



# NORTHWEST MINNESOTA ECONOMIC DEVELOPMENT REGIONS 1, 2, 4, 5

Covering the following counties:

Becker, Beltrami, Cass, Clay, Clearwater,  
Crow Wing, Douglas, Grant, Hubbard, Kittson,  
Lake of the Woods, Mahnommen, Marshall,  
Morrison, Norman, Otter Tail, Pennington,  
Polk, Pope, Red Lake, Roseau, Stevens,  
Todd, Traverse, Wadena, and Wilkin

## 2024 REGIONAL PROFILE

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## DEMOGRAPHICS

### POPULATION CHANGE

Northwest Minnesota is a mostly rural, 26-county region located in the central and northwest areas of the state, bordering North Dakota and Canada. Covering four Economic Development Regions (EDRs), Northwest is the third largest of the six planning regions in the state, accounting for 10.1% of the state’s total population. The area population increased by nearly 28,000 residents from 2010 to 2023, a 5.1% increase, compared to a 8.2% rise statewide.

Just over half of the 26 counties in the Northwest planning region have grown in population since 2010, while the other 12 declined. Notably, nine of the 11 counties in the region with less than 10,000 residents declined in population from 2010 to 2023. In contrast, the larger counties in the region generally had more population growth. As part of the fast-growing Fargo-Moorhead Metropolitan Statistical Area, Clay County added 7,259 new residents, a 12.3% increase, making it one of the fastest growing counties (of 87) in the state. Crow Wing County, the largest county in the region with 68,304 people in 2023, was the 15<sup>th</sup> largest in the state. Eight of the nine counties in the region with more than 30,000 residents saw population growth (see Table 1).

**Table 1. Population Change 2010-2023**

	2010 Population	2023 Estimates	2010-2023 Change	
			Number	Percent
<b>Northwest Minnesota</b>	<b>553,805</b>	<b>581,777</b>	<b>+27,972</b>	<b>+5.1%</b>
<b>Region 1</b>	<b>86,091</b>	<b>82,488</b>	<b>-3,603</b>	<b>-4.2%</b>
Kittson Co.	4,552	4,060	-492	-10.8%
Marshall Co.	9,439	8,810	-629	-6.7%
Norman Co.	6,852	6,329	-523	-7.6%
Pennington Co.	13,930	13,714	-216	-1.6%
Polk Co.	31,600	30,412	-1,188	-3.8%
Red Lake Co.	4,089	3,911	-178	-4.4%
Roseau Co.	15,629	15,252	-377	-2.4%
<b>Region 2</b>	<b>83,023</b>	<b>86,552</b>	<b>+3,529</b>	<b>+4.3%</b>
Beltrami Co.	44,442	46,718	+2,276	+5.1%
Clearwater Co.	8,695	8,644	-51	-0.6%
Hubbard Co.	20,428	22,132	+1,704	+8.3%
Lake of the Woods Co.	4,045	3,778	-267	-6.6%
Mahnomen Co.	5,413	5,280	-133	-2.5%
<b>Region 4</b>	<b>221,688</b>	<b>238,829</b>	<b>+17,141</b>	<b>+7.7%</b>
Becker Co.	32,504	35,283	+2,779	+8.5%
Clay Co.	58,999	66,258	+7,259	+12.3%
Douglas Co.	36,009	39,953	+3,944	+11.0%
Grant Co.	6,018	6,139	+121	+2.0%
Otter Tail Co.	57,303	60,626	+3,323	+5.8%
Pope Co.	10,995	11,400	+405	+3.7%
Stevens Co.	9,726	9,728	+2	0.0%
Traverse Co.	3,558	3,136	-422	-11.9%
Wilkin Co.	6,576	6,306	-270	-4.1%
<b>Region 5</b>	<b>163,003</b>	<b>173,908</b>	<b>+10,905</b>	<b>+6.7%</b>
Cass Co.	28,567	31,446	+2,879	+10.1%
Crow Wing Co.	62,500	68,304	+5,804	+9.3%
Morrison Co.	33,198	34,250	+1,052	+3.2%
Todd Co.	24,895	25,667	+772	+3.1%
Wadena Co.	13,843	14,241	+398	+2.9%
<b>State of Minnesota</b>	<b>5,303,925</b>	<b>5,737,915</b>	<b>+433,990</b>	<b>+8.2%</b>

Source: U.S. Census Bureau, Population Estimates

### COMPONENTS OF POPULATION CHANGE

Northwest Minnesota’s population increase from 2020 to 2023 was driven by net migration – more people moving in than moving out. This handily overcame the natural decrease – more deaths than births. The bulk of the net migration was from other places in the U.S. (that is, “domestic”), with the remaining net gain was from international migration.

Population change differed from the state overall, which had positive natural increase and rapid international immigration, but negative net domestic migration (Table 2).

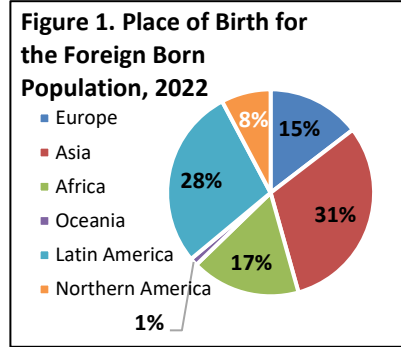
**Table 2. Estimates of the Components of Population Change, 2020-2023**

	Total Change	Natural Increase	Vital Events		Net Migration		
			Births	Deaths	Total	Inter- national	Domestic
Northwest	+6,287	-2,114	19,919	22,033	+8,341	+1,170	+7,171
Minnesota	+31,111	+40,368	207,857	167,489	-11,352	+34,624	-45,976

Source: U.S. Census Bureau, Population Estimates Program

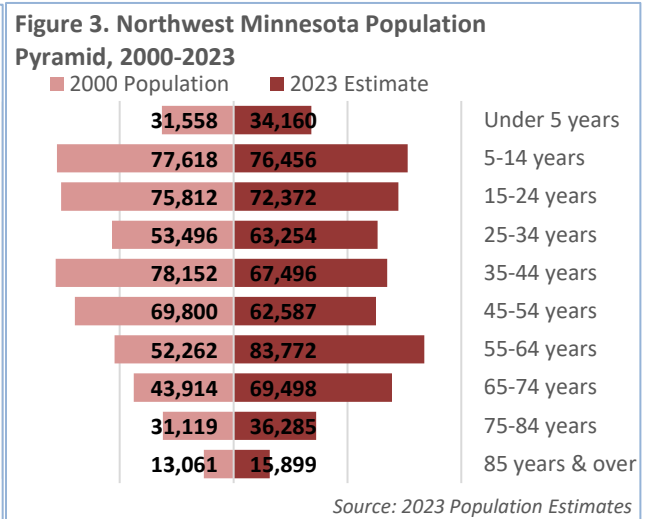
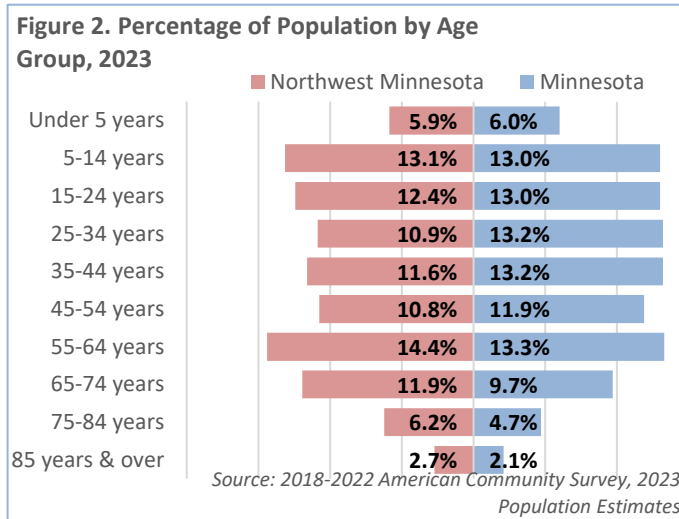
In total, the Northwest has just under 13,000 foreign-born residents, or 2.2% of the total population. That was significantly lower than the state, where 8.5% of the population is foreign-born. The largest number of immigrants in the region came from Asia, Latin America, Africa, Europe, and Canada (Figure 1).

The number of immigrants rose by 22.1% from 2010 to 2022, slower than statewide at 31.3%. Based on year of entry, the region’s foreign-born population was “newer,” with 38% of immigrants entering the U.S. since 2010, compared to 33% statewide. Foreign-born residents are younger, with 55.8% between 25 and 54 years of age, compared to 33.2% of the total Northwest population. While an identical percentage (25.8%) of foreign-born residents had a bachelor’s degree or higher compared to native-born residents, immigrants were much more likely to have less than a high school education (23.4% vs. 6.6%).



**POPULATION BY AGE GROUP**

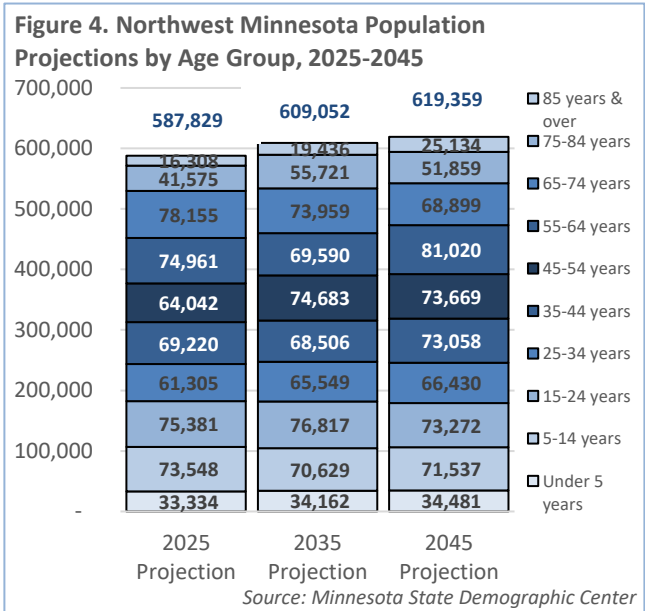
Northwest Minnesota has an older population than the state, with over one-third (35.3%) of the population 55 or older, compared to 29.8% statewide. In contrast, the region had a smaller percentage of people in the 25 to 54 age group - typically considered the “prime working years.” A large portion of Northwest’s population is a part of the Baby Boom generation. While the number of residents under 25 years of age steadied, the number of people aged 55 years and over increased by nearly 65,000 between 2000 and 2023 (Figure 2 and Figure 3).



**POPULATION PROJECTIONS BY AGE GROUP**

Population projections from the [Minnesota State Demographic Center](#) show that the Northwest is expected to gain over 31,500 net new residents from 2025 to 2045, a 5.4% increase (Figure 4). In comparison, the state of Minnesota is projected to grow 5.5%, with the fastest growth expected to occur in the Twin Cities metro area.

