

2022 Northwoods Economic Development Summit

Living in a Post COVID Economy

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- What are some of the issues that you raised?
- What does the economic data tell us?
- What do the survey results tell us?



Living in a Post COVID Economy

What are some of the issues that you raised?

- Assisting business and industry with finding qualified workers.
- Childcare and affordable housing are the two big issues.
- Increased demand for services, staffing shortages, lack of housing, and lack of childcare.
- It is extremely difficult to get local units of government thinking regionally in scope, where each government considers itself strapped for cash when what they really are is strapped for ideas.
- Economic development within the Town of XXXXX is currently non-existent. There is no support provided from the county level.
- Our town is in desperate need of economic development, but we don't have the resources or drive from the municipality side or the resources (financial, people) at the Chamber level....
- Focus by the ULG's only on costs for budgeting purposes (cutting services) and forgetting that we can increase revenue dramatically by increasing economic development.



What are some of the issues that you raised?

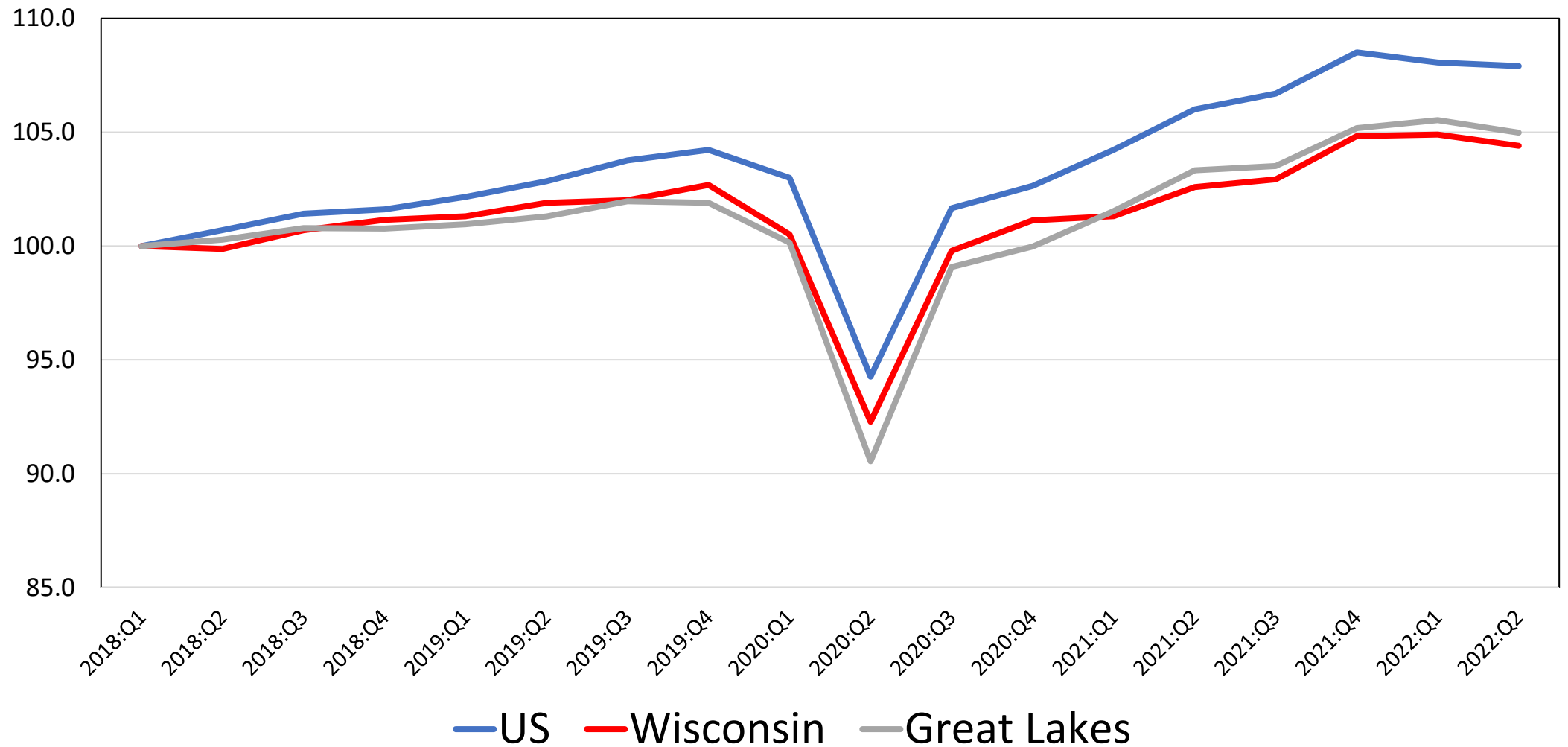
- Educational and training opportunities for people in rural areas.....
- The two most common concerns I hear from groups in this sector include difficulties with access to capitol and broadband access.
- I'm a small retail business owner and I just can't swing \$14+/hour for unskilled employees, but that's what everyone expects now. I'm afraid if I raise my prices to compensate that I'll just lose even more sales to big box and online stores.
- Focus by the ULG's only on costs for budgeting purposes (cutting services) and forgetting that we can increase revenue dramatically by increasing economic development.
- [R]ural brain drain ... [w]e see a lot of young talent move to the area but then they leave due to a feeling of isolation and lack of ability to make meaningful connections.
- Knowledgeable about approaches to community planning and problem solving.
- *Paraphrased:* We are really good at identifying the problems, not so much with identifying the strategies to address those problems.



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What does the economic data tell us?

