WISCONSIN DWD

Economic Outlook

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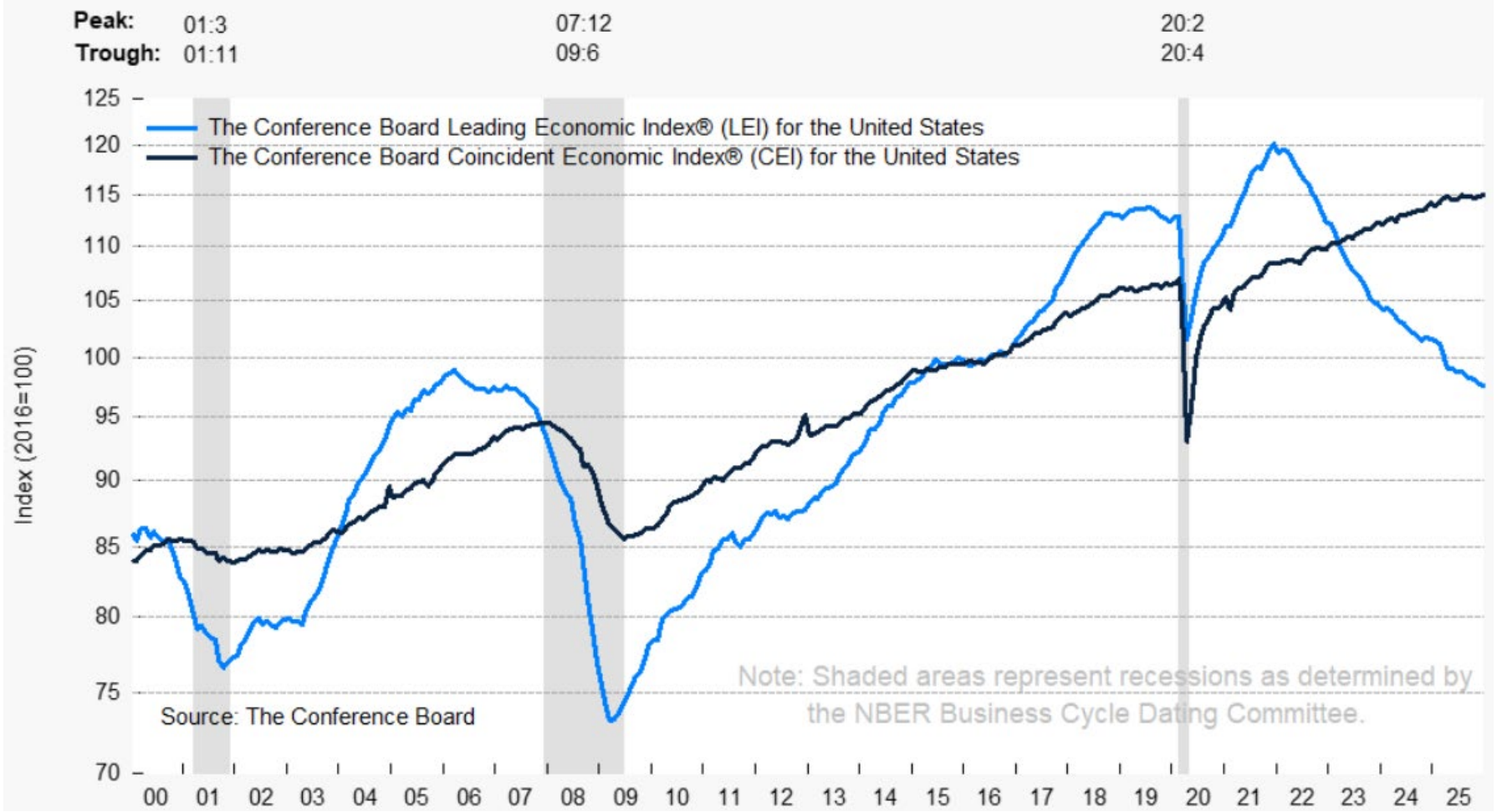
Section Chief | Office of Economic Advisors

March 2nd, 2026

Leading Economic Indicators



LEI down 0.2 in December 2025.

Stock prices main support.

Weak new manufacturing orders and low consumer expectations.

US Initial UI claims factored in as well.

The Conference Board projects continued slowing.

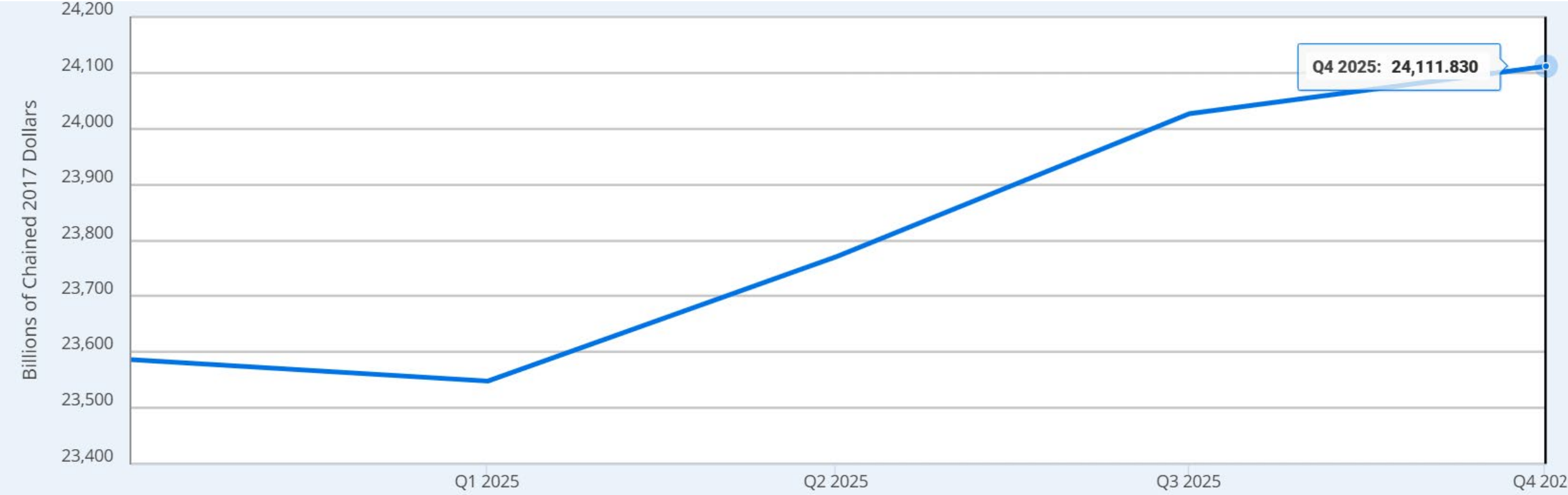
"Economists have successfully predicted nine of the last five recessions."

– Paul Samuelson

S & P 500

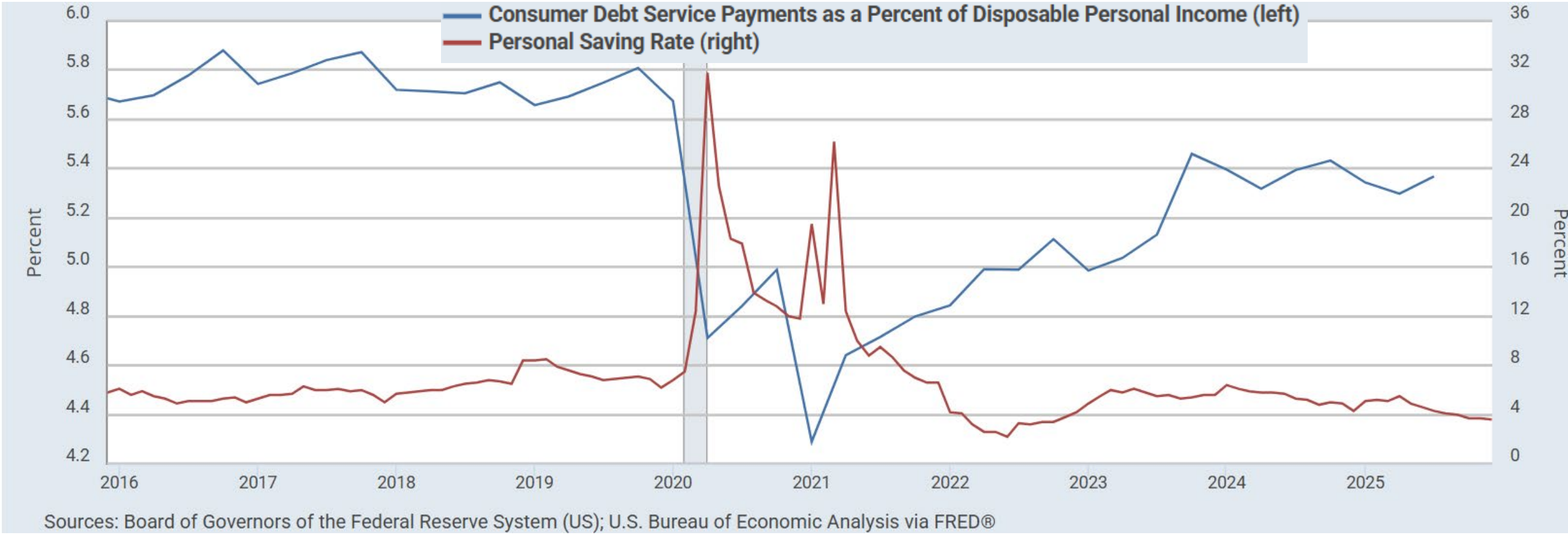

6,890.14
+3,078.99 (80.79%) past 5 years
Feb 24, 1:19 PM EST
1D
5D
1M
6M
YTD
1Y
5Y
Max
7,000
6,000
5,000
4,000
3,000
2022
2023
2024
2025
2026
6,890.21 Feb 24, 2026

Real Gross Domestic Product (GDP)



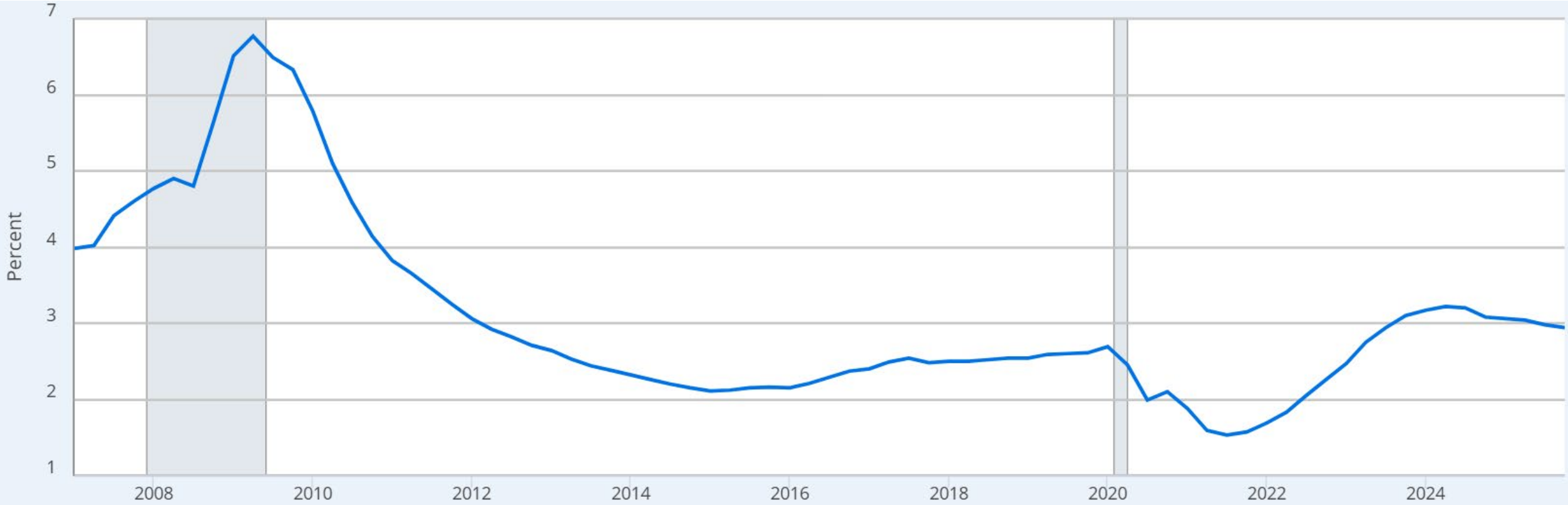
Source: US Dept of Commerce – Bureau of Economic Analysis via St. Louis Federal Reserve FRED

Consumer Debt Service Payments



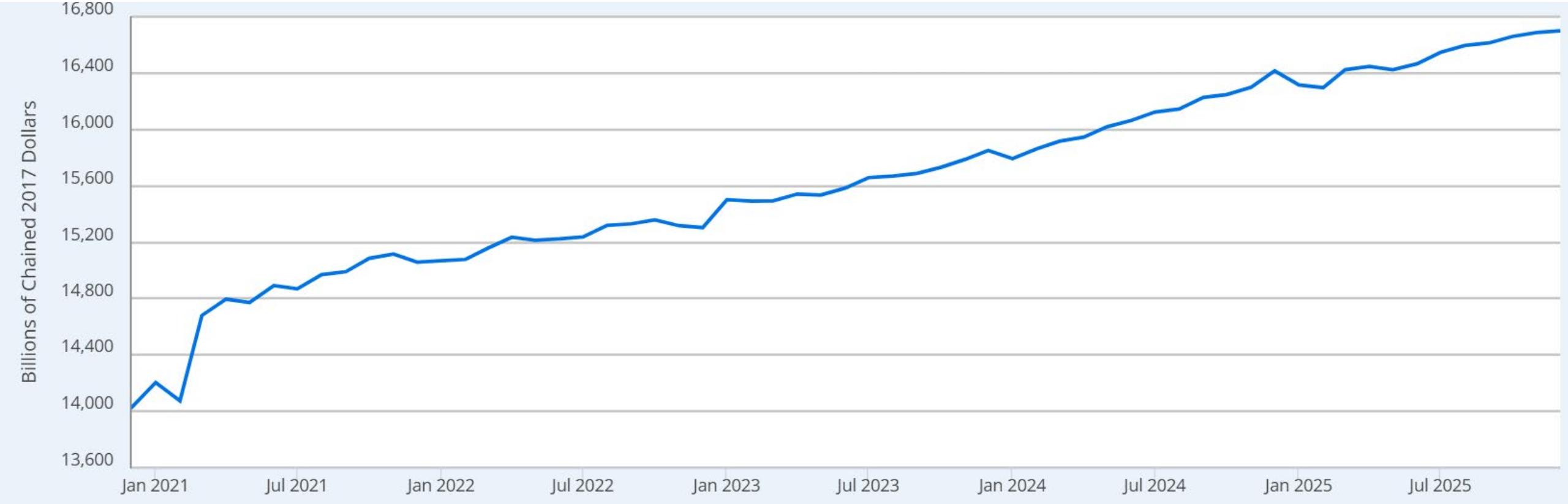
Sources: Board of Governors of the Federal Reserve System (US); U.S. Bureau of Economic Analysis via FRED®

