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The State of **WORKING WISCONSIN**

2023

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THE STATE OF WORKING WISCONSIN *presents the workers' perspective on the economy in the state: what's going on with work and jobs, who is winning in this economy, and who is being left out; where is disparity growing; and what's happening to the economic chasm separating Black and white workers in the state.*

Acknowledgments

The State of Working Wisconsin 2023 is written by by Laura Dresser, Joel Rogers and Pablo Aquiles-Sanchez.

This report would not have been possible without the support of a dedicated team of COWS staff including Leslie Vasquez Guzman and Quincy Midthun. We would also like to thank the Economic Policy Institute (EPI) in Washington DC for their support with data and analysis.

About COWS // High Road Strategy Center

COWS is a nonprofit think-and-do tank, based at the University of Wisconsin-Madison, that promotes “high road” solutions to social problems. These treat shared growth and opportunity, environmental sustainability, and resilient democratic institutions as necessary and achievable complements in human development. Through our various projects, we work with cities around the country to promote innovation and the implementation of high road policy. COWS is nonpartisan but values-based. We seek a world of equal opportunity and security for all.

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Introduction

In celebration of Wisconsin workers, COWS releases The State of Working Wisconsin 2023 with the most recent data available on wages, jobs and unions in order to build a stronger understanding of the workers' experience of the state's economy.

This year, Wisconsin's workers continue to enjoy strong job growth and low unemployment, but most workers' wages didn't grow fast enough to stay ahead of high inflation in 2022. Importantly, in terms of wages, workers at the bottom of the labor market did better than those at the top, reducing wage inequality in the state.

Wisconsin's Labor Market Sets Records in 2023

The number of jobs in the state reached a record high of 3,007,200 in July 2023. Wisconsin's unemployment rate reached a record low of 2.4% in April and May, and has been below 3% for nearly the entire past 12 months.

Wisconsin Women's High Rate of Work Falling

Women in Wisconsin have consistently worked at higher rates than women in the nation, but the gap in participation is shrinking since 2019. In 2022, Wisconsin's women's labor force participation dipped below 60% for the first time since the late 1980s.

Median Wages Rise but Don't Keep up With Inflation

Nominal wages grew in 2022, but the wage growth was not fast enough to keep pace with high inflation. The median in 2022 was down to \$22.02 and the decline brought a decade of wage growth to an end.

Lower Wage Workers are Making Stronger Gains

Workers at the bottom are taking advantage of the tight labor market to lift wages. Wages for Black and brown workers in the state are growing and have outpaced inflation over 2019-2022. (Over that same period, white workers have seen little real change.) Wage inequality has declined as a result.

Wisconsin Policy Continues to Hamstring Unions

In spite of increasing organizing and high public support for unions, Wisconsin's rate of unionization continues to fall. The decline from 2011 to 2022 is the most extreme in the region.

JOBS

RECORD BREAKING LABOR MARKET BUILDS WORKERS' POWER.

With Wisconsin's unemployment rate dipping to historic lows and the number of jobs and workers reaching historic highs, Wisconsin's labor market has had a record breaking year. Over the past 12 months, the state added 39,500 jobs to reach the record high of 3,007,200 jobs in July. In the same time, Wisconsin's unemployment rate, currently 2.6%, has hovered around or below 3% and posted record lows in April and May (2.4%).

These record setting levels are consistent evidence of a strong economy and good news for workers. Sustained job growth and low unemployment rates increase workers' bargaining power. Workers can leverage abundant opportunities by leaving their jobs for better opportunities or using the credible threat of leaving to secure improvements in the jobs they hold.

Opportunity is not distributed equally across population and geography in the state. Racial disparity in the state remains substantial and gravely concerning, but sustained economic growth is also helping to narrow the racial and ethnic gaps. For example, over the last year in Wisconsin, white unemployment (2.4%) held steady while Black unemployment fell from 5.8% to 4.7%.

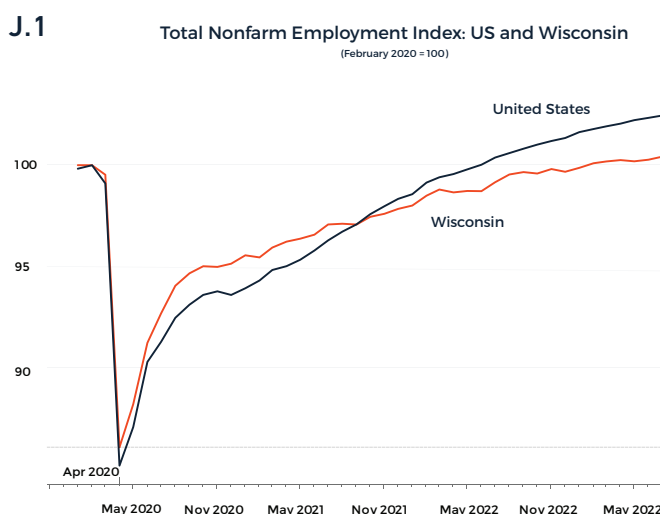
Workers have responded. Wisconsin continues to have a relatively high labor force participation rate (65.5% in Wisconsin compared to 62.6% for the US). Engagement with work is above national levels for both women and men in the state, but Wisconsin's womens' relative advantage over the national rate appears to be shrinking. The state's decreasing investment in child care is likely to further challenge working women in this state.