Real GDP Growth Index

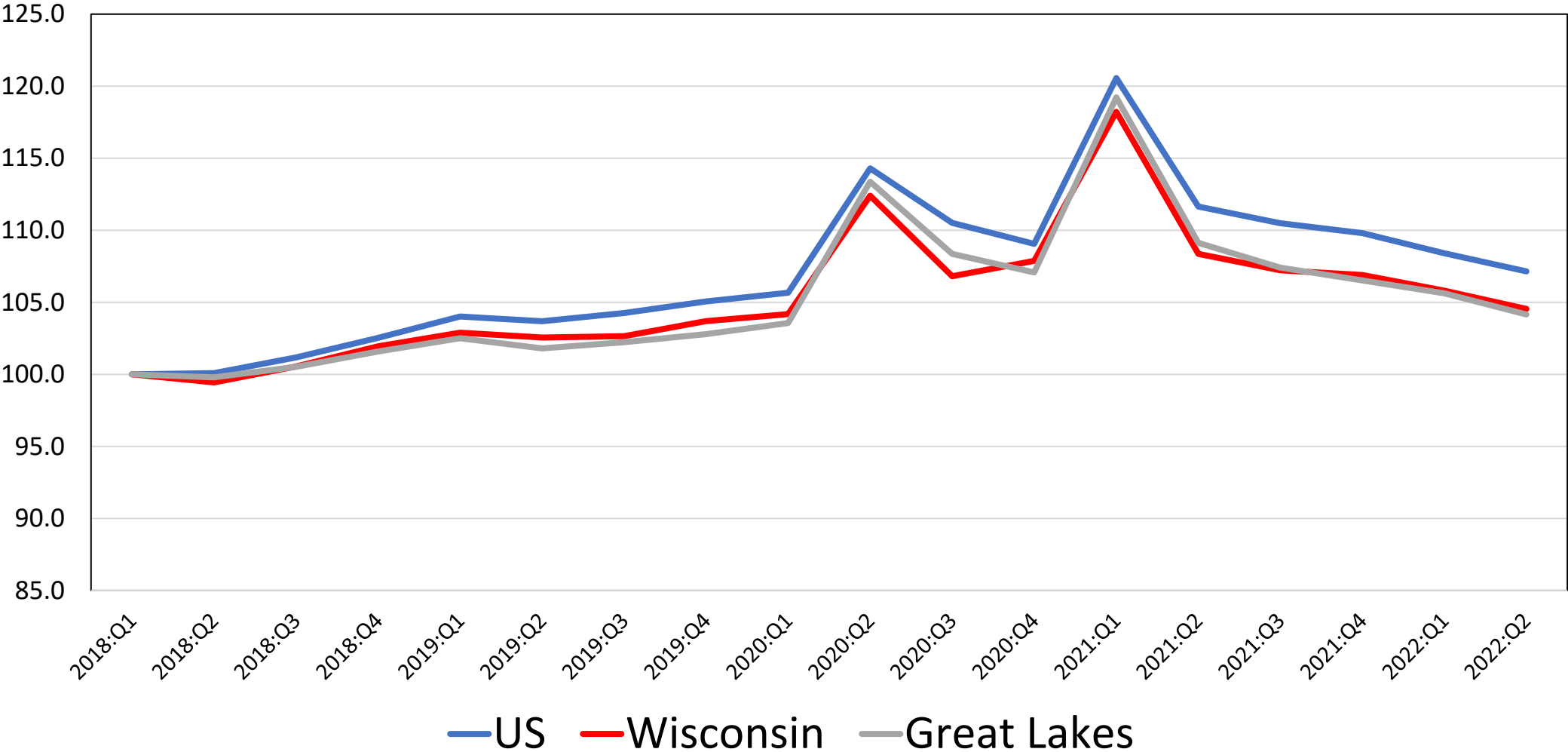




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What does the economic data tell us?

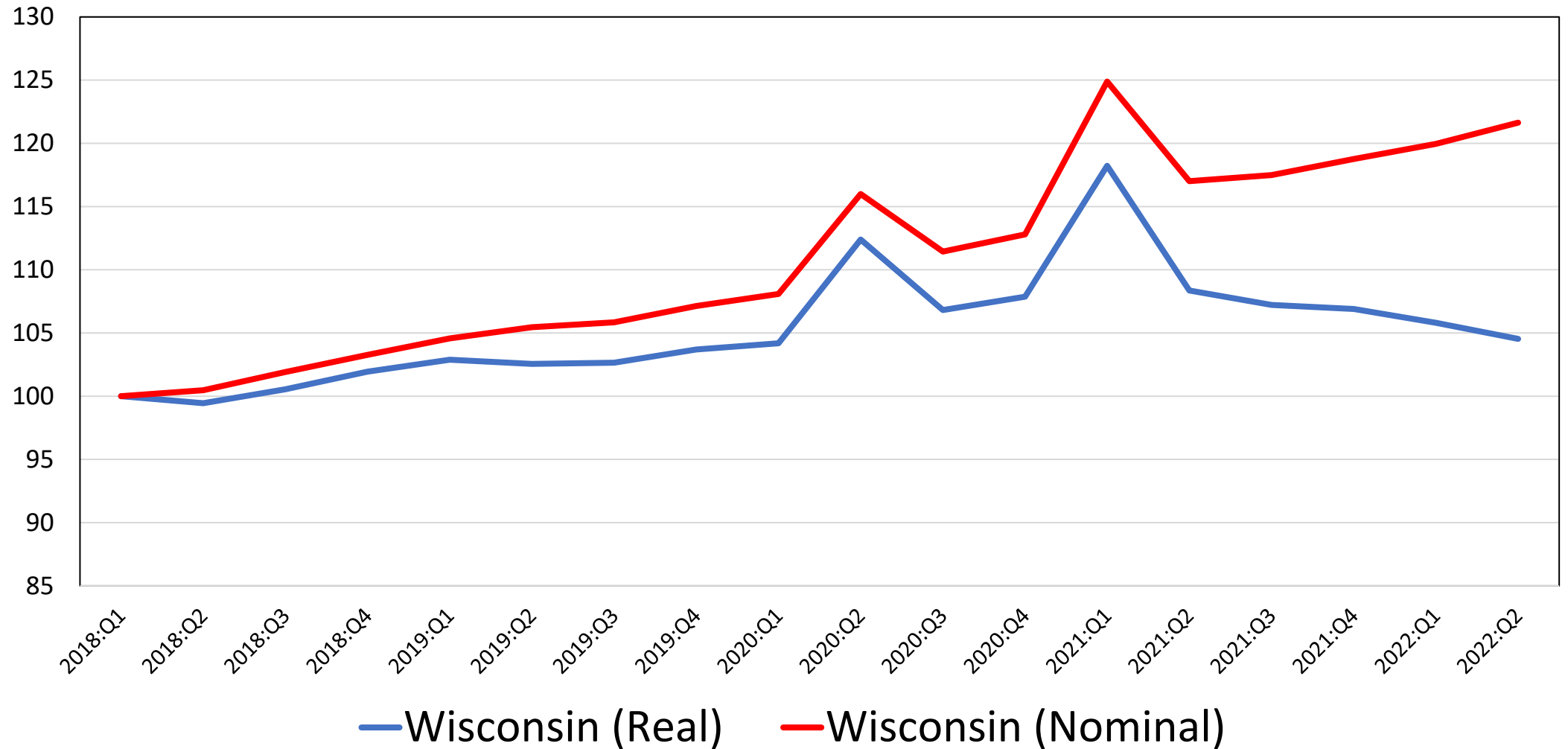
Real Total Personal Income Growth Index



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What does the economic data tell us?