Delinquency Rate: Credit Card Loans



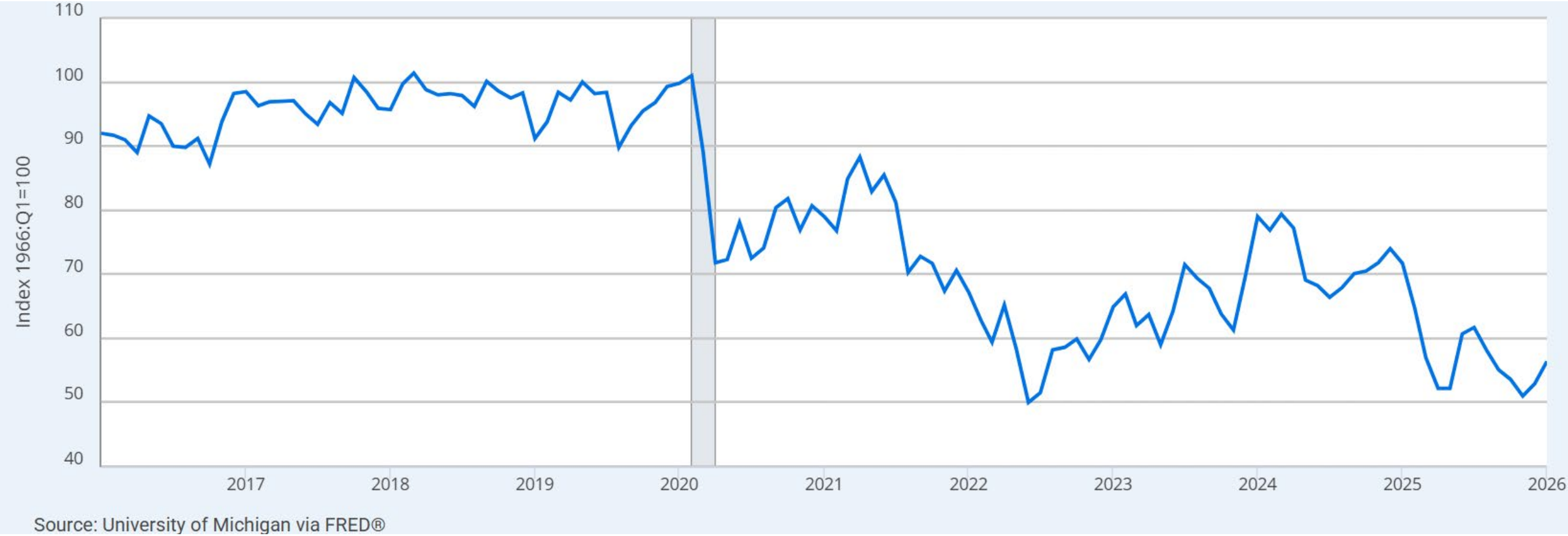
Source: Board of Governors of the Federal Reserve System (US) via FRED®

Real Consumer Spending (PCE)



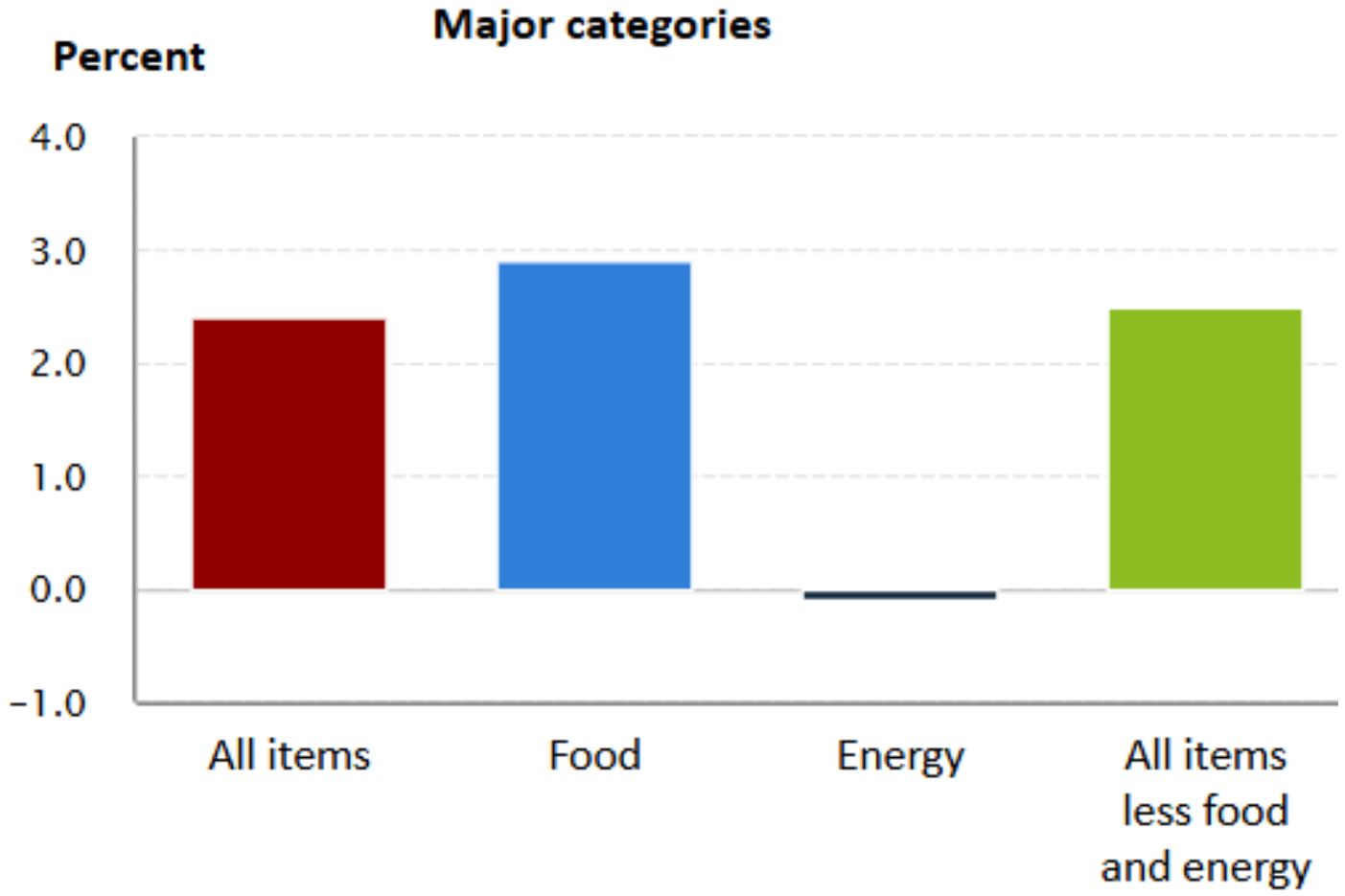
Source: US Dept of Commerce – Bureau of Economic Analysis via St. Louis Federal Reserve FRED

Consumer Sentiment



Source: University of Michigan via FRED®

12-month percentage change, Consumer Price Index, selected categories, January 2026, not seasonally adjusted

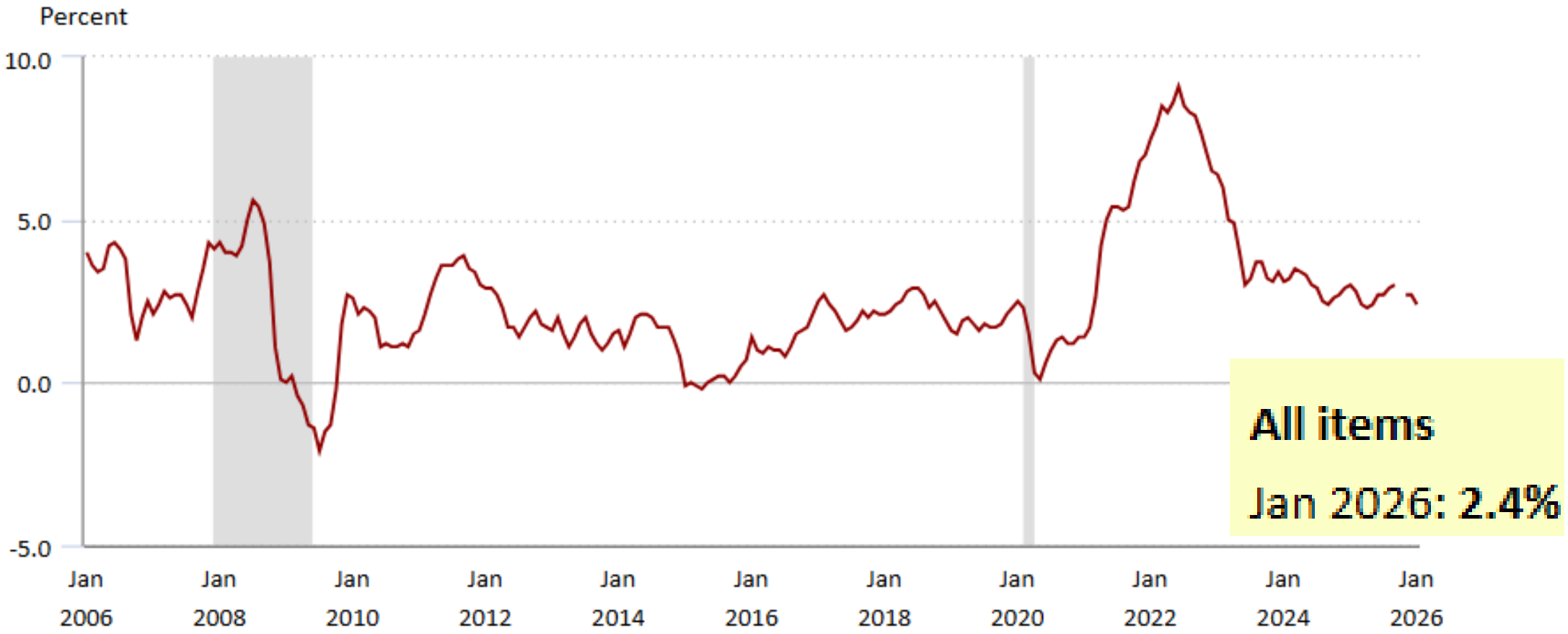


Source: U.S. Bureau of Labor Statistics.

Consumer Price Index for Urban Consumers(CPI-U)