The Northwest’s fastest growth is expected in ages 75 and older, reflecting the aging of the large Baby Boomer cohort. The next-largest Millennial cohort swells the age 45 to 54 group. Net outmigration of young adults is projected to continue. Note that there are 75,435 people aged 15 to 24 in 2025, but 62,759 aged 25-34 projected in 2035. The under-25 groups are expected to decline slightly through the two decades.



### POPULATION BY RACE

The population in Northwest Minnesota is less racially diverse than the state overall, but is becoming more diverse over time. Nearly 89% of the region’s residents are white, compared to 79.7% of residents statewide. At 3.5%, Northwest had the highest concentration of American Indian and Alaska Natives of the 6 planning regions in Minnesota. Besides white alone and American Indian, the Northwest had a much smaller share of every other racial group than statewide, as well as a smaller share reporting Hispanic or Latino origin.

From 2011 to 2022, the share of white residents was little changed. Every other racial and ethnic group besides American Indian grew rapidly. Two or More Races and Black or African American grew the fastest. Also, the share of Black, American Indian, Two or More Races, and Hispanic or Latino grew more rapidly than statewide (Table 3).

Table 3. Race and Hispanic Origin, 2022	Northwest Minnesota			Minnesota	
	Number	Percent	Change from 2011-2022	Percent	Change from 2011-2022
<b>Total</b>	<b>576,263</b>	<b>100.0%</b>	<b>+4.3%</b>	<b>100.0%</b>	<b>+7.9%</b>
White	511,941	88.8%	+0.1%	79.7%	-0.4%
Black or African American	7,303	1.3%	+94.5%	6.7%	+44.3%
American Indian & Alaska Native	20,002	3.5%	-1.2%	0.9%	-10.2%
Asian & Other Pacific Islander	4,586	0.8%	+23.4%	5.1%	+37.1%
Some Other Race	5,888	1.0%	+81.1%	2.3%	+84.7%
Two or More Races	26,543	4.6%	+170.3%	5.3%	+159.6%
Hispanic or Latino origin	19,381	3.4%	+58.8%	5.7%	+34.6%

*Source: U.S. Census Bureau, 2018-2022 American Community Survey*

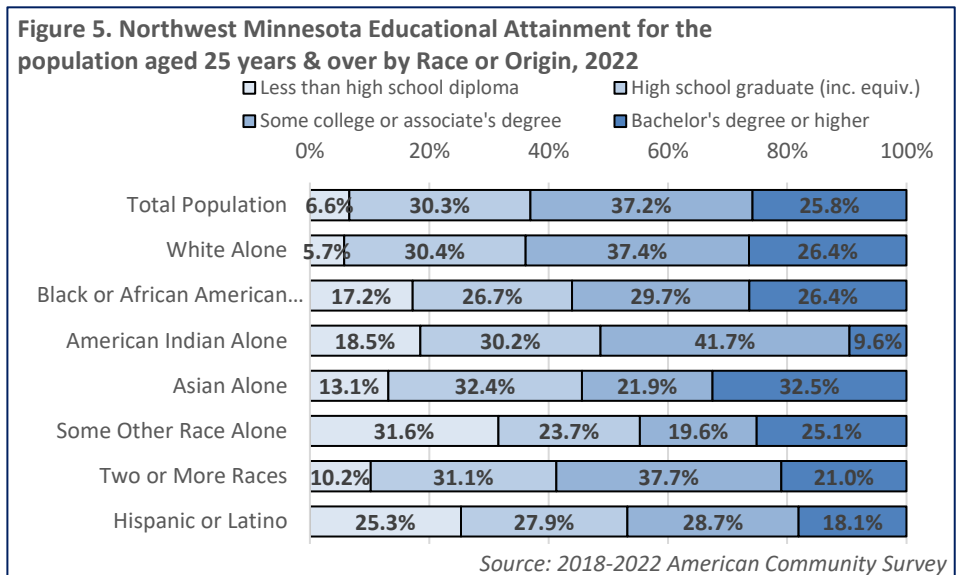
### EDUCATIONAL ATTAINMENT

The Northwest had a lesser percentage of residents with a bachelor’s degree or higher than statewide. However, the Northwest had a greater share of adults with some college or an associate’s degree, reflecting the education requirements of jobs in the region (Table 4).

Table 4. Educational Attainment for the Population, 2022	Northwest Minnesota		Minnesota
	Number	Percent	Percent
<b>Total, 18 years &amp; over</b>	<b>444,050</b>	<b>100.0%</b>	<b>100.0%</b>
Less than high school	33,606	7.6%	7.0%
High school graduate (incl. equiv.)	136,057	30.6%	24.5%
Some college, no degree	106,166	23.9%	22.0%
Associate’s degree	62,338	14.0%	11.1%
Bachelor’s degree	74,130	16.7%	23.7%
Advanced degree	31,753	7.2%	11.8%

*Source: 2018-2022 American Community Survey, 5-Year Estimates*

Educational attainment varies significantly by race and ethnicity. Compared to white alone, more than double the share of Black or African American, American Indian, Asian, and Hispanic or Latino residents had less than a high school diploma. Those identifying as Some Other Race had the highest share with less than high school. Asians had the highest share with bachelor’s degrees, and American Indians had the lowest. However, American Indians had the highest share with some college or an associate’s degree. Whites had the highest percentage with more than high school, and over a quarter had a bachelor’s degree or higher (Figure 5).

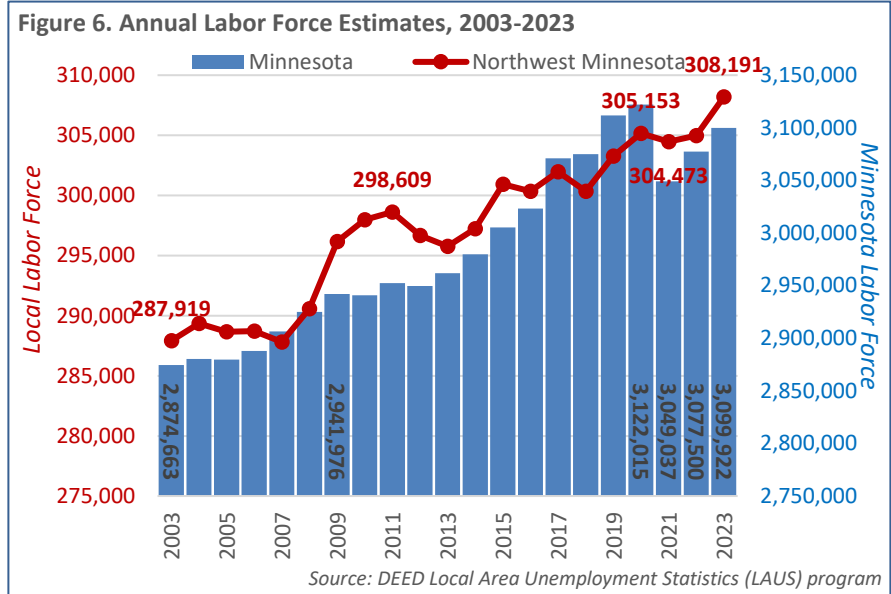


## LABOR FORCE

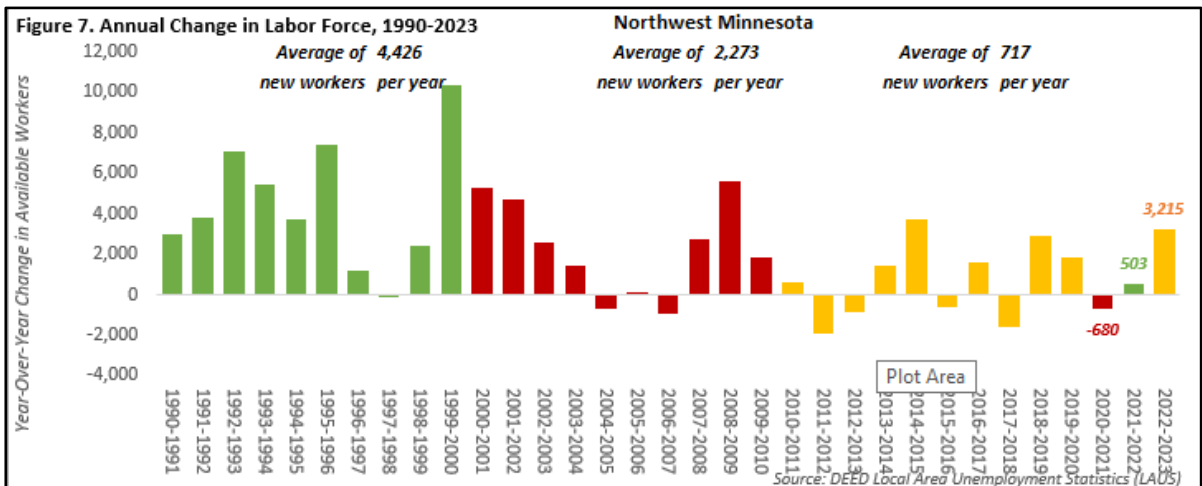
### LABOR FORCE CHANGE

According to data from DEED’s [Local Area Unemployment Statistics](#) program, Northwest Minnesota had an average of just over 308,000 workers in 2023. Despite some ups and downs, the labor force generally increased over the past 20 years. Past recessions have caused sharp drops, but the labor force has always recovered and continued growing (Figure 6).

Past declines in the Northwest’s labor force began shortly after the peak unemployment rates of the 2001 and 2008 recessions. Northwest’s labor force hit a peak in 2004 at 289,347 workers, then dropped down until 2007 resulting in a -0.5% decline. The next peak was 2011 at 298,609, falling by nearly 3,000 workers until 2013. In contrast, after the 2020 Pandemic Recession, the unemployment rate quickly spiked then quickly dropped. By 2022, the labor force had rebounded, and in 2023, it grew rapidly. However, with the large Baby Boomer population cohort in the Northwest, labor force growth going forward will be more constrained due to retirements.



Averaging a net gain of 4,426 additional labor force participants per year between 1990 and 2000, employers were able to tap into a large and growing pool of talented workers. Although the regional labor force and economy continued to grow, the rate of labor force growth is slowing considerably, adding an average of only 717 workers per year from 2010 to 2020 (Figure 7). Increasingly tight labor markets and a growing scarcity of workers is now recognized as one of the most significant barriers to future economic growth in Northwest. In the face of these constraints, a more diverse workforce in terms of age, gender, race, ethnicity, disability status, and immigration has been and will continue to be a vital source of the workers that employers need to succeed. As the white, native-born workforce continues to age, younger workers of different races or from different countries will comprise the fastest growing segment of the labor force.



### LABOR FORCE PROJECTIONS, 2025-2035

Applying current labor force participation rates to future population projections by age group creates labor force projections for the region. Despite Northwest Minnesota’s 5.4% projected population increase shown in Figure 4 above, the regional labor force is expected to grow 3.5% from 2025 to 2035. This is due to the aging Baby Boomers exiting the labor force (Table 5).