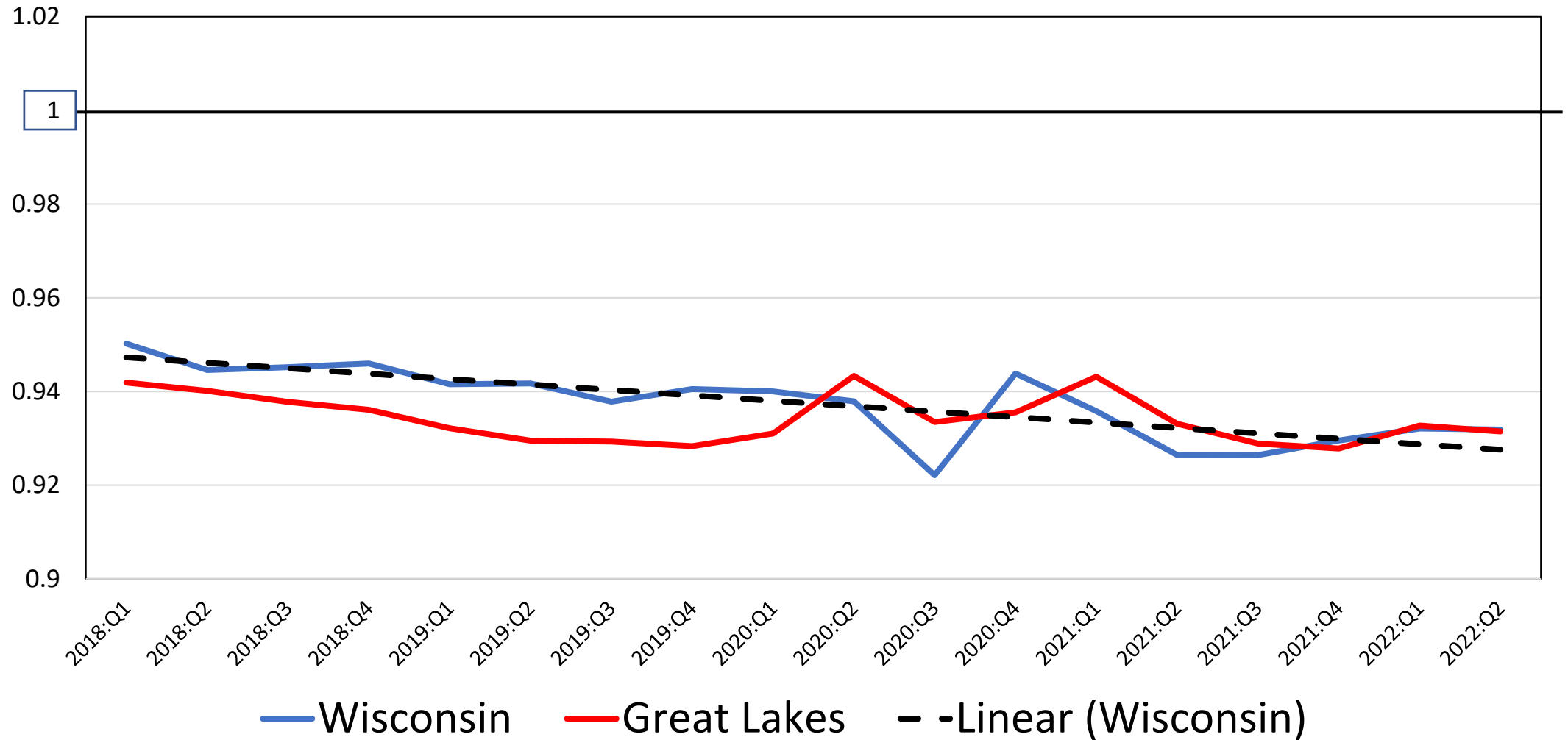
Real vs Nominal Total Personal Income Growth Index



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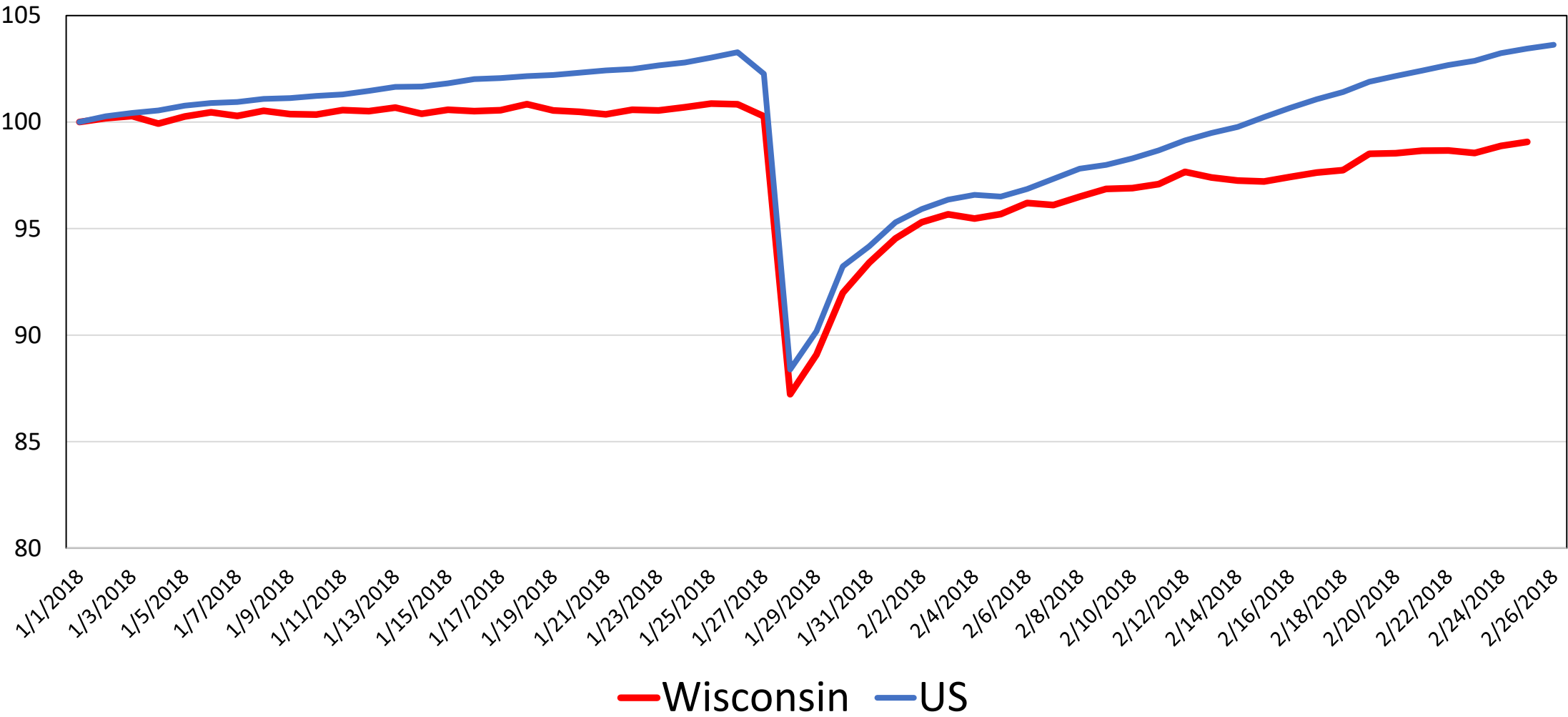
What does the economic data tell us?

