Ownership Affordability Monitor, estimates the household with the median income of \$79,537 would spend 48% of their income on the payments of the median home, rendering the home unaffordable.

The median monthly payment in June 2025 was \$3,162 (including principal, interest, insurance, and taxes). This is more than double the median monthly payments of \$1,564 in June 2020.

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