The largest decline is projected for the 55 to 64 age group, with a decrease in those aged 65 to 74 as well. Those aged 45 to 54 gain the most as Millennials move into that age group. Those aged 20 to 24 should also increase, while those aged 75 & over have the fastest growth. The anticipated change in labor force age distribution may lead regional employers to adapt their management and hiring practices to attract employees from the growing age cohorts.

	2025 Labor Force Projection	2035 Labor Force Projection	2025-2035 Change	
			Numeric	Percent
16 to 19 years	17,589	16,974	-615	-3.5%
20 to 24 years	30,232	32,563	+2,331	+7.7%
25 to 44 years	113,939	117,021	+3,081	+2.7%
45 to 54 years	54,961	64,093	+9,132	+16.6%
55 to 64 years	51,529	47,837	-3,692	-7.2%
65 to 74 years	20,063	18,986	-1,077	-5.4%
75 years & over	3,605	4,681	+1,076	+29.8%
<b>Total Labor Force</b>	<b>291,918</b>	<b>302,155</b>	<b>+10,237</b>	<b>+3.5%</b>

*Source: calculated from [Minnesota State Demographic Center population projections](#) and [2018-2022 American Community Survey 5-Year Estimates](#)*

### EMPLOYMENT CHARACTERISTICS

With 63.1% of the population over 16 years of age in the labor force, Northwest had a much lower labor force participation rate than Minnesota’s 68.7%. All but the two youngest age groups had lower labor force participation rates than those statewide, and the overall rate is lower because a higher percentage of the region’s labor force is in the oldest age groups (Table 6).

Participation rates varied by race in Northwest, but also lagged state averages. American Indians were the only race that had a higher participation rate here than the state overall. The rate of Hispanic or Latino residents were similar to statewide. Like the state, the region’s unemployment rates were higher than whites for every race and ethnicity group, except for Asians. In sum, unemployment was higher and participation rates lower among young workers, minorities, people with lower educational attainment, and workers with disabilities.

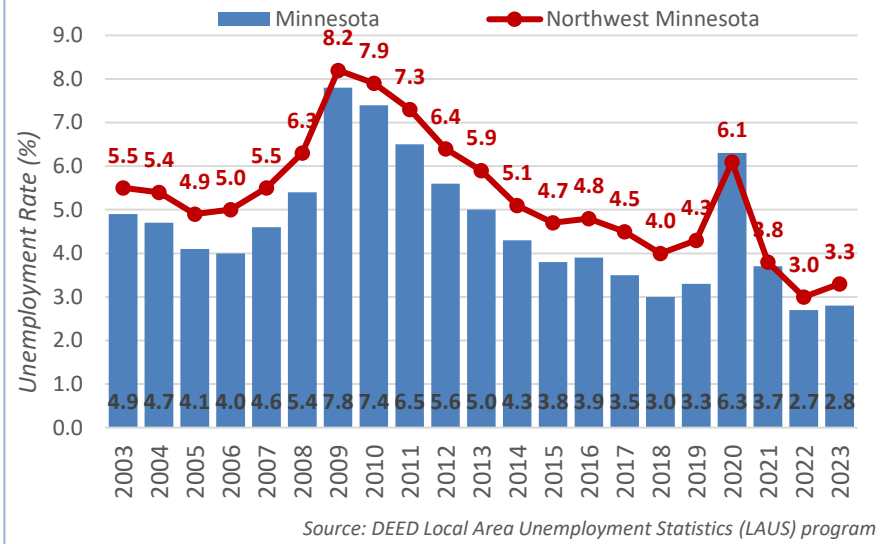
Age Group	Northwest Minnesota			Minnesota	
	Labor Force	Labor Force Partic. Rate	Unemp. Rate	Labor Force Partic. Rate	Unemp. Rate
<b>Total Labor Force</b>	<b>289,474</b>	<b>63.1%</b>	<b>4.4%</b>	<b>68.7%</b>	<b>4.0%</b>
16 to 19 years	16,518	56.3%	7.5%	53.0%	9.8%
20 to 24 years	28,767	83.2%	7.3%	83.1%	6.7%
25 to 44 years	113,053	87.3%	4.4%	88.8%	3.5%
45 to 54 years	53,203	85.8%	3.5%	87.8%	2.9%
55 to 64 years	57,040	68.7%	3.0%	72.8%	3.1%
65 to 74 years	17,671	25.7%	3.7%	27.6%	3.3%
75 years & over	3,219	6.2%	3.4%	6.6%	3.2%
<b>Employment Characteristics by Gender</b>					
Male	154,614	66.8%	5.1%	72.4%	4.3%
Female	134,845	59.3%	3.5%	65.0%	3.6%
<b>Employment Characteristics by Race &amp; Hispanic Origin</b>					
White alone	261,369	62.8%	3.8%	67.8%	3.4%
Black or African American	3,374	70.7%	10.7%	71.5%	8.7%
American Indian & Alaska Native	7,954	58.6%	16.1%	57.6%	11.9%
Asian or Other Pacific Islanders	2,342	64.3%	3.0%	73.9%	3.6%
Some Other Race	3,077	71.5%	6.3%	76.1%	6.1%
Two or More Races	11,290	68.7%	8.1%	74.3%	6.6%
Hispanic or Latino	9,243	76.6%	10.2%	77.0%	6.3%
<b>Employment Characteristics by Veteran Status, 18 to 64 years</b>					
Military Veteran	10,599	76.4%	5.8%	81.1%	4.0%
<b>Employment Characteristics by Disability, 20 to 64 years</b>					
With Any Disability	18,712	51.8%	10.8%	54.4%	10.2%
<b>Employment Characteristics by Educational Attainment</b>					
Population 25 to 64 years	223,293	81.4%	3.8%	84.4%	3.3%
Less than H.S. Diploma	10,770	65.0%	5.3%	67.2%	4.6%
H.S. Diploma or Equivalent	56,973	75.7%	2.3%	76.8%	2.5%
Some College or Assoc. Degree	91,584	83.4%	3.4%	85.1%	3.6%
Bachelor's Degree or Higher	63,973	87.9%	1.6%	90.3%	2.0%

*Source: 2018-2022 American Community Survey, 5-Year Estimates*

### UNEMPLOYMENT RATES

With the exception of the COVID-19 pandemic, Northwest consistently reports higher unemployment rates than Minnesota overall. According to the [Local Area Unemployment Statistics](#), the unemployment rate in Northwest hovers roughly 0.5 to 1 percentage point above the statewide rate, shifting in sync to economic fluctuation. During the Great Recession, it rose to 8.2%. Due to the pandemic, unemployment rates spiked for 2020, but dropped to exceptional lows in the recovery for 2021 and through 2023 (Figure 8).

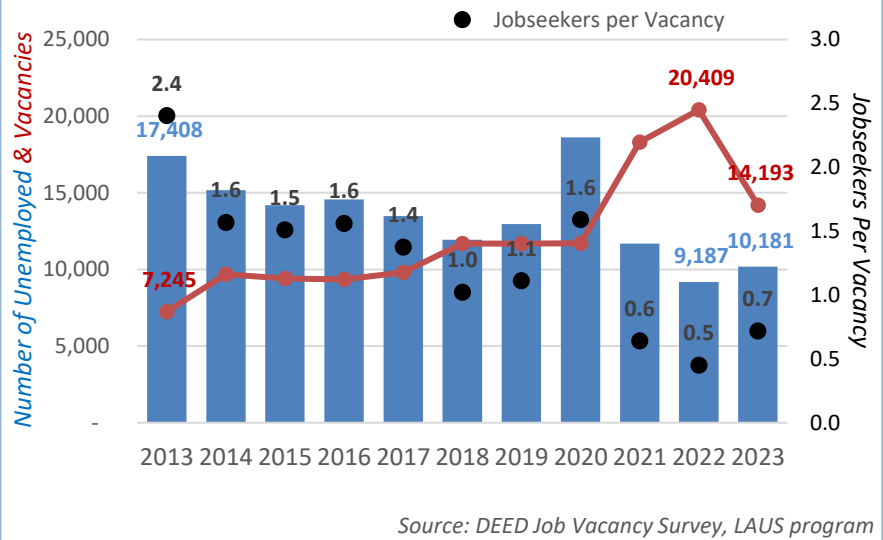
Figure 8. Unemployment Rates, 2003-2023



### JOBSEEKERS PER VACANCY

As the number of unemployed workers has declined, the region’s labor market has tightened. One clear demonstration of this is the ratio of unemployed jobseekers per vacancy, which dipped to 0.7-to-1 in 2023 (Figure 9). There were an estimated 14,193 openings compared to 10,181 unemployed jobseekers in the region. This means that even if every unemployed worker were an immediate fit for an open job, nearly 4,000 vacancies would remain unfilled (Figure 9).

Figure 9. Jobseekers Per Vacancy, 2013-2023



### COMMUTE SHED AND LABOR SHED

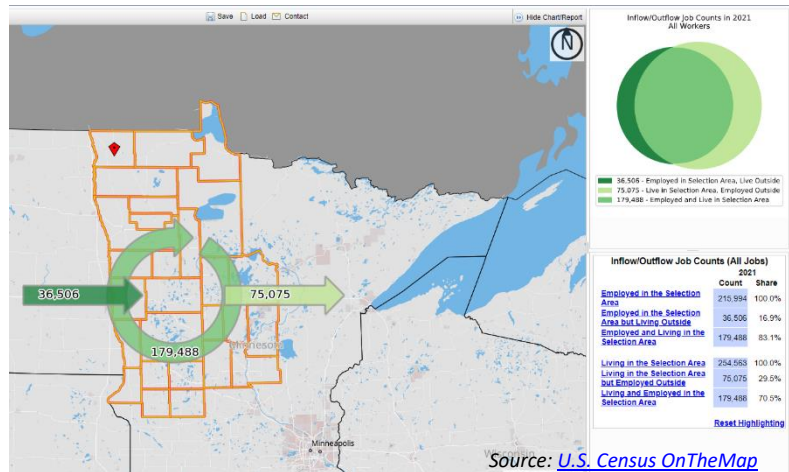
According to the Census Bureau’s OnTheMap program, the vast majority – 70.5% – of residents in the region also work within the region. However, Northwest Minnesota is a net exporter of labor, having fewer jobs than available workers. In 2021, 179,488 workers both lived and worked in Northwest, while another 36,506 workers drove into the region for work. This is compared to 75,075 workers who lived in the region but drove to outside areas for work (Table 7 and Figure 10).