WISCONSIN JOBS HIT RECORD HIGH

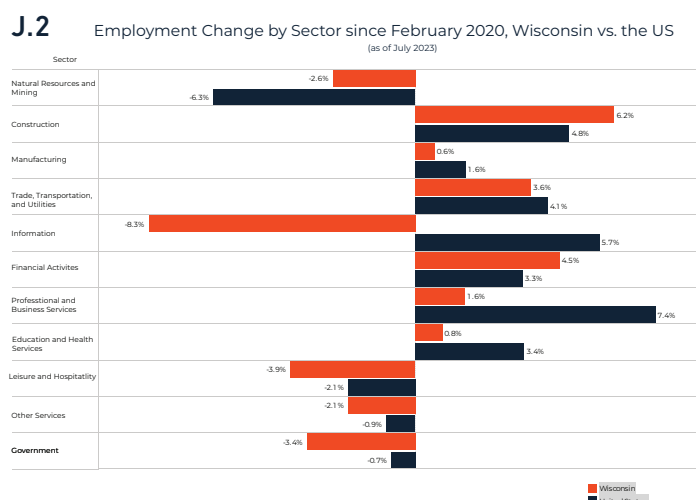
In July 2023, federal data from the Bureau of Labor Statistics showed that the Wisconsin economy posted a record breaking number of jobs: 3,007,200. Wisconsin's labor market is now larger than it has ever been, and larger than it was before the pandemic shutdowns of spring 2020. In the last 12 months, the state added 39,500 jobs showing strength despite very low unemployment rates.

Wisconsin's growth has lagged the national rate of recovery. J.1 shows the trajectory of jobs recovery for Wisconsin and the US. Wisconsin's labor market growth outpaced the national average early in the recovery but has lagged behind it since February of 2022. Given the different rates of recovery, the national economy recovered to the pre-pandemic jobs threshold a year before Wisconsin did.



Source: Own calculations based on data from the U.S. Bureau of Labor Statistics, Current Employment (CES) program.

J.2 shows differences in job growth by sector.



Source: Own calculations based on data from the U.S. Bureau of Labor Statistics, Current Employment (CES) program.

In the pandemic shutdown, the Leisure and Hospitality sector faced the most intense changes. Shedding nearly half its jobs in March 2020, the sector has had a dramatic recovery but still holds fewer jobs than before the pandemic. Workers in this sector faced the most intense unemployment at the beginning of the pandemic, suffering that piled on top of the low wages, insufficient and volatile hours, and few benefits that these jobs tend to offer. While the underlying structure of these jobs is still a challenge, national evidence suggests that workers are securing increases in wages and hours of work. As the recovery has gone on, this sector no longer stands out.

At this point in the recovery, other sectors are showing troubling trends in Wisconsin. Perhaps most remarkable is the 8.3% decline in information jobs in the state since February 2020. Over the same period, information jobs grew by 5.7% nationally. Additionally, Wisconsin's growth in Professional and Business services (1.6%) appears anemic compared to the national growth of jobs (7.4%). Finally, Wisconsin's Government Sector is also underperforming national trends. Taken together, weakness in these sectors – which tend to have high job quality and jobs for college graduates – presents an economic development challenge for the state.

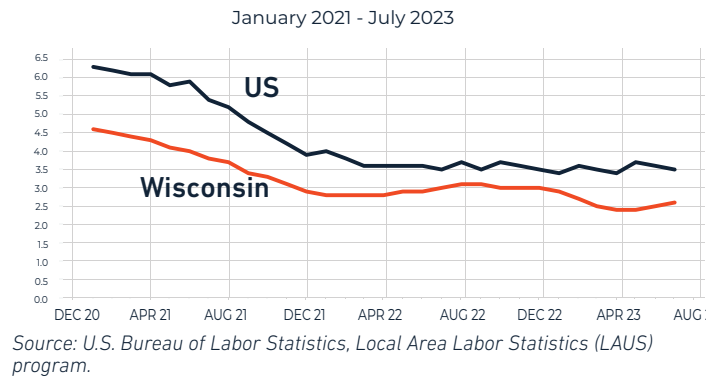
UNEMPLOYMENT AT RECORD LOWS HELP WORKERS IMPROVE JOBS

Over the last year, Wisconsin's unemployment has fallen to historic lows. As J.3 makes clear, Wisconsin's unemployment rate is lower than the national rate, and continues to slowly shift down. From a rate of 3.1% last September, Wisconsin unemployment fell below 3% in 2023 and has stayed low, registering the historic low of 2.4% in both April and May. In July, the rate was 2.6%. These are remarkably low rates of unemployment and good news for the state.

Sustained low unemployment rates are not only good news for those who are looking for work. Obviously there are fewer workers seeking jobs, and they have more opportunities to pursue as they look for work. Importantly, low unemployment also allows workers a sense of security and leverage in the jobs they hold. With a year of low unemployment rates, workers have the security to seek better pay, schedules, and benefits. The low unemployment rates are one way to increase workers' bargaining position in their jobs.

J.3

Unemployment Rate: Wisconsin and US



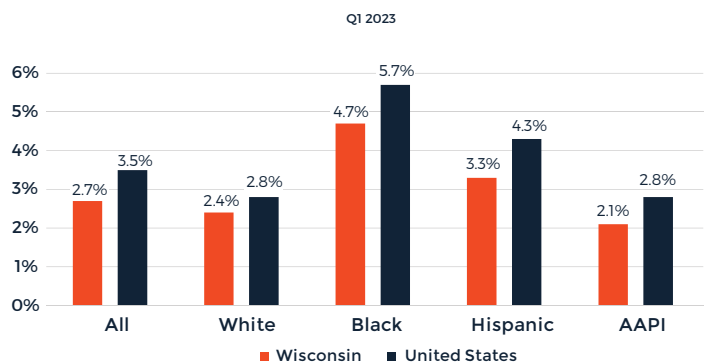
UNEMPLOYMENT DISPARITIES ARE SUBSTANTIAL, BUT CLOSED OVER THE LAST YEAR

Racial disparities in the state are substantial with Black and brown workers much more likely to be unemployed than whites in the state. The disparity between Black and white workers has been extreme, and we have documented the high level of disparity, especially in unemployment in previous editions of the State of Working Wisconsin. (See Race in the Heartland for a summary of Wisconsin's extreme racial disparity.)

