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CONTACT: John Dipko, Communications Director, 608-266-6753

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Governor Walker's Budget Advances Fiscal Responsibility, Job Creation

Balanced budget another step toward growing economy, getting Wisconsin working again

MADISON – Governor Walker's signing of the biennial budget on Sunday, June 26th, provides one more example of the fiscally responsible approach being advanced to strengthen the state's economy and promote job creation, Department of Workforce Development (DWD) Secretary Scott Baumbach said.

"The state budget takes an important step toward addressing a structural deficit in our state's Unemployment Insurance Trust Fund, while supporting principles that advance economic growth and job creation," Secretary Baumbach said. "Through the state budget and other measures, Governor Walker is reinforcing the message that Wisconsin is open for business, and employers and jobseekers alike are taking note."

The 2011-13 budget includes a provision to enact a one-week waiting period before state Unemployment Insurance (UI) benefits are payable in each benefit year. This measure will allow DWD staff time to calculate appropriate benefit amounts for claimants, thus reducing overpayments while also saving costs for the overall program. The provision is designed to save an estimated \$45.2 million a year for the UI Trust Fund, which is currently facing a \$1.26 billion deficit.

"By incorporating this provision in the state budget, we are moving in the right direction toward making the fund solvent again," Secretary Baumbach said.

Another area that benefits from the Governor's budget is in the Division of Vocational Rehabilitation (DVR), where the level of state funding – \$15 million a year – will be maintained allowing Wisconsin to receive four times the amount in federal funding. This will enable DVR to continue delivering the high quality of service to clients who have the greatest need, Secretary Baumbach said.

Secretary Baumbach also said the biennial budget signed by Governor Walker continues to move Wisconsin in the right direction by cutting government spending and enacting innovative government reforms that sustain the business-friendly environment that was started under his leadership.

"This year, our website, www.JobCenterofWisconsin.com, has seen unprecedented use, with some 30,000 jobs posted currently and an average of 2,600 new openings posted each week. In addition, nearly 1,000 jobseekers register on the site each week," Secretary Baumbach said. "It is clear that employers are gaining confidence thanks to the business-friendly environment being advanced by Governor Walker, and jobseekers are optimistic that they will find that next great job opportunity."

(more)

Other indicators show that job-seekers are increasingly using DWD's services:

- Nearly 1,000 National Career Readiness Certificates have been issued by DWD for 2011. The National Career Readiness Certificate is a nationally-recognized standard that indicates employee ability in writing and mathematics.
- Major employers including Mercury Marine, Logistics Health and Oshkosh Corporation have partnered with DWD this year to host job fairs that have attracted hundreds of Wisconsinites to learn about job opportunities.
- More than 16,000 Wisconsin residents are served each month by DWD's Division of Vocational Rehabilitation, which provides assistance to individuals whose disabilities represent barriers to meaningful employment. Of those who have left the program, 57% did so with a job earning competitive wages.