Table 7. Northwest Minnesota Inflow/Outflow Job Counts (All Jobs), 2021	2021	
	Count	Share
Employed in the Selection Area	215,994	100.0%
Employed in the Selection Area but Living Outside	36,506	16.9%
Employed and Living in the Selection Area	179,488	83.1%
Living in the Selection Area	254,563	100.0%
Living in the Selection Area but Employed Outside	75,075	29.5%
Living and Employed in the Selection Area	179,488	70.5%

Source: U.S. Census Bureau, OnTheMap

This is due to proximity to two metropolitan areas in North Dakota: Fargo and Grand Forks. Crow Wing County is the largest employment center in the planning area and the biggest draw for workers, followed by Cass County, ND, Otter Tail, Beltrami, Douglas, Becker, and Clay County. Employers in the region draw workers from surrounding counties like Cass (ND), Stearns, Grand Forks (ND), and Itasca. Workers also travel to these same counties for work, primarily to the Fargo and Grand Forks metropolitan areas in North Dakota (Figure 10). The average commute time for workers in Northwest

Figure 10. Northwest Minnesota Labor and Commute Shed, 2021



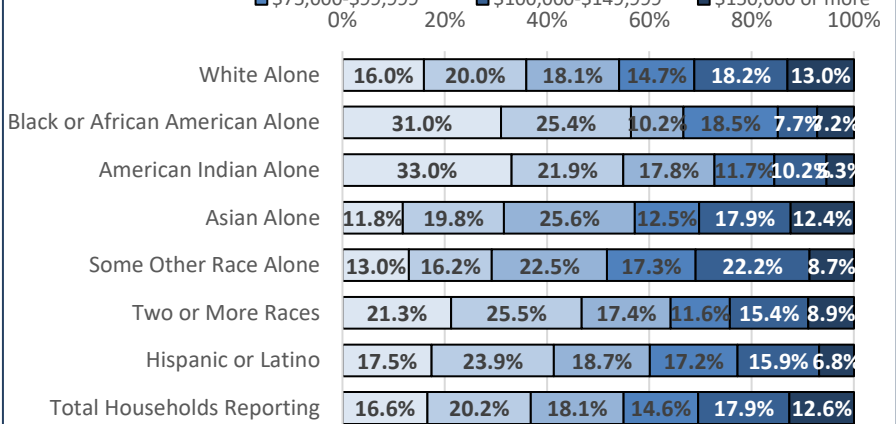
was 21.8 minutes, compared to 23.3 minutes for workers statewide. Over 75% of workers commuted less than 30 minutes, compared to 69% statewide. Just over 9% of workers worked at home, and 3% walked to work.

## INCOMES, WAGES AND OCCUPATIONS

### HOUSEHOLD INCOMES

Median household income was lower in Northwest Minnesota than statewide, at \$67,528 compared to \$84,313. Northwest had the second lowest median household income of the 6 planning regions. Over 36% of households in the region had incomes below \$50,000 in 2021 compared to just 31.4% statewide. The share earning \$75,000 to \$99,000 was similar to statewide, but only 26.4% earned \$100,000 or more compared to 37.7% statewide (Figure 11).

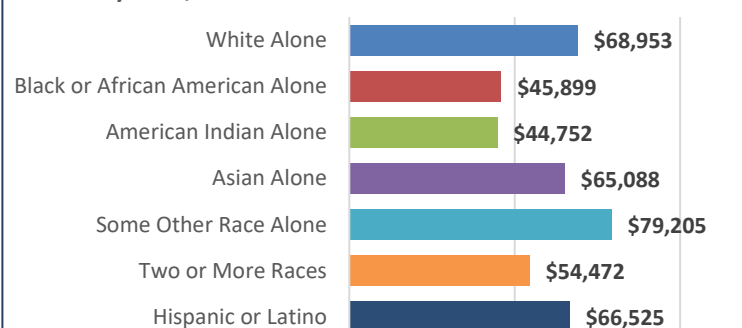
Figure 11. Northwest Minnesota Household Incomes by Race, 2022



Source: 2018-2022 American Community Survey

Incomes varied widely by race in Northwest, with the lowest incomes reported for American Indians and Blacks. Small sample sizes for some race groups, particularly Asian and Some Other Race, cause large margins of error and big swings compared to previous years. However, the pattern of income disparity is consistent over time. Also, sample sizes were larger for both whites and American Indians, and there is a nearly \$25,000 per year difference in the median income for those two groups (Figure 12).

Figure 12. Northwest Minnesota Median Household Income by Race, 2022

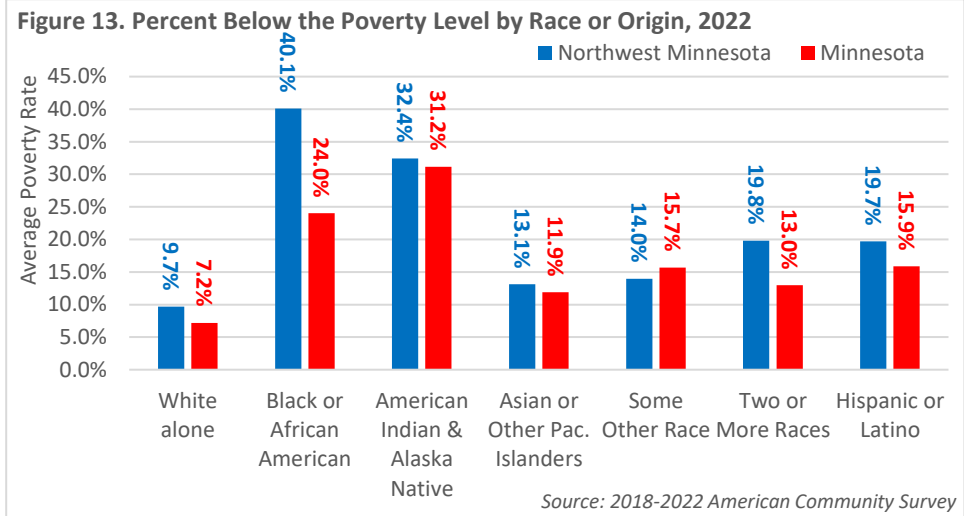


Source: 2018-2022 American Community Survey



Overall, Northwest’s poverty rate was 11.4% in 2021, which was higher than the statewide rate of 9.2%. Like incomes, poverty levels varied widely by race and origin. Compared to whites, all groups had higher poverty rates, and all groups in The Northwest including whites had higher poverty rates than statewide (Figure 13).

An estimated 40% of the region’s Black or African American population was below the poverty level in 2022, compared to just 9.7% of the white population. Poverty rates were also high for American Indians, but more like statewide levels than for other groups. About 20% of people of Two or More Races and of Hispanic or Latino origin were below the poverty level in 2022, higher than whites and higher than these groups statewide. Again, sample sizes were small for some groups, so margins of error were large. However, the data clearly show economic disparities by race within the region.



**COST OF LIVING**

According to DEED’s [Cost of Living tool](#), the basic needs budget for an average Minnesota family (which consists of 2 adults and 1 child, with 1 full-time and 1 part-time worker) was \$67,320 in 2023. The cost of living for a similar family in Northwest Minnesota was \$58,416 – which was the second lowest of the six planning regions in the state. The highest monthly costs were for transportation, food, and housing; though the region’s housing, childcare, and taxes were significantly lower than statewide. In order to meet the basic cost of living for the region, the workers in the family scenario described would need to earn \$18.72 per hour working a combined 60 hours per week.

DEED’s Cost of Living tool provides different estimates for household compositions including single people, partnered couples, and up to 4 children. For a single person living alone and working full-time, the estimated yearly cost in Northwest would be \$29,832, which would require an hourly wage of \$14.34 to meet the basic needs cost of living (Table 8).

Family Composition	Number of Workers	Yearly Cost of Living	Hourly Wage Required	Monthly Costs						
				Child Care	Food	Health Care	Housing	Transportation	Other	Taxes
<b>Northwest Minnesota</b>										
Single, 0 children	1 FT	\$29,832	\$14.34	\$0	\$412	\$162	\$724	\$604	\$272	\$312
Single, 1 child	1 FT	\$47,616	\$22.89	\$692	\$606	\$417	\$932	\$609	\$368	\$344
<b>2 parents, 1 child</b>	<b>1 FT, 1 PT</b>	<b>\$58,416</b>	<b>\$18.72</b>	<b>\$346</b>	<b>\$938</b>	<b>\$579</b>	<b>\$932</b>	<b>\$1,060</b>	<b>\$448</b>	<b>\$565</b>
2 parents, 2 children	2 FT	\$78,396	\$18.85	\$1,028	\$1,221	\$588	\$1,234	\$1,102	\$588	\$772
<b>State of Minnesota</b>										
Single, 0 children	1 FT	\$34,704	\$16.68	\$0	\$419	\$160	\$1,021	\$572	\$345	\$375
<b>2 parents, 1 child</b>	<b>1 FT, 1 PT</b>	<b>\$67,320</b>	<b>\$21.58</b>	<b>\$544</b>	<b>\$955</b>	<b>\$574</b>	<b>\$1,285</b>	<b>\$977</b>	<b>\$536</b>	<b>\$739</b>

Source: DEED Cost of Living tool

## WAGES AND OCCUPATIONS

The median hourly wage for all occupations in Northwest Minnesota was \$22.77 in first quarter of 2023 (Table 9). As such, Northwest has the lowest median wage of Minnesota's six planning areas. Further, Northwest's median wage was \$2.45 below the state's median hourly wage. Compared to surrounding areas, Northwest's median hourly wage was \$0.78 per hour less than Central and \$0.64 less than Northeast. However, wages in the Northwest increased more than in these surrounding areas since last year. Within Northwest, EDR 5 – North Central had the lowest median wage and EDR 1 – Northwest had the highest wages. This reflects the different occupational mix within the Northwest Minnesota planning area.

	Median Hourly Wage	Estimated Regional Employment
<b>Northwest Planning Area</b>	<b>\$22.77</b>	<b>219,910</b>
<i>EDR 1 - Northwest</i>	<i>\$23.51</i>	<i>35,370</i>
<i>EDR 2 - Headwaters</i>	<i>\$22.68</i>	<i>32,230</i>
<i>EDR 4 - West Central</i>	<i>\$23.04</i>	<i>89,340</i>
<i>EDR 5 - North Central</i>	<i>\$21.89</i>	<i>62,970</i>
Northeast Planning Area	\$23.41	138,010
Central Planning Area	\$23.55	274,190
Southeast Minnesota	\$24.26	240,340
Southwest Minnesota	\$22.98	169,300
Twin Cities Metro Area	\$27.78	1,743,500
<b>State of Minnesota</b>	<b>\$25.22</b>	<b>2,881,100</b>

Source: [DEED Occupational Employment Statistics Qtr. 1. 2023](#)

Location quotient reveals the occupation groups with higher concentrations than statewide (Table 10). Northwest has higher concentrations of Farming, Fishing & Forestry, Education, Training & Library, Construction & Extraction, and Building, Grounds Cleaning & Maintenance. These occupations, along with Healthcare Support, Protective Service, and Transportation & Material Moving occupations pay the closest to statewide wages. Part of the overall difference in wages between Northwest and statewide for Total, All Occupations is due to the Northwest's greater share of Sales & Related and Food Preparation & Serving occupations, which are the two occupational groups with the lowest wages.