Disparity in unemployment is evident in J.4, which provides estimates of unemployment rates racial and ethnic categories in the first three months of 2023 (Q1 2023). In Wisconsin, the unemployment rate for whites is just 2.4%, and the rate for Asian Americans and Pacific Islanders is even lower at 2.1%. Unemployment is nearly twice as high for Black workers: 4.7%. For Hispanics, the unemployment rate of 3.3% is also higher than the white rate.

J.4

Unemployment rates by race and ethnicity Wisconsin and US



Source: EPI analysis of Bureau of Labor Statistics Local Area Unemployment Statistics (LAUS) data and Current Population Survey (CPS) data.

Race/Ethnicity	Wisconsin	United States
All	-0.3	-0.3
White	0	-0.3
Black	-1.1	-0.5
Hispanic	-0.6	-0.2
AAPI	-0.2	-0.2

Equally remarkable, given the long history of extreme disparity, is the decline in the Black/white unemployment gap. For decades, Black people have been well over twice as likely to be unemployed as white workers in the state, and this ratio has always substantially exceeded the national ratio of disparity. There is good news in these estimates which show that for Q1 2023, unemployment was lower for Black people in Wisconsin than the national average. Over the last year, the Black unemployment rate fell by 1.1 percentage points, even as the white rate stayed constant. As a result, Black and white unemployment is actually less disparate than the national racial gap. Given years of analysis of racial disparities, this closing of the gap warrants attention. To be sure, the disparity is still unacceptably high, but the direction of the trend is good news in Wisconsin. Sustained low unemployment in the state appears to be reducing the pronounced gap in unemployment rates.

A choropleth map of the United States showing the percentage of the population aged 18 and over who are married. The map uses a red color scale where darker shades represent higher percentages. The highest percentages are in the Northeast (e.g., New York at 5.9%, Massachusetts at 7.2%) and the Midwest (e.g., Illinois at 4.4%). The lowest percentages are in the West (e.g., California at 2.5%, Nevada at 2.8%).

WISCONSINITES ARE COMMITTED TO WORK

The chart displays the percentage of the population aged 65 and over in Wisconsin (orange line) and the United States (dark blue line) from 1979 to 2022. The Y-axis represents the percentage, ranging from 55% to 80% in 5% increments. The X-axis represents the year, with labels every five years from 1980 to 2020. Wisconsin's percentage is consistently higher than the US average, peaking around 1995-2000 at approximately 75% and 67% respectively. Both states show a decline after 2010, with Wisconsin ending at 64.5% and the US at 62.2% in 2022.

Year	Wisconsin (%)	US (%)
1979	68.5	64.0
1980	68.0	64.0
1981	67.5	64.0
1982	68.5	64.0
1983	69.0	64.0
1984	68.5	64.0
1985	67.0	64.5
1986	66.5	64.5
1987	67.5	65.0
1988	70.5	65.5
1989	71.0	66.0
1990	70.0	66.0
1991	70.5	66.0
1992	71.5	66.0
1993	72.0	66.0
1994	73.0	66.5
1995	74.5	66.5
1996	75.0	66.5
1997	74.5	66.5
1998	72.5	66.5
1999	72.5	66.5
2000	72.5	66.5
2001	72.5	66.5
2002	73.0	66.0
2003	72.5	66.0
2004	70.5	66.0
2005	70.5	66.0
2006	71.0	66.0
2007	71.0	66.0
2008	70.5	66.0
2009	70.0	65.0
2010	69.5	64.5
2011	69.0	64.0
2012	68.5	63.5
2013	68.5	63.0
2014	68.0	62.5
2015	67.5	62.5
2016	68.5	62.5
2017	69.0	62.5
2018	68.0	62.5
2019	66.5	62.0
2020	66.0	61.5
2021	66.5	61.5
2022	64.5	62.2

STATE OF WORKING WISCONSIN 5

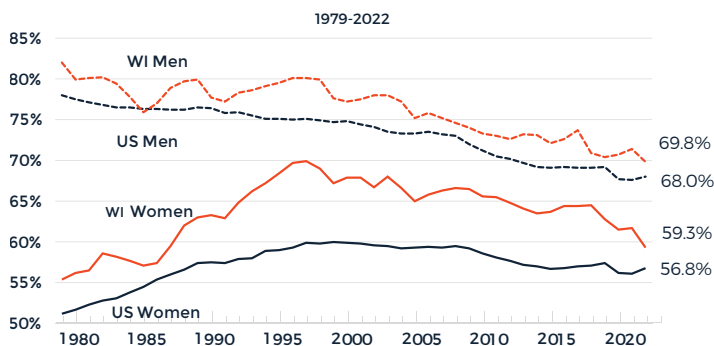
Women in Wisconsin are especially committed to work.

Over the last 40 years, men's labor force participation has been declining while women's participation rose substantially from 1979-1999 and then drifted down in recent years.

J.8 shows that while Wisconsin reflects those national trends, workers in the state – both men and women – have historically shown greater connection to work. In 2022, 70 percent of Wisconsin's men participated in the labor force (higher than the national 68 percent rate).

