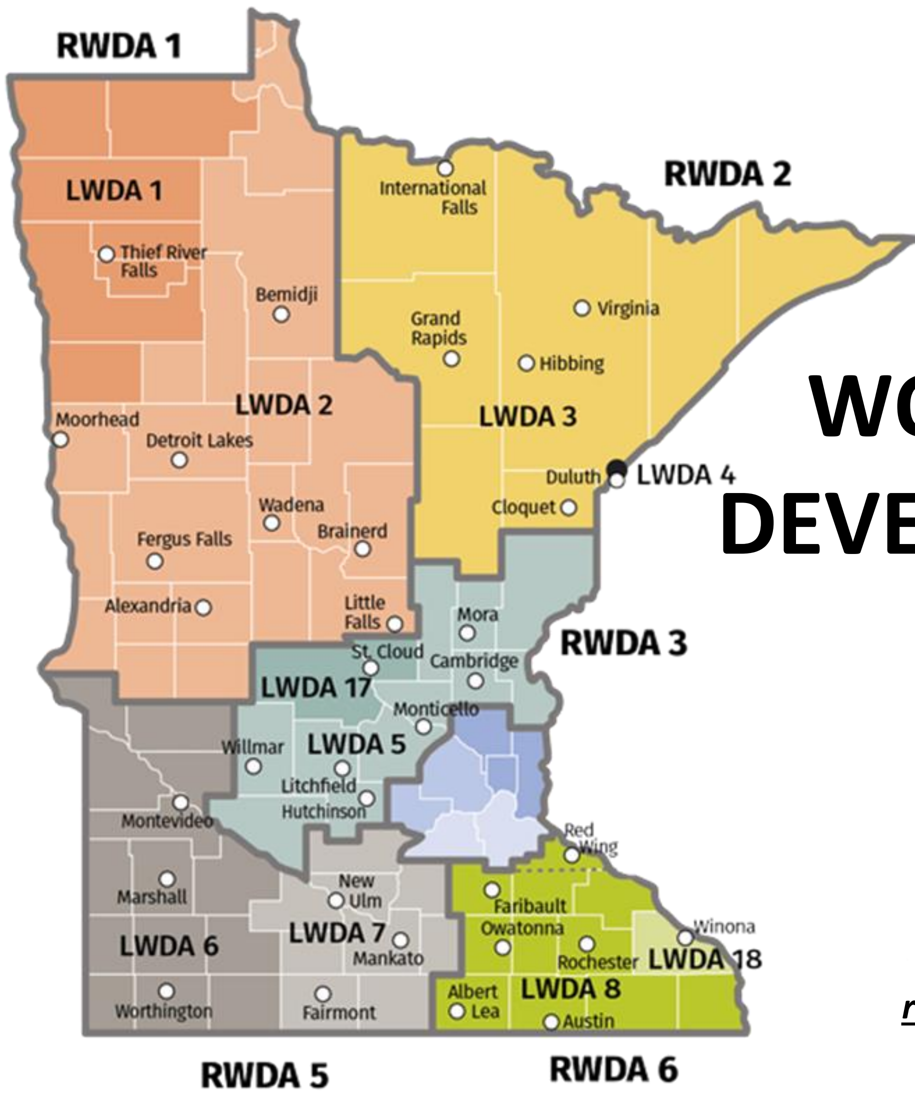

LOCAL WORKFORCE DEVELOPMENT AREA 3

Northeast Minnesota

ring the following counties:
Aitkin, Carlton, Cook, Itasca, Koochiching, Lake and St. Louis
-except for the city of Duluth

2024 REGIONAL PROFILE

Updated August 2024

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DEMOGRAPHICS

POPULATION CHANGE

Local Workforce Development Area 3 consists of seven counties in the Northeast region of Minnesota, excluding the city of Duluth. According to population data from the U.S. Census Bureau, Local Area 3 was home to 239,371 people in 2023, accounting for 4.2% of the state's total population. Local Area 3 lost 589 residents since 2010, a 0.2% decline. Meanwhile, the state of Minnesota's population grew by 8.2%, an increase of 433,990 residents (Table 1).

Table 1. Population Change 2010-2023

	2010 Population	2023 Population	*2010-2023 Change* Number	Percent
WDB 3 – Northeast	**239,960**	**239,371**	***-589***	***-0.2%***
Aitkin Co.	16,202	16,102	*-100*	*-0.6%*
Carlton Co.	35,386	36,825	*+1,439*	*+4.1%*
Cook Co.	5,176	5,639	*+463*	*+8.9%*
Itasca Co.	45,058	45,365	*+307*	*+0.7%*
Koochiching Co.	13,311	11,751	*-1,560*	*-11.7%*
Lake Co.	10,866	10,855	*-11*	*-0.1%*
St. Louis Co.	200,226	200,514	*+288*	*+0.1%*
-City of Duluth	86,265	87,680	*+1,415*	*+1.6%*
Northeast Minnesota	**326,225**	**327,051**	***+826***	***+0.3%***
State of Minnesota	**5,303,925**	**5,737,915**	***+433,990***	***+8.2%***

Source: U.S. Census Bureau

Three of the 7 counties in the region lost population from 2010 to 2023 with Koochiching County losing 1,560 people, a 11.7% decline, making it the second fastest declining county in the state. Aitkin and Lake counties saw slight declines in the past decade while Itasca and St. Louis counties saw increases of less than 1% each. Carlton County gained the most people, 1,439 since 2010 which equated to a 4.1% increase. Cook County had the fastest growth, expanding by 8.9%, the 16th fastest growing county in the state and the only county in the region to see population growth above the statewide average from 2010-2023 (Table 1).

COMPONENTS OF POPULATION CHANGE

The recent population increase in Local Area 3 was fueled primarily by positive net migration as 3,794 more people moved into the region than out. Positive net migration was enough to offset a natural decrease – 2,929 more deaths than births – over the same period. (Table 2). The bulk of in-migration was from other areas in the state or U.S., but there were also more than 255 residents that moved to WSA 3 from outside the country (Table 2).

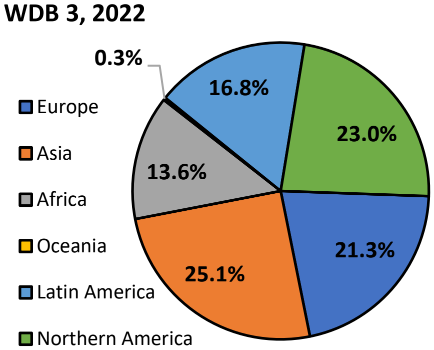
Table 2. Estimates of the Components of Population Change, 2020-2023

	Total Change	*Natural Increase*	Vital Events: Births	Vital Events: Deaths	Net Migration: *Total*	Net Migration: *Inter-national*	Net Migration: *Domestic*
WDB 3 – Northeast	+983	-2,929	6,942	9,872	+3,794	+255	+3,569
Minnesota	+31,111	+40,368	207,857	167,489	-11,352	+34,624	-45,976

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

With international in-migration, Local Area 3 was home to 3,107 foreign born residents, or 1.3% of the total population. The largest number of immigrants in the region came from elsewhere in North America, Asia, Europe, and Latin America (Figure 1). The fastest increase in immigrants came from Africa, which grew by a factor of almost 7, as well as those from Western Asia.

Figure 1. Place of Birth for the Foreign Born Population in WDB 3, 2022



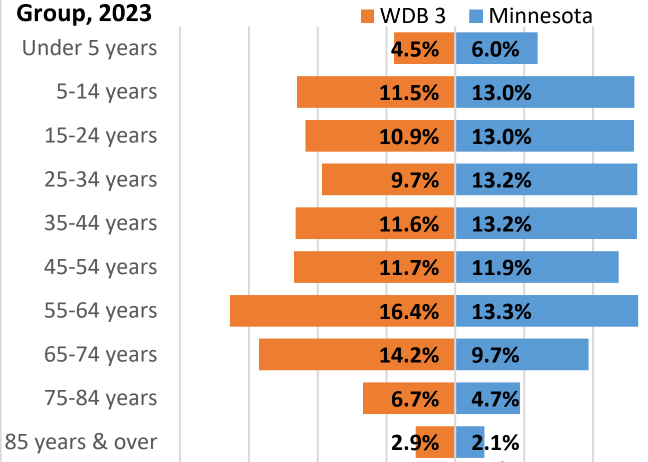
Source: 2018-2022 American Community Survey

Based on year of entry, Local Area 3's foreign born population was "older" than the rest of the state. About 32% of the area's immigrants entered the U.S. before 1990, compared to just 18.4% statewide. Concurrently, the area had a smaller percentage of foreign-born residents who entered 2010 or later than the state. However, foreign-born residents are more concentrated in the 15-44 age group than the total population – 47.3% compared to 38.9%. While a higher percentage of foreign-born residents had a bachelor's degree or higher than native born residents, immigrants were also almost three times as likely to have less than a high school diploma.

POPULATION BY AGE GROUP

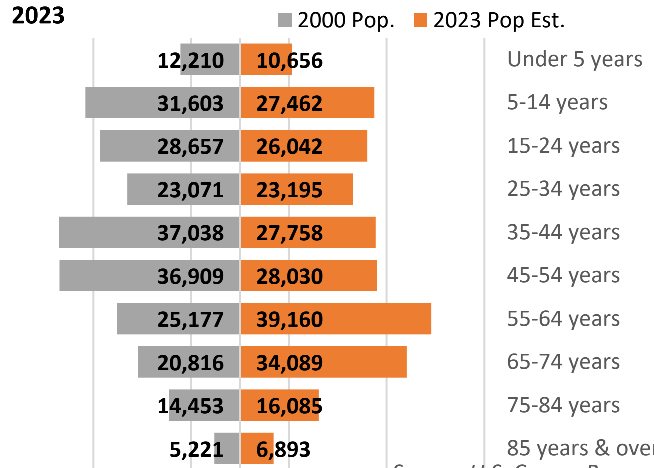
Local Area 3 has a much older population than the rest of the state, with 40.2% of residents aged 55 years and over, compared to 29.8% statewide. Consequently, the Local Area 3 had a lower percentage of people in the 25- to 54-year-old age group, typically considered the "prime working years," as well as a smaller percent of school-aged children. Over a quarter of the area's population is a part of the Baby Boom generation, people born between 1946 and 1964, which is creating a significant shift in the population over time. While the number of younger (-8.6%) and middle-aged (-24.6%) residents was declining, the number of residents aged 55 years and over was rapidly increasing (46.5%) (Figures 2 and 3).