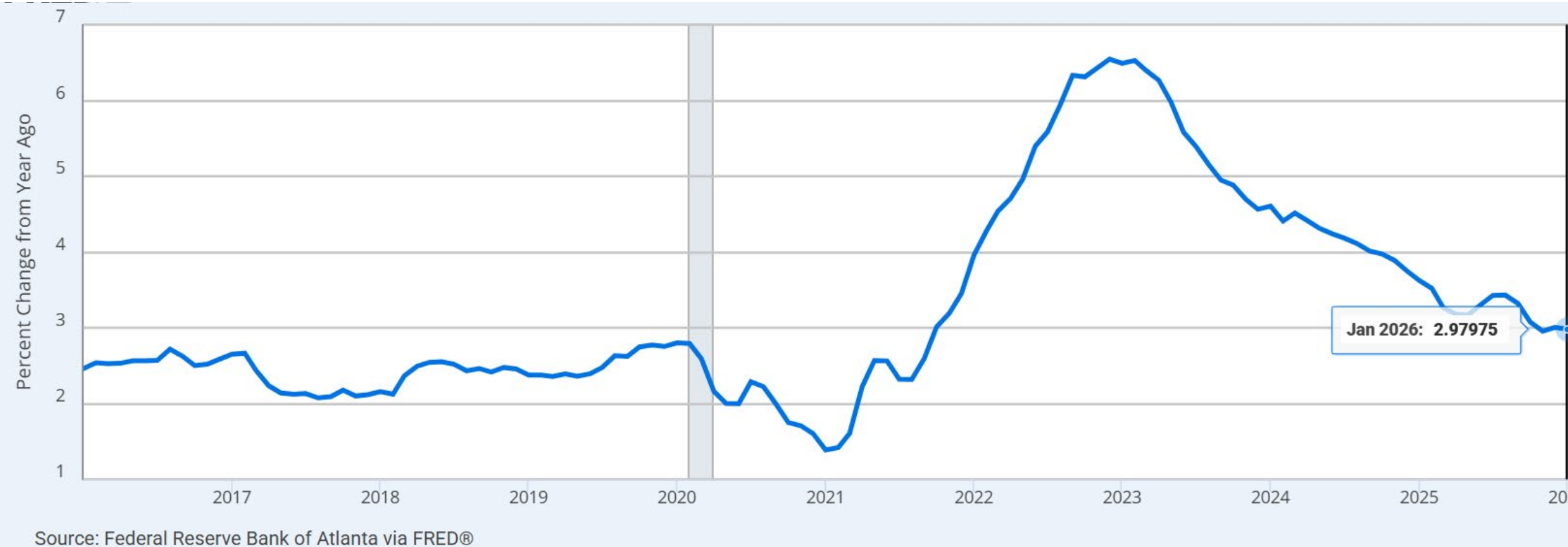
12-month change at 2.4%

12-Month CPI-U Percent Change



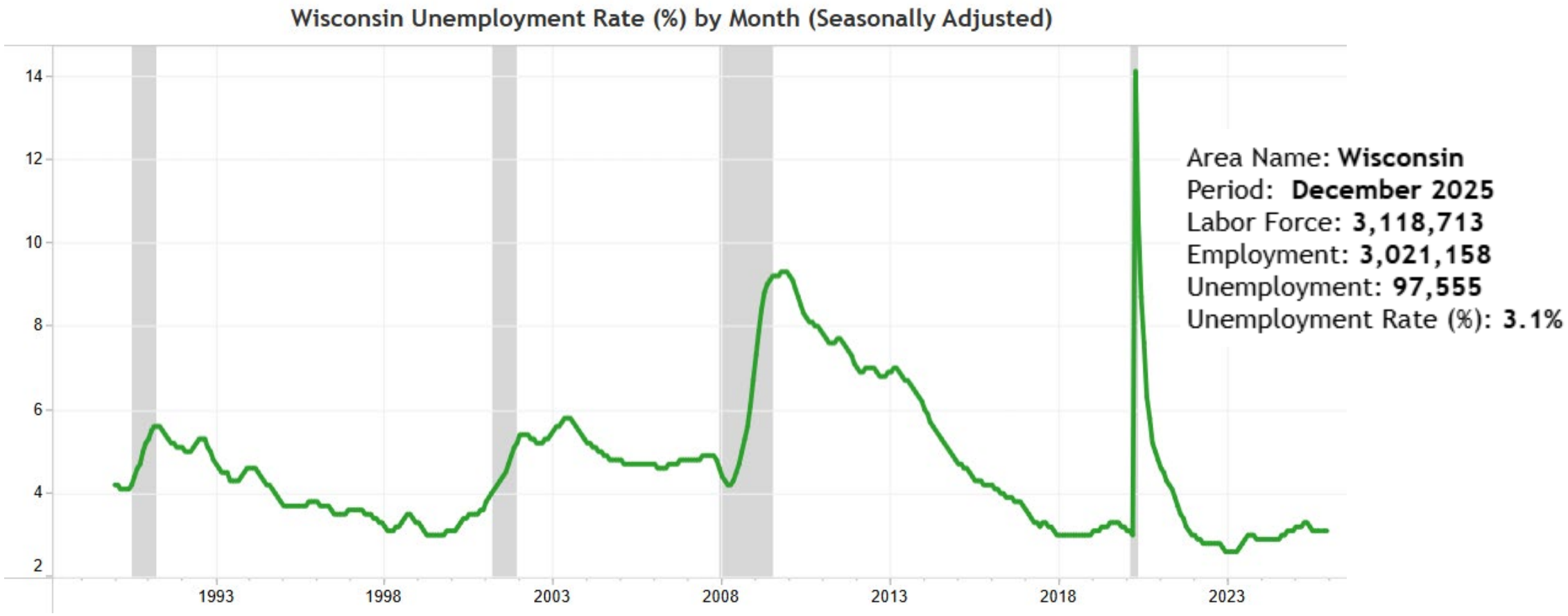
Source: BLS Statistics – Consumer Price Index - U– National data

Inflation: "Sticky" CPI



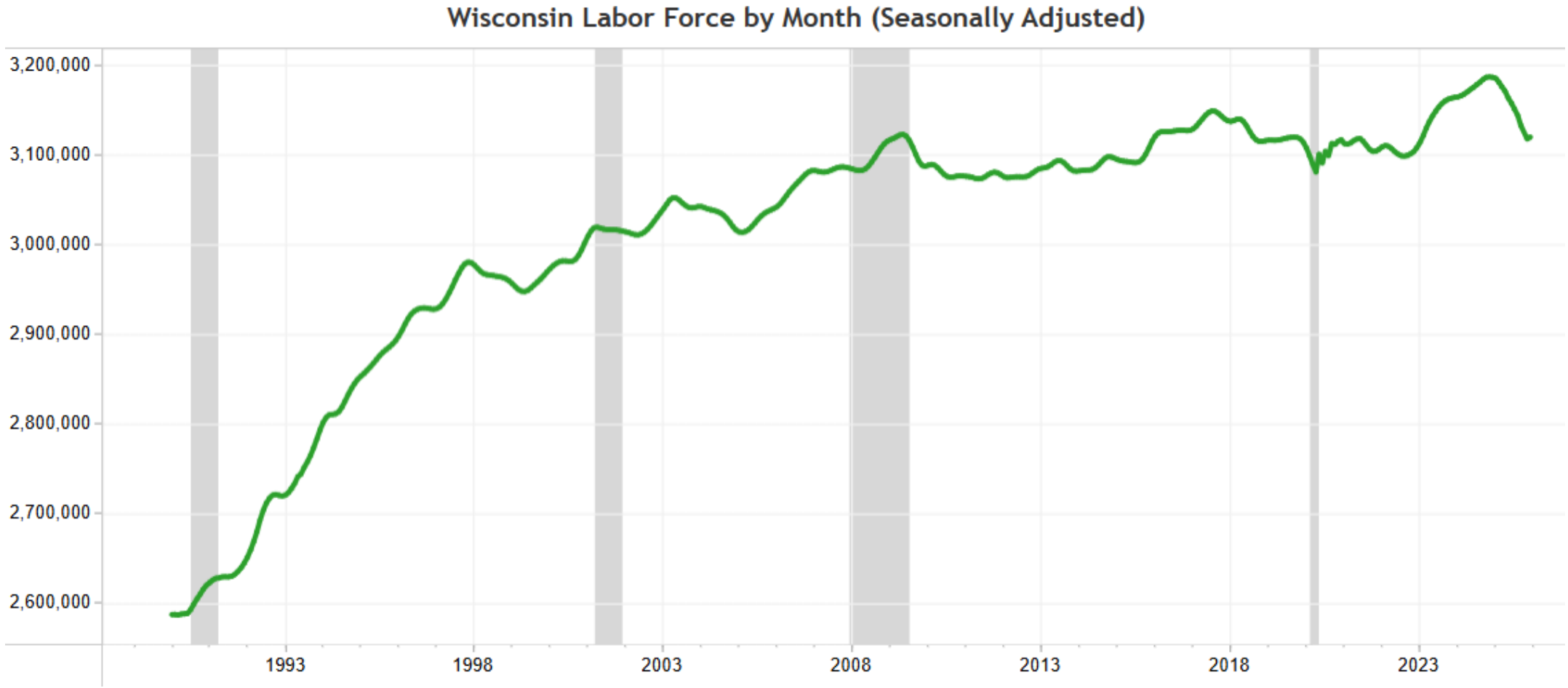
Source: Federal Reserve Bank of Atlanta – Using BLS CPI