J.8

Labor Force Participation, by Gender Wisconsin and US



Source: Economic Policy Institute analysis of Current Population Survey microdata from the U.S. Census Bureau

Wisconsin women's labor force participation is also consistently above national rates of participation: 59 percent of Wisconsin women worked in 2022, compared to 57 percent of women nationally. One concern is clear. While Wisconsin women's labor force participation used to dramatically exceed national rates, in recent years, the gap is shrinking. This makes the state legislature's lack of investment in child care infrastructure in the state especially troubling, as it is often women who carry a disproportionate burden of care for children.

While Wisconsin women's labor force participation used to dramatically exceed national rates, in recent years, the gap is shrinking...

WAGES

WAGES MATTER.

For three million working Wisconsinites, wages are the most important measure of the quality of their jobs.

We provide detailed information on wage trends in this chapter because wages provide an essential perspective on job quality and economic inequality in the state. Trends in wages over time allow us to see how workers are doing and whether workers are keeping up with inflation. Consideration of median wages by race, gender, ethnicity, and education provides a quantitative measure of inequality in the state.

This section draws on the most recent data available from the US Government's Current Population Survey, providing median wages through 2022. Throughout the chapter, wages are reported in constant 2022 dollars which **correct for inflation**. By expressing values in 2022 dollars, we are able to see wages in terms of consistent purchasing power. Our data **covers both hourly and salaried workers** (for the latter, wages are calculated by dividing earnings by hours of work). Throughout, we offer analysis of **median** wages (the wage for the worker at the middle of the wage distribution) to provide the perspective from the center of Wisconsin's labor market.

2022 inflation reduces workers' buying power.

Over 2018-2021, wages grew significantly. Wages grew strongly especially across 2020-2021 thanks to sustained job growth and low unemployment. In 2022, inflation spiked and workers faced rapidly rising prices on everything from groceries to housing. Wages rose at the median but not enough to keep up with prices. Both nationally and in Wisconsin, the value of the 2022 median fell below the 2021 level. In terms of purchasing power, Wisconsin's median wages fell back to 2019 level. The 2022 median wage in Wisconsin was \$22.02 per hour, slightly below the national median of \$22.88.

In a remarkable reversal of patterns of wage growth since 2000, lower wage workers have secured greater wage increases than higher wage workers. Unlike higher wage workers, low wage workers more often secured wage increases that kept them ahead of inflation in 2022. For this reason, Wisconsin's considerable racial, ethnic, and educational gaps in wages have continued to recede slightly over 2019-2022. Though wage inequalities remain substantial, low unemployment rates appear to have allowed lower wage workers to improve their pay.

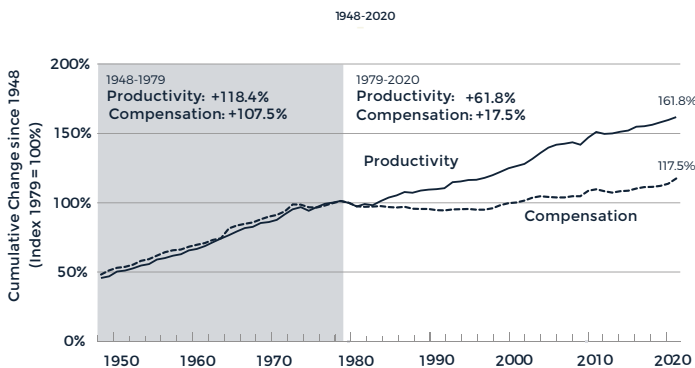
We provide key data on these recent wage trends below, we set wages in the context of more than four decades of change and the very slow growth of wages over that period.



THE GAP BETWEEN ECONOMIC GROWTH AND WAGE GROWTH

W.1 shows that despite substantial productivity and education advances over the last four decades, median wages have only slightly increased for workers.

W.1 Productivity Growth and Hourly Compensation Growth



Source: EPI analysis of unpublished Total Economy Productivity data from Bureau of Labor Statistics (BLS) Labor Productivity and Costs program, wage data from the BLS Current Employment Statistics, BLS Employment Cost Trends, BLS Consumer Price Index, and Bureau of Economic Analysis National Income and Product Accounts.

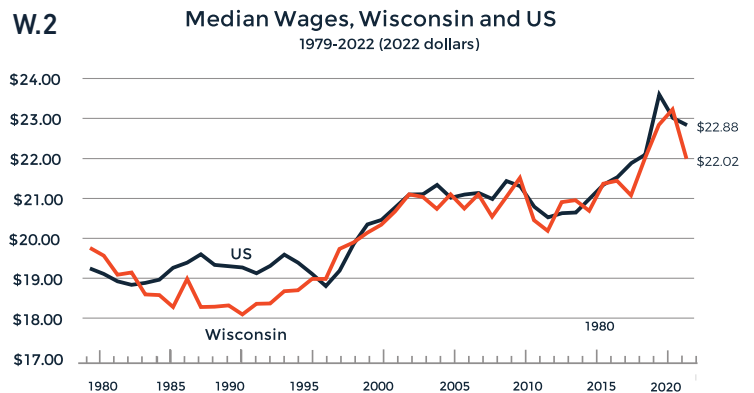
From the end of World War II until the 1970s, median wages were closely tied to overall economic growth. As the economy grew and productivity increased, workers' wages advanced. This was the period of "shared prosperity," when growing GDP was linked directly to growing paychecks for workers.