Figure 2. Percentage of Population by Age Group, 2023



Source: U.S. Census Bureau, Population Estimates

Figure 3. WDB 3 Population Pyramid, 2000-2023



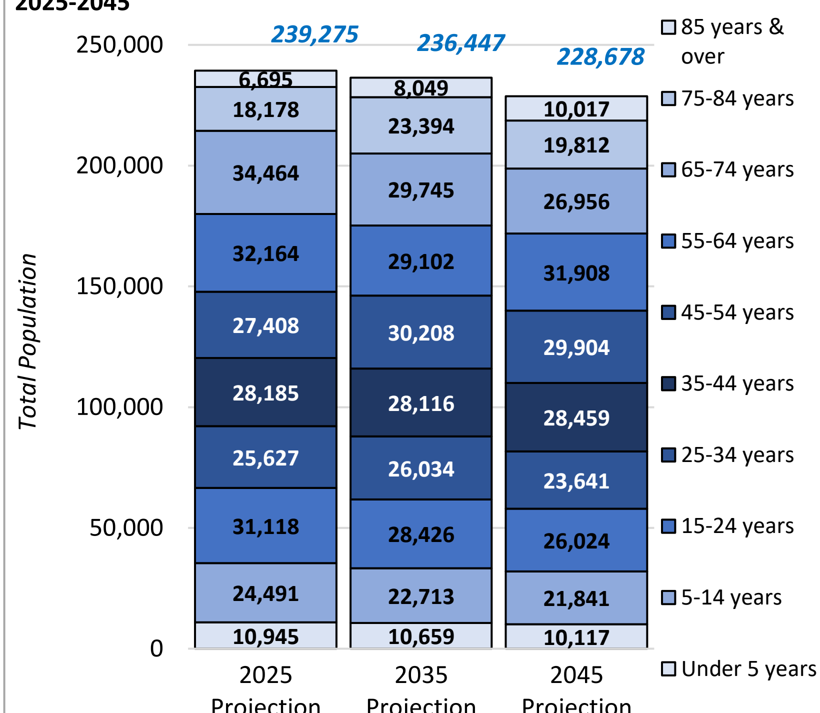
Source: U.S. Census Bureau

POPULATION PROJECTIONS BY AGE GROUP

Local Area 3 is projected to see population declines in the next 20 years. According to population projections from the [State Demographic Center](), the area is expected to lose nearly 10,600 residents from 2025 to 2045, a 4.4% decline (Figure 4). By comparison, the state of Minnesota is projected to grow 5.5% from 2025 to 2045, closing in on 6.2 million residents.

However, Local Area 3 is expected to add around 5,000 people aged 75 years and over, a 20% jump. The region is also projected to see a smaller but notable gain of 2,500 in the 45-to-54-year-old age group. In contrast, the region is expected to lose a large number of school-aged children and young adults (-9,700), as well as people from 55 to 74 years (-7,800) as the current Baby Boom generation moves through the population pyramid.

Figure 4. WDB 3 Population Projections by Age Group, 2025-2045



Source: Minnesota State Demographic Center

POPULATION BY RACE

Local Area 3's population is less diverse than the state's but is becoming more diverse over time. In 2022, 91.6% of the region's residents reported White alone as their race, compared to 79.7% of residents statewide. Compared to the state, the region had much smaller percentages of Black or African American residents, Asian or Other Pacific Islanders, people of Some Other Race, and people of Hispanic or Latino origin. However, at 2.6%, Local Area 3 had almost triple the state's percentage of people reporting as American Indian or Alaska Native. 4.2% of residents identified as Two or More Races (Table 3).

Table 3. Race and Hispanic Origin, 2022	WDB 3 - Northeast			Minnesota	
	Number	Percent	*Change from 2011-2022*	Percent	*Change from 2011-2022*
Total	**239,223**	**100.0%**	***-0.1%***	**100.0%**	***+7.9%***
White	219,130	91.6%	*-2.7%*	79.7%	*-0.4%*
Black or African American	2,213	0.9%	*+35.4%*	6.7%	*+44.3%*
American Indian & Alaska Native	5,728	2.4%	*-18.4%*	0.9%	*-10.2%*
Asian & Other Pacific Islander	1,025	0.4%	*+3.3%*	5.1%	*+37.1%*
Some Other Race	1,066	0.4%	*+60.8%*	2.3%	*+84.7%*
Two or More Races	10,061	4.2%	*+151.5%*	5.3%	*+159.6%*
Hispanic or Latino	3,560	1.5%	*+37.1%*	5.7%	*+34.6%*

Source: 2018-2022 American Community Survey, 5-year estimates

Cook County had the most diverse populace in the region, with 14.7% of residents reporting as people of color. Just under 7.5% of Cook residents identified as American Indian or Alaska Native. In contrast, Aitkin and Lake Counties had 93.5% and 96% of their respective populations reporting their race as White alone.

EDUCATIONAL ATTAINMENT

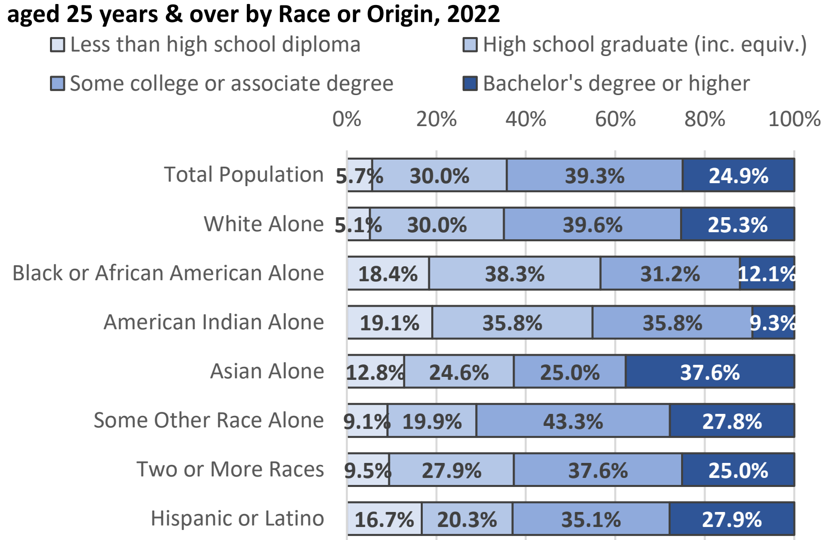
With 37.5% of adults aged 18 years and over holding a college degree, Local Area 3 had lower educational attainment than the state in 2022, where 46.6% of adults have an associate, bachelor's, or advanced degree. In contrast, the area had a higher percentage of people with some college but no degree, and a high school diploma or equivalent. Beyond high school, area educational attainment only exceeded the state in associate degrees (Table 4).

Table 4. Educational Attainment for the Adult Population, 2022	WDB 3 - Northeast		Minnesota
	Number	**Percent**	**Percent**
Total, 18 years & over	**191,882**	**100.0%**	**100.0%**
Less than high school	12,345	6.4%	7.0%
High school grad. (incl. equiv.)	58,893	30.7%	24.5%
Some college, no degree	48,735	25.4%	22.0%
Associate degree	27,355	14.3%	11.1%
Bachelor's degree	29,960	15.6%	23.7%
Advanced degree	14,594	7.6%	11.8%

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

Educational attainment varied significantly by race and ethnicity in Local Area 3. Sixteen percent or more of Asian, Black or African American, American Indian, and Hispanic or Latino residents had less than a high school diploma, compared to just 5.1% of white residents. Black and Indigenous residents also had the highest shares of residents with a high school degree alone. Correspondingly, Black or African Americans and Indigenous residents also had much lower shares with Bachelor's or higher while Asians had the highest share of all groups. People of Some Other Race had the highest share with some college or associate degrees (Figure 5).

Figure 5. WDB 3 Educational Attainment for the population aged 25 years & over by Race or Origin, 2022



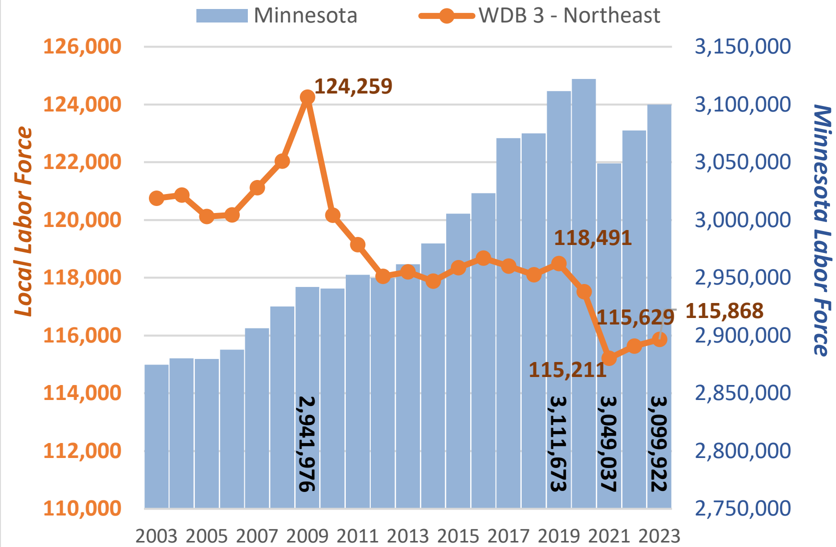
Source: 2018-2022 American Community Survey

LABOR FORCE

LABOR FORCE CHANGE

According to data from DEED's [Local Area Unemployment Statistics] program, Local Area 3 had 115,868 workers in 2023. Under the effects of the COVID-19 pandemic nearly 3,300 workers left the labor force over two years, accelerating a longer-term trend of decline. By comparison, in the depths of the Great Recession, the region's labor force reached its peak with nearly 124,300 workers, but then declined as the recovery from the recession took hold. Tracking with population decreases for the local area, the labor force lost 2,376 workers from 2004-2019 (Figure 6). Local Area 3 was one of three out of 16 in the state to see a loss in its labor force over that period. In contrast, the state steadily gained workers over the past 15 years (Figure 6).