Unemployment Rates



Source: Wisconsin Department of Workforce Development BLS Statistics-WisConomy

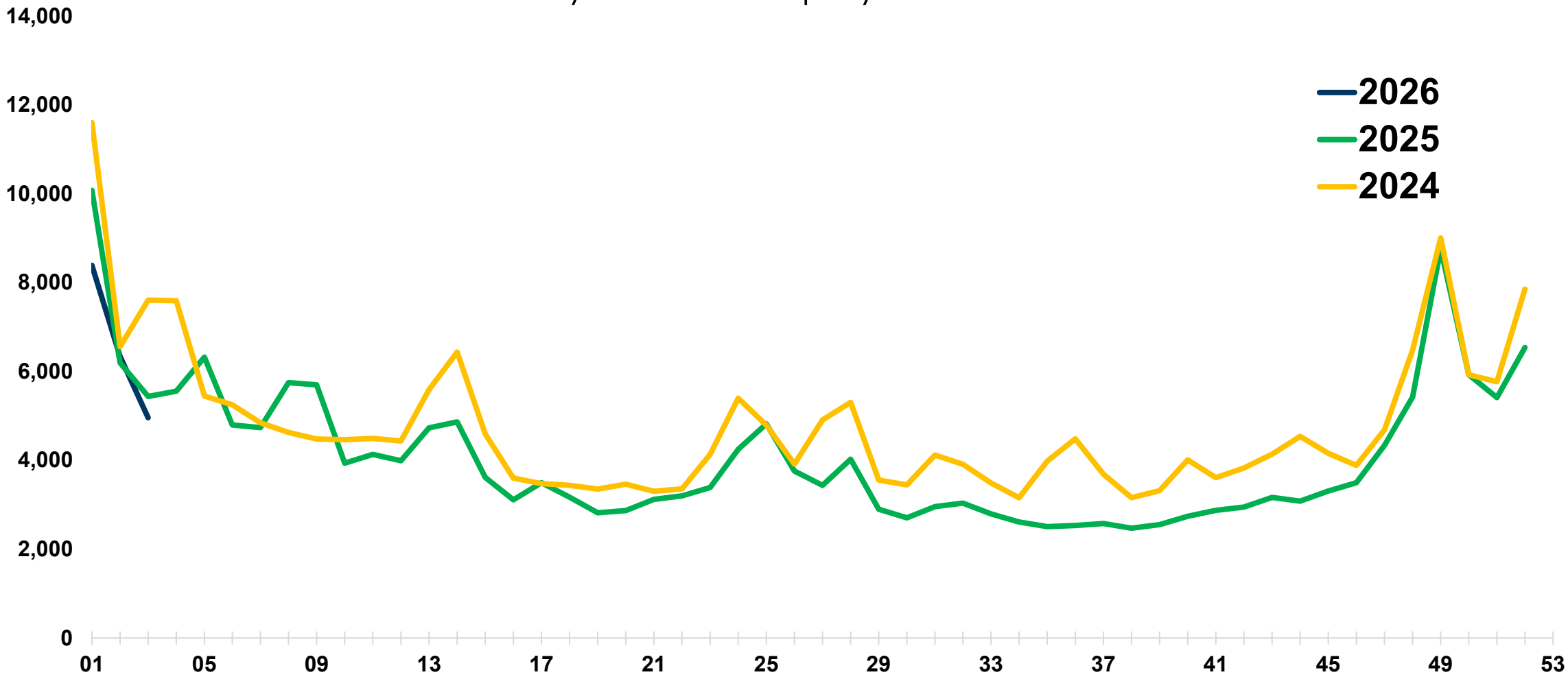
Labor Force in Wisconsin



Source: BLS Statistics-WisConomy

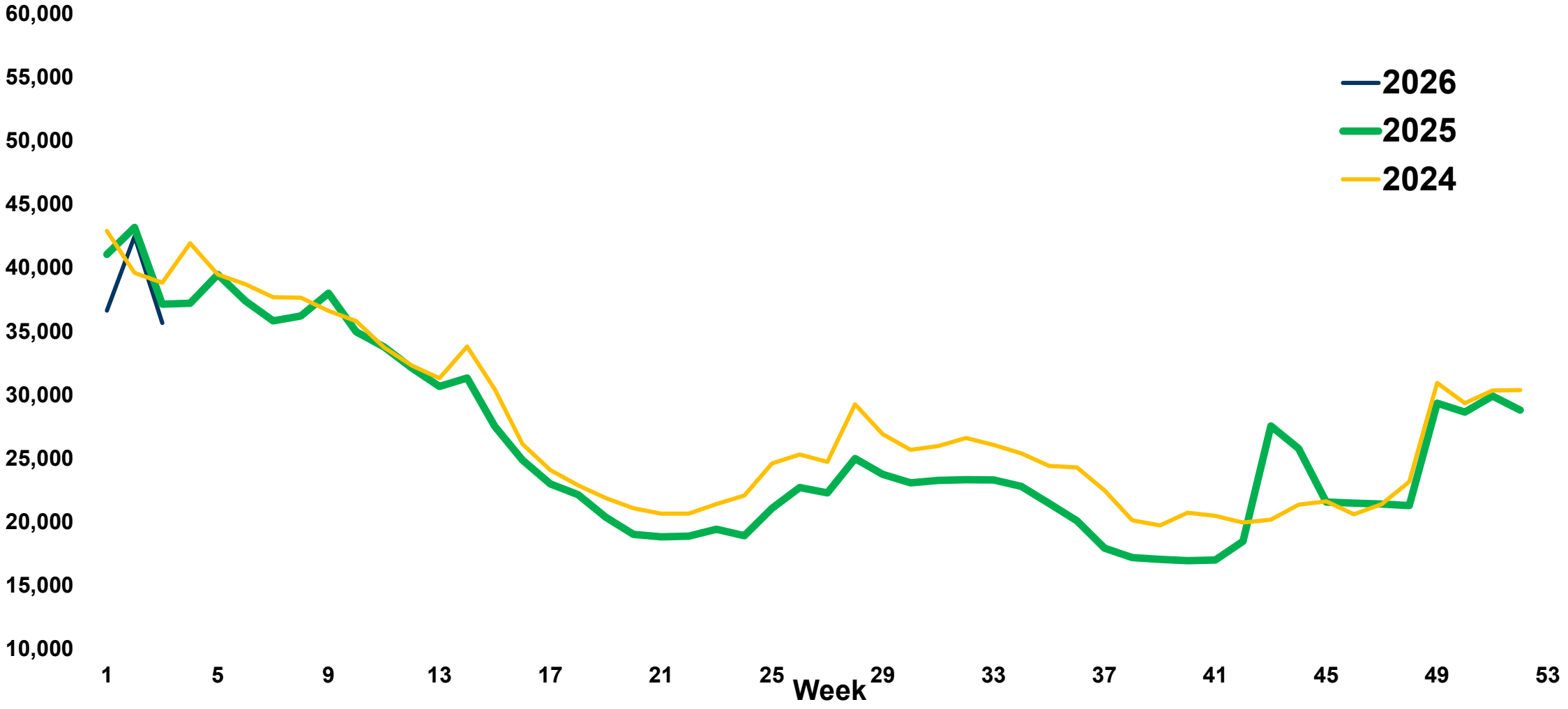
Unemployment Insurance Claims

Weekly Initial Unemployment Claims

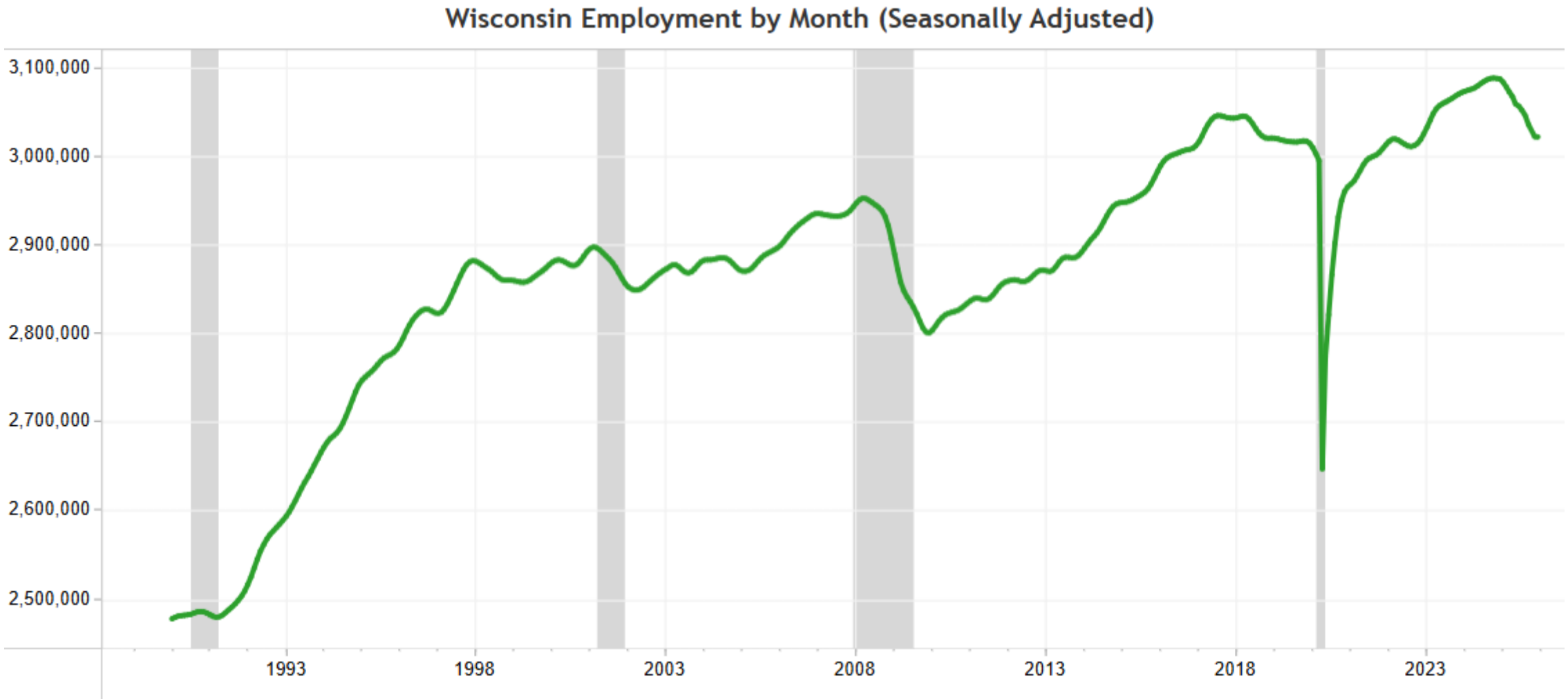


Unemployment Insurance Claims

Weekly Continued Unemployment Claims

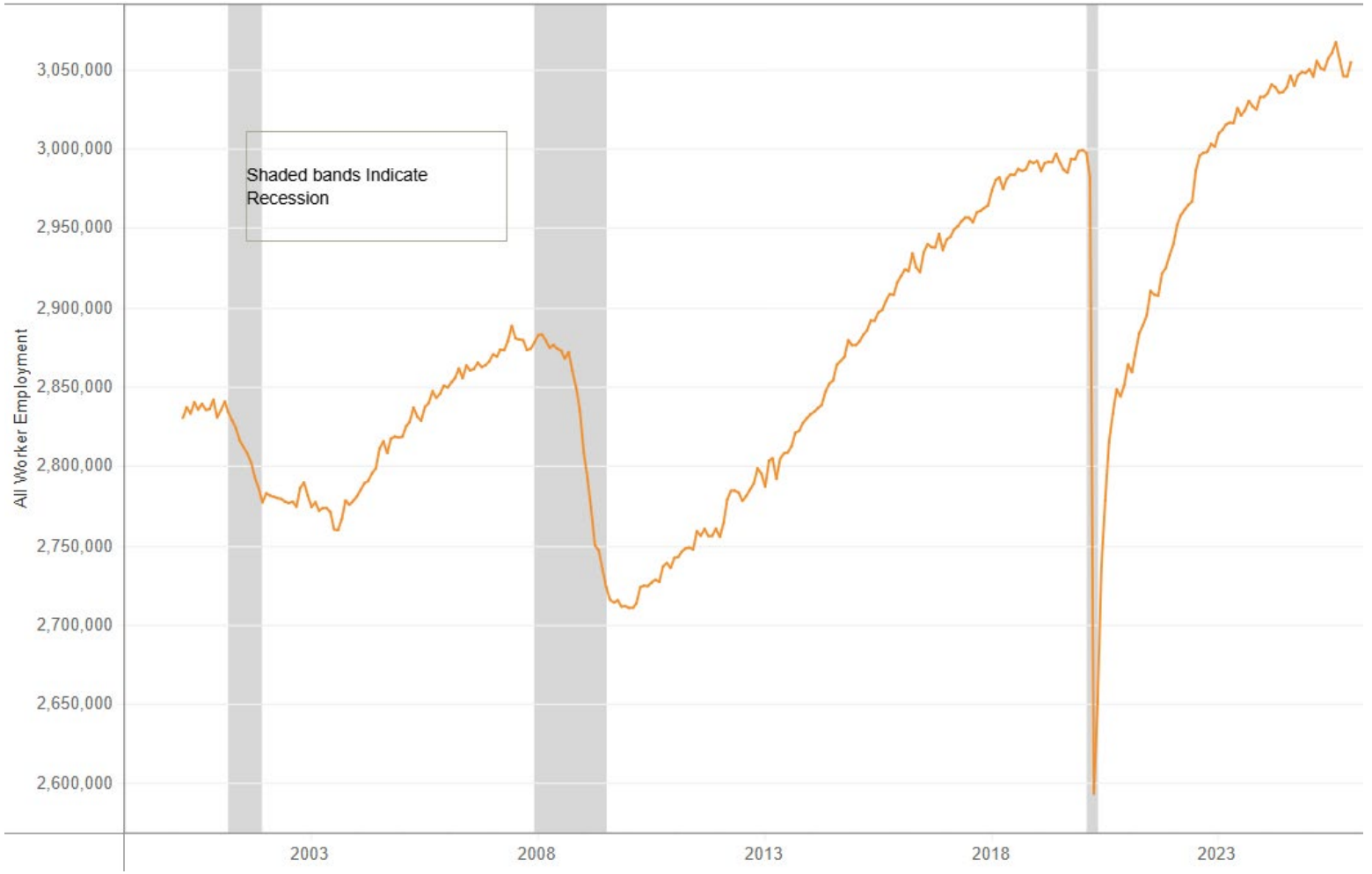


Employment in Wisconsin



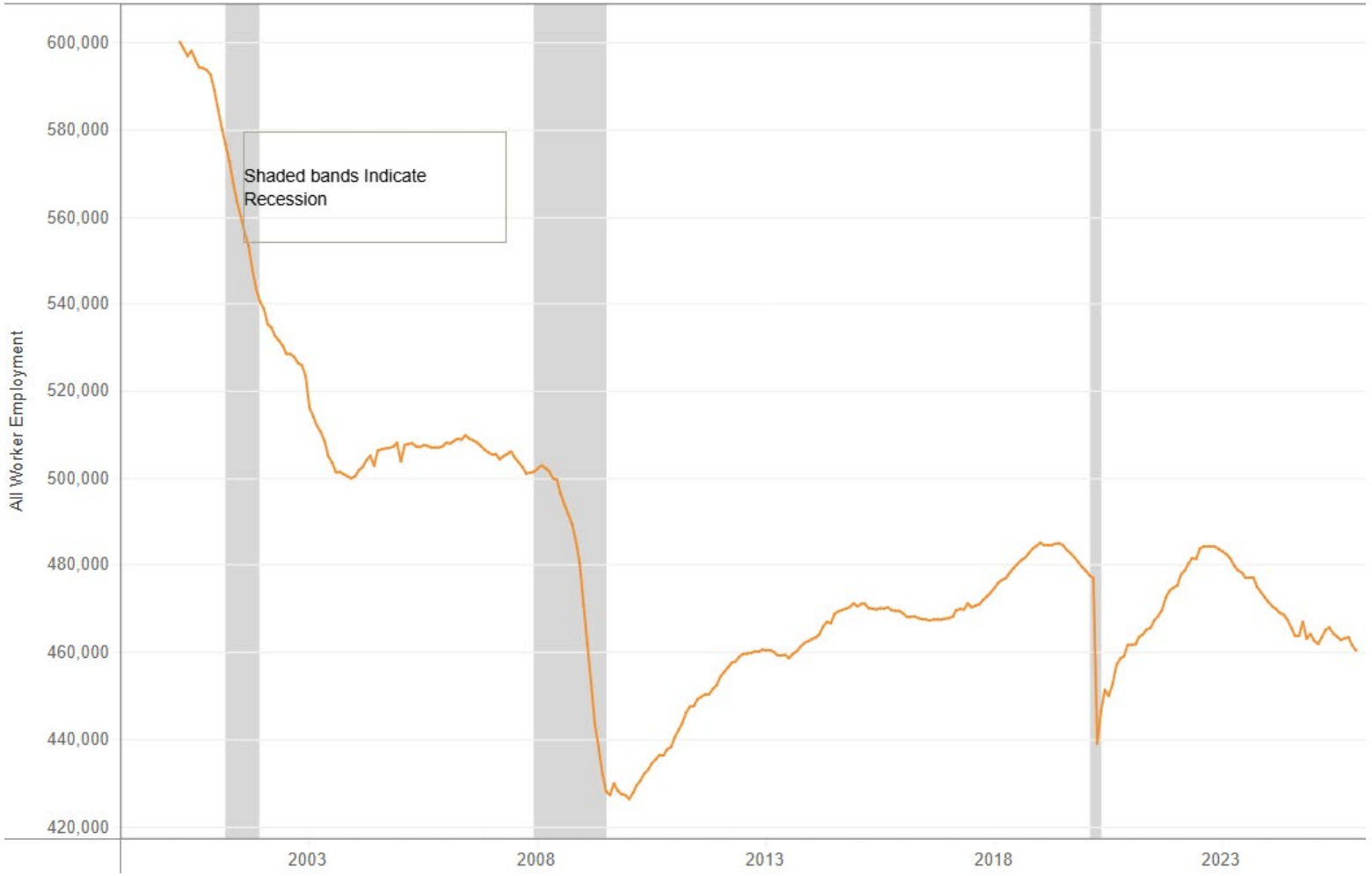
Source: BLS Statistics via – WisConomy

Total Nonfarm Jobs in Wisconsin (CES)



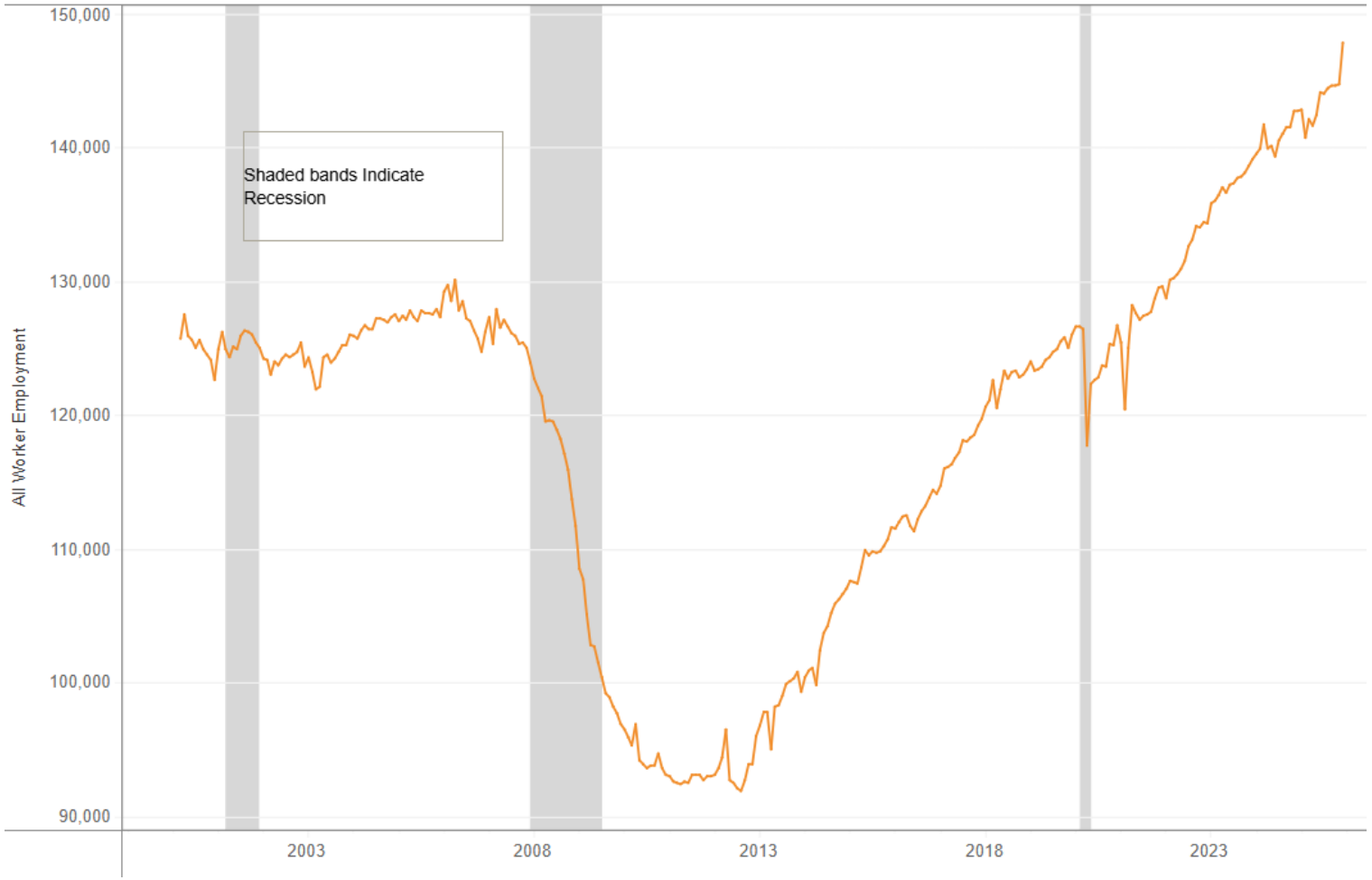
Source: BLS Statistics, seasonally adjusted