Per Capita Income Relative to US Average



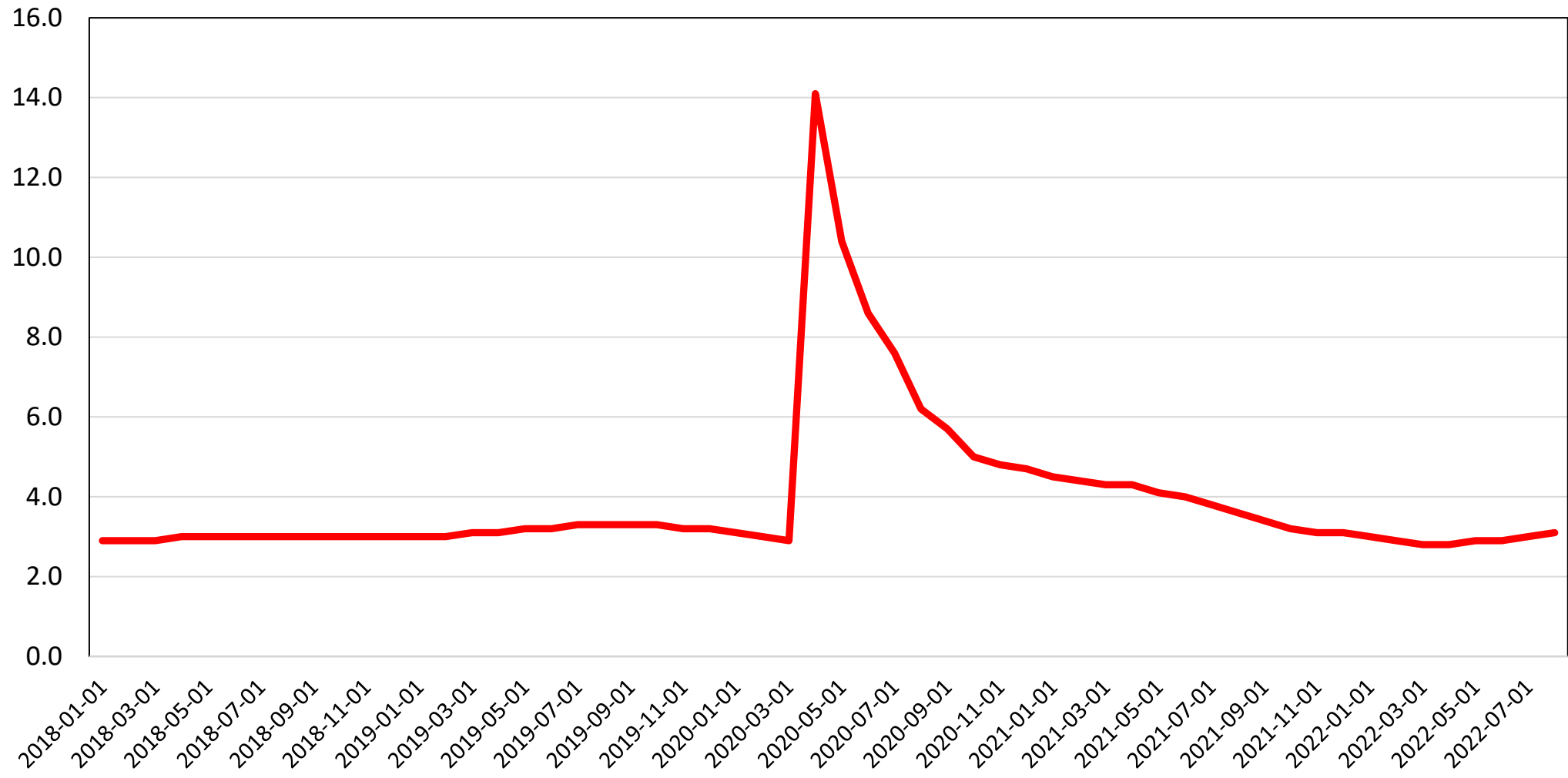
What does the economic data tell us?

Total Non-Farm Employment Growth Index



What does the economic data tell us?

