



## New Census Data Confirm Wisconsin Has a Lean Public Sector

Wisconsin continues its trend of having fewer state and local employees per capita than the national average, according to numbers from the U.S. Census Bureau. The number of state and local employees per capita in Wisconsin increased slightly from 2009 to 2010, staying well below the national average.

### About the Data

This analysis relies on:

- Preliminary figures released by the U.S. Census Bureau in August 2011 on state and local government employees and payroll in 2010;
- Figures calculated by the Legislative Fiscal Bureau on state and local government expenditures for salaries; and
- Employment figures from the U.S. Bureau of Labor Statistics.

### WI Still Has Fewer Government Employees Per Capita than National Average

Wisconsin has long had fewer state and local government employees than the national average, according to U.S. Census Bureau data, and that trend continued in 2010. State and local government employees include workers in a wide variety of

functions, including those working as teachers, highway workers, corrections guards, firefighters, and police officers.

When the number of full-time equivalent positions (FTEs) was measured relative to each state's 2010 population, Wisconsin was 5.9 percent below the national average and ranked 39<sup>th</sup>, meaning only 11 states had a leaner public sector. Table 1 shows how Wisconsin compares to the national average on several measures.

Wisconsin is also lower than the national average in payroll spending for government employees. The per capita spending for the March 2010 payroll for all state and local employees in Wisconsin was 8.0 percent below average, and ranked 31<sup>st</sup>. The payroll per FTE was 2.2% percent below the national average, although Wisconsin was above the median on that measure, ranking 18<sup>th</sup> nationally.

Looking specifically at the number of state employees, Wisconsin ranks 42<sup>nd</sup> nationally, and 9.9 percent below the national average.

Wisconsin delegates much more of the responsibility for human service programs to local government entities than the vast majority of states. Yet despite

**Table 1: Government Employees and Payroll in Wisconsin**  
March 2010

	Nat'l Average	WI	Difference	WI Ranking
Total state and local employees (FTEs) per 1,000 residents	53.7	50.5	-5.9%	39 <sup>th</sup>
State employees only	14.2	12.8	-9.9%	42 <sup>nd</sup>
Local employees only	39.5	37.7	-4.4%	32 <sup>nd</sup>
Total payroll (March) per state resident	\$228	\$210	-8.0%	31 <sup>st</sup>
Total March payroll per FTE	\$4,246	\$4,152	-2.2%	18 <sup>th</sup>

Source: U.S. Census Bureau. (District of Columbia excluded from rankings.)

the fact that Wisconsin counties have more responsibilities than their counterparts in most other states, our state is 4.4 percent below average in local government employees relative to state population and ranks 32<sup>nd</sup> on that measure.

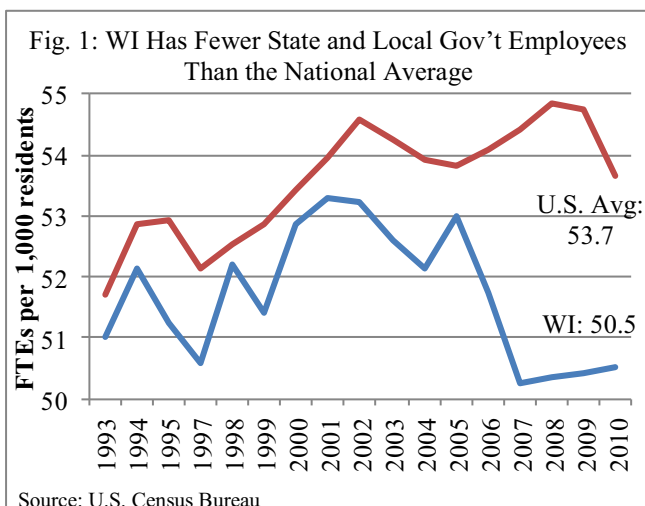
The Wisconsin Taxpayers Alliance has noted that Wisconsin has more units of government than most other states, measured relative to state population or geographic area. Based on that fact, one might infer that our state has more public employees, particularly at the local level, but that is not the case.

### Trends in Public Sector Employment

Viewed as a long-term trend, the gap between Wisconsin state and local employees per capita and the national average is widening. In 1993, Wisconsin had 0.7 fewer public sector FTEs per capita than the national average. By 2010, that gap had grown and Wisconsin was 3.2 FTEs below the national average.

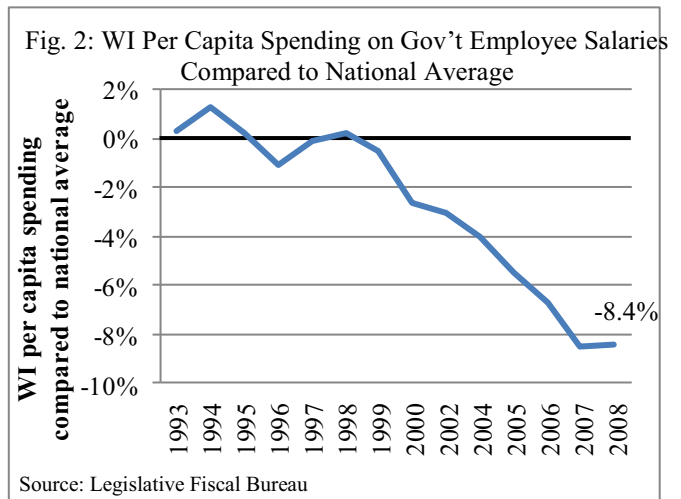
When viewed year by year, the number of public employees per capita in Wisconsin has fluctuated, although always remaining lower than the national average. As shown in Figure 1, Wisconsin public sector employment reached a low of 50.3 FTEs per capita in 2007 and 2008, and has increased only slightly since then to 50.5 FTEs per capita in 2010.

Just as Wisconsin has considerably fewer public employees per capita than the national average, our spending on salaries and wages is lower than the national average. Measured on a per capita basis, spending on state and local salaries in Wisconsin has been below the national average since 1998, as shown in Figure 2. Since then, per capita state spending on public employee salaries in Wisconsin



has steadily dropped compared to the national average.

In 2008, the most recent year for which figures are available, Wisconsin spent 8.4 percent less per state resident on public employee salaries than the national average. Wisconsin ranked 30<sup>th</sup> among the states in per capita spending for public sector employees in 2008, compared to 18<sup>th</sup> in 1993.



### Conclusion

Census Bureau data from 2010 show that Wisconsin continues a trend of having fewer state and local government employees per capita than the national average, ranking 39<sup>th</sup> nationally. Wisconsin was 8.0 percent below average on its total per capita payroll for public employees, ranking 31<sup>st</sup> on that measure.

In light of the property tax constraints and significant local aid cuts in the 2011-13 state budget, it's likely that the number of government employees in Wisconsin will decrease in the coming years, at least at the local level.

Many other states are facing similar economic straits, meaning that we are likely to see a continuation of the national trend of fewer public sector employees. In July 2011 the loss of 15,000 government jobs totally offset the very small increase in private sector employment. Since January 2010, state and local government employment has fallen by 482,000 jobs, which has held back the economic recovery, as the net job growth was just 1.9 million during that period.

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