Manufacturing Jobs in Wisconsin



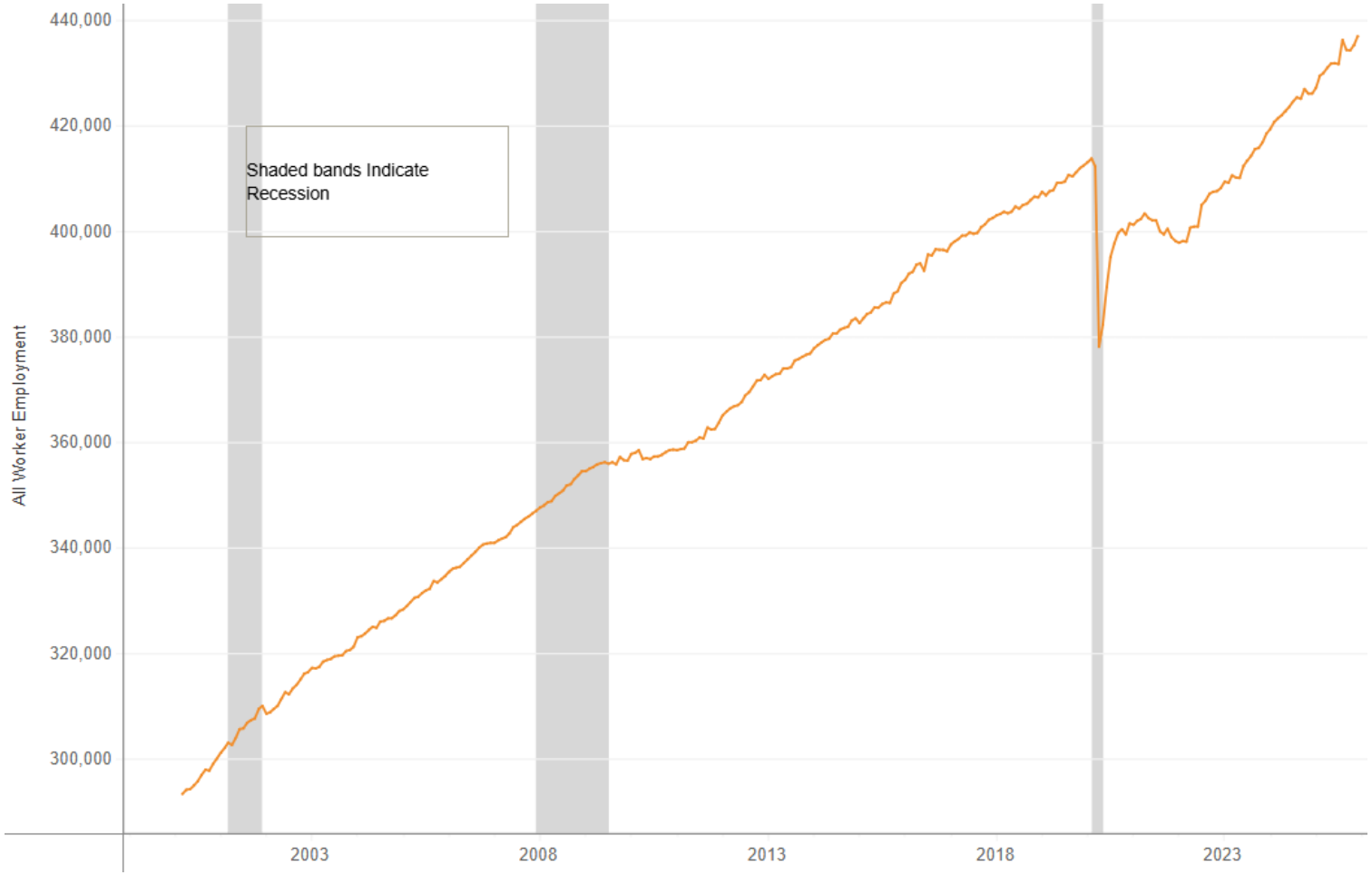
Source: BLS Statistics, seasonally adjusted

Construction Jobs in Wisconsin



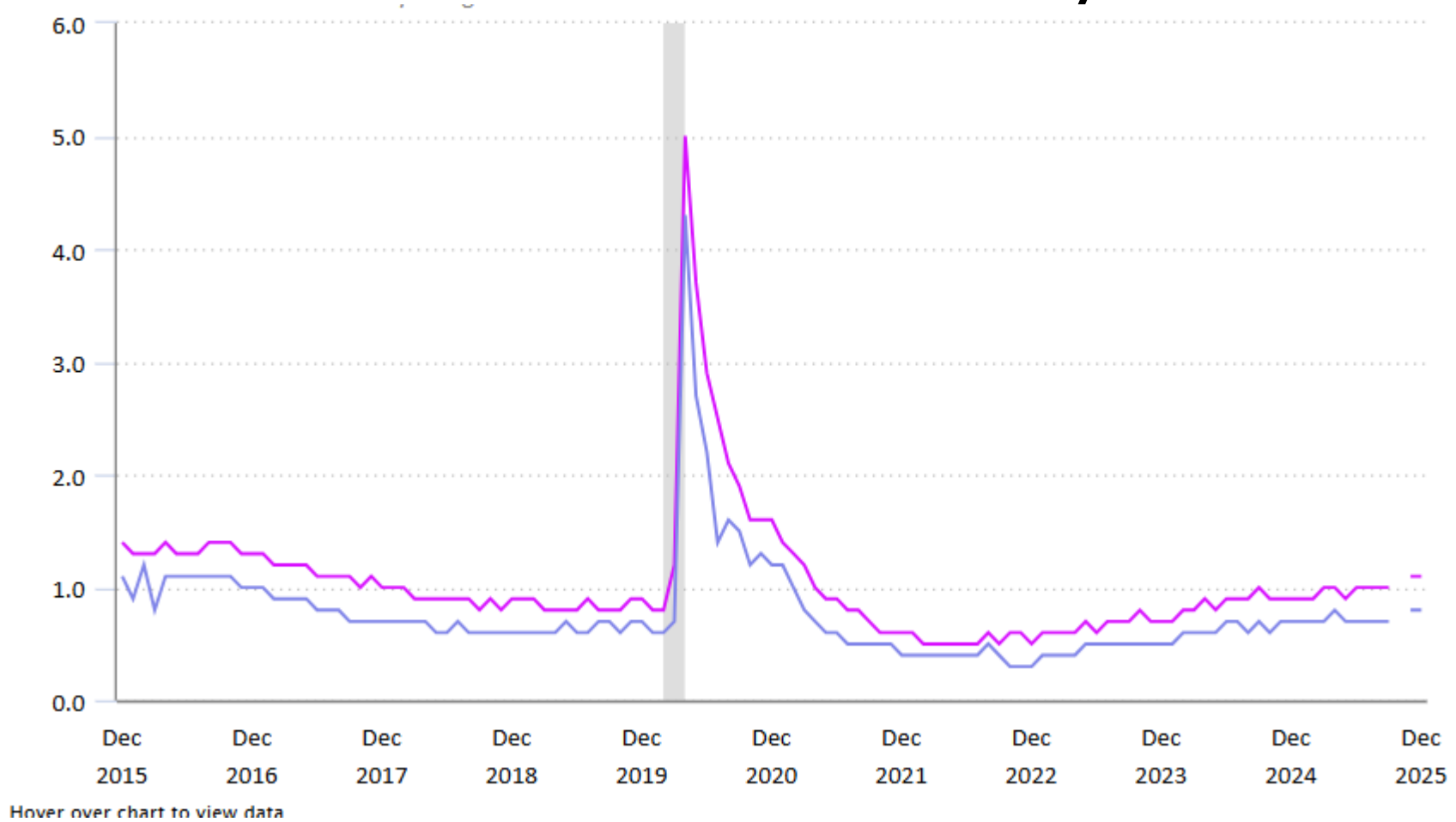
Source: BLS Statistics, seasonally adjusted

Healthcare Jobs in Wisconsin



Source: BLS Statistics, seasonally adjusted

Job Openings and Labor Turnover Survey



Unemployed per Job Opening

Total U.S.