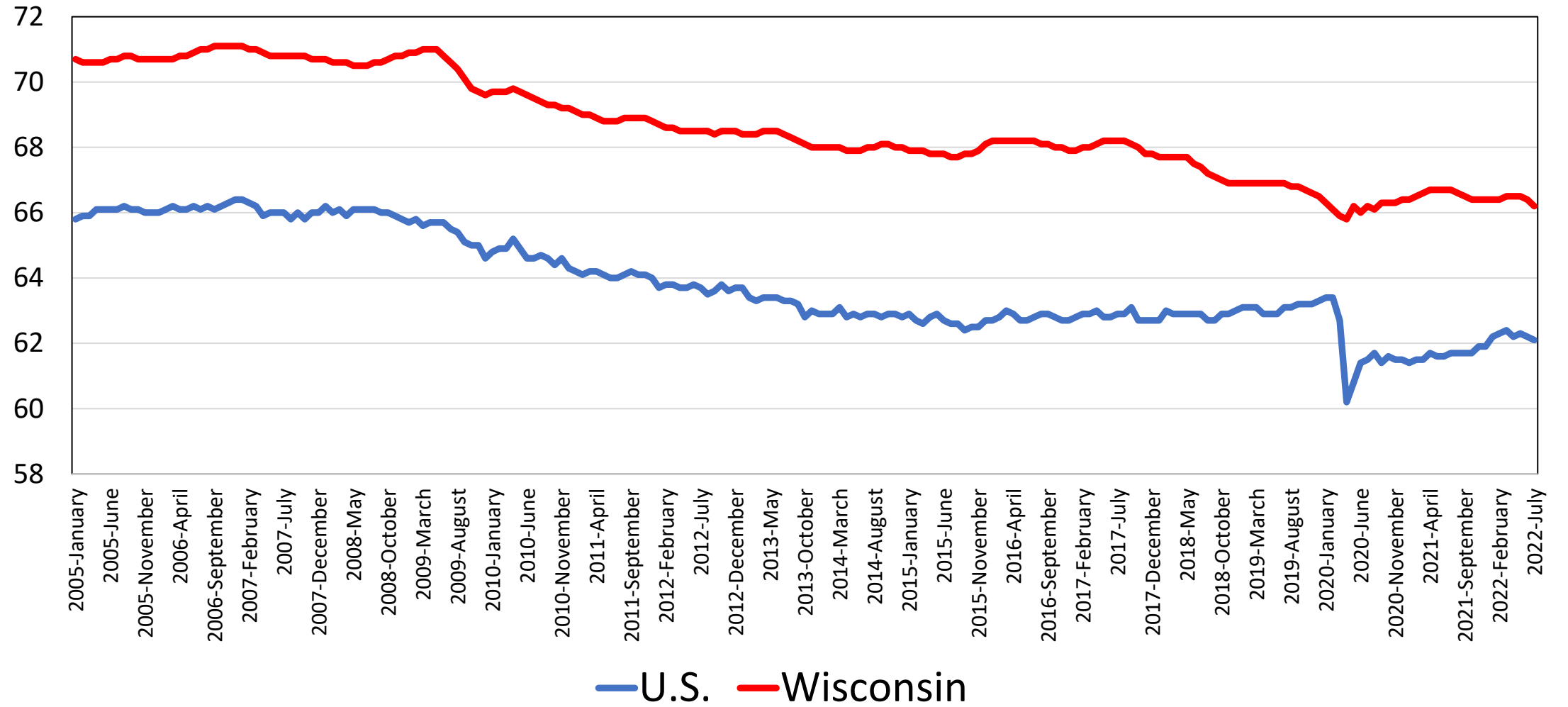
Unemployment Rate in Wisconsin





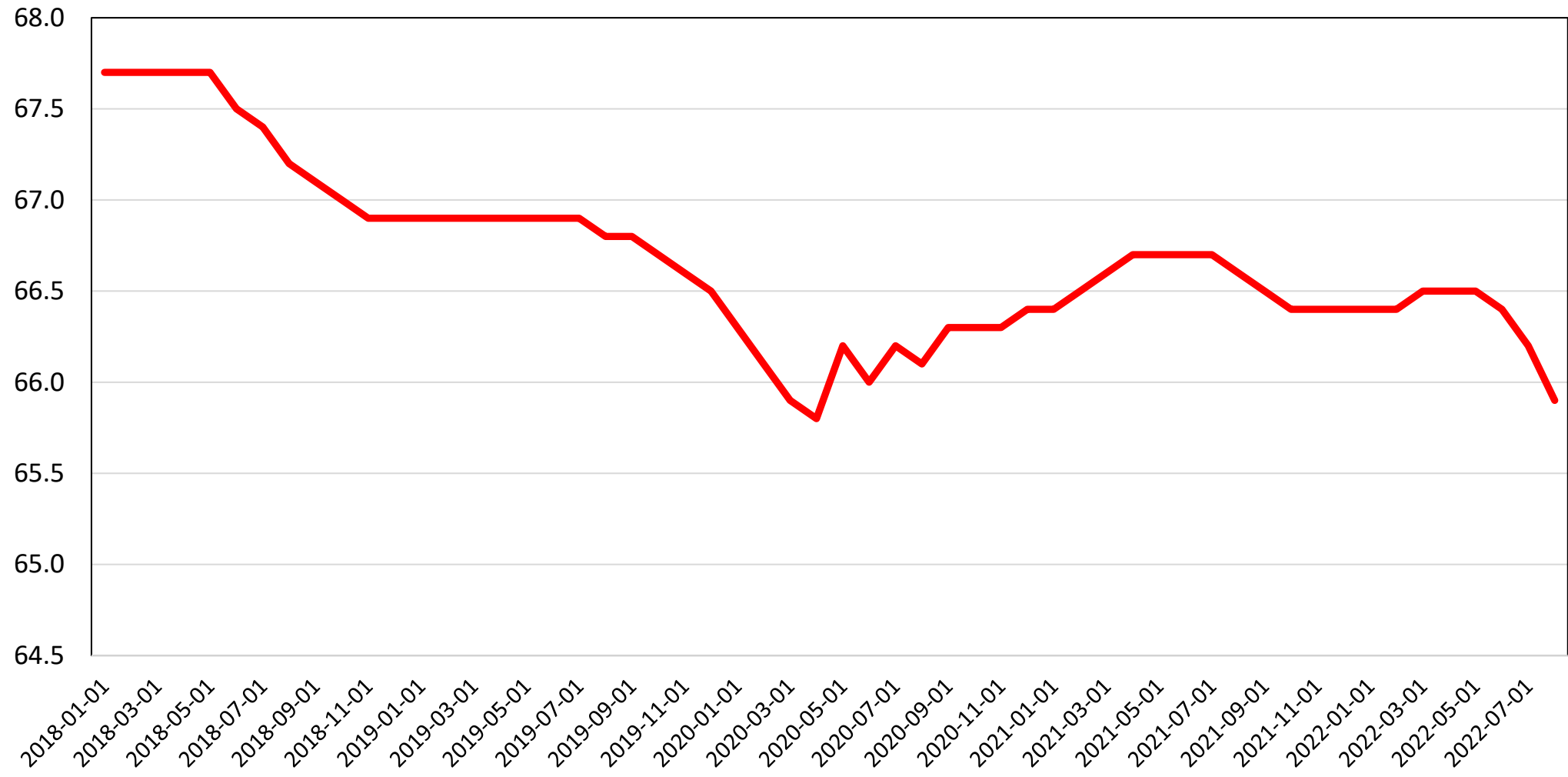
The State of the Wisconsin Economy

Labor Force Participation Rate



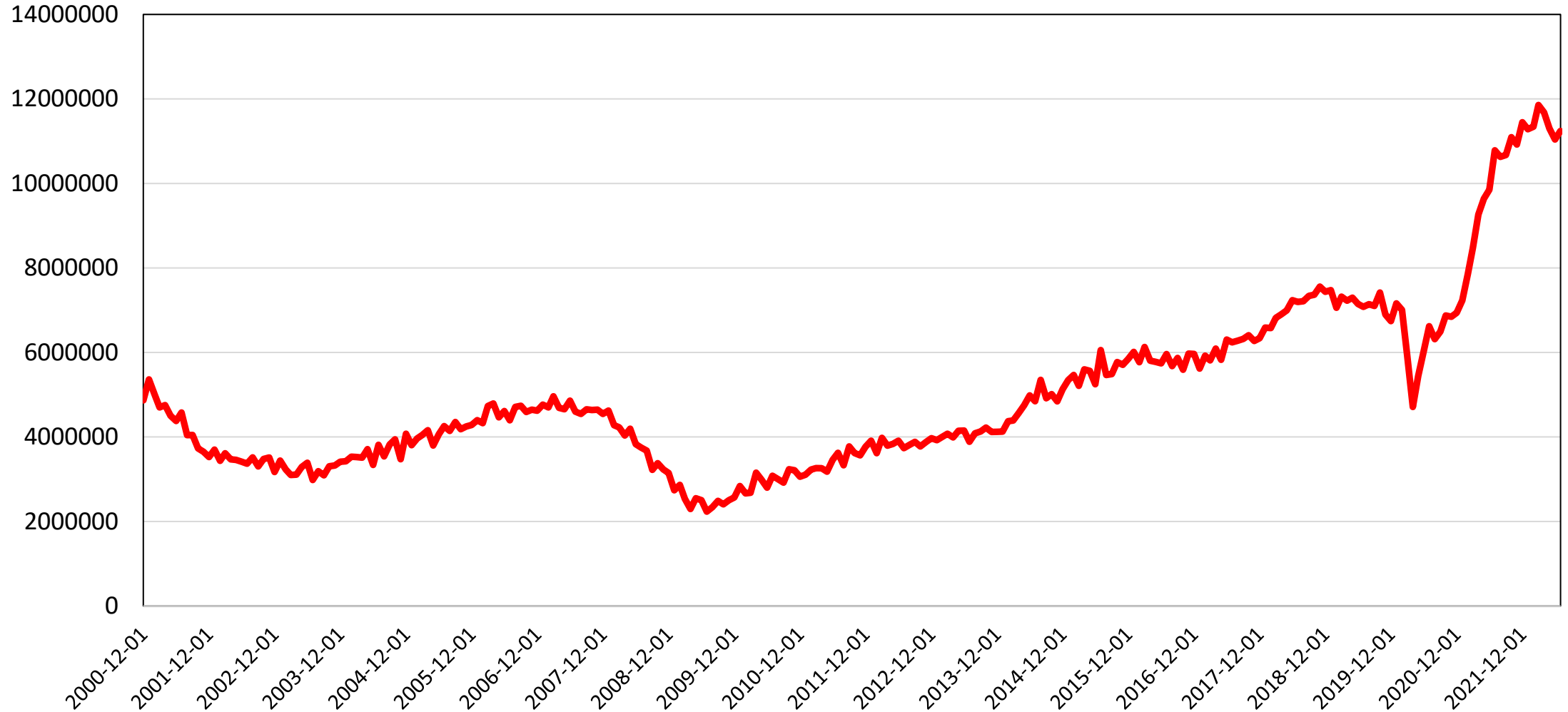
What does the economic data tell us?