Wages and productivity diverged in the early 1970s, breaking the presumption of the inevitable economic advancement of each generation of Americans. Since 1979, productivity is up more than 62 percent, but workers hourly pay is up just 18 percent. Economic growth in this period does not secure

shared prosperity; rather rewards have been concentrated on the rich. Working people have been left behind.

MEDIAN WAGES IN WISCONSIN: 2022 INFLATION BRINGS A DECADE OF WAGE GROWTH TO AN END

W.2 displays median hourly wages for Wisconsin and the United States from 1979 to 2022. (All values are expressed in 2022 dollars which allows us to compare wages by correcting for inflation.) In 1979, Wisconsin's median worker earned a wage well above the national median, but the state lost ground in the 1980s.



Source: Economic Policy Institute analysis of Current Population Survey data.

The 1980s – especially difficult years for Wisconsin – brought considerable real and relative wage decline, leaving Wisconsin workers nearly a dollar per hour behind the US median.

Wisconsin moved back to the national median wage in 1995 and from there, wages rose slowly till 2005. The Great Recession brought wages in the state to the new century's low point in 2012.

Over 2012-2021, wages in Wisconsin rose steadily. From 2019 to 2021, wage growth was especially strong. In 2022, the pattern of advance was broken. In nominal terms, the 2022 wage median was higher than the 2021 median, but inflation rose more rapidly than wages, leaving workers behind. Taking inflation into account, Wisconsin's 2022 median wage fell back to its 2019 level at \$22.02 per hour. In contrast, the 2021 median wage was \$23.27, in 2022 dollars. Three years of wage growth were erased.

Wisconsin's median hourly wage grew by a total of \$2.26 over 1979-2022. Wages in the state are just 11% higher in 2022 than they were in 1979. That amounts to a modest 5 cent per year increase in wages over 43 years. The productivity and education of our workforce are up substantially over these years, but the reward to workers is just a nickel per hour each year.



WISCONSIN'S SUBSTANTIAL WAGE INEQUALITY BASED ON RACE, ETHNICITY, AND GENDER

Wage disparity by race, ethnicity, and gender is substantial. W.3 makes the disparity clear, providing median wages for six key demographic groups in the state: white, Black, and Hispanic men and white, Black, and Hispanic women.

W.3

Wisconsin Median Wages by Gender, Race, and Ethnicity 1979 and 2022 (in 2022 dollars)			
	1979	2022	% Change
All Workers	\$19.76	\$22.02	11.4%
White Men	\$26.40	\$25.01	-5.3%
Black Men	\$22.74	\$21.04	-7.5%
Hispanic Men	\$20.74	\$18.84	-9.2%
White Women	\$15.03	\$20.96	39.1%
Black Women	\$16.90	\$17.00	0.6%
Hispanic Women	\$12.52	\$18.75	49.8%

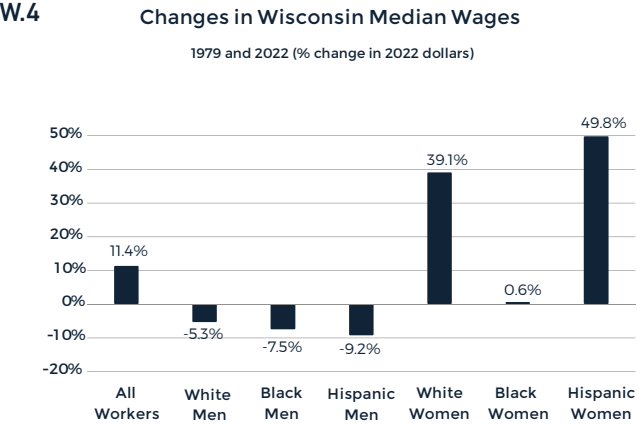
Source: Economic Policy Institute analysis of Current Population Survey data.

With a 2022 median wage of \$25.01 per hour, white men earned the most of the six demographic groups. White women and Black men earned roughly \$4 or 16% per hour less. In 2022, Wisconsin's Black men earned just slightly more than white women (\$21.04 compared to \$20.96).

With median earnings just under \$19 per hour, Hispanic men (\$18.84) and Hispanic women (\$18.75) lagged full \$6 per hour which is 25% behind white men in earnings. Finally, Black women's median wage, \$17.00 per hour, lagged white men's median by \$8 per hour, a wage gap of 33%.

Since 1979, women's wages have grown while men's wages have fallen. While substantial gender wage disparity still exists, the gap is smaller. W.4 makes the relatively positive trends for women clear.

W.4



Source: Economic Policy Institute analysis of Current Population Survey data.

The wage of Wisconsin's median worker grew by 11% from 1979 to 2022, but this advance was not common among the state's demographic groups. W.4 shows how real wages have changed since 1979. Men's wages have fallen. White men's wages are down 5.3% relative to 1979; Black men's are down 7.5%; Hispanic men's wages are down 9.2% over the same period.

Since 1979, Wisconsin women's real wages have grown. This is especially true for white and Hispanic women. The median for white women grew by nearly 40% for white women, and by nearly 50% for Hispanic women over the 43 years. Black women's wages were stagnant, barely moving over the period.

