



Andrew Link/Daily News Staff

West Bend Mutual switchboard operators Kathy Solheim, left, and Robin Malchow takes calls Friday at the corporate office in West Bend.

Labor Day reminds us of unemployment

By STEVE SCHUSTER
for the Daily News

This Labor Day we will honor the social and economic achievements of American workers during a time of record unemployment throughout the nation.

Despite modest gains in private-sector job creation, the U.S. unemployment rate rose a tenth of a percentage point to 9.6 percent in August. Washington County, however, seems to be bucking that trend.

Unemployment is actually down in Washington County, according to Christian Tscheschlok, executive director of Economic Devel-

opment/Washington County, an independent nonprofit economic development agency with both private sector and public investors.

The county had a 9.9 percent unemployment rate in April, Tscheschlok said, and a 7.3 percent unemployment rate in July. Certified numbers for August were not yet available, he said.

He attributes the 47 newly created jobs and \$2.9 million of investments into Washington County's economy to the EDWC's partnerships with local businesses and local governments in Washington County.

"One of the things I've Please see **LABOR DAY/A7**

Labor Day: High number of unemployed highlighted

been impressed with in Washington County, all of our municipalities in county government have approached projects with a focus on solutions ... how we get it done with the rules we have. That's a point of differentiation [between] Washington County over others (counties)," he said.

The process of creating jobs is complex, Tscheschlok said.

"Government's don't create jobs, businesses do. Government can do a nice job of identifying gaps and helping to fill them," he said.

According to the Wisconsin Department of Workforce Development, the unemployment rate in the greater Milwaukee area, was recently reported to be 8.6 percent.

As the Daily News reported earlier this summer, Washington County residents questioned the accuracy of the reported unemployment numbers, claiming the true unemployment percentage in Washington County is closer to 20 percent, which, if true, would be nearly 12 percentage points more than the state reported.

It is an assessment U.S. Representative E. James Sensenbrenner (R-Menomonee Falls) agreed with at a West Bend Town Meeting this past July.

"Obviously, this is a very big issue and it's affecting the entire nation, it's not just West Bend that is suffering," said Craig Farrell, West Bend Area Chamber of Commerce executive director.

Farrell said county

employers are reluctant to hire more people unless they are confident they can sustain those new employees.

"We are in a situation where people are afraid. It's only as the economy turns around that people will feel more comfortable. People are afraid to spend money and to hire," he said.

Despite claims of slight economic improvement, many Washington County businesses still struggle to keep their employees.

"We haven't had any (recent) layoffs, said Chad Feltz, a human resources manager with West Bend Mutual Insurance Co. However, the company had not seen major growth in its employee ranks in years, he said.

Agriculture in the state and county also has taken a big hit because of the recession.

The dairy industry is a \$26 billion dollar industry and has a stabilizing affect on the economy, according to Patrick Geoghegan, senior vice president of corporate communications with the Wisconsin Milk Marketing Board.

"It's only been recently that the price (of milk) has come back up to just above the cost of production. It's been a very difficult time for dairy producers. ... you can't lay off cows -they need to be milked every day," Geoghegan said.

There is a solution in the dairy sector, he said.

Washington County grocery shoppers can make a difference. Geoghegan said shoppers should "make sure dairy products they buy are produced in Wisconsin ... Most

cheeses carry a 'Wisconsin Cheese' logo, which can easily be identified."

Other industries are facing difficult challenges, too.

"I think local leaders have to look at what projects can be developed around infrastructure, and how they can form partnerships with other public sector entities, including the federal government and state ... to get projects funded and (put) people to work through that process," said Phil Neuenfeldt, secretary treasurer for the Wisconsin AFL-CIO.

The city of West Bend, despite limited job creation powers, is trying to improve the situation, said West Bend Alderman Michael Schlotfeldt.

"The city is doing all it can on economic issues. We've frozen our budget with a 0 percent property tax increase, but the city has limits," Schlotfeldt said.

In the interest of new business development and retention, the West Bend has the authority to waive water utility bills and can also create Tax Incremental Financing districts, which, with the help of the state or federal government, encourage redevelopment, as seen with the takeover and redevelopment of a building owned by the Gehl Company, Schlotfeldt said.

Schlotfeldt said it's imperative to encourage small business growth. The internationally known Serigraph Inc. started in a West Bend garage, he said.

"A lot is out of the city's hands. We've changed regulations to make it easier on local businesses but there is

only so much we can do," he said. "Businesses will move to where they can get labor cheap and that's the reality of the situation."

State Senator Glenn Grothmann (R-West Bend) agreed that the state needs to make major changes to its corporate tax structure to keep Wisconsin at work.

"Personally, in Wisconsin, I think we should repeal the income tax on manufacturers, which would hopefully stop these threats of moving out of state," he said.

West Bend business owners blame local and state taxation for lack of job growth.

"That's money I could spend on new employees. I understand we need taxes ... but in my case it has hindered me from hiring," said Randy Spaulding, founder and chief executive officer of Spaulding Clinic in West Bend.

"I think anyone in the community would agree that we shouldn't put up obstacles. Let us grow and then collect your fair share of taxes," Spaulding said.