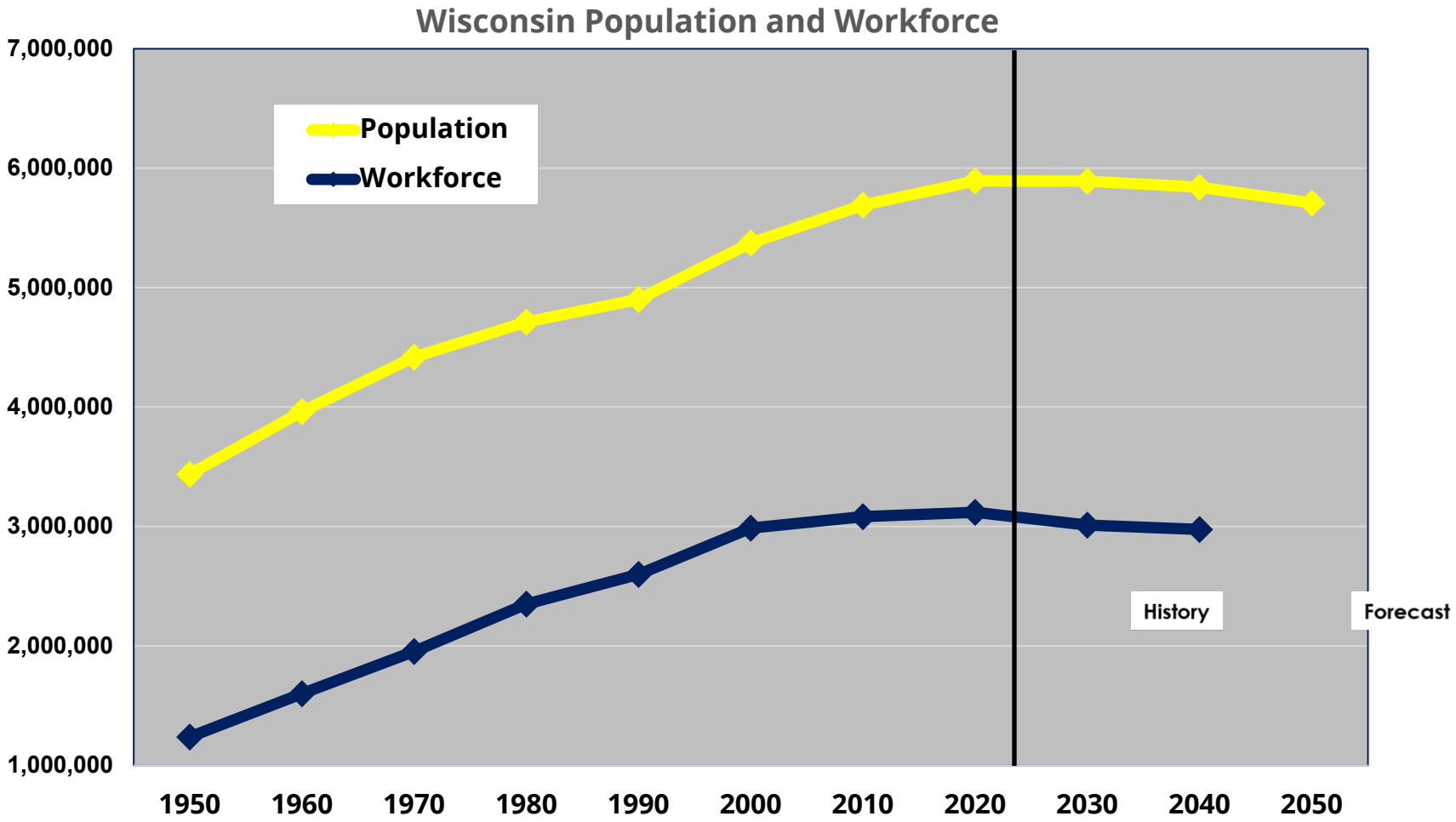
Dec 2025: **1.1**

Wisconsin

Dec 2025: **0.8**

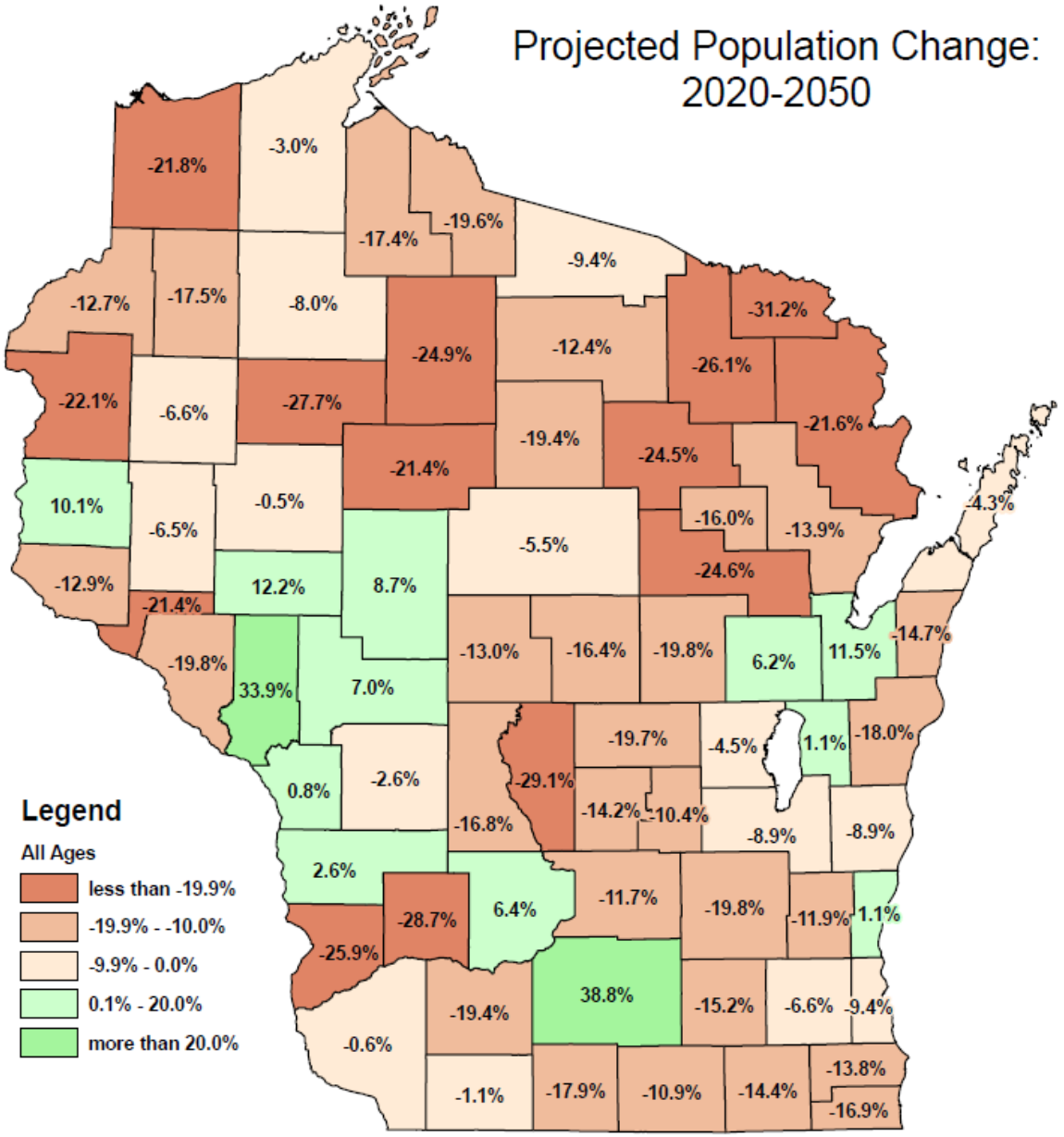
Source: BLS Statistics – Job Openings and Labor Turnover Statistics JOLTS

Wisconsin's Workforce Growth



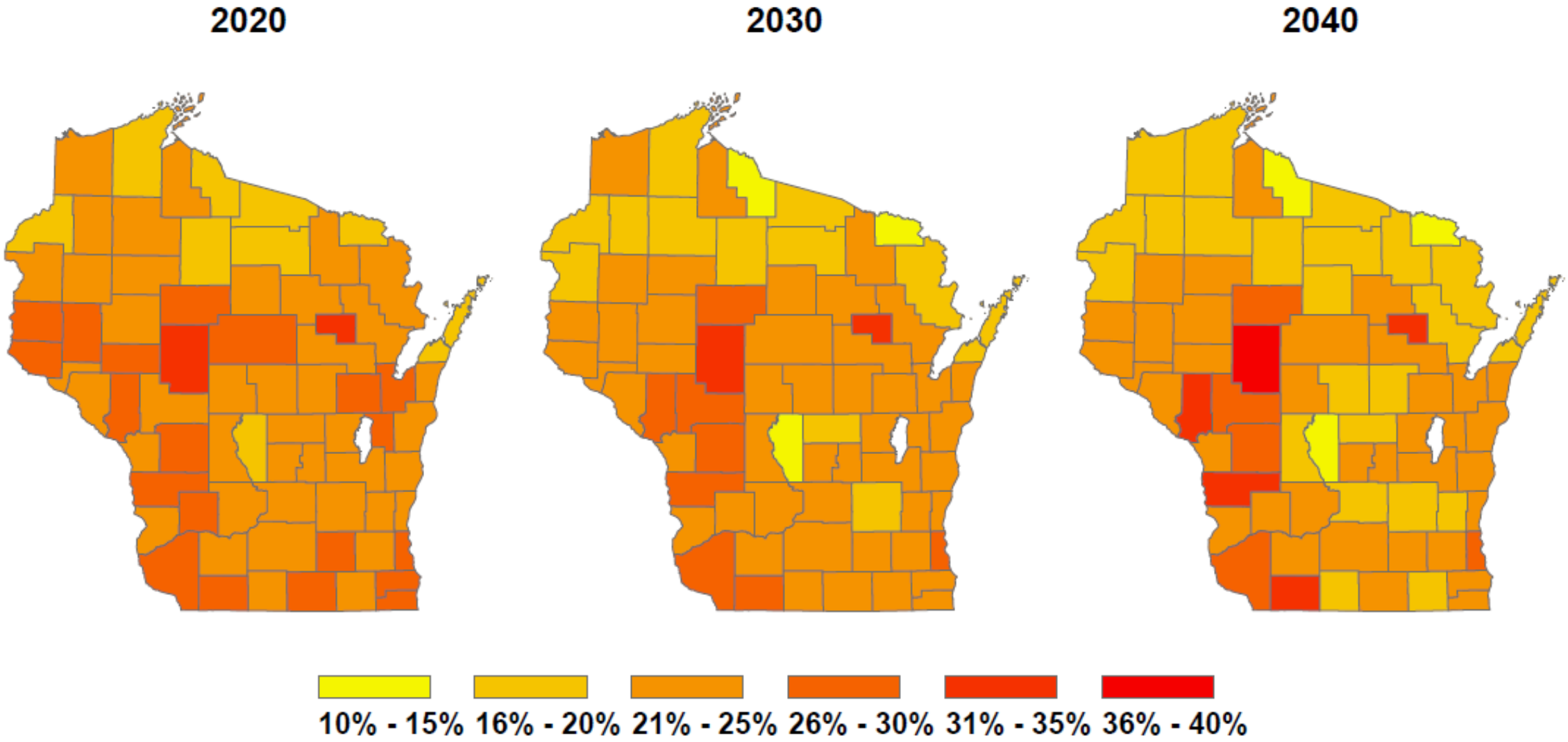
[Labor Supply Projections for Wisconsin]

Source: Bureau of Census, OEA



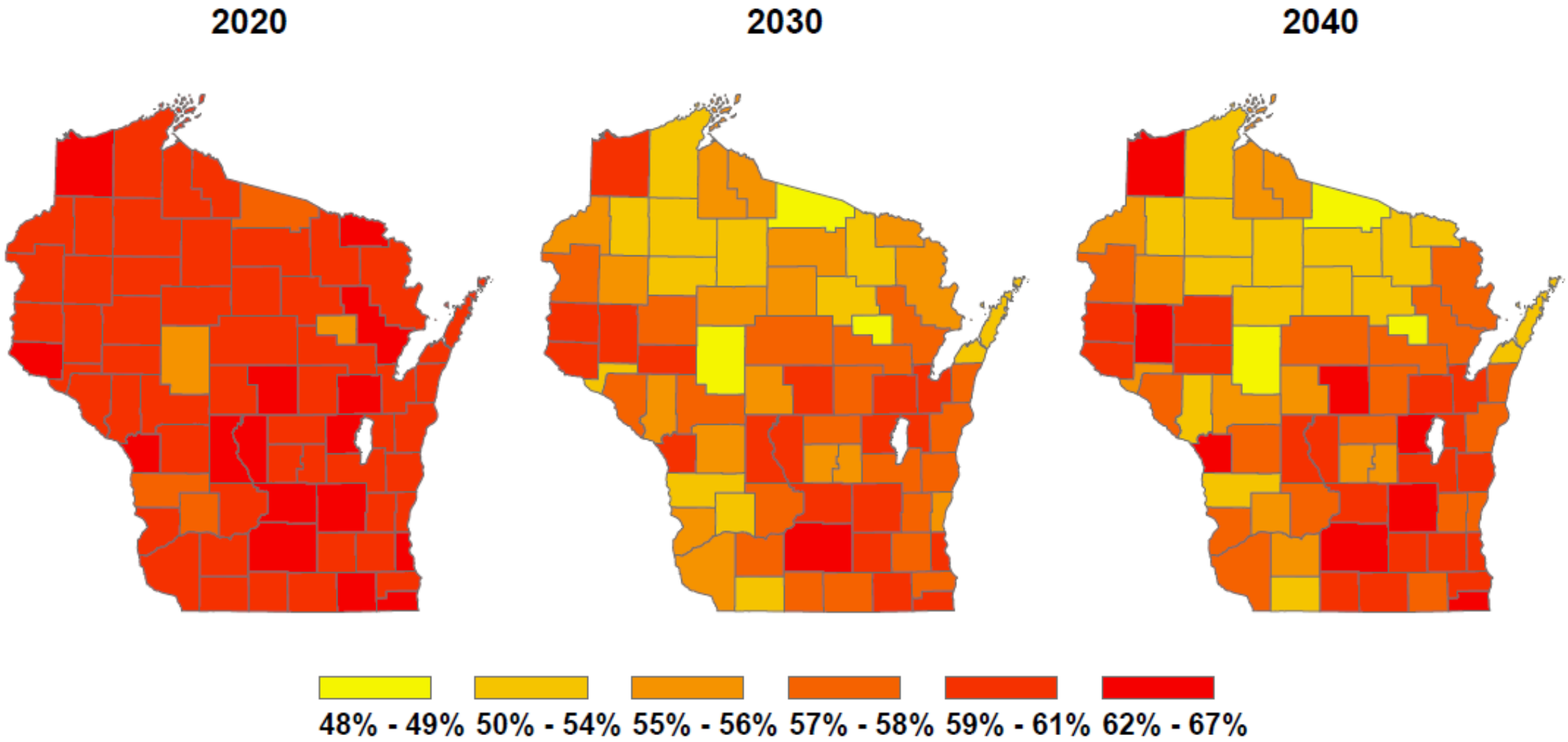
Source: WI DOA Demographic Services, map by DWD OEA

Projected Share of Total Population: Age Group 0-19



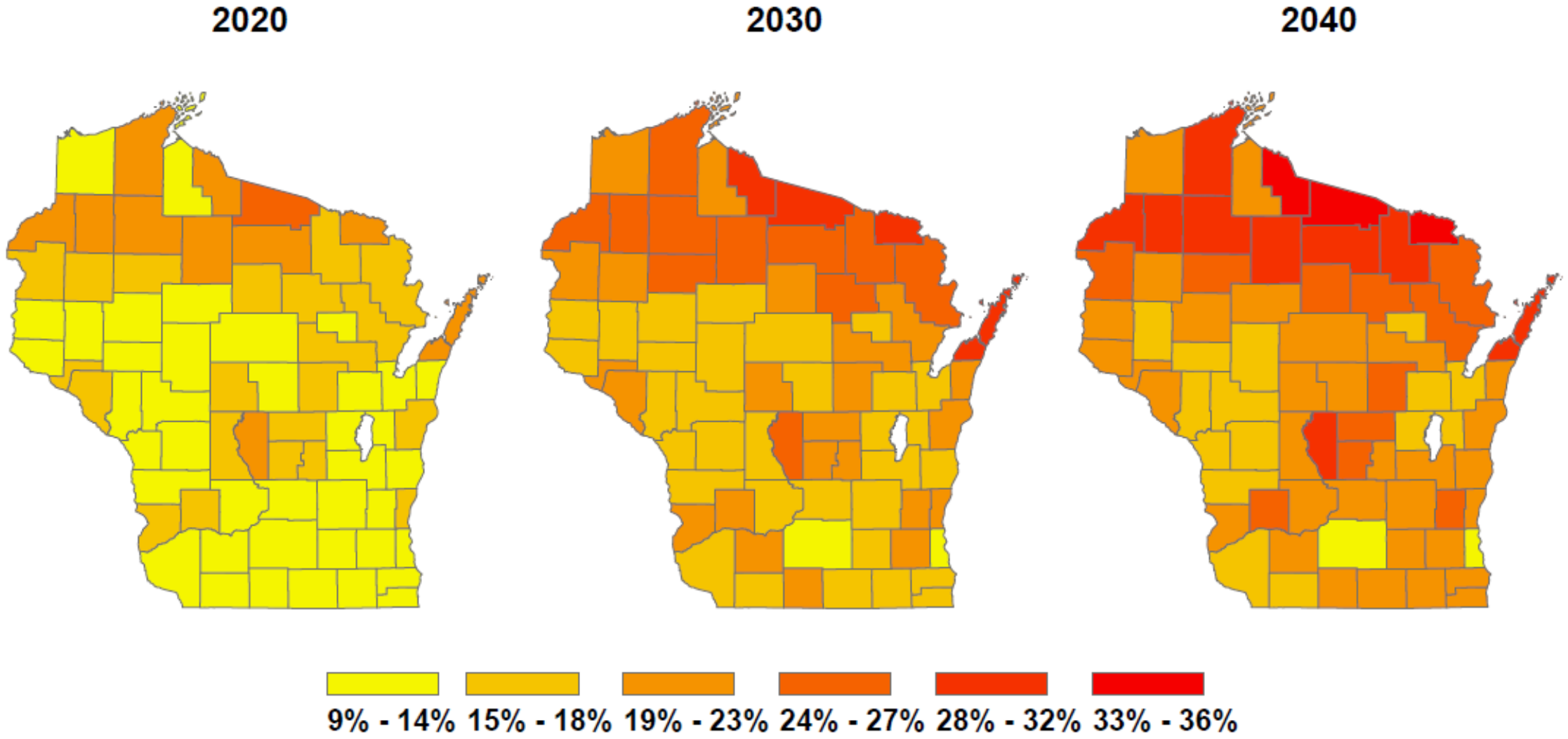
Source: Wisconsin Department of Administration
Demographic Services