Labor Force Participation Rate in Wisconsin



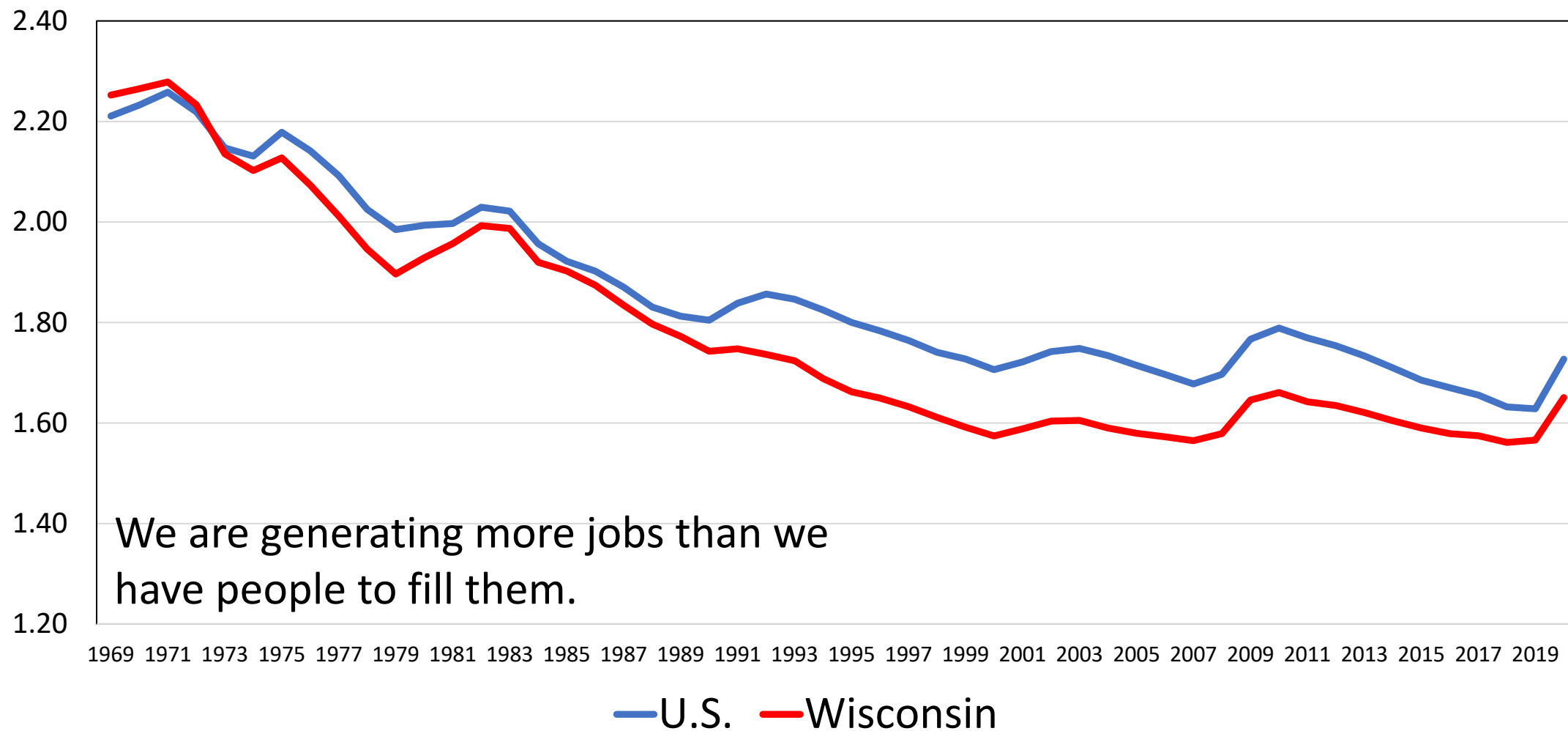
What does the economic data tell us?

Total Unfilled Job Vacancies for the US



The State of the Wisconsin Economy

Population to Employment Ratio



What does the economic data tell us?

- Federal fiscal stimulus money took a bite out of the COVID Recession.
- Inflation is eating away at current growth in money based measures of economic growth.
- Wisconsin is lagging the nation in terms of the recovery.
- We are generating more jobs than we have people to fill them.
- Are we headed into a recession? How much time do you have?



What do the survey results tell us?

From August 2 through August 16, 2022, a survey was undertaken by the EDA University Center at the University of Wisconsin-Madison to a nationally representative sample of 2,000. Survey questions focused on respondent experiences during the late stage of the COVID-19 pandemic.

Some of the key findings.....

- Households at all income levels experienced a degree of financial hardship during the pandemic.
- Households in which someone worked two or more jobs in order to make ends meet at some point in the past five years reported financial hardships more frequently than households at or below the national median income, even if their household income is relatively high.



What do the survey results tell us?

Some of the key findings.....

- When asked to consider policies that shut down public life in the first months of the pandemic, the majority of respondents across incomes agreed that such policies protected the health of the public, slowed the spread of COVID-19, and were necessary at the start of the pandemic.
- Although such policies seem unlikely to return, 54.8% of respondents in households earning less than median income agreed that policies to shut down may be necessary in the future, should a dangerous new variant emerge.

