



Wisconsin Taxpayers Alliance
401 North Lawn Avenue • Madison, WI 53704-5033
www.wistax.org • 608.241.9789 • fax: 608.241.5807



Contact: Todd A. Berry or Dale J. Knapp
608.241.9789 or wistax@wistax.org
April 24, 2009

Despite Weak Economy, Education, Exports, and Health Show Strength Competitive Wisconsin Issues State's Annual Report Card

MADISON—Despite a spate of discouraging economic news in recent months, Wisconsin continues to have strengths on which it can build, according to a new report prepared by the Wisconsin Taxpayers Alliance (WISTAX) for Competitive Wisconsin, Inc. (CWI), a statewide consortium of state leaders in agriculture, business, education, and labor. The report, “Measuring Success: Benchmarks for a Competitive Wisconsin,” offers some encouragement in education, export activity, and venture capital. Overall, the “benchmarking” study tracks 33 measures in six areas: economic health, quality of life, workforce excellence, public sector, business climate, and environmental quality.

According to the report, Wisconsin high school graduation rates increased in 2007 and remained above the U.S. average. Relative to ninth-grade enrollment four years earlier, the state's graduation rate rose nearly a full point to 82.2%. As recently as 2004, the rate was at 78.0%. In addition, the percentage of Wisconsin's 25-or-older population with at least a bachelor's degree rose slightly in 2007 to 25.4%, though it remained below both the national average (27.5%) and Minnesota (31.0%).

Progress was also made in the number of doctoral degrees earned in the sciences. PhD's in science, engineering, computer sciences, and mathematics provide the human capital for high-level research and the seeds of future progress. In 2006, the number of science doctorates rose nearly 16% and topped 400 for the first time since 1998. At 73.2 per million in population, Wisconsin outperformed the nation (68.7).

Wisconsin's export sector showed continued strength. Exports as a percentage of output rose more than 12 percentage points in the five years ending in 2007. At 36.0% of manufacturing, mining, and farm output, however, Wisconsin continues to trail the nation (55.7%).

Venture capital that helps new and innovative companies grow showed some improvement. In 2007, \$31.28 of venture capital per worker was disbursed in the state, up from \$13.57 in 2003. While Wisconsin is moving in the right direction, more needs to be done to match neighboring Minnesota (\$174.20) and Illinois (\$84.50).

Health insurance coverage in Wisconsin continued to expand. In 2007, only 8.2% of state residents were uninsured, compared to 15.3% nationally. Wisconsin's uninsured rate was lowest in the region and the third lowest in the U.S.

Not all of the competitive measures tracked were as positive. State per capita personal income continued to trail the U.S. At \$36,241, incomes here were 6.0% below the national norm (\$38,564) and almost 12% below Minnesota (\$40,969). Over the last five years, Wisconsin incomes rose 20.8%, compared to 25.1% nationally and 23.2% in the Gopher State.

The Wisconsin Taxpayers Alliance, founded in 1932, is the state's oldest and most respected private government-research organization. Through its research, publications, civic lectures, and school talks, WISTAX aims to improve Wisconsin government through citizen education. Nonprofit, nonpartisan, and independently funded, WISTAX is not affiliated with any group—national, state, or local—and receives no government support.

April 24, 2009

The number of private businesses in the state declined for the second consecutive year. In 2007, it fell 0.8% here, but was up nationally (2.1%) and in all neighboring states, except Michigan. Wisconsin's 0.8% decline comes on the heels of a 0.4% fall in 2006.

Energy costs, particularly electricity, continue to rise in a state once known for "cheap energy". In 2007, the average cost for electricity in the Badger State was \$24.62 per million Btu's, or 47.2% more than 2000. In 2000, Wisconsin had the lowest electricity rates in the region. In 2007, both Iowa and Minnesota were lower. High energy prices negatively affect business costs and household budgets.

While still below the national average, Wisconsin's violent crime rate continued to rise. In 2007, there were 291 violent crimes per 100,000 population, up 38.6% from 210 in 2004. Wisconsin's rate was on par with Minnesota (289) and Iowa (295), but below other neighboring states and the nation (467).

Competitive Wisconsin originated the *Measuring Success* report card after a 1997 gubernatorial commission urged the state to track its economic progress and the growth of quality jobs, education, and training. The series of reports has been prepared annually by the professional research staff at the Wisconsin Taxpayers Alliance, a nonprofit, nonpartisan organization devoted to public-policy research and citizen education.

Copies of the 52-page report are available directly from WISTAX for \$3.00 (plus tax). Write WISTAX at 401 North Lawn Avenue, Madison, WI 53704-5033; e-mail wistax@wistax.org; visit www.wistax.org; or phone 608.241.9789.