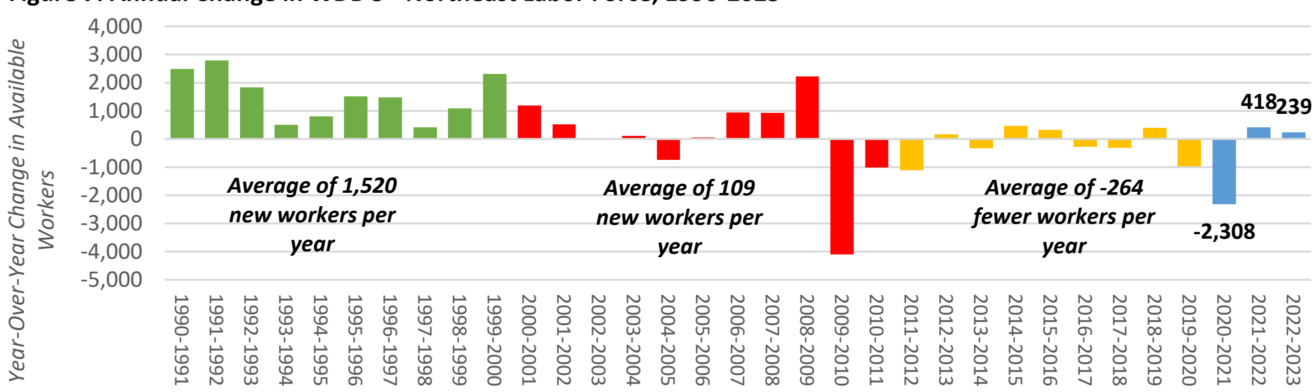
Figure 6. Annual Labor Force Estimates, 2003-2023



Source: DEED Local Area Unemployment Statistics (LAUS) program

An average net gain of about 1,500 additional labor force participants per year between 1990 and 2000 provided Local Area 3 employers to a large and growing pool of talented workers. However, from 2000 to 2010 the gains of the previous decade began to slow as the area averaged a gain of 109 workers per year. Between 2010 and 2020 gains turned to losses, as the labor force declined by an average of 264 workers per year. 2021 represented the second-largest over-the-year labor force contraction on record. By the end of 2023, only 20% of the labor force losses were recovered (Figure 7).

Figure 7. Annual Change in WDB 3 - Northeast Labor Force, 1990-2023



Source: DEED Local Area Unemployment Statistics (LAUS)

An increasingly tight labor market and a growing scarcity of workers has for years been recognized as one of Local Area 3's most significant barriers to future economic growth. In the face of these constraints, it became evident that a more diverse workforce in terms of age, gender, race, ethnicity, disability status, and origin 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 comprise the fastest growing segments of the labor force.

LABOR FORCE PROJECTIONS

If Local Area 3's population changes at the projected rates shown in Figure 4 above, the area would be expected to see a decline in the labor force over the next decade. Applying current labor force participation rates to future population projections by age group creates labor force projections for the region, which show a 1.1% drop in workforce numbers. In addition to the overall decline, the labor force will also see a significant shift over time, with gains in the number of workers aged 75 years and over and 45 to 55 but large declines in the number of workers aged 55-74. The region is also expected to lose teenaged workers and entry-level workers in the next decade. The long-term aging and decline of the labor force will likely lead to an even tighter labor market in the future, with employers needing to respond to the changing labor force availability in the region (Table 5).

Table 5. WDB 3 - Northeast Labor Force Projections

	2025 Labor Force Projection	2035 Labor Force Projection	*2025-2035 Change*	
			Numeric	*Percent*
16 to 19 years	6,088	5,367	*-721*	*-11.8%*
20 to 24 years	13,502	12,715	*-786*	*-5.8%*
25 to 44 years	45,524	45,810	*+286*	*+0.6%*
45 to 54 years	22,639	24,951	*+2,312*	*+10.2%*
55 to 64 years	19,529	17,670	*-1,859*	*-9.5%*
65 to 74 years	6,371	5,499	*-872*	*-13.7%*
75 years & over	1,276	1,613	*+337*	*+26.4%*
Total Labor Force	**114,929**	**113,626**	***-1,303***	***-1.1%***

Source: calculated from Minnesota State Demographic Center population projections and 2018-2022 American Community Survey 5-Year Estimates

EMPLOYMENT CHARACTERISTICS

With 56.9% of the population over 16 years of age in the labor force, Local Area 3 had a much lower labor force participation rate than the state. In addition, every age group had lower labor force participation rates than those statewide, the gap largest for 55+ workers (Table 6).

The region also had lower participation rates than the state for every racial or ethnic group; and had large unemployment rate disparities for people of color. Less than a third of eligible Black or African Americans were in the labor force. Unemployment rates for Black and American Indian residents were more than three times the rate for whites. The region had 4,891 veterans and 8,026 workers with disabilities in the labor force, with both having lower participation rates than the state. Unemployment rates were highest for young workers, people of color, the least educated, and workers with disabilities. Labor force participation was highest among prime age workers, Asians, and the most educated.

Table 6. WDB 3 - Northeast Employment Characteristics, 2022

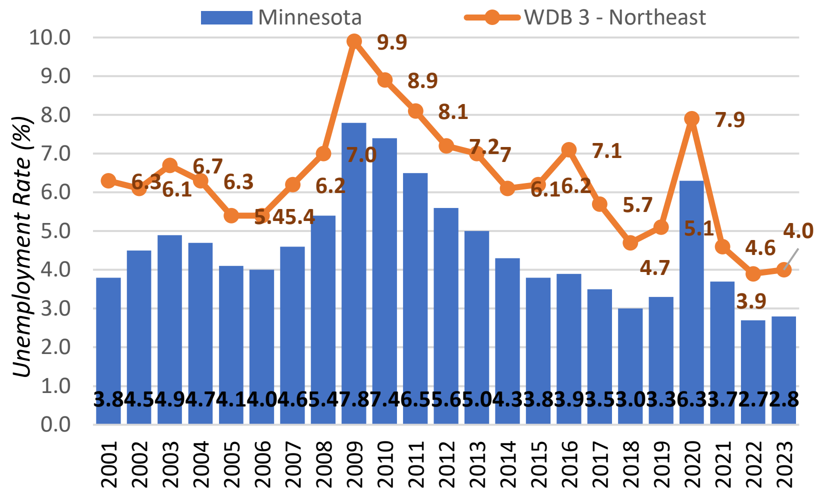
	WDB 3 - Northeast			Minnesota	
Age Group	Labor Force	Labor Force Partic. Rate	Unemp. Rate	Labor Force Partic. Rate	Unemp. Rate
Total Labor Force	**112,912**	**56.9%**	**4.8%**	**68.7%**	**4.0%**
16 to 19 years	6,094	52.0%	7.5%	53.0%	9.8%
20 to 24 years	9,396	81.8%	9.5%	83.1%	6.7%
25 to 44 years	43,080	84.6%	5.1%	88.8%	3.5%
45 to 54 years	23,138	82.6%	3.6%	87.8%	2.9%
55 to 64 years	23,763	60.7%	3.4%	72.8%	3.1%
65 to 74 years	6,298	18.5%	2.9%	27.6%	3.3%
75 years & over	1,178	5.1%	2.3%	6.6%	3.2%
Employment Characteristics by Gender					
Male	60,017	58.9%	5.1%	60,017	58.9%
Female	3,271	51.6%	6.2%	3,271	51.6%
Employment Characteristics by Race & Hispanic Origin					
White alone	104,850	57.0%	4.4%	67.8%	3.4%
Black or African American	563	33.2%	21.0%	71.5%	8.7%
American Indian & Alaska Native	2,392	53.6%	13.7%	57.6%	11.9%
Asian or Other Pacific Islanders	593	67.6%	3.7%	73.9%	3.6%
Some Other Race	548	59.4%	2.9%	76.1%	6.1%
Two or More Races	4,028	62.9%	7.1%	74.3%	6.6%
Hispanic or Latino	1,528	63.5%	8.7%	77.0%	6.3%
Employment Characteristics by Veteran Status					
Veterans, 18 to 64 years	4,891	74.1%	4.4%	81.1%	4.0%
Employment Characteristics by Disability					
With Any Disability	8,026	46.0%	7.9%	54.4%	10.2%
Employment Characteristics by Educational Attainment					
Population 25 to 64 years	89,990	76.2%	4.3%	84.4%	3.3%
Less than H.S. Diploma	3,336	54.7%	6.1%	67.2%	4.6%
H.S. Diploma or Equivalent	21,340	66.3%	3.3%	76.8%	2.5%
Some College or Assoc. Degree	39,306	79.1%	4.1%	85.1%	3.6%
Bachelor's Degree or Higher	26,006	86.4%	1.7%	90.3%	2.0%

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

UNEMPLOYMENT RATES

Until recently, Local Area 3 has consistently reported unemployment rates about two percentage points higher than Minnesota. According to [Local Area Unemployment Statistics](), the region's unemployment rate reached its peak in 2009 at 9.9%, then steadily declined to an annual rate of 4.7% in 2018. The unemployment rate increased significantly in 2020 under the effects of the COVID-19 pandemic, before falling to a record low of 3.9% in 2022 and ticking up to 4% in 2023 (Figure 8). By comparison, the average annual unemployment rate from 1990 to 2019 was 6.5%.

Figure 8. Unemployment Rates, 2001-2023

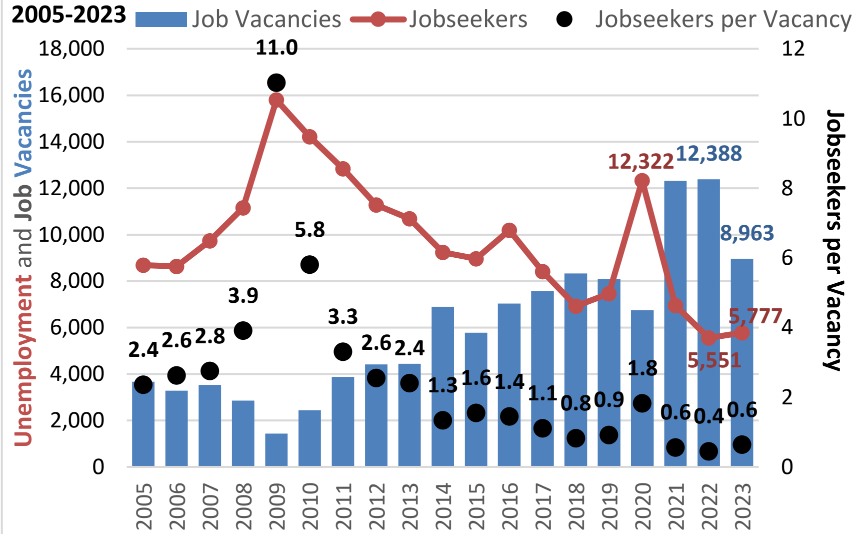


Source: DEED Local Area Unemployment Statistics (LAUS) program

JOBSEEKERS PER VACANCY

Prior to the coronavirus crisis, the labor market had already been tightening. One clear demonstration of this is the ratio of unemployed jobseekers per vacancy, which in 2019 stood at 0.9-to-1 in Northeast Minnesota; meaning there were slightly fewer people looking for work than there were open jobs. After briefly rising to 1.8 in 2020, the ratio declined to an all-time low of 0.4 jobseekers per vacancy before ticking up slightly in 2023. According to the most recent job vacancy survey results, there were 8,963 openings reported by employers compared to 5,777 (2nd lowest on record) unemployed jobseekers in the region. By comparison, the ratio climbed as high as 11.0 during the recession in 2009 (Figure 9).