	Northwest Minnesota				State of Minnesota		
	Median Hourly Wage	Estimated Regional Employment	Share of Total Employment	Location Quotient	Median Hourly Wage	Estimated Regional Employment	Share of Total Employment
<b>Total, All Occupations</b>	<b>\$22.77</b>	<b>219,910</b>	<b>100.0%</b>	<b>1.0</b>	<b>\$25.22</b>	<b>2,881,100</b>	<b>100.0%</b>
Office & Administrative Support	\$22.30	26,270	11.9%	1.0	\$23.86	352,250	12.2%
Food Preparation & Serving Related	\$14.42	21,460	9.8%	1.2	\$15.07	232,190	8.1%
Sales & Related	\$17.36	19,980	9.1%	1.1	\$18.82	242,440	8.4%
Transportation & Material Moving	\$21.88	19,090	8.7%	1.1	\$22.86	225,820	7.8%
Production	\$22.21	18,670	8.5%	1.2	\$23.05	203,810	7.1%
Education, Training & Library	\$24.93	15,900	7.2%	1.3	\$28.22	163,340	5.7%
Healthcare Practitioners & Technical	\$39.41	13,920	6.3%	1.0	\$43.01	184,410	6.4%
Healthcare Support	\$18.33	12,210	5.6%	0.9	\$18.07	169,580	5.9%
Management	\$44.17	12,050	5.5%	0.8	\$57.75	201,710	7.0%
Construction & Extraction	\$29.26	10,750	4.9%	1.3	\$32.44	110,960	3.9%
Installation, Maintenance & Repair	\$25.62	9,840	4.5%	1.2	\$29.54	104,530	3.6%
Business & Financial Operations	\$31.87	8,030	3.7%	0.5	\$39.26	202,700	7.0%
Building, Grounds Cleaning & Maintenance	\$18.17	7,660	3.5%	1.3	\$18.83	79,660	2.8%
Community & Social Service	\$27.83	5,240	2.4%	1.2	\$27.92	57,930	2.0%
Personal Care & Service	\$16.65	4,570	2.1%	1.0	\$17.60	59,420	2.1%
Protective Service	\$27.88	3,900	1.8%	1.1	\$28.87	45,860	1.6%
Architecture & Engineering	\$37.59	3,120	1.4%	0.7	\$42.97	58,320	2.0%
Computer & Mathematical	\$38.61	2,390	1.1%	0.3	\$50.83	98,240	3.4%
Arts, Design, Entertainment & Media	\$23.31	1,870	0.9%	0.7	\$29.01	36,160	1.3%
Life, Physical & Social Science	\$33.30	1,550	0.7%	0.7	\$39.93	29,220	1.0%
Legal	\$40.09	790	0.4%	0.5	\$51.15	19,040	0.7%
Farming, Fishing & Forestry	\$22.04	650	0.3%	2.4	\$22.13	3,520	0.1%

Source: [DEED Occupational Employment & Wage Statistics, Qtr. 1 2023](#)

Some of the highest paying jobs are in Management and Computer & Mathematical, but these have 20% to 25% lower median wages in the Northwest compared to statewide. Healthcare Practitioners & Technical has the second highest median wage and is much closer to statewide. The highest paying occupations generally require higher levels of education and experience, including many that require bachelor's degrees or higher.

### JOB VACANCY SURVEY

Employers in the 26-county Northwest Planning region reported just over 14,000 job vacancies in 2023, a significant drop compared to the record highs posted in the past couple years following the Pandemic Recession; but still above historical levels. The sectors with the most openings were Health Care & Social Assistance (3,428 vacancies), Retail Trade (2,662), Accommodation & Food Services (2,121), Educational Services (1,283), and Manufacturing (1,088). About 75% of the region's vacancies were in these sectors.

Continuing demand for workers has fueled substantially increased wage offers. The median wage offer for all vacancies increased to \$17.77, up from less than \$15 an hour in second and fourth quarter 2019, prior to the Pandemic Recession. Even with the high rate of inflation, the increased wage offers represent a real and substantial increase in wages.

At the occupational level, the largest number of vacancies were in Food Preparation & Serving Related, Sales & Related, Healthcare Practitioners, Transportation & Material Moving, and Healthcare Support occupations. These occupation groups account for almost 60% of openings. The highest job vacancy rates are for Arts, Design, Entertainment & Media, Food prep & Serving, Healthcare Practitioners, and Healthcare Support. Only 27% of total openings in the region required postsecondary education to start, which is down from previous years, but nearly 50% required a certificate or license, which is up compared to prior surveys. About one-third of openings were part-time, while the other two-thirds are full-time (Table 11).

**Table 11. Northwest Minnesota Job Vacancy Survey Results, 2023**

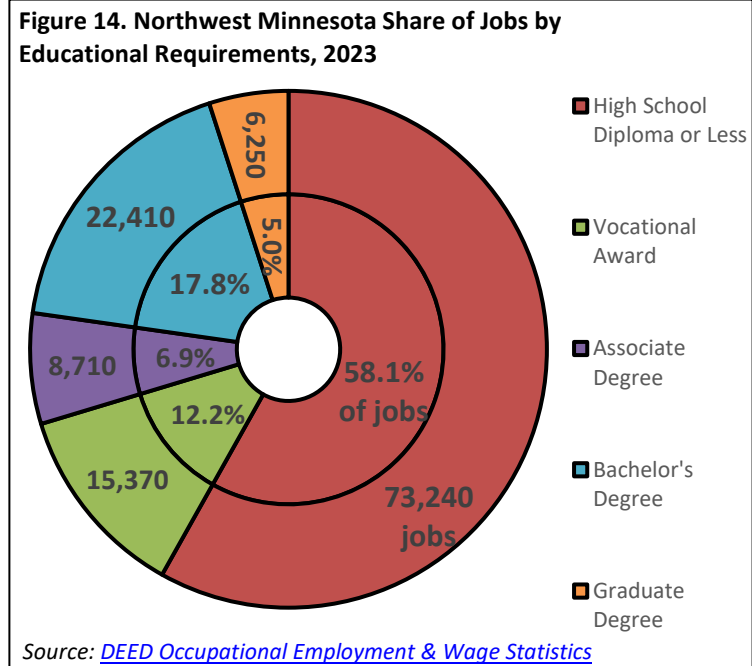
	Number of Total Vacancies	Median Hourly Wage Offer	Percent Part-Time	Percent Temporary or Seasonal	Percent Requiring Postsecondary Education	Requiring 1 or More Years of Work Exp.	Percent Requiring Certificate or License	Job Vacancy Rate
<b>Total, All Occupations</b>	<b>14,193</b>	<b>\$17.77</b>	<b>32%</b>	<b>16%</b>	<b>27%</b>	<b>27%</b>	<b>47%</b>	<b>6.4%</b>
Food Preparation & Serving Related	2,518	\$14.63	58%	16%	0%	14%	5%	12.4%
Sales & Related	1,918	\$15.97	21%	1%	8%	20%	15%	9.9%
Healthcare Practitioners & Technical	1,478	\$28.94	31%	1%	95%	37%	98%	10.8%
Transportation & Material Moving	1,263	\$20.23	19%	31%	6%	34%	81%	6.5%
Healthcare Support	1,168	\$15.09	46%	1%	32%	5%	63%	10.2%
Construction & Extraction	727	N/A	5%	75%	2%	11%	83%	6.8%
Education, Training & Library	668	\$18.97	45%	29%	68%	26%	73%	4.2%
Production	668	\$20.44	8%	4%	4%	24%	34%	3.6%
Installation, Maintenance & Repair	609	\$20.26	20%	1%	30%	58%	46%	6.5%
Building, Grounds Cleaning & Maint.	594	\$16.01	34%	36%	1%	14%	19%	8.1%
Office & Administrative Support	508	\$17.18	26%	8%	10%	46%	11%	2.0%
Community & Social Service	326	\$22.39	35%	0%	66%	34%	74%	5.6%
Protective Service	277	\$23.55	29%	9%	49%	47%	92%	8.0%
Arts, Design, Entertainment & Media	266	\$17.43	85%	63%	41%	16%	53%	14.0%
Personal Care & Service	223	\$15.86	47%	44%	10%	23%	45%	5.0%
Management	180	\$31.08	1%	2%	67%	97%	57%	1.5%
Business & Financial Operations	162	\$23.79	1%	2%	52%	73%	20%	2.1%
Architecture & Engineering	110	\$30.65	0%	5%	75%	63%	63%	3.6%
Life, Physical & Social Sciences	105	\$26.90	0%	12%	91%	70%	75%	6.4%
Legal	75	\$35.60	0%	2%	100%	94%	100%	9.2%
Computer & Mathematical	49	\$30.06	2%	0%	73%	83%	44%	2.0%

Source: DEED Job Vacancy Survey, 2023

### EDUCATIONAL REQUIREMENTS

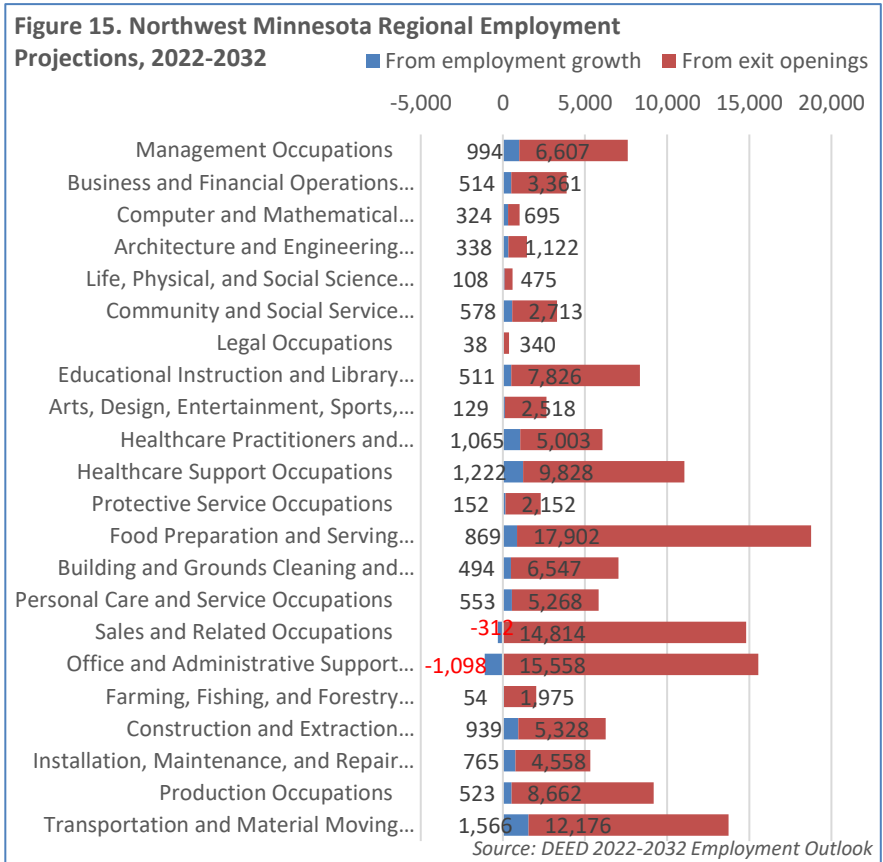
Similar to the Job Vacancy Survey results, DEED’s Occupational Employment & Wage Statistics program shows that around one-third of jobs in the region require some form of postsecondary education for entry. The other two-thirds can be obtained with a high school diploma or less and some amount of on-the-job training (Figure 14).

