

# National economic advisor touts low unemployment in Wisconsin, falling inflation

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The deputy director of the National Economic Council is pushing back on the idea of a labor shortage amid record-low unemployment in Wisconsin.

In a recent interview, Bharat Ramamurti said the state maintaining unemployment at 2.4 percent through April and May of this year is “obviously good news for folks in Wisconsin,” particularly those currently looking for work and the employed.

“Because when you have such low unemployment, it typically means that employers are going to have to do more to attract and retain workers, so that means all workers up and down the income spectrum benefit when you have a tight job market,” he told WisBusiness.com.

But he argued “we really don’t have a labor shortage,” noting the percentage of people aged 25-54 years who are looking for work or have a job already is the highest it’s been in 20 years.

“We have the supply of labor,” he said. “There are people who are of working age and who are capable of doing work, are in the workforce at a higher rate than they have been in two decades.”

Ramamurti said employers seeking workers need to “step up” and ensure their job openings are attractive to those seeking employment or working elsewhere.

He also touted falling inflation rates, noting last summer’s rate of 9 percent has declined to around 4 percent.

“At the same time, a lot of people were saying, in order to bring inflation down, people are going to have to lose their jobs, Fed raising interest rates means we might go into a recession,” he said. “So far we haven’t seen that. In fact, it’s been the opposite. Over the last 11 months, we’ve added millions of jobs. The

unemployment rate ... is well below 4 percent.”

The U.S. unemployment rate was 3.7 percent in May, which is 1.3 percentage points above Wisconsin’s rate. Meanwhile, the national labor force participation rate of 62.6 percent was 2.5 percentage points below the state’s rate of 65.1 percent in May.

See the latest figures from the state Department of Workforce Development:  
<https://dwd.wisconsin.gov/press/2023/230615-may-state.htm>

*-By Alex Moe*