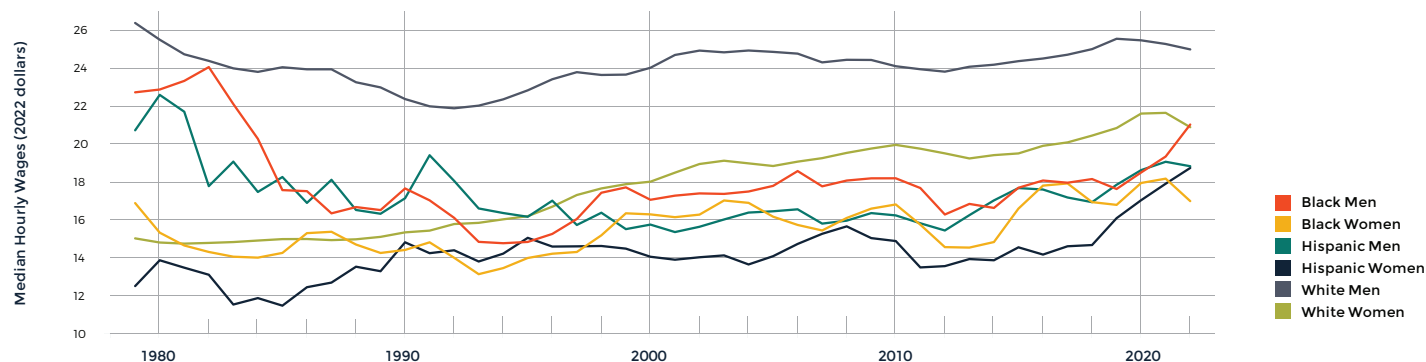
CONSIDERING GENDER, RACIAL, AND ETHNIC DISPARITY

In 1979, the labor market was marked by a clear gender disparity. By 2022, disparity by race and ethnicity was more pronounced.

W.5 allows you to see median wages for gender, race, and ethnicity from 1979-2022. The interactive data presentation allows you to select the groups you are interested in, and consider dynamics across different time periods. (We use three year moving averages in the chart to help clarify the presentation.)

W.5

Wisconsin Median Wages by Race, Gender, and Ethnicity 1979-2022 (2022 dollars)



Source: Economic Policy Institute analysis of Current Population Survey (CPS) data. Median wages presented as three year moving averages (except start and finish years) to adjust for volatility.

WAGE CHANGES 2019-2022 REDUCE DISPARITY

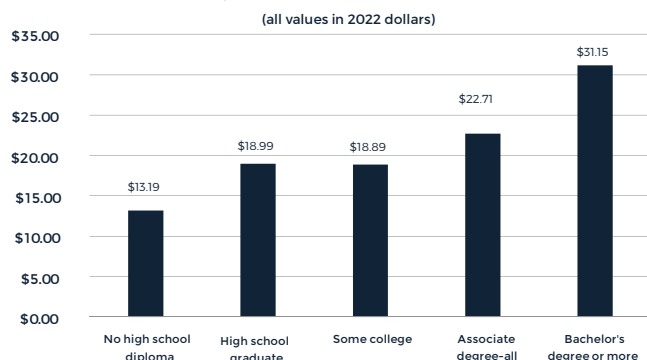
W.7 and W.8 focus on 2019-2022 wage trends and show reduction of the pronounced racial and ethnic wage disparities in the state.

WORKERS WITH HIGHER LEVELS OF EDUCATION EARN MORE

W.6 makes clear just how much education matters for Wisconsin workers.

W.6

Median Wages for Wisconsin Workers by Educational Attainment



Source: Economic Policy Institute analysis of Current Population Survey data.

In 2022, Wisconsinites with a Bachelor's degree or more education earned a median of \$31.15 per hour. Workers with Associate degrees earned \$22.71 per hour. Completing higher education secures wages above the state median overall of \$22.02.

Median wages for Wisconsin workers without college degrees fall under the state median. Workers with some college education and those with just a high school degree earn similar median wages (\$18.89 per hour and \$18.99 per hour, respectively). Workers with no high school diploma have a median wage of \$13.19 per hour.

W.7 Median Wages by Gender, Race, and Ethnicity, 2019-2022

(all values in 2022 dollars)

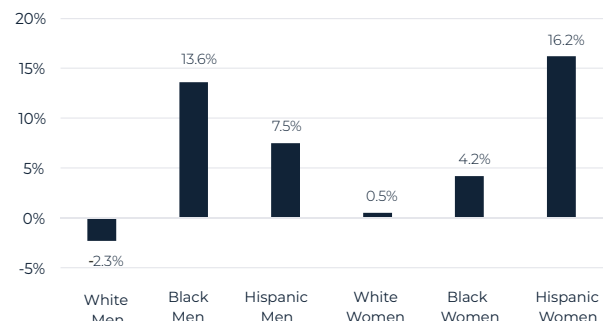
	2019	2022	% Change
White Men	\$25.59	\$25.01	-2.3%
Black Men	\$18.52	\$21.04	13.6%
Hispanic Men	\$17.52	\$18.84	7.5%
White Women	\$20.79	\$20.90	0.5%
Black Women	\$16.32	\$17.00	4.2%
Hispanic Women	\$16.14	\$18.75	16.2%

Source: Economic Policy Institute analysis of Current Population Survey data.

W.8

Change in Wisconsin Median Wages, 2019-2022

(% change in 2022 dollars)



Source: Economic Policy Institute analysis of Current Population Survey data.

Since 2019, white men and white women are the two groups with the weakest wage growth. The strongest wage gains have been made by Hispanic women (up 16 percent) and Black men (up 14 percent). Wages are up 8 percent for Hispanic men and 4 percent for Black women. The state's ethnic and racial wage gaps remain substantial, but they have diminished slightly since 2019.

This past year has seen workers at the bottom increase their wages, and this is reflected in the stronger wage growth of Wisconsin's Black and brown workers, who disproportionately work in low-wage jobs. Workers have taken advantage of the tight labor market to demand more from their jobs. The floor under wages in the state has come up, and this reduces wage disparity.