Certain careers – such as dentists, lawyers, and teachers – require a college education, while other jobs – including cost estimators, sales representatives, and correctional officers – do not. College is an excellent way to move up career ladders and open windows of opportunity to fields that would otherwise be closed, such as nursing or engineering. Many of these occupations offer high wages and are in high demand in the job market. While education is typically a worthwhile investment, college can be expensive – with average annual expenses ranging between \$13,000 and almost \$44,000 per year [in Minnesota](#). For those who go to college, choice of major matters – different programs lead to different jobs that earn different amounts of money.



### EMPLOYMENT PROJECTIONS

Overall, the Northwest Planning Region is projected to grow employment 3.9% from 2022 to 2032, a gain of 10,326 new jobs. In addition, the region is also expected to need 135,428 replacement openings to fill jobs left vacant by those retiring or otherwise leaving the labor force. Transportation & Material Moving, Healthcare Support, and Healthcare Practitioners are expected to see the most growth. Food prep & Serving, Office & Administrative Support, and Sales & Related occupations are expected to see the largest number of replacements needed for those leaving these occupations. Though not all will see growth, every occupational group will show some future demand through replacement openings (Figure 15).



## OCCUPATIONS IN DEMAND

According to DEED's [Occupations in Demand](#) tool, there are over 500 occupations in demand (OID) in Northwest Minnesota, and about 300 occupations are showing relatively high demand. Training and education requirements of these occupations range from short-term on-the-job training to postsecondary education and advanced degrees. Most OID require a high school diploma or less, and less than one-third require a bachelor's degree or higher. While OID exist in every sector, the region's major industries are well represented as many of the jobs are concentrated in health care and social assistance, education, and manufacturing. There are also OID employed in many industries, including managers, accountants, and computer support (Table 12).

High School or Less	Vocational Training	Some College or Assoc. Degree	Bachelor's Degree or Higher
Home Health & Personal Care Aides \$36,108/yr	Heavy & Tractor-Trailer Truck Drivers \$54,491/yr	Registered Nurses \$84,785/yr	General & Operations Managers \$77,521/yr
Retail Salespersons \$35,088/yr	Nursing Assistants \$40,033/yr	Police & Sheriff's Patrol Officers \$71,010/yr	Elementary School Teachers, Except Special Education \$64,121/yr
Cashiers \$30,773/yr	Licensed Practical & Licensed Vocational Nurses \$54,946/yr	Radiologic Technologists & Technicians \$78,771/yr	Secondary School Teachers, exc. Career/Technical Education \$66,299/yr
Teaching Assistants, Except Postsecondary \$38,126/yr	Automotive Service Technicians & Mechanics \$47,486/yr	Dental Hygienists \$85,989/yr	Accountants & Auditors \$64,893/yr
Stockers & Order Fillers \$40,709/yr	Bookkeeping, Accounting, & Auditing Clerks \$48,131/yr	Civil Engineering Technologists & Technicians \$71,227/yr	Substitute Teachers, Short-Term \$46,162/yr
Janitors & Cleaners, Except Maids & Housekeeping Cleaners \$38,122/yr	Substance abuse, behavioral disorder, & mental health counselors \$49,479/yr	Paralegals & Legal Assistants \$59,200/yr	Medical & Health Services Managers \$102,974/yr
Cooks, Restaurant \$36,830/yr	Machinists \$51,295/yr	Occupational Therapy Assistants \$59,627/yr	Child, Family, & School Social Workers \$63,680/yr
Food Preparation Workers \$31,855/yr	Electricians \$65,524/yr	Computer Network Support Specialists \$70,049/yr	Preschool Teachers, Except Special Education \$37,999/yr
Miscellaneous Assemblers & Fabricators \$40,826/yr	Bus & Truck Mechanics & Diesel Engine Specialists \$59,152/yr	Surgical Technologists \$64,809/yr	Pharmacists \$140,993/yr
First-Line Supervisors of Retail Sales Workers \$46,395/yr	Paramedics \$64,134/yr	Industrial Engineering Technologists & Technicians \$60,791/yr	Physical Therapists \$98,061/yr

Source: [DEED Occupations in Demand](#)

## ECONOMY

### INDUSTRY EMPLOYMENT

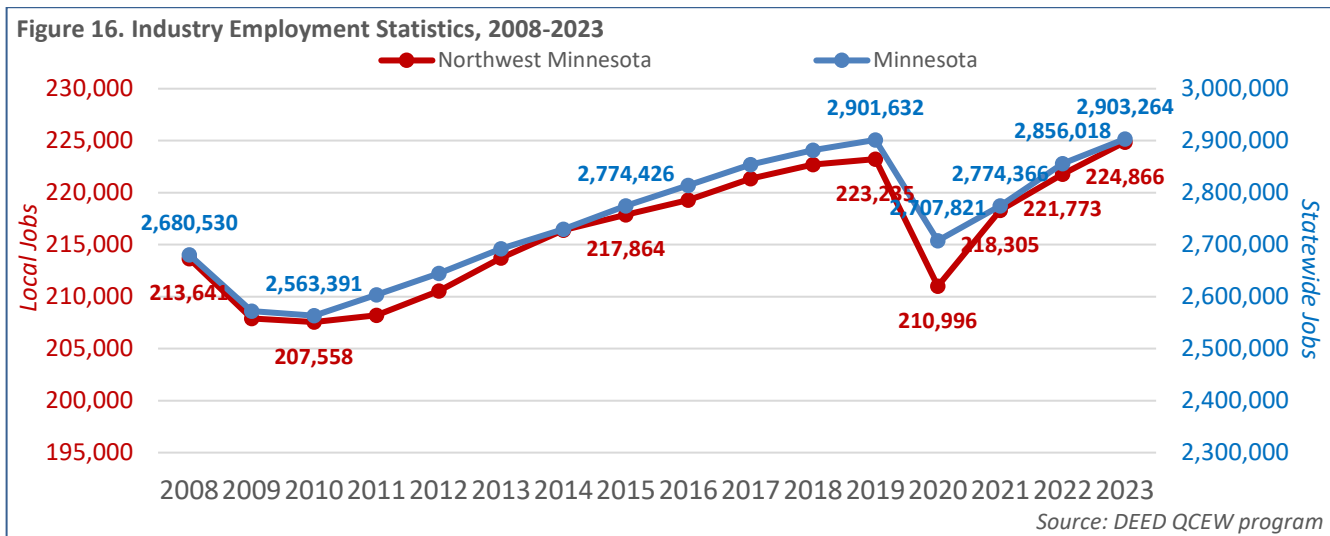
According to DEED's [Quarterly Census of Employment & Wages \(QCEW\) program](#), Northwest Minnesota was home to 18,193 business establishments providing 224,866 covered jobs in 2023, with a total payroll of just over \$11.5 billion. That was about 7.8% of total employment in the state of Minnesota. Average annual wages were \$51,398 in the region, which was about \$20,000 lower than the state's average annual wage (Table 13).

Geography	Number of Firms	Number of Jobs	Total Payroll	Average Annual Wage	2022-2023		2019-2023	
					Change in Jobs	Percent Change	Change in Jobs	Percent Change
<b>Northwest Minnesota</b>	<b>18,193</b>	<b>224,866</b>	<b>\$11,557,693,792</b>	<b>\$51,398</b>	<b>+3,093</b>	<b>+1.4%</b>	<b>+1,631</b>	<b>+0.7%</b>
EDR 1 – Northwest	2,826	36,478	\$1,999,014,730	\$54,801	+601	+1.7%	-20	-0.1%
EDR 2 – Headwaters	2,507	32,722	\$1,672,053,188	\$51,099	+470	+1.5%	+165	+0.5%
EDR 4 – West Central	7,374	91,372	\$4,792,497,855	\$52,450	+791	+0.9%	+205	+0.2%
EDR 5 – North Central	5,486	64,293	\$3,094,128,019	\$48,125	+1,230	+2.0%	+1,280	+2.0%
<b>State of Minnesota</b>	<b>207,647</b>	<b>2,903,264</b>	<b>\$207,665,582,979</b>	<b>\$71,528</b>	<b>+47,246</b>	<b>+1.7%</b>	<b>+1,632</b>	<b>+0.1%</b>

Source: [DEED Quarterly Census of Employment & Wages \(QCEW\)](#)

In terms of employment, EDR 4 – West Central is the largest region in Northwest Minnesota with 91,372 jobs; followed by EDR 5 – North Central with 64,293 jobs. EDR 2 – Headwaters has the smallest economy in terms of jobs, payrolls, and firms. EDR 1 – Northwest had 36,478 jobs and had the highest average annual wages in the region. With job gains in the past year, the state, the Northwest Planning Region, and three of the four EDRs finally surpassed pre-pandemic employment levels in 2023, while EDR 1 was down just -0.1%. The Northwest Planning Region had a faster recovery than the state and is now up 0.7% compared to 2019.

Prior to the pandemic, Northwest Minnesota’s economy was steadily growing. Both the Northwest Region and Minnesota fully recovered all the jobs lost during the Great Recession (between 2008 and 2010) by 2013, then between 2013 and 2019, the region added just over 9,500 jobs, experiencing a 4.4% gain, compared to 7.8% growth statewide. In the Pandemic Recession, Northwest lost 12,239 jobs from 2019 to 2020, a 5.5% decrease compared to the state’s 6.7% drop (Figure 16).



With 39,089 jobs at 1,884 establishments, the Health Care & Social Assistance industry employs the most people in Northwest Minnesota, accounting for 17.4% of total jobs in the region. The share of Health Care & Social Assistance jobs dropped from 18.1% in 2020 as the pandemic and its after-effects have been a challenge for worker recruitment and retention. The sector’s 2019 to 2022 employment decline was driven by the loss of 1,293 jobs (-10.7%) in the Nursing & Residential Care Facilities subsector. Hospitals also lost jobs, down 520 jobs (-4.2%), as did Ambulatory Health Care Services, down 176 (-2.1%). However, Health Care & Social Assistance regained 831 jobs from 2022 to 2023, nearly meeting pre-pandemic employment levels.

The second largest industry in Northwest is Manufacturing, with 30,203 jobs or 13.4% of total jobs. Despite the pandemic, Manufacturing increased employment from 2019 to 2023, with 725 (+2.5%) more jobs. In addition, average annual wages in manufacturing (\$64,442) were around \$13,000 higher than the overall regional

average (\$51,398). The largest subsector is Food Manufacturing (6,573 jobs), followed by Transportation Equipment Manufacturing (4,407 jobs), Machinery Manufacturing (4,256 jobs), Fabricated Metal Product Manufacturing (4,182 jobs), and Wood Product Manufacturing (3,180 jobs). Led by Transportation Equipment Manufacturing, all five of these subsectors are much more strongly concentrated in the region than the state.

