

The State of Madison

Week 4: Employment continues to rise

QUESTIONS? Contact Professor Bill Pinkovitz of the UW-Extension at bill.pinkovitz@ces.uwex.edu.

Economic Snapshot is a weekly feature provided by the



Jobs to fill, even during the recession

Even when the economy sinks into recession and the unemployment rate rises dramatically, businesses and governments still hire employees.

More than 60,000 people were hired in the three-county Madison Metropolitan Statistical Area (MSA) during the first six months of 2009. This occurred while the bank bailout was under way and General Motors was teetering on the brink of bankruptcy. The stock market was at 10-year lows and home foreclosures were skyrocketing. By June 2009, the unemployment rate in the MSA (Dane, Columbia and Iowa counties) had peaked at 6.6 percent, an increase of 76 percent, or almost 10,000 more unemployed people, compared with June 2008.

Despite this, there were 61,555 “new hires”

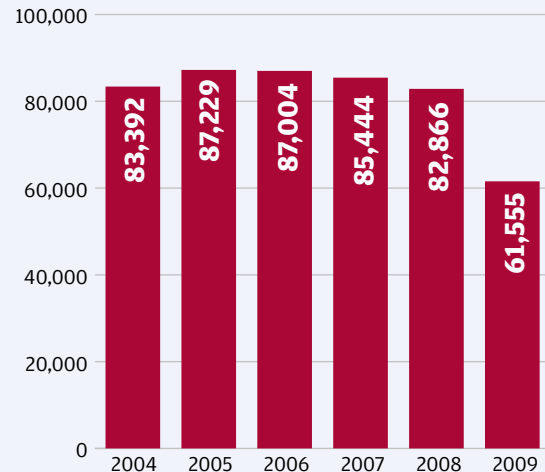
in the MSA during the first six months of 2009, according to the U.S. Census Quarterly Workforce Indicators. New hires are defined as the number of people hired who were not employed by the same employer during the previous four quarters.

Unfortunately, these gains were more than offset by the jobs lost in the region. Regardless, the number of new hires does reveal some of the dynamic changes that are occurring in the labor market even during times of economic distress.

The following chart includes the number of hires in the MSA during the first six months of the year. More data, including industry-specific data, is available at: <http://lehd.did.census.gov/led/datatools/qwiapp.html>.

Number of new hires in Madison MSA

First six months of each year



Source: U.S. Census QWI

State Journal