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### **New Report: Minnesota's Construction Industry Pulls Ahead of Wisconsin's** *Minnesota Generates 7,0000 More Jobs, 43% Higher Wage Growth Since Great Recession*

**St. Paul, MN (July 30, 2018)** -- A new report by North Star Policy Institute finds that Minnesota's construction industry has pulled ahead of Wisconsin's since the Great Recession, fueled by a strong recovery that has boosted both employment and average worker pay. Minnesota surpassed Wisconsin in total construction employment, while construction industry wage growth in Minnesota has far outpaced that of Wisconsin since 2010. The findings are based on analysis of industry and workforce data collected by the U.S. Bureau of Labor Statistics.

Minnesota and Wisconsin began 2007 with nearly identical construction employment and average pay, and both endured substantial job losses following the onset of the Great Recession. Each state lost approximately 32,000 jobs, between 2007 and 2010, a roughly 25% drop from pre-recession employment levels. But since 2010, the recovery of Minnesota's construction industry has been much more robust:

- Minnesota added **31,486** construction jobs between 2010 and 2017, a **33.1%** increase, while Wisconsin added just **22,827**, which represents a **24.6%** increase.
- Wisconsin boasted **1,026** more construction jobs than Minnesota in 2007, but by 2017, Minnesota led by **7,178** jobs.

The report also analyzes wage trends in the two states since the Great Recession. Minnesota construction workers endured a larger loss in average annual wages than Wisconsin workers between 2007 and 2010 (\$1,313 vs. \$919). Worker pay came roaring back in Minnesota between 2010 and 2017, however, increasing by \$6,788 compared to just \$4,732 in Wisconsin -- 43%-greater wage growth. In 2007, the average Minnesota construction worker earned just slightly more than Wisconsin peers (5.6%), but by 2017, the pay gap had nearly tripled to 15.4%.

The report further examines how the policies adopted by each state in the wake of the Great Recession have contributed to the strength of Minnesota's recovery compared to Wisconsin. Minnesota injected public dollars into public works projects throughout the state, enacted progressive fiscal policies, and increased investments in education. Wisconsin, in contrast, pursued a path of austerity and deregulation, rejected federal funding for high-speed rail, enacted anti-union legislation, and repealed prevailing wage laws.

The report's findings come as no surprise to Superior City Councilmember Dan Olson, who also serves as Business Manager of LIUNA Local 1091 -- a 500-member union that represents construction laborers in Northeast Minnesota and Northwest Wisconsin.

“Our members have watched Wisconsin politicians slash public investments and services, and pursue an anti-worker agenda that has slowed job and wage growth, while Minnesota officials invested in the state's infrastructure and its workers. We can't afford to let our infrastructure keep deteriorating while skilled construction workers are left out in the cold. Wisconsin should follow Minnesota's example, and Minnesota should keep investing in projects that move our state forward.”

The report shows that state and local investments are paying off, according to Duluth Mayor Emily Larson. “The facts in this report tell a clear story: Minnesota's investments in people and infrastructure are fueling economic growth and building a state where people want to work, live, and visit. Duluth residents and businesses get it, and have stepped up to invest in local infrastructure. As long as the state continues to do its part, we can ensure that our roads, bridges, water and energy systems meet our needs today and tomorrow, while creating well-paid construction jobs that support families in Duluth and across Minnesota.”

The results of Minnesota's robust recovery can be seen across the state according to North Star Policy Institute's Tax Policy Fellow and report co-author Jeff Van Wychen. “The robust recovery of Minnesota's construction industry is evident across Minnesota. Since 2010, the Duluth, Mankato/New Ulm, Rochester and Twin Cities regions have all seen growth in construction employment.”

North Star Policy Institute Executive Director Katie Hatt added, “All of us rely on construction workers to build the high-quality public infrastructure we use everyday as well as residential, commercial, and industrial buildings. Minnesota's pro-investment, pro-worker policies following the Great Recession helped get the state's construction workers back on job sites sooner and earn better wages than their counterparts in Wisconsin.”

The full report is available online at [www.northstarpolicy.org](http://www.northstarpolicy.org)

*North Star Policy Institute is a nonpartisan progressive think tank that produces research and analysis on timely public policy issues. Our vision for Minnesota is a state where working families get ahead instead of just getting by; where all Minnesotans have the opportunity to succeed in the changing economy; and where smart investments in public services and infrastructure support healthy and connected communities.*