Figure 9. Jobseekers per Vacancy in Northeast Minnesota, 2005-2023



Source: DEED LAUS, DEED JVS

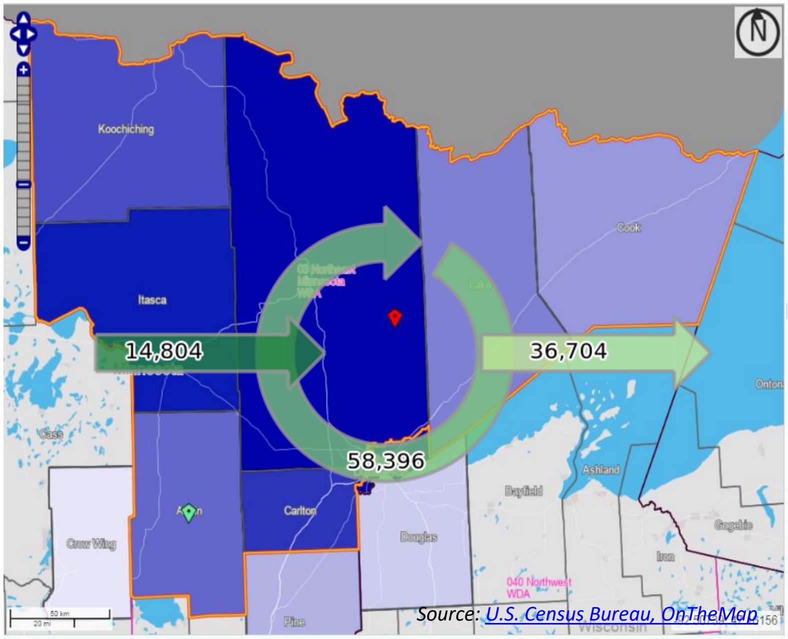
COMMUTE SHED AND LABOR SHED

According to commuting data from the [U.S. Census Bureau](), the majority – about 80% - of workers employed in Local Area 3 also lived in the region. However, Local Area 3 is a net exporter of labor, having fewer jobs than, workers, primarily due to the jobs in the adjacent city of Duluth. In sum, 58,396 workers both lived and worked in the Local Area, while another 14,804 workers commuted or telecommuted to the region for work, compared to 36,704 who lived in the region but commuted to a different area for work (Table 7, Figure 10).

Table 7. WDB 3 – Northeast Inflow/ Outflow Job Counts (Primary Jobs), 2021	2021	
	Count	Share
Employed in the Selection Area	73,200	100.0%
Employed in the Selection Area but Living Outside	14,804	20.2%
Employed and Living in the Selection Area	58,396	79.8%
Living in the Selection Area	95,100	100.0%
Living in the Selection Area but Employed Outside	36,704	38.6%
Living and Employed in the Selection Area	58,396	61.4%

Source: U.S. Census Bureau, OnTheMap

Figure 10. WDB 3 - Northeast Labor and Commute Shed, 2021



Source: U.S. Census Bureau, OnTheMap

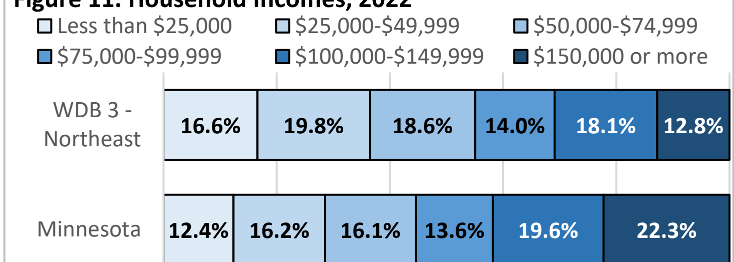
St. Louis County is the largest employment center in the area and was the biggest draw for workers, followed by Itasca, Carlton, Koochiching, Aitkin, Lake, and Cook counties. Employers in the region drew workers from Douglas County in Wisconsin as well as Pine and Crow Wing counties to the south and west of the region. In contrast, the area sent 6,600 workers to Hennepin and Ramsey counties, as well as 1,900 to Douglas County, WI (Figure 10). The average commute time for workers the region was 21.6 minutes, compared to 23.3 minutes for workers statewide. Almost a quarter of workers commuted less than 10 minutes each way, compared to 16.2% statewide. About 8.1% of workers worked at home, and 3.4% were able to walk or bike to work. About half (49.2%) of workers left home between 6:00 a.m. and 8:00 a.m[1].

INCOMES, WAGES AND OCCUPATIONS

HOUSEHOLD INCOMES

Household incomes were significantly lower in Local Area 3 than the rest of the state. The median household was $67,675 in 2022, compared to $84,313 statewide. 36.4% of the households in the region had incomes below $50,000 in 2022, compared to 28.6% of households statewide. 12.8% of households in the region had incomes greater than $150,000 (Figure 11).

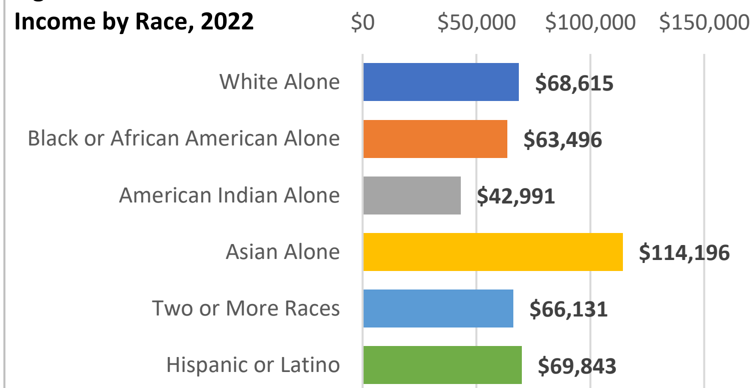
Figure 11. Household Incomes, 2022



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

Median household incomes varied significantly by race or origin in the region. American Indian households reported the lowest incomes in Local Area 3, with a median income that was more than $25,000 lower than for white households. Black or African American and Two or More Races households also had lower median incomes. Meanwhile, Hispanic or Latino Households reported median incomes similar to white households and Asians had the highest incomes in the area. However, sample sizes were small for several of the race groups, leading to large margins of error and big swings compared to previous years (Figure 12).

Figure 12. WDB 3 - Northeast Median Household Income by Race, 2022



Source: 2018-2022 American Community Survey

[1] U.S. Census American Community Survey 2018-2022 5 year estimates.

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 Northeast Minnesota was $60,228 – which was the third lowest of the 6 planning regions in the state. The highest monthly costs were for housing, transportation, and food; though all but the region's health care costs were lower than the rest of the state. In order to meet the basic needs cost of living for the region, the two workers in the family scenario described would need to earn an average of $19.30 per hour working a combined 60 hours per week.

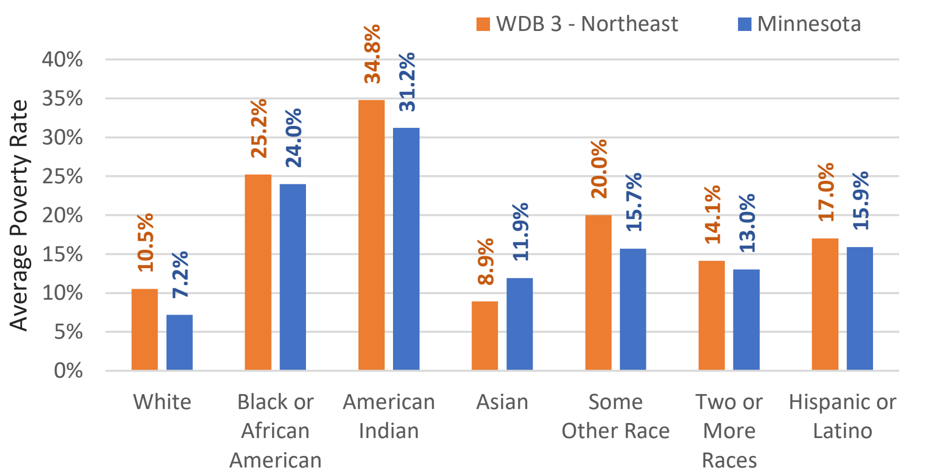
DEED's Cost of Living tool provides different estimates for household compositions including single people, partnered couples, and up to 4 children. For a single person living alone and working full-time, the estimated yearly cost in the Arrowhead would be $30,876 which would require an hourly wage of $14.84 to meet the basic needs standard of living (Table 8).

Table 8. Family Yearly Cost, Worker Hourly Wage, and Family Monthly Costs, 2023

Family Composition	Number of Workers	Yearly Cost of Living	Hourly Wage Required	Monthly Costs						
				Childcare	Food	Health Care	Housing	Trans-portation	Other	Taxes
Northeast Minnesota										
Single, 0 children	1 FT	$30,876	$14.84	$0	$408	$161	$821	$565	$294	$324
Single, 1 child	1 FT	$51,120	$24.58	$786	$602	$415	$1,073	$569	$401	$414
2 parents, 1 child	**1 FT, 1 PT**	**$60,228**	**$19.30**	**$393**	**$932**	**$576**	**$1,073**	**$964**	**$480**	**$601**
2 parents, 2 children	2 FT	$82,272	$19.78	$1,176	$1,213	$585	$1,402	$1,001	$625	$854
State of Minnesota										
Single, 0 children	1 FT	$34,704	$16.68	$0	$419	$160	$1,021	$572	$345	$375
2 parents, 1 child	**1 FT, 1 PT**	**$67,320**	**$21.58**	**$544**	**$955**	**$574**	**$1,285**	**$977**	**$536**	**$739**

Source: DEED Cost of Living tool

Figure 13. Percent Below the Poverty Level by Race or Origin, 2022



Source: 2018-2022 American Community Survey

Overall, Local Area 3's poverty rate was 11.3%, which was higher than the statewide rate of 9.3%, and an increase from 2021. Like incomes, poverty levels varied widely by race and origin. It was estimated that 35% of the area's Indigenous population had incomes below the poverty line, compared to 10.5% of the white population. Likewise, poverty levels hovered around 25% for Black or African Americans and 20% for residents of Some Other Race. 17% of residents of Hispanic or Latino origin and 14% of those identifying as Two or More races also were below the poverty level in 2022. At 8.9%, Asian residents had the lowest poverty rate of any group of color in the area and were the only group with a rate lower than the corresponding statewide poverty rate (Figure 13).