Retail Trade is the third largest industry, with 12.5% of total employment, while the closely related Accommodation & Food Services industry was fifth largest with 9.9% of total employment. Combined, these industries offer almost one in every four (22.4%) jobs in the region, but annual wages are still relatively low in these service-providing industries. Other large industries in Northwest include Educational Services, Public Administration, Construction, and Wholesale Trade, which all have greater concentrations of employment in the region than statewide.

Due to the pandemic, 9 of the 20 industry sectors still have fewer jobs now than in 2019. Construction stands out with the largest job gains and the fastest growth since 2019, followed by Manufacturing, then Wholesale Trade was the third biggest job gainer. Public Administration took the biggest employment hit since 2019 while Management of Companies had the most rapid employment decline (Table 14).

**Table 14. Northwest Minnesota Industry Employment Statistics, 2023**

NAICS Industry Title	2023 Annual Data				2022-2023		2019-2023	
	Number of Firms	Number of Jobs	Total Payroll (\$1,000s)	Avg. Annual Wage	Change in Jobs	Percent Change	Change in Jobs	Percent Change
<b>Total, All Industries</b>	<b>18,193</b>	<b>224,866</b>	<b>\$11,557,694</b>	<b>\$51,398</b>	<b>+3,093</b>	<b>+1.4%</b>	<b>+1,631</b>	<b>+0.7%</b>
Health Care & Social Assistance	1,884	39,089	\$2,194,679	\$56,146	+831	+2.2%	-96	-0.2%
Manufacturing	826	30,203	\$1,946,351	\$64,442	+363	+1.2%	+725	+2.5%
Retail Trade	2,288	28,114	\$945,834	\$33,643	+188	+0.7%	+270	+1.0%
Educational Services	419	22,427	\$1,114,771	\$49,707	+314	+1.4%	-256	-1.1%
Accommodation & Food Services	1,638	22,184	\$495,283	\$22,326	+646	+3.0%	-110	-0.5%
Public Administration	718	15,444	\$896,287	\$58,035	+96	+0.6%	-1,022	-6.2%
Construction	2,401	12,983	\$885,006	\$68,167	+469	+3.7%	+1,613	+14.2%
Wholesale Trade	643	11,590	\$804,267	\$69,393	-291	-2.4%	+440	+3.9%
Other Services	1,659	6,912	\$210,433	\$30,445	+99	+1.5%	+181	+2.7%
Transportation & Warehousing	884	6,059	\$325,488	\$53,720	+93	+1.6%	-58	-0.9%
Finance & Insurance	858	5,824	\$438,457	\$75,285	-50	-0.9%	-137	-2.3%
Agriculture, Forestry, Fish & Hunt	967	5,502	\$294,907	\$53,600	+77	+1.4%	+214	+4.0%
Professional & Technical Services	916	4,590	\$308,001	\$67,103	+23	+0.5%	-161	-3.4%
Admin. Support & Waste Mgmt. Svcs.	736	3,997	\$170,958	\$42,772	-31	-0.8%	-78	-1.9%
Arts, Entertainment, & Recreation	428	3,730	\$86,693	\$23,242	+184	+5.2%	+191	+5.4%
Information	267	2,602	\$162,598	\$62,489	+17	+0.7%	+2	+0.1%
Real Estate & Rental & Leasing	486	1,563	\$72,134	\$46,151	+40	+2.6%	+53	+3.5%
Utilities	68	1,289	\$130,238	\$101,038	+51	+4.1%	+6	+0.5%
Management of Companies	66	549	\$59,610	\$108,578	-21	-3.7%	-146	-21.0%
Mining	43	214	\$15,698	\$73,355	-2	-0.9%	+4	+1.9%

*Source: DEED Quarterly Census of Employment & Wages (QCEW) program*

## EMPLOYMENT DEMOGRAPHICS

According to DEED's Quarterly Employment Demographics (QED) program, the workforce in the region was aging over the past 10 years. Over one-quarter (25.2%) of workers in the region were 55 years or older, compared to 22.1% statewide and just 21.3% in the region one decade earlier. In contrast, the percentage of workers under age 25 was falling. However, the number of hours worked increased the most for workers aged 20 to 24, as did their wages (Table 15).

**Table 15. Workforce Demographics by Age Group and Gender, Total of All Industries, 2012-2022**

Northwest Minnesota	Percentage of Workers		Percent of Workers, Minnesota		Median Hourly Wage		Median Hours Worked (Per Qtr.)	
	2022	2012	2022	2012	2022	2012	2022	2012
Total, all ages	100.0%	100.0%	100.0%	100.0%	\$20.89	\$13.85	391	393
19 years & under	8.2%	8.8%	6.6%	6.3%	\$14.07	\$7.91	121	123
20 to 24 years	9.1%	11.2%	9.2%	11.3%	\$18.11	\$10.14	293	259
25 to 44 years	39.9%	37.1%	43.6%	42.3%	\$23.53	\$15.25	457	452
45 to 54 years	17.6%	21.6%	18.4%	21.9%	\$25.64	\$16.83	477	480
55 to 64 years	18.0%	16.5%	16.7%	14.7%	\$23.61	\$16.50	469	461
65 years & over	7.2%	4.8%	5.4%	3.5%	\$18.11	\$12.10	224	207
Male	48.2%	46.0%	49.1%	49.1%	\$23.32	\$15.66	467	471
Female	51.8%	54.0%	50.9%	50.9%	\$20.11	\$12.69	352	345

*Source: DEED Quarterly Employment Demographics*

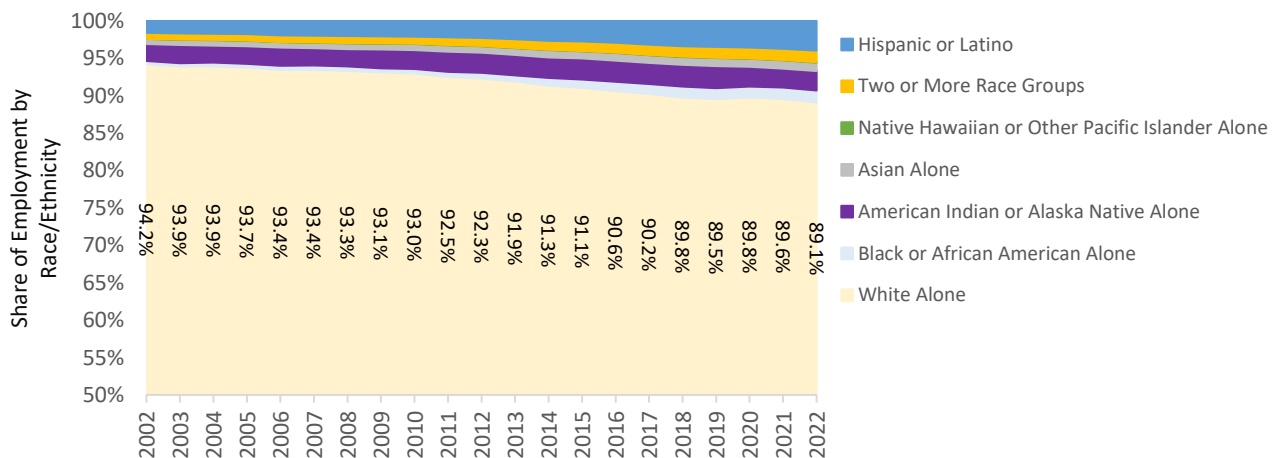
Wages were climbing across the board for all workers due to rising demand and a tight labor market. While wages were still lowest for the youngest and oldest workers who tend to fill lower-skilled, less-than-fulltime jobs in industries like Retail Trade and Accommodation & Food Services, these two age groups enjoyed the fastest percentage increase in wages from 2012 to 2022. Wages were highest for workers aged 45 to 54.

Despite the current tight labor market, hours worked hardly changed overall since 2012. However, there were large increases in hours worked for aged 20 to 24 (+13%) and 65 years & over (+8%). Moreover, hours worked trended higher for all age groups except those aged 19 years & under (-1.4%) and 45 to 54 (-0.6%). Thus, the large drop in the share of workers aged 45 to 54 (-4%), which continues to work the most hours, outweighed the increases in hours of other age groups. Although males continued to work more hours than females, over the decade females increased hours 2.1% while males decreased 0.8%, narrowing the gap in hours worked.

**EMPLOYMENT DIVERSITY**

People of color held 10.9% of the jobs in the Northwest Minnesota Planning Region, according to data from the Quarterly Workforce Indicators program. In 2022, that equaled 23,906 jobs held by BIPOC workers, compared to 195,748 jobs held by workers who were White Alone. BIPOC workers held just 5.8% of total jobs in 2002, meaning their employment almost doubled (a 1.9-fold increase) over 20 years (Figure 17).

**Figure 17. Employment by Race & Ethnicity, All Industries, Northwest Minnesota, 2002-2022**



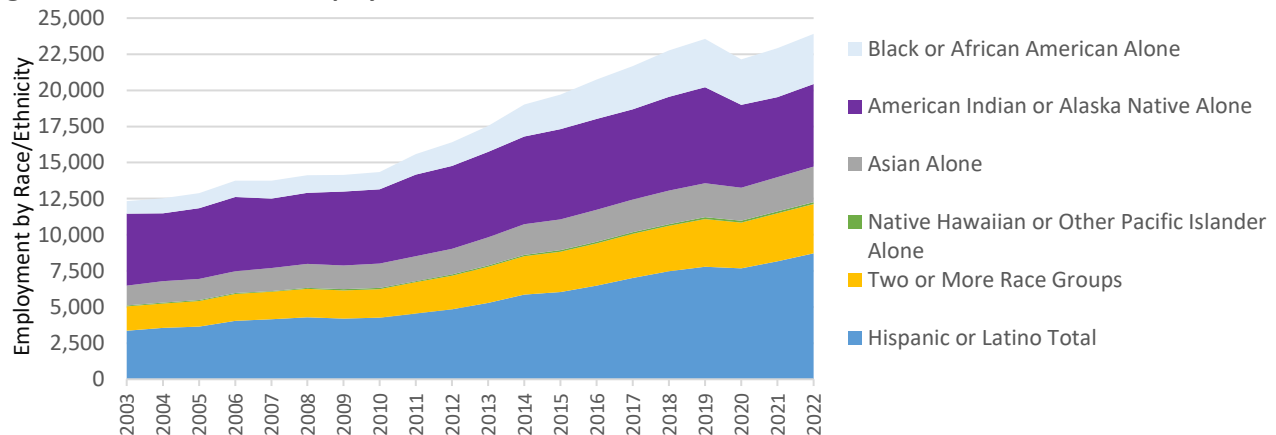
*Source: DEED, Census LEHD Quarterly Workforce Indicators*



Workers of color have filled an additional 12,503 jobs in the region since 2002, accounting for over 55% of the 22,696 new jobs added. With 8,713 jobs, Hispanic or Latino was the largest group of color in the region's economy, after increasing more than 175% (two-and-three-quarter-fold) since 2002. American Indian or Alaska Native was the next largest group of color in the region's economy, with 5,719 jobs in 2022 and growing over 27%. However, American Indians had the largest pandemic declines, losing 14.1% of their jobs since the peak of 6,661 in 2019 due to a subdued casino employment rebound since the pandemic. Black or African American had 3,470 jobs in 2022, with the fastest growth of 315% (over 4-fold) since 2002. Two or More Races held 3,411 jobs in the area, more than doubling since 2002. With 2,459 jobs in 2022, Asians experienced a gain of 1,154 or 88% since 2002.