Projected Share of Total Population: Age Group 20-69



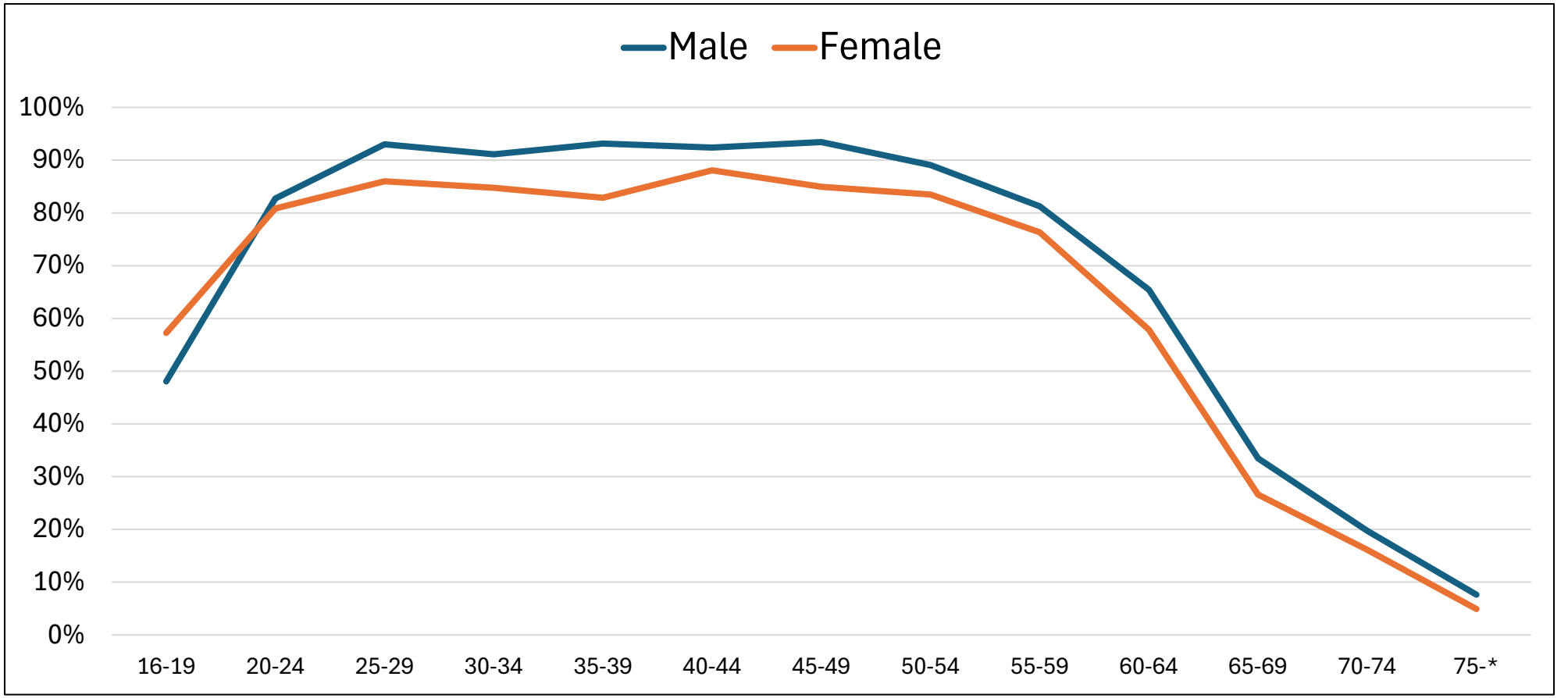
Source: Wisconsin Department of Administration
Demographic Services

Projected Share of Total Population: Age Group 70 and Older



Source: Wisconsin Department of Administration
Demographic Services

Labor Force Participation Rate by Age



Source: 2023 American Community Survey (ACS), US Census, IPUMS.org

Gap Analysis 2031

Population Models	Supply	Jobs Filled*	Gap
DOA Model	3,098,314	3,340,884	-**242,570**

*Calculated using 2018-2028 percent change from DWD Occupation Projections then applying to 2021 base employment.

Supply Model

$$JobsSupply_t = \sum_{ag}\left(P_{agt} \times (1-\gamma_{agt}) \times \xi_{agt} \times \upsilon_{agt} \times \kappa_{gt}\right) + \sum_{ag}\left(C_{at}^{in} - C_{at}^{out}\right)$$

$$\gamma_{agt} = \frac{P_{agt} \in (Institution \cup Military)}{P_{agt}}$$

$$\xi_{agt} = \frac{P_{agt} \in (Employed \cup Unemployed)}{P_{agt} - P_{agt} \in (Institutionalized \cup Military)}$$

$$\upsilon_{agt} = \sum_{e}\left(\frac{P_{agte} \in (Employed \cup Unemployed)}{P_{agt} \in (Employed \cup Unemployed)} \times \frac{P_{ag2016e} \in (Unemployed)}{P_{ag2016e} \in (Employed \cup Unemployed}\right)$$

$$\kappa_{gt} = \frac{\sum_{gt} jobs}{P_{gt} \in Employed}$$

Four Solutions

1. Offshoring
2. Immigration
3. Eliminate barriers of chronically unemployed
4. Technology: Worker skills set must match

Buy American

(Willingness to pay higher prices)

What does AI Exposure Mean?

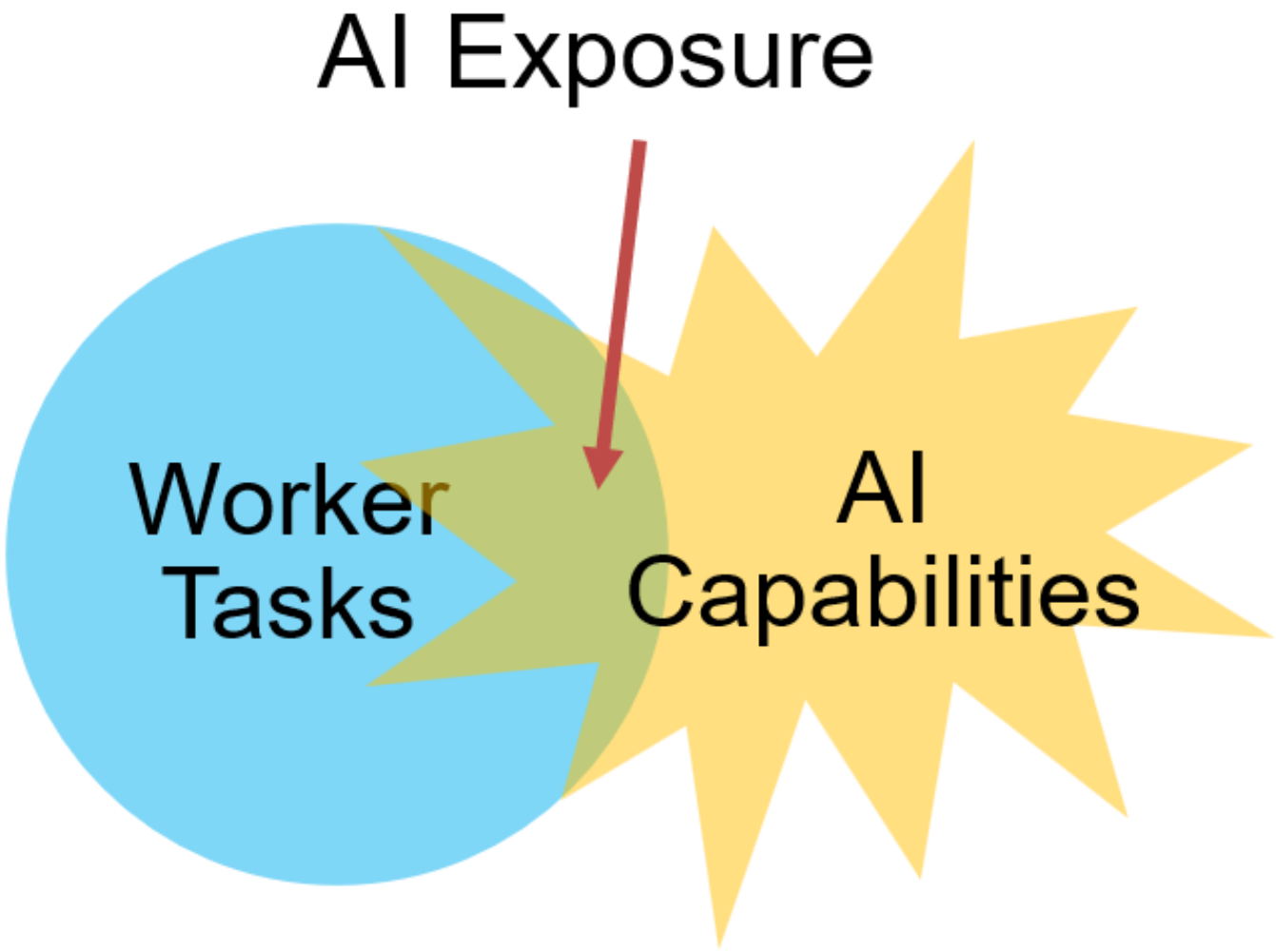
Degree to which AI can be applied:

- Workers – tasks AI could be trained to do
- Employers – more opportunities to increase labor efficiency

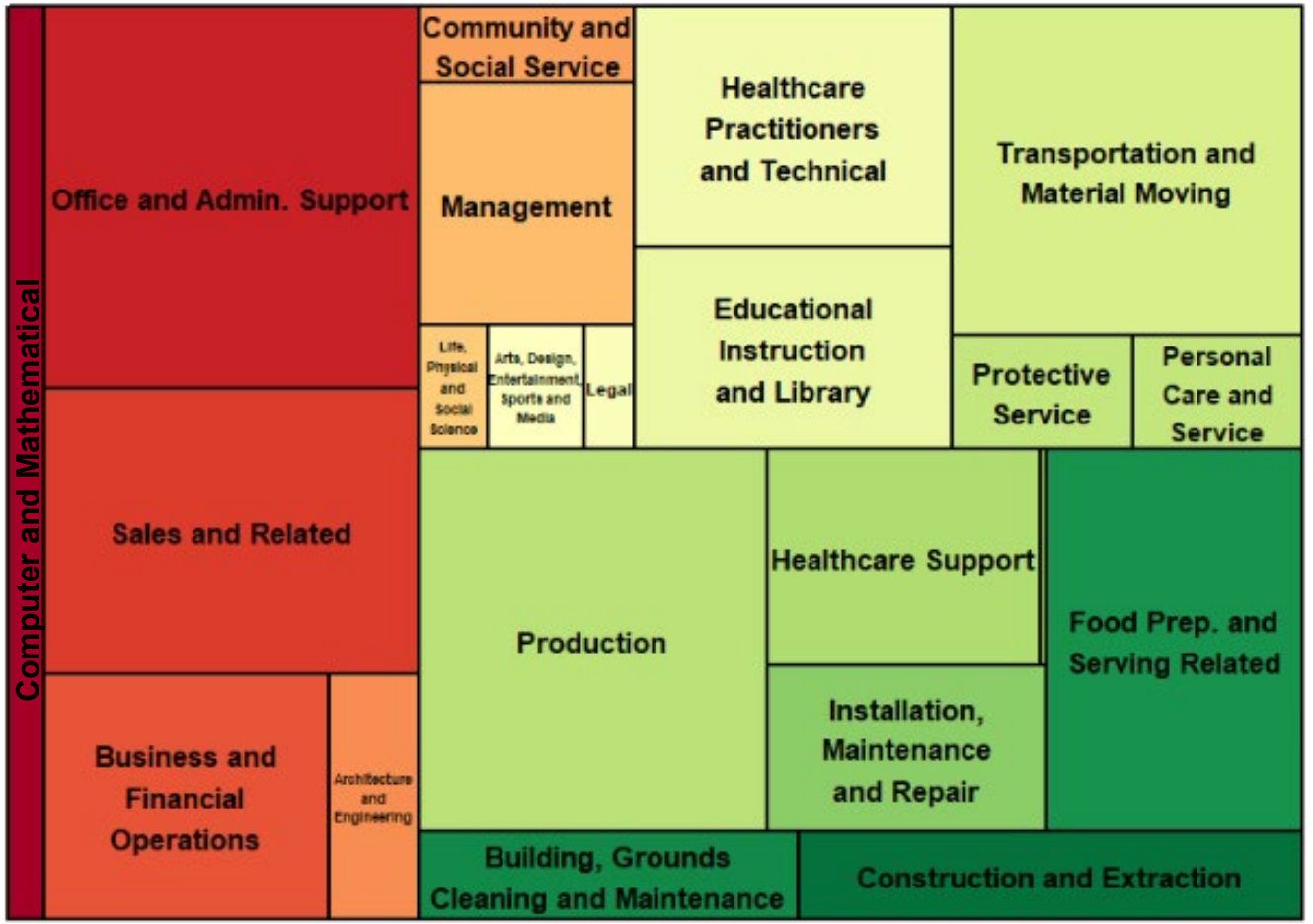
For workers, increased likelihood of:

- Skills transitions
  - Adjusting workflows to work with AI tools
  - Focusing on work that an AI cannot do