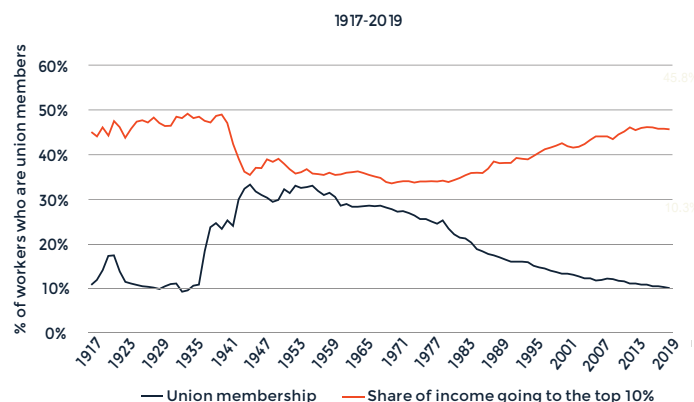
UNIONS

UNIONS PLAY AN ESSENTIAL ROLE IN THE ECONOMY.

Inside worksites, unions represent workers and raise wages and improve working conditions. When unions represent a significant share of workers in an industry, they raise job quality in that industry and even worksites outside union representation. Unions also support policy that improves the lives of working people – things like increasing access to health care, raising minimum wages, supporting and enforcing higher safety standards. Inside worksites, industries, and society, unions improve pay, working conditions and policy for working people. They help counteract the organized power of business interests in our society.

U.1 shows that unions are important to our broader political economy and society.

U.1 Union Membership and Share of Income Going to Richest 10%

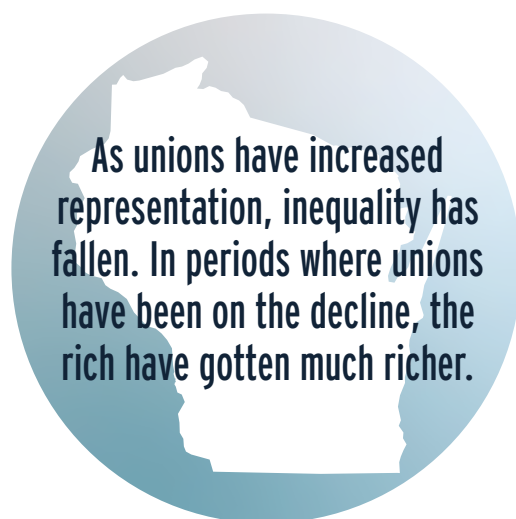


Source: Shierholz, *Working People Have Been Thwarted in Their Efforts to Bargain for Better Wages by Attacks on Unions*, Economic Policy Institute, August 2019.

The top line shows the share of income going to the nation's richest 10 percent. The dramatic rise of this line shows growing inequality over the past two decades. The U.S. now has levels of inequality not seen since the 1930s.

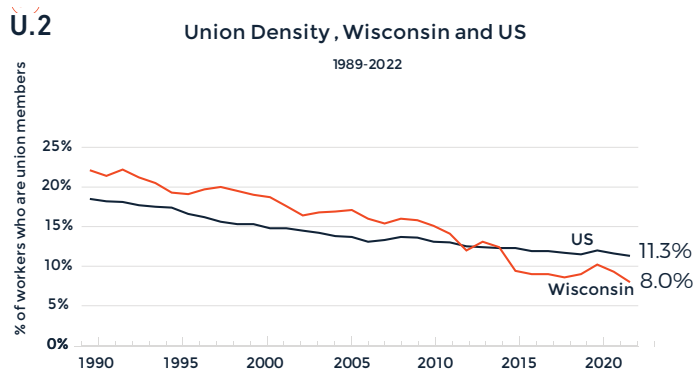
The bottom line charts the share of the workforce in unions and shows the increase in unionization after WWII and subsequent decline in unionization that began some 50 years ago. As unions have increased representation, inequality has fallen. In periods where unions have been on the decline, the rich have gotten much richer. This chart clarifies the broad implications of union power.

Unionization has seen a long downward slide, but in recent years public support for unions has risen dramatically. A 2022 Gallup poll found that 71% of Americans now approve of labor unions, a level not seen since 1965. From Starbucks to Amazon, workers are increasingly organizing unions outside of traditional areas of union strength. Even with the increasing organizing and popular support, unionization remains at a very low level. This is an exciting time, but it is not yet clear if the innovation and commitment of workers who are leading the movement for their rights will be powerful enough to begin rebalancing the playing field between worker and business interests.



WISCONSIN UNIONIZATION

Wisconsin has a strong union tradition and was the birthplace of public sector unions.



Source: Hirsch, Macpherson, and Even, *Union Membership and Coverage Database, Union Stats, 2023*.

Wisconsin's deep union history is clear in U.2. In 1989, one of every five workers in the state was a union member – unionization well above the national rate at the time. Unionization has fallen steadily in Wisconsin from one in five workers in 1989 to well under one in ten workers today.

The relative decline of Wisconsin's unions is also clear in the chart. From 1989 to 2011, Wisconsin's unionization rate was above the national average. In 2012, Wisconsin slipped to the national line and then fell below it.