Besides Whites and American Indians, all other racial and ethnic groups increased employment from 2019 to 2022 during the pandemic recovery, filling much needed positions in an extremely tight labor market. Jobs held by white workers declined by 2.9% from 2019 to 2022, while jobs held by BIPOC workers increased 1.5%. Jobs held by Hispanic or Latino workers increased the most at 921, and also the fastest at 12% (Figure 18).

**Figure 18. Workers of Color Employment, All Industries, Northwest Minnesota, 2002-2022**

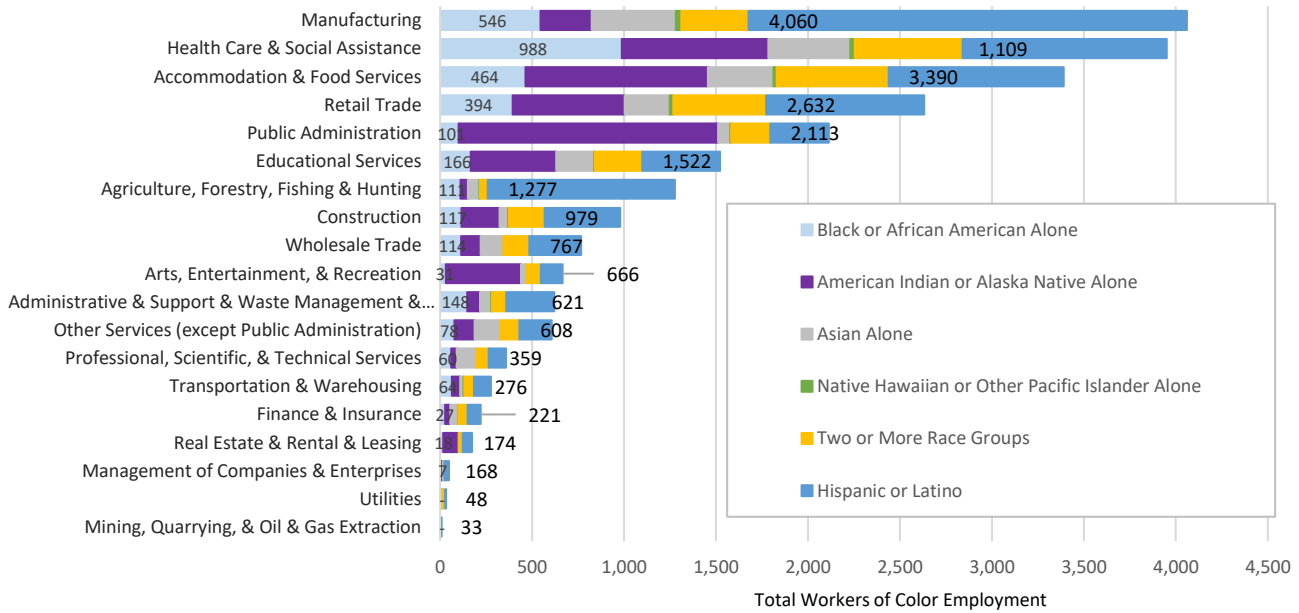


Source: DEED, Census LEHD Quarterly Workforce Indicators

Most industry sectors in Northwest Minnesota are non-diverse, but there are industries that rely more heavily on workers of color (Figure 19). Agriculture, Forestry, Fishing & Hunting had 23% of jobs held by people of color, the largest share of any industry sector, and with a high representation of Hispanic or Latino workers filling 1,017 jobs. Arts, Entertainment & Recreation had 19% of jobs held by people of color, with 408 American Indians, reflecting casino employment. Likewise, the Public Administration workforce was 15.5% people of color with 1,411 American Indians, which reflects tribal government employment.

The Accommodation & Food Services workforce was 16.1% people of color, with broad representation of racial and ethnic groups. In addition to employing the largest number of BIPOC people, Manufacturing also had an above average 14.1% share of people of color, with significant numbers from every group. Manufacturing also had the largest numbers of Hispanic or Latino, Asian, and Native Hawaiian or Other Pacific Islander workers of any industry sector. The Food Manufacturing subsector is staffed by 26% Hispanic or Latino workers. While Health Care & Social Assistance had the second largest number of workers of color, its 10.7% share of BIPOC workers is slightly below average for all industries. However, the Nursing and Residential Care subsector has a larger than average 13.1% share of workers of color.

Figure 19. Workers of Color Employment by Industry, Northwest Minnesota, 2022



Source: DEED, Census LEHD Quarterly Workforce Indicators

**INDUSTRY PROJECTIONS**

The 26-county Northwest Planning Area is projected to see a 3.9% increase in employment from 2022 to 2032, adding an estimated 10,326 new jobs across various industries. Health Care & Social Assistance, the largest sector in the region, is expected to drive much of this growth with a projected gain of 2,557 jobs—a 7.0% increase—accounting for over a quarter of all new employment by 2032. Meanwhile, Arts, Entertainment & Recreation (+7.9%) and Accommodation & Food Services (+6.8%) are anticipated to be the fastest-growing industries, fueled by a strong post-pandemic rebound in activity and job demand. Other Services is also expected to see solid growth (+3.1%) after suffering substantial employment losses in 2020, highlighting a trend of recovery in the region's hardest-hit sectors.

Table 16. Northwest Industry Projections, 2022-2032

Industry	Estimated Employment 2022	Projected Employment 2032	Percent Change 2022-2032	Numeric Change 2022-2032
<b>Total, All Industries</b>	<b>265,321</b>	<b>275,647</b>	<b>+3.9%</b>	<b>+10,326</b>
Health Care & Social Assistance	36,421	38,978	+7.0%	+2,557
Manufacturing	29,871	31,429	+5.2%	+1,558
Retail Trade	27,705	27,590	-0.4%	-115
Public Administration	24,161	24,869	+2.9%	+708
Educational Services	22,849	22,989	+0.6%	+140
Accommodation & Food Services	20,569	21,972	+6.8%	+1,403
Wholesale Trade	12,936	14,034	+8.5%	+1,098
Construction	11,719	12,715	+8.5%	+996
Other Services	9,824	10,129	+3.1%	+305
Finance & Insurance	6,599	6,769	+2.6%	+170
Agriculture, Forestry, Fish & hunt	5,875	6,114	+4.1%	+239
Transportation & Warehousing	5,579	5,997	+7.5%	+418
Professional & Technical Services	5,023	5,512	+9.7%	+489
Arts, Entertainment & Recreation	4,389	4,734	+7.9%	+345
Admin. Support & Waste Mgmt.	4,192	4,460	+6.4%	+268
Information	2,451	2,470	+0.8%	+19
Real Estate & Rental & Leasing	1,468	1,597	+8.8%	+129
Utilities	1,126	1,125	-0.1%	-1
Management of Companies	586	640	+9.2%	+54
Mining	220	221	+0.5%	+1

Source: DEED 2022-2032 Employment Outlook

These growth rates underscore a broader trend of steady expansion and economic resilience in Northwest Minnesota, with sectors like Wholesale Trade (+8.5%) and Construction (+8.5%) also making significant contributions to the area's job market (Table 16).

## NONEMPLOYER ESTABLISHMENTS

Northwest Minnesota was home to 43,457 self-employed businesses or “nonemployers” in 2021, which are defined by the U.S. Census Bureau as “businesses without paid employees that are subject to federal income tax, originating from tax return information of the Internal Revenue Service (IRS).” Northwest saw a slight increase in nonemployers over the past decade, with that increase driven by growth in EDR 4 and EDR 5. The two northernmost economic development regions saw declines. In total, these Northwest Area nonemployers generated sales receipts of over \$2 billion in 2019 (Table 17).

	2021		2012-2021	
	Number of Firms	Receipts (\$1,000s)	Change in Firms	Percent Change
<b>Northwest Minnesota</b>	<b>43,457</b>	<b>\$2,245,812</b>	<b>+1,198</b>	<b>2.8%</b>
Region 1	5,631	\$258,138	-338	-5.7%
Region 2	5,899	\$278,619	-116	-1.9%
Region 4	18,596	\$973,551	+1,056	+6.0%
Region 5	13,331	\$735,504	+596	+4.7%
<b>Minnesota</b>	<b>429,672</b>	<b>\$22,727,564</b>	<b>+41,117</b>	<b>+10.6%</b>

*Source: [U.S. Census, Nonemployer Statistics program](#)*

## CENSUS OF AGRICULTURE

Like other parts of Greater Minnesota, agriculture is also a key industry in Northwest, with 18,598 farms producing just under \$6.7 billion in the market value of products sold in 2022, according to the U.S. Department of Agriculture. That was the second highest value of the six planning regions in the state. Region 4 led the way with 7,650 farms and 3.15 billion in market value, which ranked 4<sup>th</sup> highest of the 13 EDRs in the state, followed by Region 1 with 4,690 farms and \$2.2 billion in market value. Both Region 5 (4,456 farms and \$1 billion) and Region 2 (1,802 farms and \$306 million) have a smaller reliance on agriculture. All four regions saw a decline in the number of farms from 2017 to 2022, though the Northwest region as a whole saw a smaller decline than the state (Table 18).

	Number of Farms	Change in Farms, 2017-2022		Market Value of Products Sold, 2022	State Rank (of 6/13)	Change in Mkt. Value, 2017-2022
		Change in Farms	Percent Change			
<b>Northwest Minnesota</b>	<b>18,598</b>	<b>-782</b>	<b>-4.0%</b>	<b>\$6,684,066,000</b>	<b>2</b>	<b>+60.2%</b>
Region 1	4,690	-201	-4.1%	\$2,183,006,000	6	68.0%
Region 2	1,802	-24	-1.3%	\$306,235,000	11	65.1%
Region 4	7,650	-207	-2.6%	\$3,148,520,000	4	56.2%
Region 5	4,456	-350	-7.3%	\$1,046,305,000	9	55.6%
<b>State of Minnesota</b>	<b>65,531</b>	<b>-3,291</b>	<b>-4.8%</b>	<b>\$28,482,097,000</b>		<b>54.8%</b>

*Source: [2022 Census of Agriculture](#)*

*Upon request, this information can be made available in alternate formats for people with disabilities by contacting Anthony Schaffhauser at (320) 441-6594 or at [anthony.schaffhauser@state.mn.us](mailto:anthony.schaffhauser@state.mn.us).*