Measuring AI Exposure



AI Exposure by Occupation Group and Number Employed



Mean AI Exposure

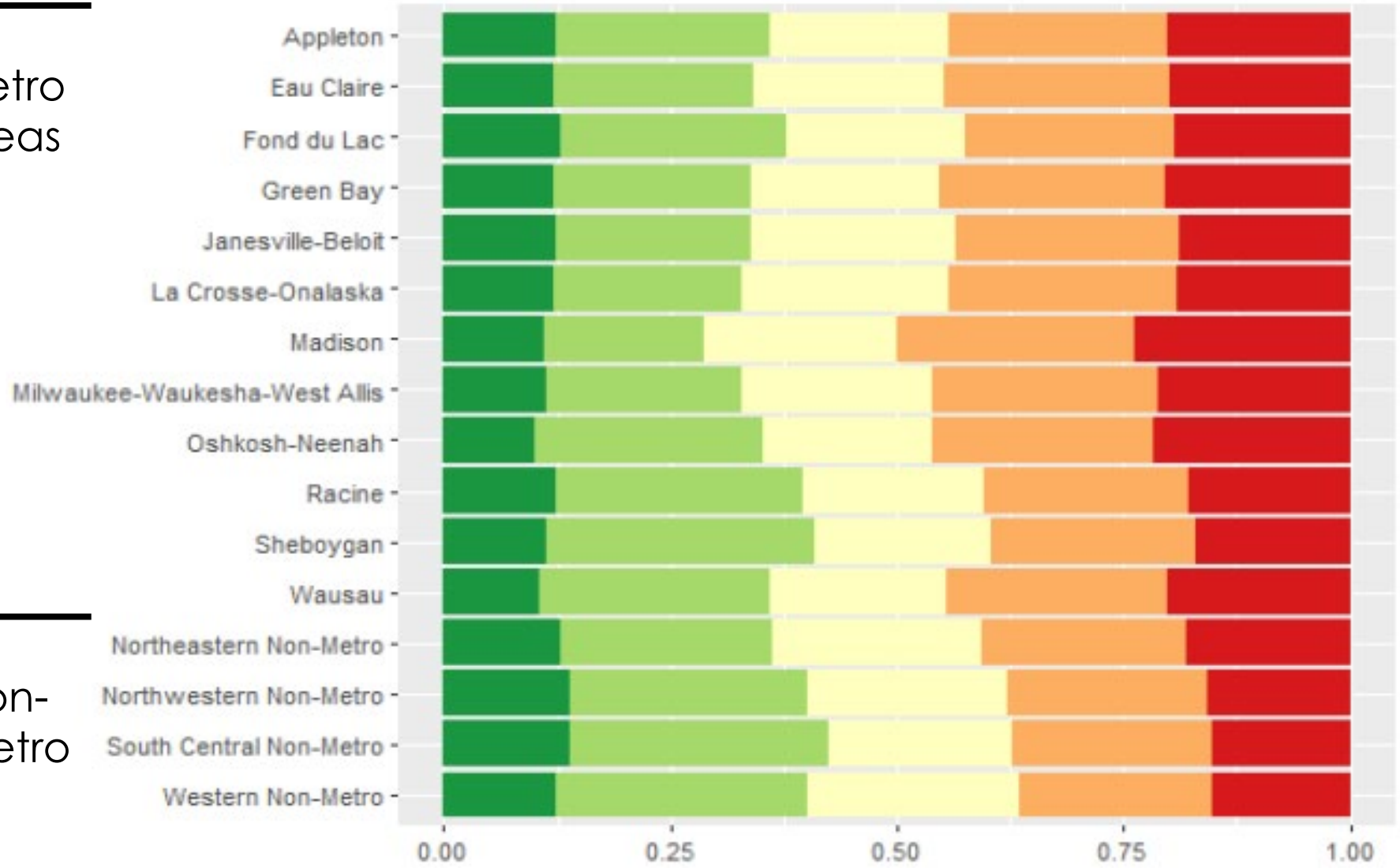
- 1.0
- 0.5
- 0.0
- -0.5
- -1.0

Rectangles scaled by number employed

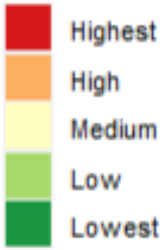
Exposure by Metro Area and Region

Metro Areas

Non-Metro



AI Exposure Level



AI Exposure

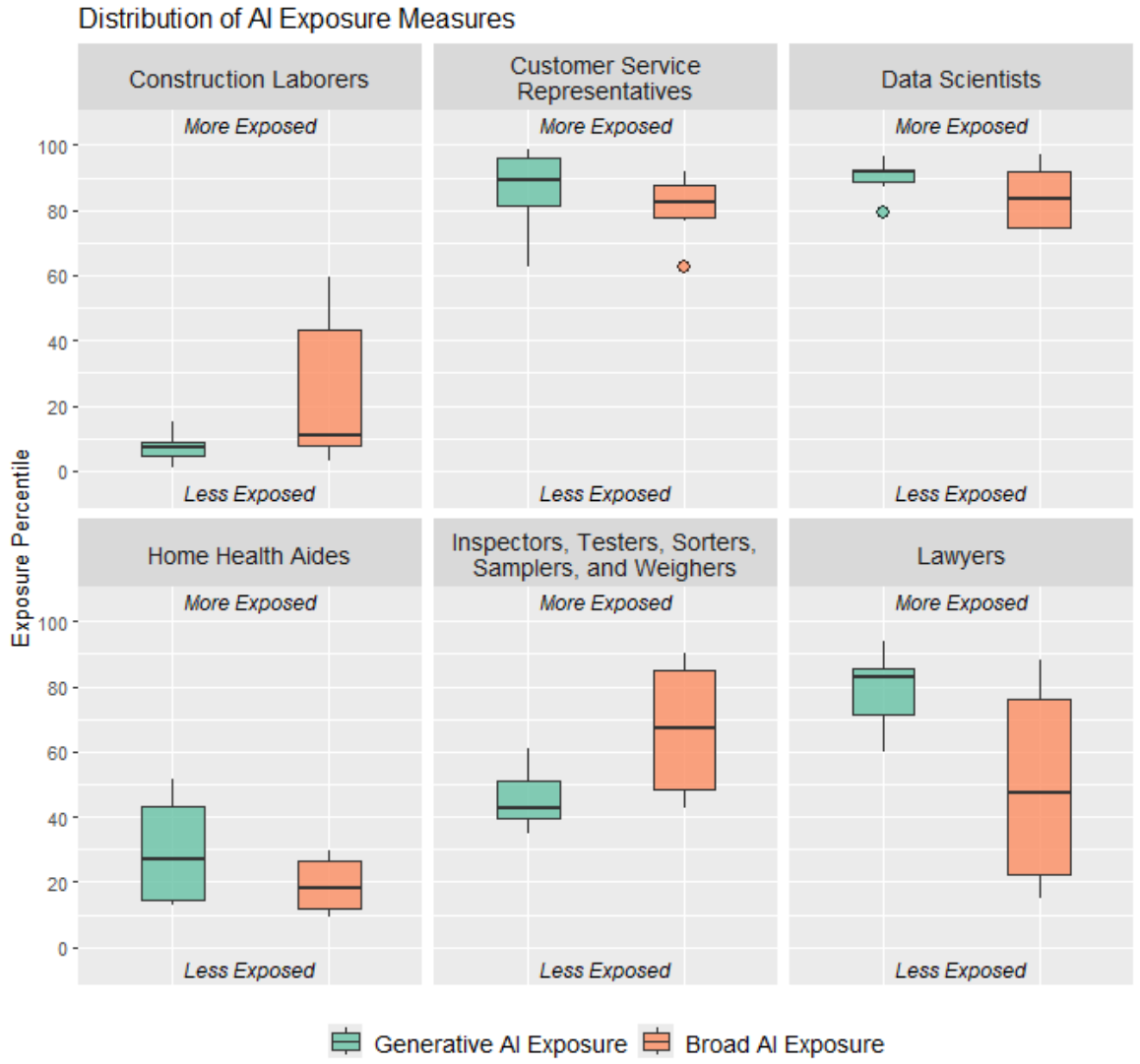
Generative

- Focused specifically on exposure to Large Language Models (LLM), image generation and related generative technologies.
- Likely captures near-term potential for occupational transformation, given recent excitement, investment, and adoption of LLM-based tools.

Broad

- Represents exposure to the full spectrum of AI capabilities, including generative AI with other technologies such as machine vision, optimization algorithms, smart sensors.
- Likely reflects longer-term potential, including areas where AI progress has been slower or more narrowly applied thus far.

Distribution of AI Exposure



Wisconsin's Largest Occupations

Occupation	Employment	Generative AI Exposure	Broad AI Exposure
Home Health and Personal Care Aides	80,050	**40**	**29.7**
Laborers and Freight, Stock, and Material Movers, Hand	74,510	**9.7**	**23.1**
Cashiers	70,810	**54.3**	**74.8**
Retail Salespersons	67,610	**62.3**	**69.6**
Registered Nurses	64,960	**57.3**	**49**
Fast Food and Counter Workers	60,570	**41.6**	**29.8**
Customer Service Representatives	55,100	**89**	**82.3**
Heavy and Tractor-Trailer Truck Drivers	52,980	**37.4**	**52.9**
Office Clerks, General	52,520	**78.1**	**83.5**
Miscellaneous Assemblers and Fabricators	47,880	**25.8**	**41.6**
Stockers and Order Fillers	45,560	**36.7**	**60.1**
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	41,130	**12.3**	**15.6**
Waiters and Waitresses	39,510	**42.8**	**35.7**
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	38,600	**86.9**	**79**
General and Operations Managers	35,520	**62.4**	**57.4**

Exposure measures are color coded for convenience. More red indicates more exposed.

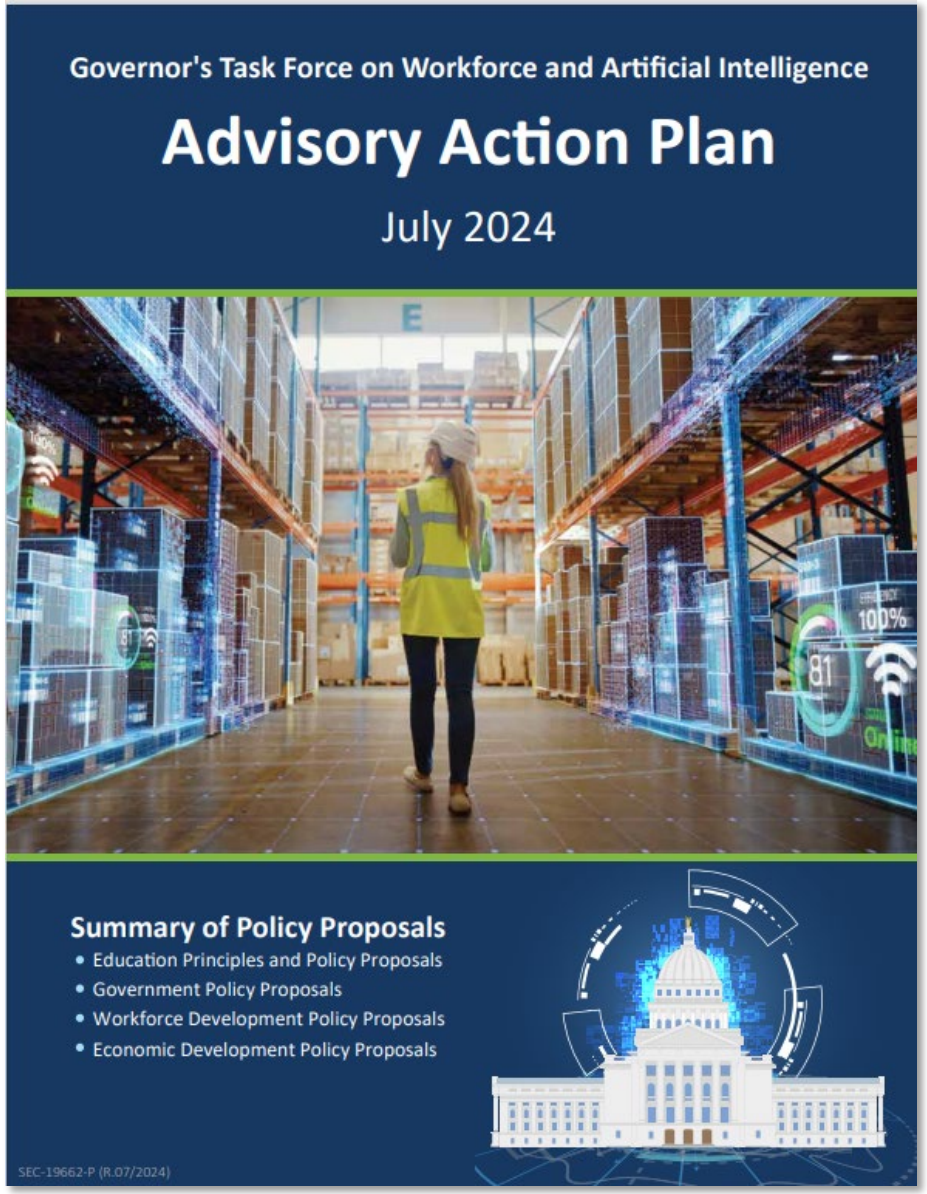
Most Exposed Occupations

Rank	DWD Exposure Index (2023)	Generative AI Exposure	Broad AI Exposure
1	Bookkeeping, Accounting, and Auditing Clerks	Mathematicians	Bookkeeping, Accounting, and Auditing Clerks
2	Data Entry Keyers	Computer Programmers	Data Entry Keyers
3	Buyers and Purchasing Agents, Farm Products	Writers and Authors	Office and Administrative Support Workers, All Other
4	Credit Analysts	Web Developers	Statistical Assistants
5	Insurance Claims and Policy Processing Clerks	Public Relations Specialists	Billing and Posting Clerks
6	Computer Network Architects	Office and Administrative Support Workers, All Other	Tax Preparers
7	Actuaries	Database Administrators	Statisticians
8	Statisticians	Family and Consumer Sciences Teachers, Postsecondary	Computer Programmers
9	Billing and Posting Clerks	Operations Research Analysts	Credit Analysts
10	New Accounts Clerks	Statisticians	Travel Agents

*Highlighted cells show occupations that appear in the top 10 in multiple indexes.

Read More

dwd.wisconsin.gov/ai-taskforce/pdf/ai-advisory-action-plan.pdf



Thank You!

Questions?

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