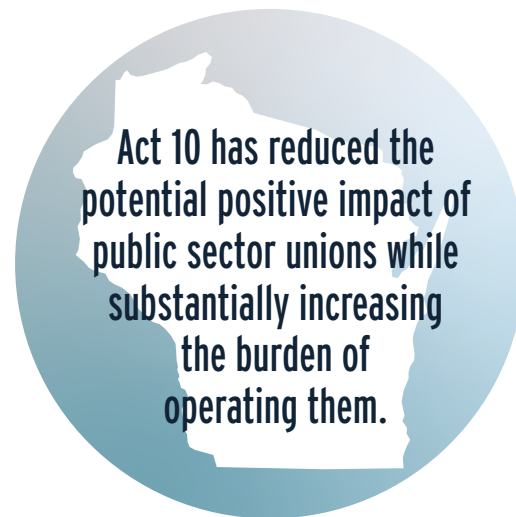
WISCONSIN UNIONS: REDEFINED IN 2011

The deeper decline of unions in Wisconsin is the direct result of state policy.

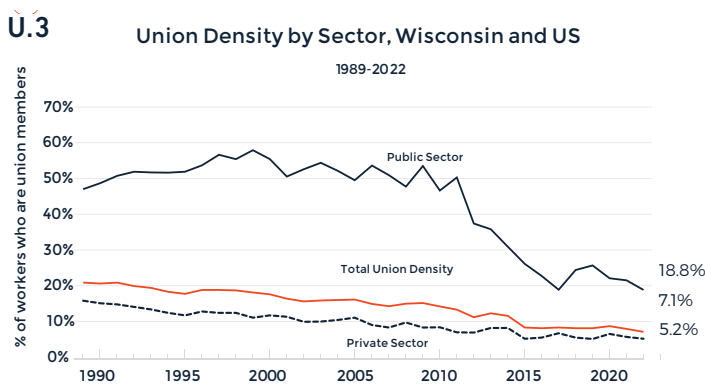
In 2011, despite an outpouring of support for public sector bargaining rights, the state legislature passed Act 10 which restructured the terms of Wisconsin's public sector unionization, reducing public unions' power, relevance, and membership. A few years later, the state also enacted "right-to-work" legislation, a blow to private sector unions as well.

The structure of Act 10 does not actually prohibit the existence of public sector unions. Rather, it restructures the rules around them, limiting their power and relevance and increasing the burden of keeping them going. For example, Act 10 limits the bargaining of public-sector unions to only wages. Bargained wage increases, specifically, cannot exceed the rate of inflation. This obviously undermines the relevance of wage negotiations and leaves some of the most important issues to workers – benefits, safety, and scheduling – off the table. Further, employers are not allowed to collect union dues in paychecks, even when workers demonstrate and document interest in such collection.

Additionally, Act 10 requires an annual vote to maintain its certification as a union. In that vote, the union must receive the support of at least 51% of all members of the unit, regardless of how many members actually vote. Taken together, Act 10 has reduced the potential positive impact of public sector unions while substantially increasing the burden of operating them. Public sector unions have been devastated as a result.



U.3 provides the trends in unionization for public and private sector workers (as well as the overall rate) and makes clear the significant de-unionization from Act 10 in Wisconsin.



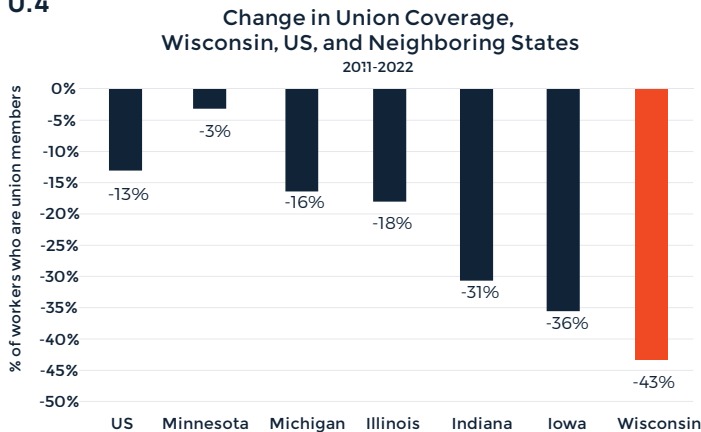
Source: Hirsch, Macpherson, and Even, *Union Membership and Coverage Database, Union Stats, 2023*.

Across the early 2000s, more than half of public sector workers in the state were union members. The unionization has fallen by more than half, with just 19 percent of public sector workers in unions in Wisconsin in 2022. The 2015 passage of "right to work" legislation which makes operating unions in the private sector much harder has had a negative impact on unions in the state as well. Private sector unionization has declined, but public sector unionization has fallen much more dramatically.

UNION TRENDS IN WISCONSIN VS. NEIGHBORING STATES

Wisconsin's union decline is the worst.

U.4



Source: Hirsch, Macpherson, and Even, *Union Membership and Coverage Database, Union Stats, 2023*.

From 2011-2022, Wisconsin unionization fell by more than one third, from 14.1 to 8 percent. Over that same period, the national rate fell from 13 to 11.3 percent. The Wisconsin decline is 3 times faster than the national decline and the greatest decline among neighboring states (see U.4).

State trends in unionization reflect state policy and industrial structure. In striking contrast to national and regional trends, Minnesota's unionization has held strong (15.8 in 2011 and 15.3 in 2022). Declines in Michigan and Illinois match national decline. Indiana and Iowa, both "right to work" states, join Wisconsin with dramatic declines. Even so, Wisconsin's decline is the most pronounced in the region.

UNIONS AND WAGES

When unions are strong, they raise labor standards not only in represented jobs, but throughout the economy.

Despite de-unionization over the last half century, unions continue to support workers, improve wages in worksites and often in entire sectors, and support policy that helps workers, families, and communities thrive. Unions have been essential partners in movements to raise the minimum wage, to defend the ACA, and to secure strong protections and support for all workers. Wisconsin policies have made unionization more difficult, but workers across the state, through their organizing and their unions, continue to pursue economic justice.





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