WAGES AND OCCUPATIONS

According to DEED's Occupational Employment & Wage Statistics (OEWS) program, the median hourly wage for all occupations in Northeast Minnesota was $23.41 as of the first quarter of 2024, which was the fourth highest wage level of the six planning regions in the state. Northeast's median wage was $1.81 below the state's median hourly wage, equaling 92.8% of the statewide wage rate, and $4.37 below the median hourly wage in the Twin Cities metro area, which would amount to a difference of nearly $9,100 per year for a full-time worker (Table 9).

Table 9. Occupational Employment Statistics by Region, 1st Qtr. 2024	Median Hourly Wage	Estimated Regional Employment
Central Minnesota	$23.55	274,190
Northeast Minnesota	***$23.41***	***138,010***
Northwest Minnesota	$22.77	219,910
Southeast Minnesota	$24.26	240,340
Southwest Minnesota	$22.98	169,300
Twin Cities Metro Area	$27.78	1,743,500
State of Minnesota	**$25.22**	**2,881,100**
Source: DEED Occupational Employment & Wage Statistics		

Based on location quotient, Northeast Minnesota stands out for having higher concentrations of Community & Social Service, Construction & Extraction, Protective Service, Installation, Maintenance & Repair, Farming, Fishing, & Forestry, Healthcare Practitioners & Technical, Life, Physical & Social Science, and Food Preparation & Serving Related workers than the state. The largest occupations in the region include Office & Administrative Support, Food Preparation & Serving Related, Sales & Related, Healthcare Practitioners, and Healthcare Support positions. Those occupational groups combined to account for over 45.8% of regional employment.

The lowest-paying jobs are concentrated in Food Preparation & Serving, Sales & Related, Personal Care & Service, Building, Grounds Cleaning & Maintenance, and Healthcare Support. Each of these occupational groups paid at least $5.42 below the median for all occupations and tend to have lower educational and training requirements (Table 10).

Table 10. Northeast Minnesota Occupational Employment Statistics, 2024							
	Northeast Minnesota				State of Minnesota		
Occupational Group	Median Hourly Wage	Estimated Regional Employment	*Share of Total Employment*	*Location Quotient*	Median Hourly Wage	Estimated Statewide Employment	*Share of Total Employment*
Total, All Occupations	**$23.41**	**138,010**	***100.0%***	***1.0***	**$25.22**	**2,881,100**	***100.0%***
Office & Administrative Support	$22.44	16,760	*12.1%*	*1.0*	$23.86	352,250	*12.2%*
Food Preparation & Serving Related	$14.40	13,910	*10.1%*	*1.3*	$15.07	232,190	*8.1%*
Sales & Related	$16.96	11,740	*8.5%*	*1.0*	$18.82	242,440	*8.4%*
Healthcare Practitioners & Technical	$39.02	11,510	*8.3%*	*1.3*	$43.01	184,410	*6.4%*
Healthcare Support	$17.99	9,260	*6.7%*	*1.1*	$18.07	169,580	*5.9%*
Transportation & Material Moving	$21.66	8,810	*6.4%*	*0.8*	$22.86	225,820	*7.8%*
Education, Training & Library	$25.65	8,350	*6.1%*	*1.1*	$28.22	163,340	*5.7%*
Management	$45.28	7,740	*5.6%*	*0.8*	$57.75	201,710	*7.0%*
Construction & Extraction	$32.73	7,590	*5.5%*	*1.4*	$32.44	110,960	*3.9%*
Installation, Maintenance & Repair	$29.94	6,760	*4.9%*	*1.4*	$29.54	104,530	*3.6%*
Production	$24.87	6,550	*4.7%*	*0.7*	$23.05	203,810	*7.1%*
Business & Financial Operations	$34.89	5,970	*4.3%*	*0.6*	$39.26	202,700	*7.0%*
Building, Grounds Cleaning & Maint.	$17.48	4,560	*3.3%*	*1.2*	$18.83	79,660	*2.8%*
Community & Social Service	$25.46	4,280	*3.1%*	*1.5*	$27.92	57,930	*2.0%*
Protective Service	$26.04	3,070	*2.2%*	*1.4*	$28.87	45,860	*1.6%*
Personal Care & Service	$17.17	3,050	*2.2%*	*1.1*	$17.60	59,420	*2.1%*
Architecture & Engineering	$40.12	2,180	*1.6%*	*0.8*	$42.97	58,320	*2.0%*
Computer & Mathematical	$42.37	2,090	*1.5%*	*0.4*	$50.83	98,240	*3.4%*
Life, Physical & Social Science	$35.31	1,820	*1.3%*	*1.3*	$39.93	29,220	*1.0%*
Arts, Design, Entertainment & Media	$23.33	1,250	*0.9%*	*0.7*	$29.01	36,160	*1.3%*
Legal	$40.53	540	*0.4%*	*0.6*	$51.15	19,040	*0.7%*
Farming, Fishing & Forestry	$22.88	220	*0.2%*	*1.3*	$22.13	3,520	*0.1%*
Source: DEED Occupational Employment Statistics, Qtr. 1 2024							

The highest paying jobs in Northeast Minnesota are found in Management, Computer & Mathematical, Legal, Architecture & Engineering, and Healthcare Practitioners & Technical occupations, which all have wages $15 higher than the median wage for all occupations. Many occupations in these groups require higher levels of education and experience, including many that require postsecondary training. The pay gaps at the highest end of the wage scale for the Management and Computer & Mathematical occupational groups, near and exceed $20 more per hour. The four highest-paying occupational groups are also less concentrated in the region.

JOB VACANCY SURVEY

Employers in Northeast Minnesota reported 8,963 job vacancies in 2023, down more than 3,400 from the year before, but higher than all but one survey period before 2021. The sectors with the largest number of openings were Healthcare & Social Assistance (3,288 vacancies), Accommodation & Food Services (1,185), Retail Trade (1,160), and Educational Services (653). More than 70% of regional vacancies were in these industries.

The rising demand of the past several years has translated to rising wage offers, with the 2023 median hourly wage offer jumping to $18.49 per hour, which was the highest offer on record, and the fourth-highest among the six planning regions. Wage offers ranged from under $15/hr for Food Prep & Serving and Personal Care & Service to over $35/hr for Management, Architecture & Engineering, and Computer & Mathematical positions.

The largest number of vacancies by occupation were in Healthcare Practitioners & Technical, Food Preparation & Serving Related, Healthcare Support, Sales & Related, and Installation, Maintenance & Repair occupations. More than 54% of regional vacancies were in these occupational groups. Job vacancy rates, a measure of turnover and demand, were the highest for Installation, Maintenance & Repair, Legal, Personal Care & Service, Healthcare Practitioners & Technical, and Healthcare Support. Overall, 30% of the openings were part-time, 37% required post-secondary education, and 41% required 1 or more years of experience (Table 11).

Table 11. Northeast Minnesota Job Vacancy Survey Results, 2023

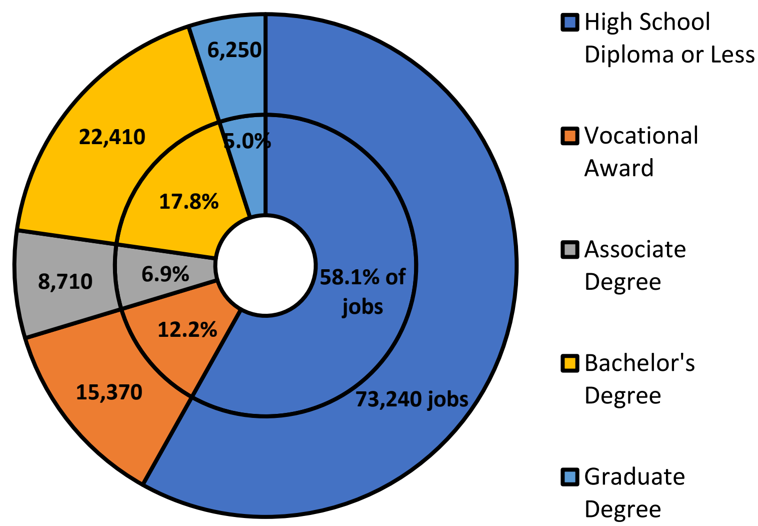
Northeast Minnesota	Number of Total Vacancies	Percent Part-time	Percent Temporary or Seasonal	Requiring Post-Secondary Education	Requiring 1 or More Years of Work Exp.	Requiring Certificate or License	Median Hourly Wage Offer	*Job Vacancy Rate*
Total, All Occupations	**8,963**	**$18.49**	**30%**	**10%**	**37%**	**41%**	**45%**	***6.6%***
Healthcare Practitioners & Technical	1,244	$34.84	27%	1%	97%	56%	99%	*10.9%*
Food Preparation & Serving Related	1,043	$14.24	50%	18%	6%	32%	3%	*7.7%*
Healthcare Support	982	$15.95	34%	3%	39%	3%	54%	*10.7%*
Sales & Related	826	$16.06	41%	5%	5%	31%	10%	*7.2%*
Installation, Maintenance & Repair	760	$20.03	4%	4%	37%	47%	40%	*11.9%*
Office & Administrative Support	594	$16.61	36%	3%	11%	45%	13%	*3.7%*
Transportation & Material Moving	499	$17.36	59%	19%	1%	9%	63%	*5.3%*
Building, Grounds Cleaning & Maint.	436	$16.13	34%	45%	2%	22%	23%	*9.6%*
Education, Training & Library	426	$17.76	27%	26%	59%	32%	64%	*5.0%*
Production	420	$21.97	7%	0%	26%	72%	30%	*6.3%*
Personal Care & Service	346	$14.10	24%	23%	39%	56%	24%	*11.1%*
Community & Social Service	333	$21.88	24%	0%	60%	75%	91%	*7.7%*
Business & Financial Operations	246	$23.69	4%	0%	44%	77%	25%	*4.2%*
Architecture & Engineering	195	$36.71	1%	1%	85%	77%	80%	*8.3%*
Management	144	$39.89	3%	0%	82%	88%	54%	*1.9%*
Protective Service	129	$19.03	48%	6%	19%	49%	90%	*4.3%*
Life, Physical & Social Sciences	70	$33.94	13.0%	3.0%	62.0%	54.0%	55%	4.1%
Arts, Design, Entertainment & Media	70	$16.85	74%	62%	33%	35%	50%	*5.5%*
Legal	62	$30.09	0%	0%	100%	46%	100%	*11.6%*
Construction & Extraction	59	$23.67	0%	14%	23%	74%	57%	*0.8%*

Source: DEED Job Vacancy Survey, 2023

EDUCATIONAL REQUIREMENTS

Reflecting the recent job vacancy data, DEED's Occupational Employment Statistics program shows that about 42% of current jobs held in the region typically require post-secondary education to enter. The other 58% require no more than a high school diploma, and sometimes less. However, some amount of on-the-job training is often needed (Figure 14).