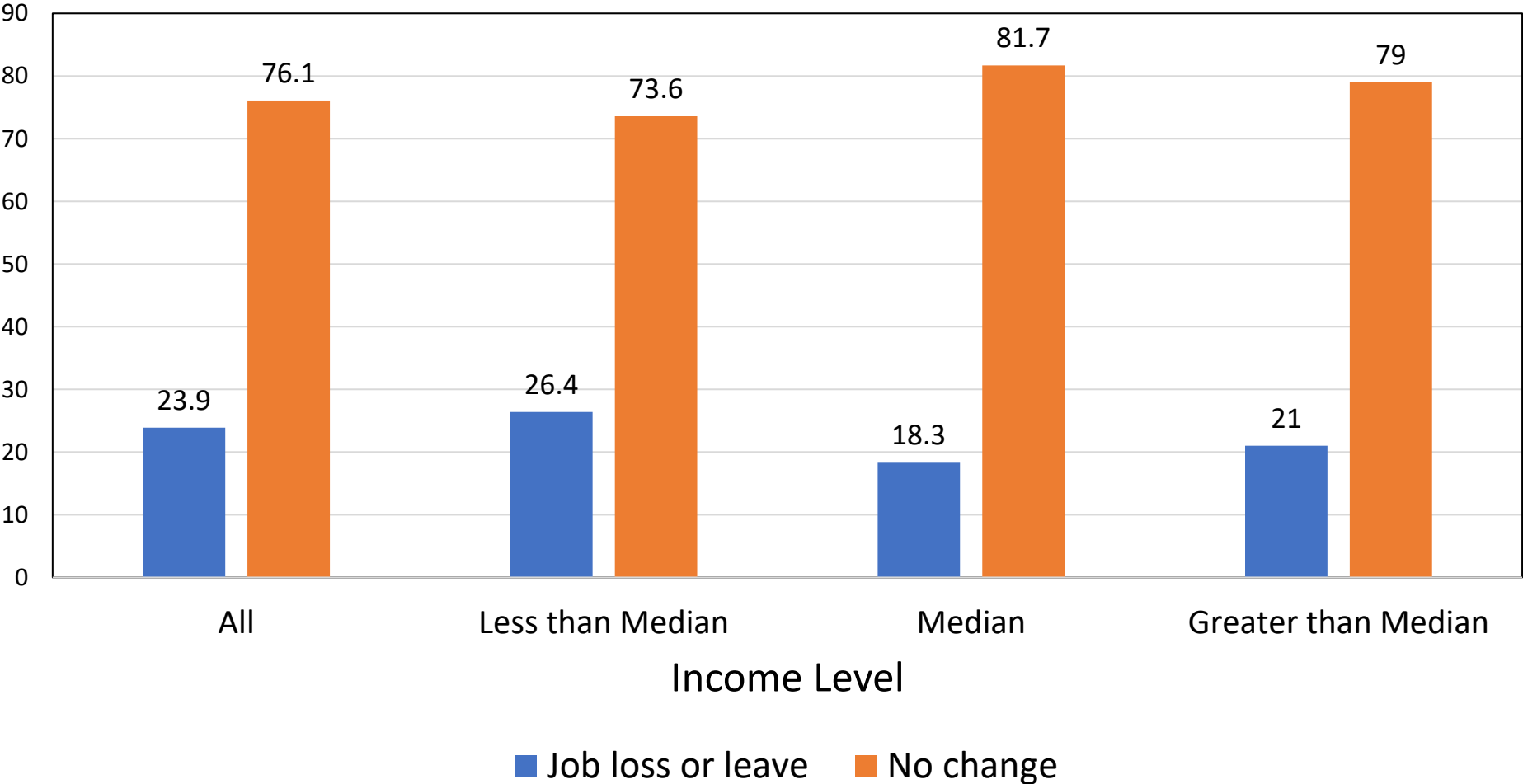




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What do the survey results tell us?

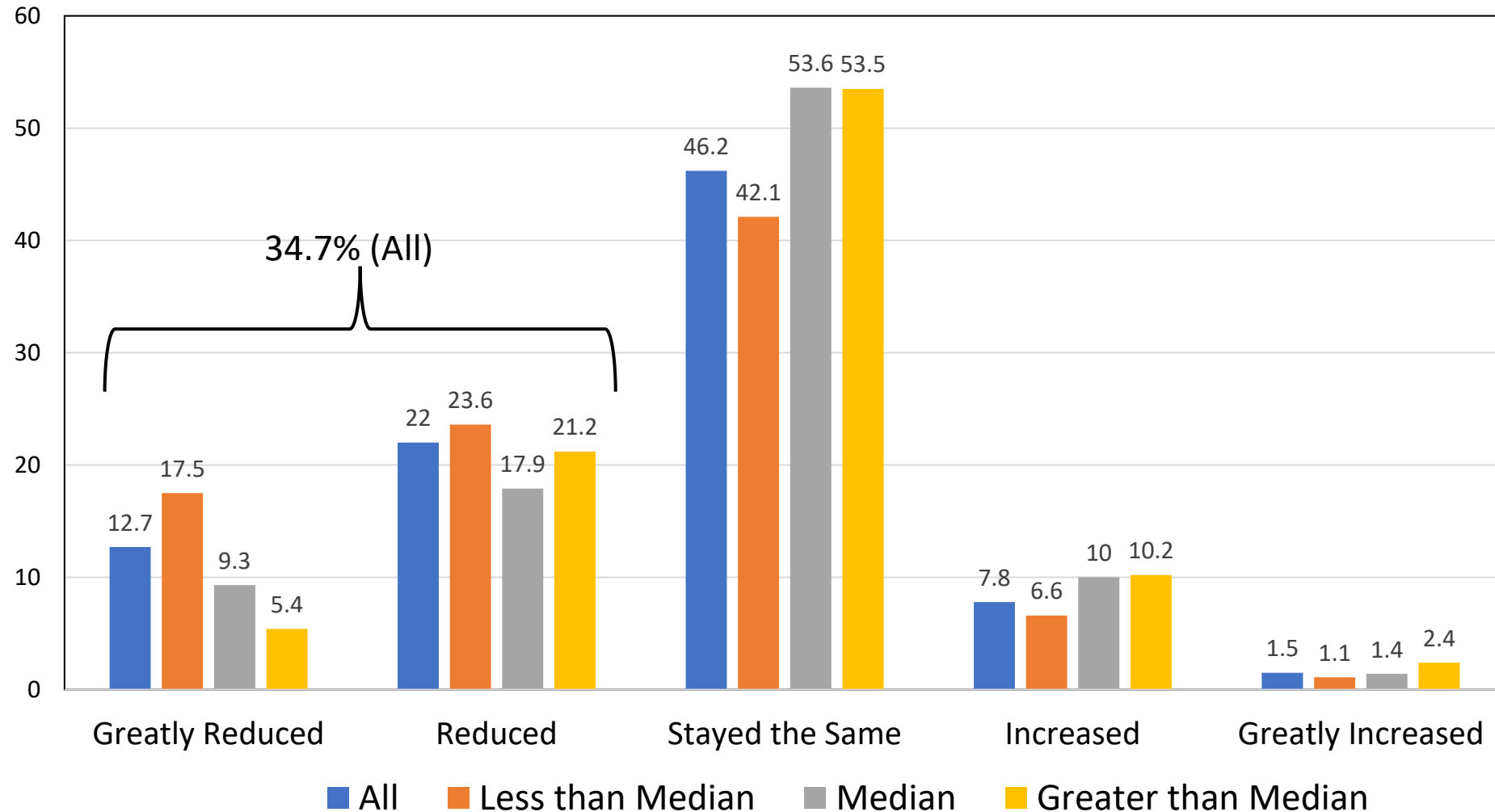
Since the start of the COVID-19 outbreak, have you lost a job, been laid off, or quit a job because of the pandemic?



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What do the survey results tell us?