Figure 14. Share of Jobs by Educational Requirements in Northeast Minnesota, 2023



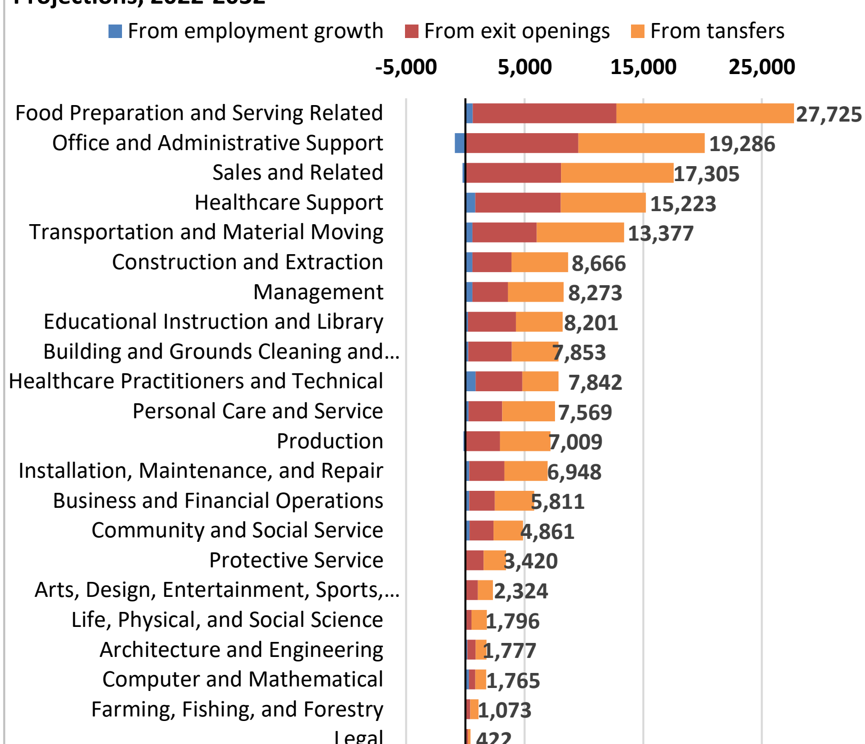
Source: DEED Occupational Employment & Wage Statistics

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 marketplace. While education is typically a worthwhile investment, college can be expensive – with average annual expenses ranging between $20,600 and more than $53,600 per year in Minnesota[2]. 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 Northeast planning area is projected to grow 3.3% from 2022 to 2032, a gain of 5,157 new jobs. In addition, the region is also expected to need 178,526 replacement openings to fill jobs left vacant by retirements and career changers. Employment growth is expected to slow from the initial pandemic recovery, more in line with pre-2020 employment growth. Accordingly, Food Prep. & Serving is the occupational group expected to add the most jobs, followed by Office & Admin. Support, and Sales & Related occupations (Figure 15). The largest percent growth is expected for Computer & Mathematical (+12.6%), Healthcare Support (+8.9%), Architecture & Engineering (+7.5%), and Healthcare Practitioners & Technical (+7.3%).

Figure 15. Northeast Minnesota Regional Employment Projections, 2022-2032



Source: DEED 2022-2032 Employment Outlook

[2] http://www.ohe.state.mn.us/mPg.cfm?pageID=94

OCCUPATIONS IN DEMAND

According to DEED's Occupations in Demand tool, there are over 426 occupations in demand (OID) in Northeast Minnesota, and 253 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 just under 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, Accommodation & Food Service, Education, Retail, Other Services, and other related industries (Table 12).

Table 12. 2023 Occupations in Demand by Education Level, Northeast Minnesota

High School or Less	Vocational Training	Some College or Assoc. Degree	Bachelor's Degree or Higher
Home Health and Personal Care Aides $34,948/yr	Nursing Assistants $40,605/yr	Registered Nurses $81,894/yr	General and Operations Managers $76,245/yr
Retail Salespersons $33,663/yr	Licensed Practical and Licensed Vocational Nurses $54,185/yr	Police and Sheriff's Patrol Officers $76,015/yr	Accountants and Auditors $71,413/yr
Cashiers $29,976/yr	Heavy and Tractor-Trailer Truck Drivers $61,962/yr	Radiologic Technologists and Technicians $71,154/yr	Human Resources Specialists $65,973/yr
Cooks, Restaurant $37,144/yr	Bookkeeping, Accounting, and Auditing Clerks $47,607/yr	Human Resources Assistants, Except Payroll and Timekeeping $48,119/yr	Elementary School Teachers, Except Special Education $63,522/yr
Fast Food and Counter Workers $30,037/yr	Automotive Service Technicians and Mechanics $54,132/yr	Dental Hygienists $84,405/yr	Physician Assistants $120,821/yr
Teaching Assistants, Except Postsecondary $38,927/yr	Heating, Air Conditioning, and Refrigeration Mechanics and Installers $66,247/yr	Civil Engineering Technologists and Technicians $73,049/yr	Secondary School Teachers, Except Special and Career/Technical Education $65,592/yr
Waiters and Waitresses $22,936/yr	Substance abuse, behavioral disorder, and mental health counselors $49,373/yr	Community Health Workers $43,268/yr	Child, Family, and School Social Workers $69,154/yr
Janitors and Cleaners, Except Maids and Housekeeping Cleaners $36,904/yr	Machinists $62,131/yr	Surgical Technologists $65,008/yr	Medical and Health Services Managers $100,366/yr
Maids and Housekeeping Cleaners $33,611/yr	Emergency Medical Technicians $39,523/yr	Forest and Conservation Technicians $53,442/yr	Substitute Teachers, Short-Term $41,313/yr
Maintenance and Repair Workers, General $50,367/yr	Medical Assistants $47,014/yr	Respiratory Therapists $80,721/yr	Nurse Practitioners $132,823/yr

Source: DEED Occupations in Demand

ECONOMY

INDUSTRY EMPLOYMENT

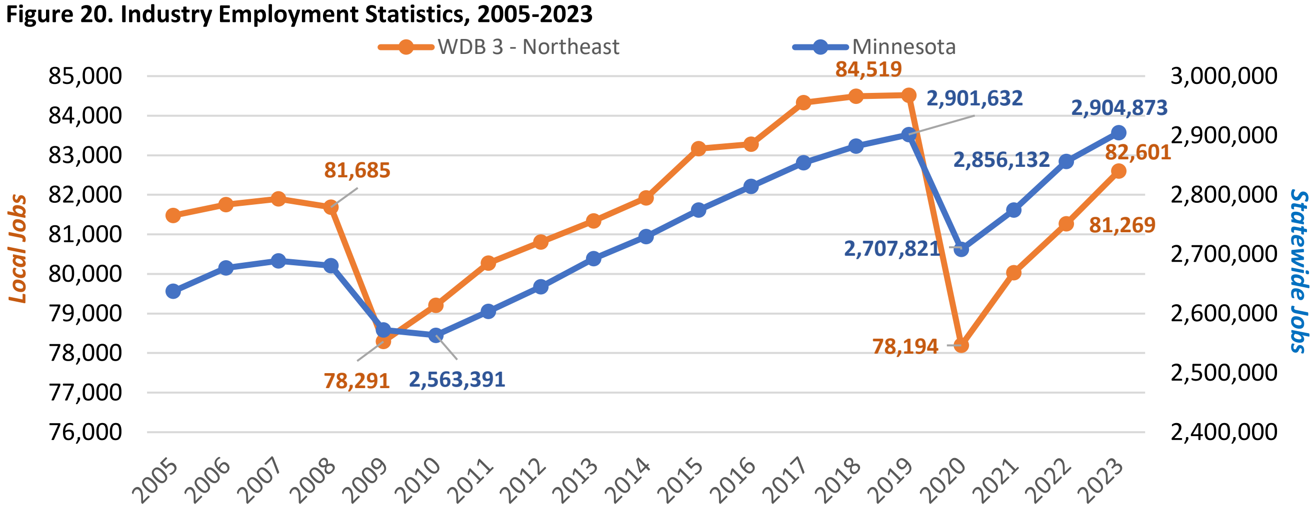
According to DEED's Quarterly Census of Employment & Wages (QCEW) program, Local Area 3 was home to 6,717 business establishments providing 82,601 covered jobs through 2023, with a total payroll that exceeded $4.3 billion. That was about 2.8% of total employment in the state of Minnesota. Average annual wages were $52,863 in the region, which was $18,700 lower than it was statewide (Table 13).

Table 13. WDB 3 - Northeast Industry Employment, 2023				Average Annual Wage	2022-2023		2019-2023	
Geography	Number of Firms	Number of Jobs	Total Payroll		*Change in Jobs*	*Percent Change*	*Change in Jobs*	*Percent Change*
WDB 3 - Northeast	**6,717**	**82,601**	**$4,366,561,180**	**$52,863**	***+1,332***	***+1.6%***	***-1,918***	***-2.3%***
Aitkin Co.	477	4,289	$198,401,510	$46,228	*+78*	*+1.9%*	*+152*	*+3.7%*
Carlton Co.	802	12,944	$709,273,896	$54,808	*-67*	*-0.5%*	*-233*	*-1.8%*
Cook Co.	340	2,654	$115,293,681	$43,420	*+121*	*+4.8%*	*-227*	*-7.9%*
Itasca Co.	1,311	15,831	$817,335,913	$51,636	*+208*	*+1.3%*	*-460*	*-2.8%*
Koochiching Co.	426	4,326	$240,787,879	$55,640	*-96*	*-2.2%*	*-228*	*-5.0%*
Lake Co.	372	3,812	$198,838,435	$52,156	*+35*	*+0.9%*	*-394*	*-9.4%*
St. Louis Co.	5,579	94,650	$5,494,927,109	$58,032	*+1,723*	*+1.9%*	*-3,785*	*-3.8%*
City of Duluth	*2,568*	*55,907*	*$3,408,297,243*	*$60,944*	*+671*	*+1.2%*	*-3,257*	*-5.5%*
State of Minnesota	**208,123**	**2,904,873**	**$207,757,410,993**	**$71,552**	***+48,741***	***+1.7%***	***+3,241***	***+0.1%***
Source: DEED Quarterly Census of Employment & Wages (QCEW)								

Not including the city of Duluth, St. Louis County is the largest employment center in the region with 38,743 jobs at 3,011 firms; followed by Itasca County and Carlton County with 15,831 and 12,944 jobs, respectively. Local Area 3 experienced a period of recovery following the Great Recession and, as of 2019, had regained all jobs that were lost and about 2,800 more, equalling an increase of 8%. However, a decade of gains was wiped out in a couple months in 2020. Over the same ten-year period, the state added 329,000 jobs, and increase of 12.8%. The state saw a smaller relative employment loss of 6.7% vs. 7.5% in WDB 3 in 2020 (Figure 16).

All the counties, except for Aitkin lost employment from 2019-2023, largely driven by large employment losses in 2020 because of the COVID-19 pandemic. In the last year, the area added 1,332 jobs as the recovery continued, but slowed. All but Carlton and Koochiching counties saw employment gains. The largest relative increases occurred in Cook, Aitkin, and St. Louis. The slowest growth occurred in Lake and Itasca counties (Table 13). As of the end of 2023, employment levels remained about 1,900 jobs short of where they were in 2019.

Figure 20. Industry Employment Statistics, 2005-2023



Source: DEED QCEW program

With 14,743 jobs at 714 firms, Health Care & Social Assistance is the largest employing sector in Local Area 3, accounting for 17.8% of total jobs in the region. That is a slightly larger share than the state's concentration of employment in the Health Care sector. The number of jobs in Health Care & Social Assistance decreased by 4.7% from 2019-2023, a decline larger than the area average of -2.3%. Over the last year employment change turned to growth even with the area average (Table 14). The annual average wage for the Health Care sector was $379 below the area average.

The next largest sectors were Retail Trade and Accommodation & Food Services, which combined to account for 24.5% of all the jobs in the region. However, with Retail Trade at $33,216 and Accommodation & Food Services at $21,900, average annual wages for these sectors were among the lowest. The other lowest-paying sectors were Other Services ($32,797) and Arts, Entertainment & Recreation ($33,074). Through 2023, Arts, Entertainment, & Recreation had seen the largest relative job losses. The next largest losses occurred in Other Services, Transportation & Warehousing, and Finance and Insurance.

Employment in Public Administration and Educational Services comprise the fourth and fifth largest sectors in the region, accounting for 17.4% of total employment. Perhaps the sector most associated with the region is Mining, which offered 4,097 jobs at 35 firms. Mining saw employment decline by 121 over the past four years, most of which occurred 2021-2022. Five sectors added jobs between 2019 and 2023. Professional, Scientific, & Technical Services grew 17.6% and Construction, Real Estate, Management, and Retail grew at slower rates. The sectors that grew the fastest over the year into 2023 included Real Estate and Professional, Sci., & Tech. Svcs. as well as Transportation & Warehousing and Manufacturing (Table 14). Wages, responding to rising inflation and a tight labor market, rose 2.0% from 2022 to 2023, the rate slowing from previous years. The sectors with the fastest wage growth over the year were Construction (+15.8%), Agriculture, Forestry Fishing, and Hunting (+12.1%), and Real Estate. Mining was the only sector to see wages decline and Finance & Insurance and Educational Services grew less than 1%.

Table 14. WDB 3 - Northeast Industry Employment Statistics, 2023

WDB 3 - Northeast	2023 Annual Data				*2022-2023*		*2019-2023*	
NAICS Sector Title	**Number of Firms**	**Number of Jobs**	**Total Payroll ($1,000s)**	**Avg. Annual Wage**	***Change in Jobs***	***Percent Change***	***Change in Jobs***	***Percent Change***
Total, All Industries	**6,740**	**82,601**	**$4,366,561**	***$52,863***	***+1,332***	***+1.6%***	***-1,918***	***-2.3%***
Health Care and Social Assistance	714	14,743	$773,778	*$52,484*	***+234***	***+1.6%***	***-734***	*-4.7%*
Retail Trade	897	11,367	$377,564	*$33,216*	***+46***	***+0.4%***	***+139***	*+1.2%*
Accommodation and Food Services	727	8,850	$193,816	*$21,900*	***+146***	***+1.7%***	***-230***	*-2.5%*
Public Administration	316	7,411	$418,109	*$56,417*	***+158***	***+2.2%***	***-95***	*-1.3%*
Educational Services	194	6,971	$343,875	*$49,329*	***+101***	***+1.5%***	***-73***	*-1.0%*
Manufacturing	251	5,589	$389,729	*$69,731*	***+187***	***+3.5%***	***-39***	*-0.7%*
Construction	916	5,369	$405,099	*$74,838*	***N/A***	***N/A***	***+448***	*+9.1%*
Mining	35	4,097	$476,092	*$116,205*	***+112***	***+2.8%***	***-121***	*-2.9%*
Other Services	647	2,618	$85,862	*$32,797*	***+71***	***+2.8%***	***-373***	*-12.5%*
Finance and Insurance	284	2,437	$171,035	*$70,183*	***-185***	***-7.1%***	***-243***	*-9.1%*
Transportation and Warehousing	290	2,365	$125,682	*$53,143*	***+107***	***+4.7%***	***-298***	*-11.2%*
Arts, Entertainment, and Recreation	187	2,260	$74,746	*$33,074*	***+47***	***+2.1%***	***-458***	*-16.9%*
Admin. Support & Waste Mgmt. Svcs.	272	2,145	$81,464	*$37,979*	***-10***	***-0.5%***	***-10***	*-0.5%*
Wholesale Trade	183	1,947	$149,843	*$76,961*	***+39***	***+2.0%***	***-25***	*-1.3%*
Professional, Scientific, & Tech. Svcs.	356	1,788	$127,476	*$71,295*	***+80***	***+4.7%***	***+268***	*+17.6%*
Utilities	43	733	$78,274	*$106,786*	***-21***	***-2.8%***	***-73***	*-9.1%*
Real Estate and Rental and Leasing	181	566	$19,676	*$34,763*	***+41***	***+7.8%***	***+32***	*+6.0%*
Agriculture, Forestry, Fishing & Hunting	130	529	$25,369	*$47,956*	***-11***	***-2.0%***	***-50***	*-8.6%*
Information	93	522	$23,217	*$44,477*	***-2***	***-0.4%***	***-13***	*-2.4%*
Management of Companies	24	294	$29,562	*$100,550*	***-2***	***-0.7%***	***+16***	*+5.8%*

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-fifth (22.9%) of workers in the region were 55 years or older, compared to 22.1% statewide and 20.4% in the region one decade earlier. In contrast, the percentage of workers under 25 years old fell from 18.9% in 2012 to 17.2% in 2022 (Table 15). The share of workers 19 years and under grew slightly and was higher in Northeast Minnesota than the rest of the state.

As noted above, wages climbed across the board for all workers due to rising demand and a tight labor market. Wages were lowest for the youngest and oldest workers who tend to fill lower-skilled, less-than-full time jobs in industries like Retail Trade, Arts, Entertainment & Recreation, and Accommodation & Food Services. Despite having the lowest wages, workers aged 19 and under of age saw the highest relative wage growth (+84%) over the past decade, followed by workers aged 20-24 (+76%). The age groups with the highest wages were those between 45 and 64 years, with median hourly wages greater than $25.50.

The share of women workers in the regional workforce declined slightly from 2012 to 2022. And while the median hourly wage for women increased relatively faster than it did for men over the last 10 years, women still earn only 80% of the male median wage. In 2012 that ratio was 74.8% so the pay gap is narrowing but still significant.

Lastly, QED tracks the number of hours worked per quarter. A full-time, 35 hours a week worker would equate to 455 hours per quarter. Workers between ages 45 and 64 had median hours worked that exceeded that figure. The fewest median hours worked were by workers 19 and under and those 65 years and older. Women worked a median 358 hours per quarter in 2022, 79% of the male median. From 2012, median hours worked for all workers fell from 408 to 391. Hours increased the most for workers over 64 and 20-24, growing 6.1% and 4.3% respectively. Median hours declined for all other age groups and both genders (Table 15).

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

Northeast Minnesota	Percentage of Workers		*Percent of Workers, Minnesota*		Median Hourly Wage		Median Hours Worked (Per Qtr.)	
	2012	2022	2012	2022	2012	2022	2012	2022
Total, all ages	100.0%	100.0%	*100.0%*	*100.0%*	$22.12	$15.51	391	408
19 years & under	6.9%	6.6%	*6.6%*	*6.3%*	$14.55	$7.92	129	133
20 to 24 years	10.3%	12.3%	*9.2%*	*11.3%*	$17.63	$10.00	257	246
25 to 44 years	41.6%	38.2%	*43.6%*	*42.3%*	$25.03	$16.92	445	449
45 to 54 years	18.3%	22.4%	*18.4%*	*21.9%*	$28.66	$20.11	470	476
55 to 64 years	17.2%	17.1%	*16.7%*	*14.7%*	$25.58	$19.98	460	466
65 years & over	5.6%	3.3%	*5.4%*	*3.5%*	$18.25	$12.47	220	207
Male	50.1%	49.2%	*49.1%*	*49.1%*	$25.64	$18.47	451	460
Female	49.9%	50.8%	*50.9%*	*50.9%*	$20.52	$13.82	358	363

Source: DEED Quarterly Employment Demographics

EMPLOYMENT DIVERSITY

People of color made up 8.4% of the population and 8.8% of total jobs in Local Area 3, according to data from the Quarterly Workforce Indicators (QWI) program. In 2023, that equaled 7,413 workers of color, compared to 77,296 White workers. However, workers of color held only 4.6% of area jobs in 2002, meaning that their share of jobs doubled in the last 20 years (Figures 17 and 18).

Workers of color have filled an additional 3,723 jobs in Local Area 3 since 2003, compared to a gain of 256 White workers over the same period. With 2,105 jobs, American Indians were the largest workers of color group in the area, growing 26% since 2003. The next largest group was people of Two or More Races, who held 1,775 jobs in 2023, more than doubling from 2003. The number of African American or Black workers grew 281% from 266 in 2003 to 1,014 in 2023. Hispanic or Latinos (+183%) and Asians (+130%) also saw robust employment growth. Since 2019, workers of color gained jobs (+16.6%) as White employment declined -2.3% (Figures 17, 18).