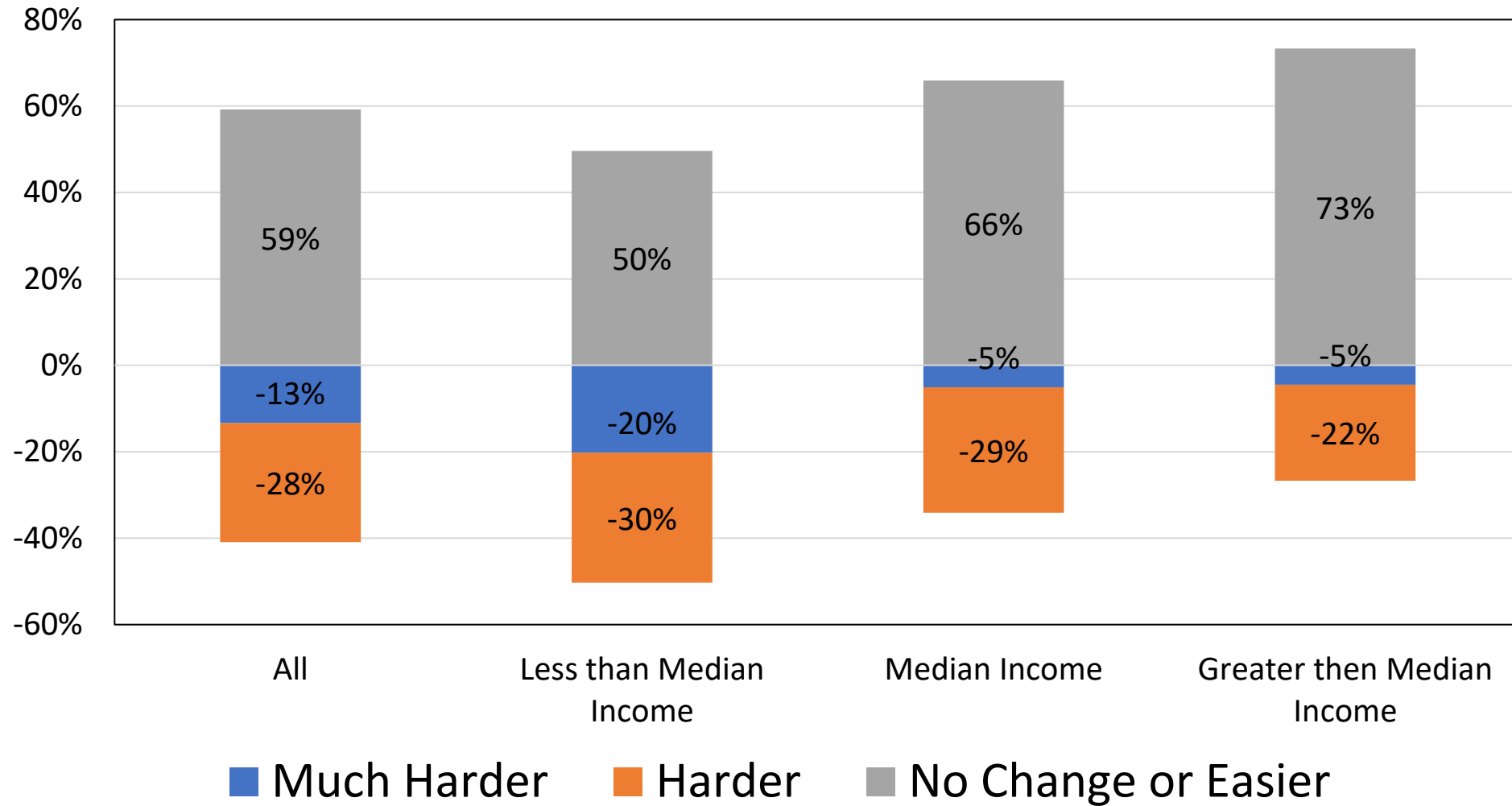
How has the COVID-19 pandemic affected your income?



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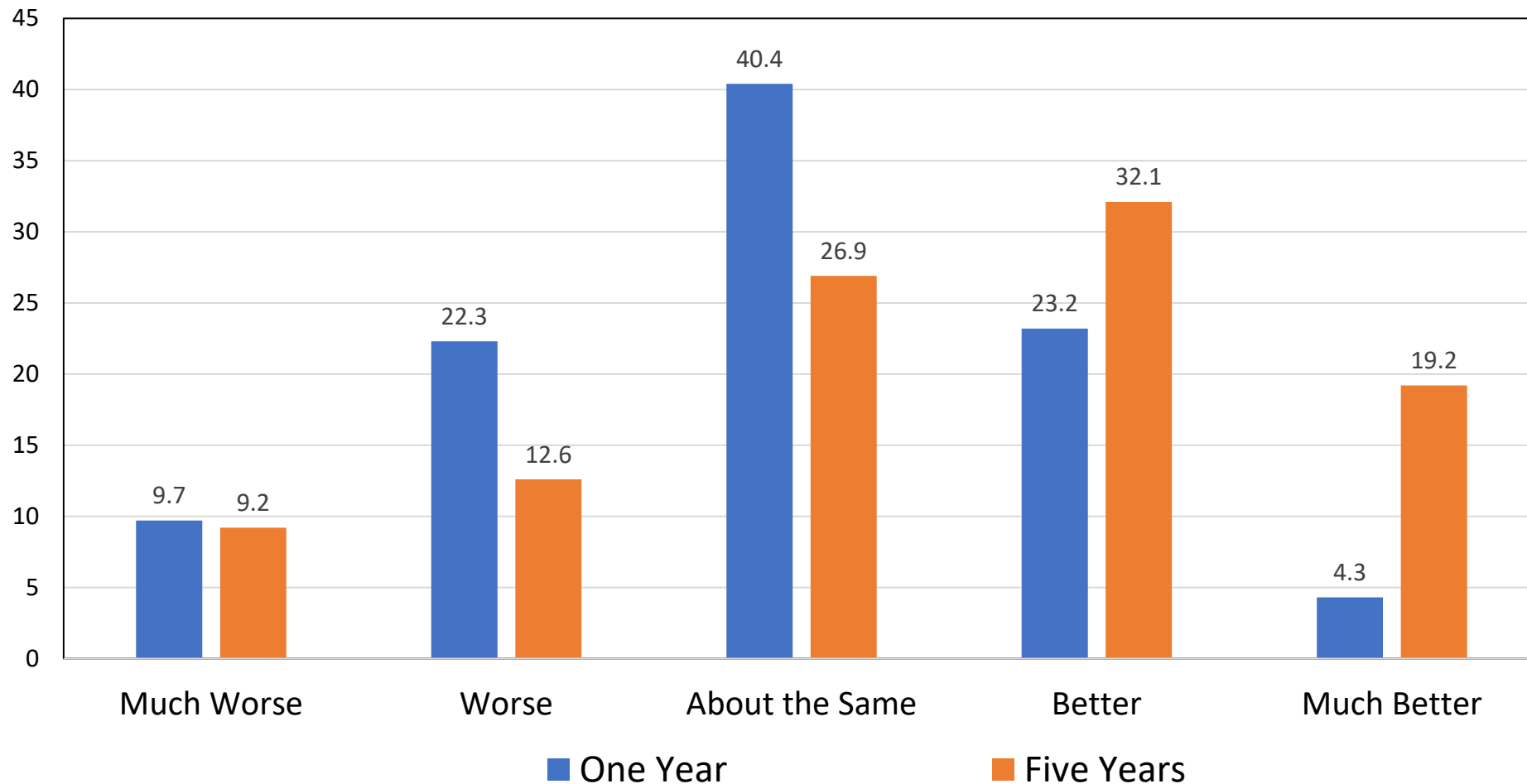
Since the pandemic, has it been harder ... to pay your bills?



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What do the survey results tell us?

Looking ahead, do you think you will be better off, worse off, or about the same ... one year from now? Five years from now??





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What do the survey results tell us?

Looking ahead, do you think you will be better off, worse off, or about the same ...
one year from now? Five years from now??



Living in a Post COVID Economy

- Many of the economic development issues facing northern Wisconsin are common across the nation.
 - Labor shortages, housing concerns, childcare availability, broadband, among others.
- Frustration over local governments' inability and/or unwillingness to tackle economic issues is high.
- COVID had a disproportionate impact on lower income workers.
- Short-term economic outlook less optimistic than longer-term outlook.
 - Likelihood of an economic slow-down and/or recession seems high.
- Longer-term economic structural issues (e.g., generating more jobs than we have people to fill them).



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