Most sectors in Local Area 3 are non-diverse, with three notable exceptions. Arts, Entertainment, and Recreation in which 20% of workers were of color, 11.5% of which were American Indian. Similarly, 15.2% of Public Administration jobs were held by workers of color, 10.2% by Indigenous workers, and 13.2% of Accommodation & Food Services workers were people of color. Health Care & Social Assistance had the most workers of color (1,234), followed by Accommodation and Food Services (1,149), and Public Administration (1,026) (Figure 19).

Figure 17. Employment by Race and Ethnicity, All Industries, WDB 3 – Northeast, '03-'23

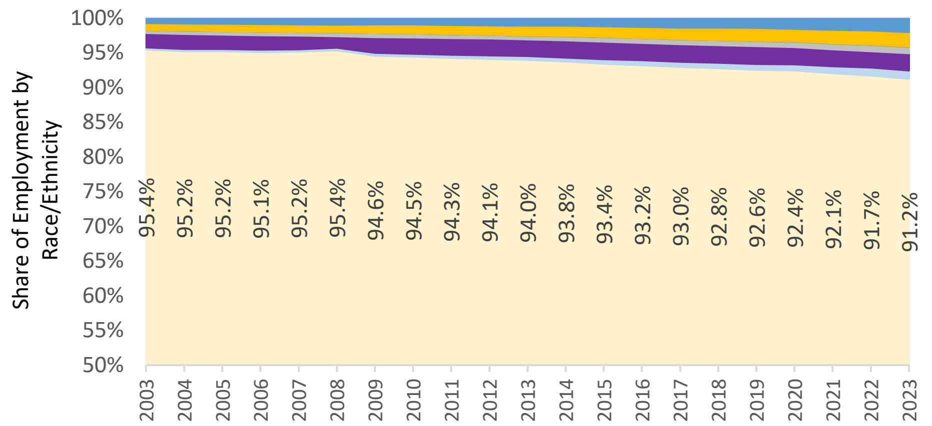


Figure 18. People of Color Employment, All Industries, WDB 3 – Northeast, '03-'23

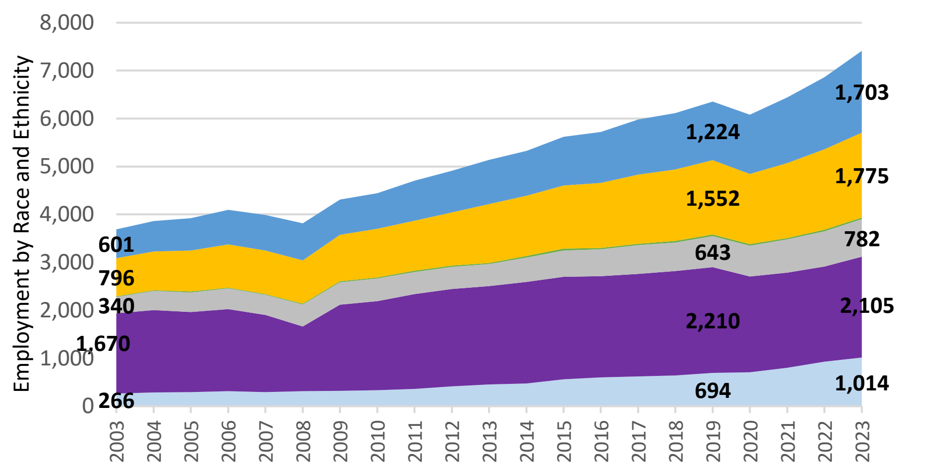
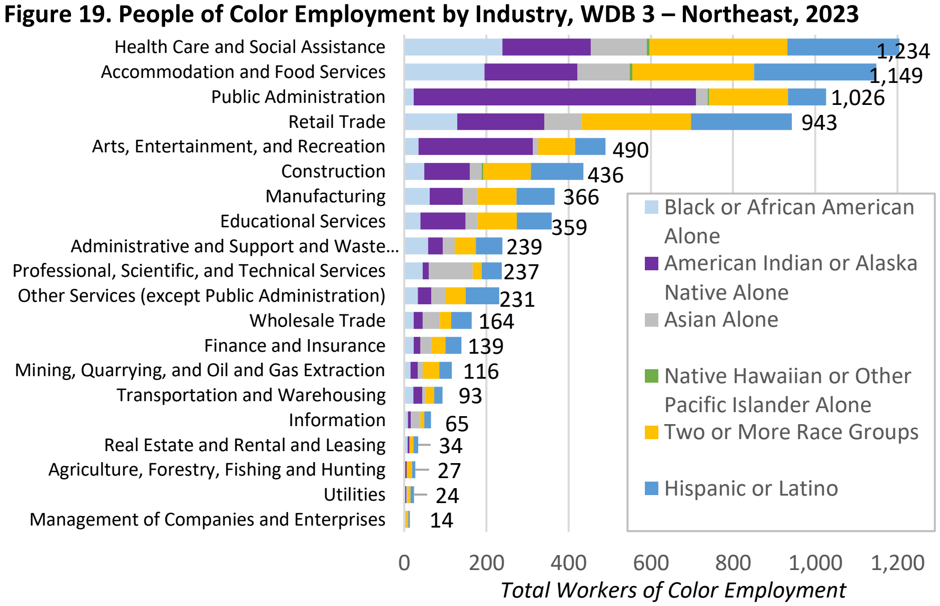


Figure 19. People of Color Employment by Industry, WDB 3 – Northeast, 2023



Source: DEED, Census LEHD Quarterly Workforce Indicators

INDUSTRY PROJECTIONS

The Northeast Minnesota planning region is projected to grow 3.3% from 2022 to 2032, a gain of 5,157 new jobs. By comparison, the state is projected to grow 4.6% over the same period. The sectors expected to grow the fastest are diverse, and include high and low-paying industries such as Management and Arts, Entertainment, & Rec. The most new jobs are expected to be added in Health Care & Social Assistance, Accommodation & Food Svcs., and Construction. By contrast, Retail, Utilities, Information, and Finance & Insurance are projected to see employment declines as the way we work continues to evolve under the implementation of new technology and structural changes to the economy (Table 16).

Table 16. Northeast Minnesota Industry Projections, 2022-2032

Industry	Estimated Employment 2022	Projected Employment 2032	*Percent Change 2022-2032*	*Numeric Change 2022-2032*
Total, All Industries	**153,945**	**159,102**	***+3.3%***	***+5,157***
Health Care & Social Assistance	31,799	33,864	*+6.5%*	*+2,065*
Retail Trade	16,565	16,360	*-1.2%*	*-205*
Public Administration	15,176	15,440	*+1.7%*	*+264*
Accommodation & Food Services	14,034	14,860	*+5.9%*	*+826*
Educational Services	12,004	12,056	*+0.4%*	*+52*
Total, Self-Employed	9,619	9,506	*-1.2%*	*-113*
Manufacturing	8,777	9,016	*+2.7%*	*+239*
Construction	7,006	7,544	*+7.7%*	*+538*
Other Services	5,953	6,118	*+2.8%*	*+165*
Professional and Technical Svcs.	5,055	5,444	*+7.7%*	*+389*
Finance & Insurance	4,592	4,578	*-0.3%*	*-14*
Transportation & Warehousing	4,151	4,437	*+6.9%*	*+286*
Mining	4,006	4,134	*+3.2%*	*+128*
Wholesale Trade	3,202	3,359	*+4.9%*	*+157*
Arts, Entertainment, & Recreation	3,125	3,383	*+8.3%*	*+258*
Admin. Support & Waste Mgmt.	3,097	3,231	*+4.3%*	*+134*
Utilities	1,352	1,342	*-0.7%*	*-10*
Real Estate & Rental & Leasing	1,235	1,268	*+2.7%*	*+33*
Information	1,222	1,208	*-1.1%*	*-14*
Agriculture Forestry, Fish & Hunt	1,222	1,134	*-7.2%*	*-88*
Management of Companies	753	820	*+8.9%*	*+67*

Source: DEED 2022-2032 Employment Outlook

NONEMPLOYER ESTABLISHMENTS

Local Area 3 was home to 14,740 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)." WDB 3 - Northeast Minnesota saw a slight increase in nonemployers over the past decade, responding to economic changes. In sum, the region gained 73 nonemployers from 2012-2021, a 0.5% increase. These non-employers generated sales receipts of over $647 million in 2021 (Table 17).

Table 17. Nonemployer Statistics, 2021

Area	2021		*2012-2021*	
	Number of Firms	Receipts ($1,000s)	*Change in Firms*	*Percent Change*
WDB 3 - Northeast	***14,740***	***$647,590***	***+73***	***+0.5%***
Aitkin Co.	1,150	$62,883	*0*	*0.0%*
Carlton Co.	1,982	$79,380	*-28*	*-1.4%*
Cook Co.	763	$33,560	*-5*	*-0.7%*
Itasca Co	2,977	$135,654	*-129*	*-4.2%*
Koochiching Co.	823	$32,450	*-43*	*-5.0%*
Lake Co.	868	$44,329	*+56*	*+6.9%*
St. Louis Co.	11,951	$501,729	*+429*	*+3.7%*
Minnesota	**429,672**	**$22,727,564**	***+41,117***	***+10.6%***

Source: U.S. Census, Nonemployer Statistics program

CENSUS OF AGRICULTURE

Unlike other parts of Greater Minnesota, agriculture is not a key industry in Northeast Minnesota, but there are 2,406 farms producing just over $90 million in the market value of products sold in 2022 according to the U.S. Department of Agriculture. All of the counties in the planning region rank near the bottom in Minnesota in regard to the market value of products sold (Table 18).

Table 18. Census of Agriculture, 2022

	Number of Farms	Market Value of Products Sold	*State Rank*
Northeast Minnesota	**2,406**	**$90,006,000**	***6/6***
Aitkin Co.	449	$22,322,000	*81/87*
Cook Co.	25	$506,000	*86/87*
Carlton Co.	463	$13,416,000	*83/87*
Itasca Co.	424	$13,796,000	*82/87*
Koochiching Co.	190	$10,444,000	*84/87*
Lake Co.	34	$468,000	*87/87*
St. Louis Co.	821	$29,054,000	*79/87*
State of Minnesota	**65,531**	**$28,482,097,000**	

Source: 2022 Census of Agriculture

***Upon request, this information can be made available in alternate formats for people with disabilities by contacting Carson Gorecki at* (218) 302-8413 *or at* carson.gorecki@state.mn.us.**